

THE DUDLEY ASSEMBLY HALL OF JEHOVAH'S WITNESSES

UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 August 2012

Registered number
515737

Charles Stringer
Chartered Accountant
17 Frith Way
Hinckley
Leicestershire

THE DUDLEY ASSEMBLY HALL OF JEHOVAH'S WITNESSES
LEGAL & ADMINISTRATIVE INFORMATION

Trustees

Chairman
Secretary
Treasurer

Frederick Collins
John Martin Sheppard
Keith Tomlinson

Custodian trustees holding the lease to the property

Anthony Bendall Morgan
William Charles Malin

Hall manager

Frederick Collins

Independent examiner

Charles Stringer
Chartered Accountant
17 Frith Way
Hinckley
Leicestershire
LE10 0JE

Solicitors

The Michael Hill Partnership
Top Hat Terrace
London Road
Leicester
LE2 0QT

Bankers

Barclays Bank plc
47 High Street
Dudley
West Midlands
DY1 1PP

HSBC Bank plc
226 High Street
Dudley
West Midlands
DY1 1PQ

Assembly hall address

22 Castle Hill
Dudley
West Midlands
DY1 4QQ

Registered charity number

515737

THE DUDLEY ASSEMBLY HALL OF JEHOVAH'S WITNESSES

TRUSTEES ANNUAL REPORT

The trustees present their report and accounts of the charity for the year ended 31 August 2012.

GOVERNANCE STRUCTURE & MANAGEMENT

GOVERNING DOCUMENT

The charity is governed by a declaration of trust dated 24 February 1976. It is registered with the Charity Commission under charity number 515737.

RECRUITMENT APPOINTMENT INDUCTION AND TRAINING OF TRUSTEES

The trustees engaged in the activities of the assembly hall have done so on an entirely voluntary and unpaid basis. These appointments are based on the trustees' long experience of the principles governing the activities of Jehovah's Witnesses. Trustees receive regular training at the Kingdom Ministry Schools.

ORGANISATIONAL STRUCTURE

The following trustees served throughout the financial year: B L Watson, N H Clement, L A Wright, J M Sheppard and K Tomlinson. On 31 August 2012, Brothers Clement, Watson and Wright retired and on 1 September 2012 Brother Frederick Collins was appointed chairman of the trustees.

William Malin and Anthony Morgan are the custodian trustees holding the title deeds to the freehold property of 22 Castle Hill, Dudley.

The affairs of the charity are managed by the trustees who as members of the charity work closely together and meetings are called whenever required and at least three times a year. All major decisions are made by formal resolutions of representatives of the congregations in the catchment area. Day to day matters are looked after by the hall manager.

RISK MANAGEMENT

The trustees review the major risks the charity faces each financial year when preparing and updating the annual reports. We have developed systems to monitor and control these risks and to mitigate any impact they have on the charity in the future, especially with the use of volunteer labour. These and other decisions are made at the regular trustee meetings.

INTERNAL CONTROLS

Proper controls and procedures are adhered to so that the monthly financial reports accurately represent all transactions, are in balance and provide reasonable assurance that finances are being used for their intended purpose. A competent person independently examines the accounts on a quarterly basis.

THE DUDLEY ASSEMBLY HALL OF JEHOVAH'S WITNESSES

TRUSTEES ANNUAL REPORT

OBJECTIVES & ACTIVITIES

The objects of the charity are to promote the Christian religion by providing halls for worship and meetings by congregations, circuits and other groups and gatherings of Jehovah's Witnesses. In order to provide these facilities on an ongoing basis, it is necessary to maintain the hall to a suitable standard.

In order to safeguard the charity's assets the trustees place its liquid assets in a number of different banks and institutions.

ACHIEVEMENTS & PERFORMANCE

During the year the assembly hall achieved its objectives and continued to pursue its purpose by holding regular assemblies for congregations and individuals for public worship of God and Bible study. Over the year, the facilities were utilised for 36 weekends for circuit assemblies and special assembly days. Average attendance was 846. A further 2 weekends were utilised in August for foreign language district conventions in Punjabi and Sign Language. The hall was also used for a series of week long Schools for Congregation Elders and during May and June for the filming of a drama for the Sign Language convention.

Interest rates have continued at very low levels yielding almost no interest on cash investments in the year.

