

THE DUDLEY ASSEMBLY HALL OF JEHOVAH'S WITNESSES

**UNAUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 August 2014**

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 title deeds**

The Kingdom Hall Trust  
The Ridgeway  
London  
NW7 1RN

**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**

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 the accounts of the charity for the year ended 31 August 2014.

#### 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 appointment of trustees is 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: F Collins, J M Sheppard and K Tomlinson.

The Kingdom Hall Trust is the custodian trustee 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.

#### 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 including the Watch Tower Bible and Tract Society of Britain.

#### 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. The facilities hosted circuit assemblies and special assembly days for over half the weekends in the year.

## THE DUDLEY ASSEMBLY HALL OF JEHOVAH'S WITNESSES

### TRUSTEES ANNUAL REPORT

**During the year ended 31 August 2014, the following projects were undertaken to maintain the hall complex:**

The main project in the spring was repointing the exterior brickwork. This was a major project taking place over three months at considerable cost. All the labour was voluntary and we had up to fifty people on site at any one time. This has improved the look and weatherproofing of the building. At the same time we replaced a substantial part of the guttering and some of the windows.

Our external drainage system was inspected and major works were carried out.

Following improvements made last year, further improvements were made to the kitchen, sound and vision systems as well as security.

Further investments were made in the boiler room. The main electrical distribution boards were found to be inadequate and we began replacing them. This work should be completed in the coming year. At the same time, the wiring and building management systems continue to be upgraded.

We replaced the carpet cleaners and installed washroom facilities in all of the toilets.

**For the year commencing 1 September 2014, the following significant projects are planned:**

- Replacing the tarmac in parts of the car park;
- Installing electrically operated main gates;
- Improving security by installing a door camera and a keypad entry system;
- Installing air conditioning in the multi-function room. We also plan to install air conditioning in the kingdom hall.
- There is dry rot in the floor of the main auditorium. The whole of the floor will be replaced over a period of time with new timbers and floor ventilation to avoid further problems. Costings are being obtained for this major project.

#### 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 deficit of incoming resources over those expended of £61,375, last year a surplus £28,339.

Bank and cash balances started the year at £597,683 and decreased by £3,452 to close at £561,231. 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 DUDLEY ASSEMBLY HALL OF JEHOVAH'S WITNESSES

### TRUSTEES ANNUAL REPORT

At the year end the trustees determined the free reserves were roughly equivalent to 7 months' working expenditure. It is the policy of the trustees to have free reserves on hand of not less than six months' working expenditure.

#### RESERVES

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

	2014	2013
	£	£
Bible School for Single Brothers restricted fund	20,133	20,133
Designated fund to replace fixed assets	454,643	454,643
General fund	1,533,169	1,594,544
Total of all funds	2,007,945	2,069,320

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

#### 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.

	2014	2013
	£	£
Interest receivable for the year	-	10

#### TRUSTEES RESPONSIBILITIES

The trustees are responsible for preparing the trustees' report and accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial year, which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure of the charity for that period. In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue its operations.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the board of trustees on 27 February 2015 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 2014**

		Unrestricted funds £	Restricted funds £	2014 Total funds £	2013 Total funds £
<b>INCOMING RESOURCES</b>	<b>Note</b>				
<i>Incoming resources from generated funds</i>					
Voluntary income		199,767	-	199,767	188,897
<b>Investment income</b>					
Bank interest receivable		-	-	-	10
<b>TOTAL INCOMING RESOURCES</b>		<u>199,767</u>	<u>-</u>	<u>199,767</u>	<u>188,907</u>
<b>RESOURCES EXPENDED</b>					
<b>Charitable activities</b>					
Refurbishment costs		84,152	-	84,152	-
Costs of holding meetings		176,186	-	176,186	159,433
Governance costs	2	804	-	804	1,135
<b>TOTAL RESOURCES EXPENDED</b>		<u>261,142</u>	<u>-</u>	<u>261,142</u>	<u>160,568</u>
<b>NET (OUTGOING)/INCOMING RESOURCES BEFORE</b>	2	(61,375)	-	(61,375)	28,339
Gross transfers between funds	13	-	-	-	-
<b>NET MOVEMENT IN FUNDS</b>		(61,375)	-	(61,375)	28,339
Reconciliation of funds					
Balances brought forward		2,049,187	20,133	2,069,320	2,040,981
<b>BALANCES CARRIED FORWARD</b>		<u>1,987,812</u>	<u>20,133</u>	<u>2,007,945</u>	<u>2,069,320</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 2014**