During the year ended 31 August 2012, the following projects were undertaken to maintain the hall complex:

- Two new quadrant shaped offices on the first floor mezzanine level have been completed for use for interviews and study purposes during ministerial schools as well as department offices for assemblies.
- The installation of a security system is almost complete. It will provide high quality visual coverage of the perimeter of the hall site. The majority of the equipment has been donated by brothers.
- The visual display screen above the platform has been improved with the installation of new equipment. This will benefit all but particularly those attending the Sign Language assemblies.
- Relocation of the card machine donation point was undertaken successfully giving a more discrete and less congested area of operation.
- The Bible School for Congregation Elders commenced on 26 July 2011 and continued for nineteen weeks until December. Individual schools of about fifty elders from the central district of England received training from two instructors on biblical and organisational matters for five days. This new arrangement proved both encouraging and up building for all those taking part.

For the year commencing 1 September 2012, the following significant projects are planned:

- Upgrade certain kitchen equipment including a new dishwasher, food processor and refrigerator.
- Upgrade the long service sound equipment now becoming unreliable.
- Replace some of the auditorium carpets.
- Replace the remaining old style hand driers.
- Replace the old telephone system with a digital version.
- Replace the function room seating with matching chairs.

THE DUDLEY ASSEMBLY HALL OF JEHOVAH'S WITNESSES
TRUSTEES ANNUAL REPORT

PUBLIC BENEFIT

The assembly hall has provided facilities to educate approximately 18,000 individuals from all backgrounds to live better lives based on the principles found in the Bible. This education involved the promotion of a happy family life, showing love for our neighbours and appropriate respect for government authorities. The trustees confirm that they have taken into consideration Charity Commission guidance on public benefit in exercising their powers or duties.

FINANCIAL REVIEW

The results are shown on page 6. There was a surplus of incoming resources over those expended of £59,283, last year £41,728.

	2012	2011
	£	£
This was after charging refurbishment costs of	-	1,171

Bank and cash balances started the year at £511,829 and increased by £91,696 to close at £603,525. The trustees confirm the hall has sufficient funds to meet its obligations and continue serving the congregations.

RESERVES POLICY

It is our policy to maintain sufficient reserves so that the hall be effectively maintained and secured in a condition to serve the brothers and sisters in our catchment area and to bring praise to our God, Jehovah. To assist with this the trustees have agreed to set aside a designated fund to build up cash to replace fixed assets. It is intended that this will avoid the need for loans in the future.

The transfer for this year was £67,878, increasing the fund to £386,765.

At the year end the trustees determined the free reserves were roughly equivalent to 23 months' working expenditure. It is the policy of the trustees to have free reserves on hand of not less than six months' working expenditure.

In respect of the Bible School for Single Brothers (formally Ministerial Training School) a budget allocation of £8,300 was resolved for 2011/12, together with a further allocation of £8,300 for 2012/13. This together with the opening fund balance of £3,533 the new balance totalling £20,133 should provide adequate funds for the next school anticipated for 2012/13.

RESERVES

Note 13 to the financial statements shows the assets and liabilities attributable to the various funds. The fund balances amounted to:

	2012	2011
	£	£
Bible School for Single Brothers restricted fund	11,833	3,533
Designated fund to replace fixed assets	386,765	318,887
General fund	1,642,383	1,659,278
Total of all funds	<u>2,040,981</u>	<u>1,981,698</u>

Tangible fixed assets are all held for use by the charity.

THE DUDLEY ASSEMBLY HALL OF JEHOVAH'S WITNESSES
TRUSTEES ANNUAL REPORT

INVESTMENT POLICY

The trustees have the power to invest in any way they see fit, subject to the provisions of the constitution. They have regard to the soundness of the financial institution, and invest in harmony with Christian principles and ethics. Funds are invested with the charity's bankers to maximise interest receivable.

	2012	2011
	£	£
Interest receivable for the year	13	9

For the third year, very low interest rates continued and interest received was minimal.

This report was approved by the board of trustees on 25 March 2013 and signed on its behalf.

F Collins
Trustee

THE DUDLEY ASSEMBLY HALL OF JEHOVAH'S WITNESSES
STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 August 2012

			2012	2011
	Note	Unrestricted funds £	Restricted funds £	Total funds £
INCOMING RESOURCES				
<i>Incoming resources from generated funds</i>				
Voluntary income		194,401	-	194,401
Investment income				
Bank interest receivable		13	-	13
TOTAL INCOMING RESOURCES		<u>194,414</u>	<u>-</u>	<u>194,414</u>
RESOURCES EXPENDED				
Charitable activities				
Refurbishment costs		-	-	1,171
Costs of holding meetings		134,328	-	146,408
Governance costs		803	-	788
TOTAL RESOURCES EXPENDED		<u>135,131</u>	<u>-</u>	<u>148,367</u>
NET INCOMING RESOURCES BEFORE TRANSFERS	2	59,283	-	41,728
Gross transfers between funds		(8,300)	8,300	-
NET MOVEMENT IN FUNDS		50,983	8,300	41,728
Reconciliation of funds				
Balances brought forward		1,978,165	3,533	1,981,698
BALANCES CARRIED FORWARD		<u>2,029,148</u>	<u>11,833</u>	<u>2,040,981</u>

All the above results are derived from continuing activities.
The attached notes form part of these accounts.

THE DUDLEY ASSEMBLY HALL OF JEHOVAH'S WITNESSES

BALANCE SHEET

31 August 2012

	Note	2012	2011
		£	£
FIXED ASSETS			
Tangible assets	3	1,433,007	1,471,524
CURRENT ASSETS			
Stocks		10,392	5,701
Debtors	4	4,566	5,285
Cash at bank and in hand:			
Investment accounts	12	351,039	347,074
Cash accounts and in hand		252,486	164,755
		<u>618,483</u>	<u>522,815</u>
CREDITORS: amounts falling due within one year	5	(10,509)	(12,641)
NET CURRENT ASSETS		<u>607,974</u>	<u>510,174</u>
NET ASSETS		<u>2,040,981</u>	<u>1,981,698</u>
Funds:			
RESTRICTED FUNDS			
Bible School for Single Brothers	6	11,833	3,533
UNRESTRICTED FUNDS			
Designated fund to replace fixed assets	7	386,765	318,887
General fund	8	1,642,383	1,659,278
		<u>2,040,981</u>	<u>1,981,698</u>

These accounts were approved and authorised for issue by the management committee and signed on its behalf on 25 March 2013.

K Tomlinson

Trustee

THE DUDLEY ASSEMBLY HALL OF JEHOVAH'S WITNESSES

CASH FLOW STATEMENT

for the year ended 31 August 2012

	£	2012 £	£	2011 £
Reconciliation of net Incoming resources before transfers to net cash inflow from operating activities				
Net incoming resources before transfers		59,283		41,728
Depreciation		41,254		38,292
Increase in stocks		(4,691)		(984)
Decrease/(increase) in debtors		719		(28)
(Decrease)/increase in creditors		(2,132)		5,588
Net inflow from operating activities		94,433		84,596
Capital expenditure				
Payments to acquire tangible fixed assets	(2,737)		(20,202)	
Net outflow from capital expenditure		(2,737)		(20,202)
Cash inflow before financing		91,696		64,394
		<hr/>		<hr/>
INCREASE IN CASH		91,696		64,394
RECONCILIATION OF NET CASH FLOW MOVEMENT TO MOVEMENT IN CASH				
Net increase in cash for the year		91,696		64,394
Change in cash balances		91,696		64,394
Cash at bank and in hand less overdrafts at 1 September		511,829		447,435
		<hr/>		<hr/>
Cash at bank and in hand less overdrafts at 31 August		603,525		511,829
 Analysis of changes in net cash balances:				
Investment accounts		351,039	3,965	347,074
Cash accounts and in hand		252,486	87,731	164,755
		<hr/>	<hr/>	<hr/>
		603,525	91,696	511,829

THE DUDLEY ASSEMBLY HALL OF JEHOVAH'S WITNESSES

NOTES TO THE ACCOUNTS

for the year ended 31 August 2012

1 ACCOUNTING POLICIES

Accounting convention

The financial statements of the charity are prepared in accordance with Accounting and Reporting by Charities - Statement of Recommended Practice (SORP 2005), the Charities Act 2011 and applicable UK accounting standards. The financial statements are drawn up on the historical cost convention as modified by the revaluation of freehold property.

Donations and funds

Donations received for the general purposes of the charity are included as unrestricted funds on receipt. Gifts in kind and donated services are not incorporated in the accounts unless they are readily quantifiable. There is one restricted fund for the provision of a Bible School for Single Brothers normally held every three years and an annual transfer from general funds is designed to meet its cost subject to need.

The designated fund is set aside and earmarked for the future replacement of fixed assets without resorting to outside finance.

Tangible fixed assets and depreciation

The freehold property comprising the hall and surrounding land was acquired as leasehold in 1976 and the freehold in 1981 but not originally capitalised. It was valued by Lee, Shaw & Millsum Chartered Surveyors of Stone Street, Dudley on 7 March 1994 on a depreciated replacement cost basis at £1,730,000. The freehold property included freehold land of £530,000 that is not depreciated.