	Note	2014	2013
		£	£
<b>FIXED ASSETS</b>			
Tangible assets	3	1,449,577	1,470,178
<b>CURRENT ASSETS</b>			
Stocks		6,555	10,100
Debtors	4	1,272	5,816
Cash at bank and in hand:			
Investment accounts	12	495,105	530,105
Cash accounts and in hand		66,126	67,578
		<u>569,058</u>	<u>613,599</u>
<b>CREDITORS: amounts falling due within one year</b>	5	(10,690)	(14,457)
<b>NET CURRENT ASSETS</b>		<u>558,368</u>	<u>599,142</u>
<b>NET ASSETS</b>		<u>2,007,945</u>	<u>2,069,320</u>
Funds:			
<b>RESTRICTED FUNDS</b>			
Bible School for Single Brothers	6	20,133	20,133
<b>UNRESTRICTED FUNDS</b>			
Designated fund to replace fixed assets	7	454,643	454,643
General fund	8	1,533,169	1,594,544
		<u>2,007,945</u>	<u>2,069,320</u>

These accounts were approved and authorised for issue by the management committee and signed on its behalf on 27 February 2015.

*K Tomlinson*

Trustee

THE DUDLEY ASSEMBLY HALL OF JEHOVAH'S WITNESSES

**CASH FLOW STATEMENT**

for the year ended 31 August 2014

	2014		2013
	£	£	£
<b>Reconciliation of net (outgoing)/incoming resources before transfers to net cash (outflow)/inflow from operating activities</b>			
Net (outgoing)/incoming resources before transfers	(61,375)		28,339
Depreciation	48,205		40,403
Loss on disposal of fixed assets	-		4,454
Decrease in stocks	3,545		292
Decrease/(increase) in debtors	4,544		(1,250)
(Decrease)/increase in creditors	(3,767)		3,948
<b>Net (outflow)/inflow from operating activities</b>	<b>(8,848)</b>		<b>76,186</b>
<b>Capital expenditure</b>			
Payments to acquire tangible fixed assets	(27,604)	(82,028)	
Receipts from the sale of tangible fixed assets	-	-	
<b>Net outflow from capital expenditure</b>	<b>(27,604)</b>		<b>(82,028)</b>
Cash outflow before financing	(36,452)		(5,842)
<b>Financing</b>	<b>-</b>		<b>-</b>
<b>DECREASE IN CASH</b>	<b>(36,452)</b>		<b>(5,842)</b>
<b>RECONCILIATION OF NET CASH FLOW MOVEMENT TO MOVEMENT IN CASH</b>			
Net decrease in cash for the year	(36,452)		(5,842)
Change in cash balances	(36,452)		(5,842)
Cash at bank and in hand less overdrafts at 1 September	597,683		603,525
<b>Cash at bank and in hand at 31 August 2014</b>	<b>561,231</b>		<b>597,683</b>
<b>Analysis of changes in net cash balances:</b>		<b>This year</b>	<b>Cash flows</b>
Investment accounts	495,105	(35,000)	530,105
Cash accounts and in hand	66,126	(1,452)	67,578
	<b>561,231</b>	<b>(36,452)</b>	<b>597,683</b>



## THE DUDLEY ASSEMBLY HALL OF JEHOVAH'S WITNESSES

### NOTES TO THE ACCOUNTS

for the year ended 31 August 2014

#### 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.

In 2000, the trustees considered FRS 15 Tangible Fixed Assets, and were 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 2014