The other fixed assets are included at the depreciated replacement values, based on a valuation made on 1 September 1995. Subsequent expenditure has been included at cost.

All fixed assets are used for the purposes of the charity. The freehold property is included at the depreciated replacement values, based on a profession valuation made in March 1994 with subsequent additions at cost.

The trustees have considered FRS 15 Tangible Fixed Assets, and are of the opinion that it would be an uneconomic and inappropriate use of the charity's funds to continue on a revaluation basis. Whilst previous valuations have been retained, they will not be updated from the 1994 valuation. It is not the charity's policy to revalue fixed assets.

Depreciation has been provided at the following rates in order to write off the assets over their estimated useful lives.

Freehold land	Not depreciated
Freehold buildings and fixtures	50 years
Equipment and furniture	5 - 15 years

Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving items.

THE DUDLEY ASSEMBLY HALL OF JEHOVAH'S WITNESSES

NOTES TO THE ACCOUNTS

for the year ended 31 August 2012

Incoming resources

All income and expenditure are accounted for gross, and identified as due or incurred. No amounts are included in the financial statements for the substantial services donated by volunteers. Donations received are credited to the general fund unless the donor indicates the income is to be used for a specific purpose.

Resources expended

Resources expended are accounted for on an accruals basis. The irrecoverable VAT is included with the item of expense to which it relates. Governance costs comprise the costs of running the charity including legal advice, external examination and the costs of complying with constitutional and statutory requirements.

2 NET INCOMING RESOURCES

	2012	2011
	£	£
This is stated after charging:		
Depreciation of owned fixed assets	41,254	38,292
Independent examiner's fees	803	788
and crediting:		
Circuits using the assembly hall	170,849	163,662
Income tax refunds on gift aid donations	13,831	13,895
Bank interest receivable	13	9

3 TANGIBLE FIXED ASSETS

	Land and buildings	Equipment	Total
	£	£	£
Cost or valuation			
At 1 September 2011	1,767,457	218,790	1,986,247
Additions	-	2,737	2,737
At 31 August 2012	<u>1,767,457</u>	<u>221,527</u>	<u>1,988,984</u>
Depreciation			
At 1 September 2011	412,077	102,646	514,723
Charge for the year	24,000	17,254	41,254
At 31 August 2012	<u>436,077</u>	<u>119,900</u>	<u>555,977</u>
Net book value			
At 31 August 2012	<u>1,331,380</u>	<u>101,627</u>	<u>1,433,007</u>
At 31 August 2011	<u>1,355,380</u>	<u>116,144</u>	<u>1,471,524</u>

THE DUDLEY ASSEMBLY HALL OF JEHOVAH'S WITNESSES

NOTES TO THE ACCOUNTS

for the year ended 31 August 2012

The leasehold property comprising the hall and the surrounding land was purchased in 1976 and the freehold was purchased in 1981. The property was not originally capitalised. It was valued by Lee, Shaw & Millsum Chartered Surveyors of Stone Street, Dudley on 7 March 1994 on a depreciated replacement cost basis at £1,730,000. The freehold property included freehold land of £530,000 that is not depreciated.

The tangible fixed assets are all held or used by the charity and the trustees estimate that the current value of the land and building is in the region of £3,000,000, a surplus of £1,668,620.

The trustees have considered FRS 15 Tangible Fixed Assets, and are of the opinion that it would be uneconomic and inappropriate use of the charity's funds to continue on a revaluation basis. Henceforth it is the charity's policy not to revalue fixed assets. The trustees believe that the valuation has not materially changed.

Net additions since at cost are as follows:	Freehold property	
	£	
In 1996 - land	11,732	
In 2000 - land	25,725	
	<u>37,457</u>	
	2012	2011
	£	£
The value of land not depreciated in land and buildings	<u>567,457</u>	<u>567,457</u>
4 DEBTORS	2012	2011
	£	£
Congregations using the kingdom hall	125	160
Sundry debtors	2,000	3,178
Prepayments	2,441	1,947
	<u>4,566</u>	<u>5,285</u>
5 CREDITORS: amounts falling due within one year	2012	2011
	£	£
Interest free loan	3,000	3,000
Trade creditors	768	870
Accruals	6,741	8,771
	<u>10,509</u>	<u>12,641</u>

THE DUDLEY ASSEMBLY HALL OF JEHOVAH'S WITNESSES

NOTES TO THE ACCOUNTS

for the year ended 31 August 2012

6 MINISTERIAL TRAINING SCHOOL	2012	2011
	£	£
Balance brought forward	3,533	3,305
Income	-	2,500
Expenses	-	(14,272)
Transfer	8,300	12,000
	<u>11,833</u>	<u>3,533</u>

7 DESIGNATED FUND TO REPLACE FIXED ASSETS	2012	2011
	£	£
At 1 September 2011	318,887	251,009
Transfer from the general fund	67,878	67,878
	<u>386,765</u>	<u>318,887</u>
At 31 August 2012	<u>386,765</u>	<u>318,887</u>

8 GENERAL FUND	2012	2011
	£	£
At 1 September 2011	1,659,278	1,685,656
Net income for the year	59,283	53,500
Transfer to the Ministerial Training School	(8,300)	(12,000)
Transfer to the designated fund to replace fixed assets	(67,878)	(67,878)
	<u>1,642,383</u>	<u>1,659,278</u>
At 31 August 2012	<u>1,642,383</u>	<u>1,659,278</u>

9 CAPITAL COMMITMENTS

At the year end, there were no contracts for further capital expenditure.

10 EMPLOYEE EMOLUMENTS

The charity does not have any employees.

11 TRANSACTIONS WITH TRUSTEES

No trustees received remuneration for services during the year.

Two trustees received travel and accommodation expenses in the year amounting to £191.

THE DUDLEY ASSEMBLY HALL OF JEHOVAH'S WITNESSES

NOTES TO THE ACCOUNTS

for the year ended 31 August 2012

12 INVESTMENT ACCOUNTS

2012
£

2011
£

These include monies advanced to the Watch Tower Bible and Tract Society of Britain and held with the Society until we have a need. The trustees view this arrangement as if it were a deposit account at a bank. The Society is serving the interests of Jehovah's Witnesses and is in harmony with the Charity's objectives. The advances are repayable on demand. At the year end the amount was:

330,105 330,105

13 NET ASSETS OF THE CHARITY

	£	£	£
The net assets belong to the various funds as follows:			
	Fixed assets	Net current assets	Fund balances
Restricted fund:			
Bible School for Single Brothers	-	11,833	11,833
Unrestricted funds:			
Designated to replace fixed assets	-	386,765	386,765
General fund	1,433,007	209,376	1,642,383
	<u>1,433,007</u>	<u>607,974</u>	<u>2,040,981</u>

	At 1 September 2011 £	Income £	Expended £	Transfers £	At 31 August 2012 £
Restricted fund:					
Bible School for Single Brothers	3,533	-	-	8,300	11,833
Unrestricted funds:					
Designated to replace fixed assets	318,887	-	-	67,878	386,765
General fund	1,659,278	194,414	(135,131)	(76,178)	1,642,383
	<u>1,981,698</u>	<u>194,414</u>	<u>(135,131)</u>	<u>-</u>	<u>2,040,981</u>

The general fund represents those funds that are unrestricted and not designated for other purposes. The designated fund is set aside and earmarked for the future replacement of fixed assets without resorting to outside finance.

The Bible School for Single Brothers was inaugurated in Britain in 1990 as the Ministerial Training School and is held every three years. It is an opportunity for single brothers who serve as elders or ministerial servants in the congregations to receive specialised schooling, with a view to serving wherever they might be needed in the global field. The eight-week school course balances instruction in Bible teachings and organisational matters.

THE DUDLEY ASSEMBLY HALL OF JEHOVAH'S WITNESSES
NOTES TO THE ACCOUNTS
for the year ended 31 August 2012

The benefits of this school are being extended to qualified married couples who will similarly be able to serve wherever the need may be in the global field.

INDEPENDENT EXAMINERS REPORT TO THE BOARD OF TRUSTEES OF THE DUDLEY ASSEMBLY HALL OF JEHOVAH'S WITNESSES

I report on the accounts of The Dudley Assembly Hall of Jehovah's Witnesses for the year ended 31 August 2012, which are set out on pages 6 to 14.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- ~ examine the accounts under section 145 of the 2011 Act;
- ~ follow the procedures laid down in the General Directions given by the Charity Commission (under section 145(5)(b) of the 2011 Act); and
- ~ state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a true and fair view, and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

1 which gives me reasonable cause to believe that, in any material respect, the requirements:

- ~ to keep accounting records in accordance with section 130 of the 2011 Act; and
- ~ to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act

have not been met, or

2 to which in my opinion, attention should be drawn in order to enable proper understanding of the accounts to be reached.

Charles Stringer

Chartered Accountant

17 Frith Way
Hinckley
Leicestershire
LE10 0JE

25 March 2013