**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.

<b>2 NET (OUTGOING)/INCOMING RESOURCES</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
This is stated after charging:		
Support costs - Depreciation of owned fixed assets	48,205	40,403
Independent examiner's fees for external scrutiny	804	885
	<hr/>	<hr/>
and crediting:		
Circuits using the assembly hall	169,557	165,207
Income tax refunds on gift aid donations	15,026	12,878
Bank interest receivable	-	10
	<hr/>	<hr/>

**3 TANGIBLE FIXED ASSETS**

	<b>Land and buildings £</b>	<b>Equipment £</b>	<b>Motor vehicles £</b>	<b>Total £</b>
<b>Cost or valuation</b>				
At 1 September 2013	1,767,457	286,085	-	2,053,542
Additions	-	20,124	7,480	27,604
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2014	1,767,457	306,209	7,480	2,081,146
<b>Depreciation</b>				
At 1 September 2013	460,077	123,287	-	583,364
Charge for the year	24,000	24,205	-	48,205
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2014	484,077	147,492	-	631,569
<b>Net book value</b>				
At 31 August 2014	<hr/>	<hr/>	<hr/>	<hr/>
	1,283,380	158,717	7,480	1,449,577
At 31 August 2013	<hr/>	<hr/>	<hr/>	<hr/>
	1,307,380	162,798	-	1,470,178

THE DUDLEY ASSEMBLY HALL OF JEHOVAH'S WITNESSES

NOTES TO THE ACCOUNTS

for the year ended 31 August 2014

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 £2,841,283.

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>	
	<b>2014</b>	<b>2013</b>
	£	£
The value of land not depreciated in land and buildings	<u>567,457</u>	<u>567,457</u>
<b>4 DEBTORS</b>	<b>2014</b>	<b>2013</b>
	£	£
Congregations using the kingdom hall	73	1,988
Sundry debtors	-	2,435
Prepayments	1,199	1,393
	<u>1,272</u>	<u>5,816</u>
<b>5 CREDITORS: amounts falling due within one year</b>	<b>2014</b>	<b>2013</b>
	£	£
Interest free loan	3,000	3,000
Trade creditors	6,840	2,950
Accruals	850	8,507
	<u>10,690</u>	<u>14,457</u>
<b>6 BIBLE SCHOOL FOR SINGLE BROTHERS</b>	<b>2014</b>	<b>2013</b>
	£	£
Balance brought forward	20,133	11,833
Transfer	-	8,300
	<u>20,133</u>	<u>20,133</u>

THE DUDLEY ASSEMBLY HALL OF JEHOVAH'S WITNESSES

NOTES TO THE ACCOUNTS

for the year ended 31 August 2014

<b>7 DESIGNATED FUND TO REPLACE FIXED ASSETS</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
At 1 September 2013	454,643	386,765
Transfer from the general fund	-	67,878
At 31 August 2014	<u>454,643</u>	<u>454,643</u>

<b>8 GENERAL FUND</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
At 1 September 2013	1,594,544	1,642,383
Net (deficit)/income for the year	(61,375)	28,339
Transfer to the Ministerial Training School	-	(8,300)
Transfer to the designated fund to replace fixed assets	-	(67,878)
At 31 August 2014	<u>1,533,169</u>	<u>1,594,544</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**

During the year one trustee, Mr F Collins, received remuneration of £3,102 in connection with his on-going work in managing the hall. In addition, his wife received remuneration of £3,101.

<b>12 INVESTMENT ACCOUNTS</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
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 balance was:		
	<u>495,105</u>	<u>530,105</u>

THE DUDLEY ASSEMBLY HALL OF JEHOVAH'S WITNESSES

NOTES TO THE ACCOUNTS

for the year ended 31 August 2014

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	-	20,133	20,133
Unrestricted funds:			
Designated to replace fixed assets	-	454,643	454,643
General fund	1,449,577	83,592	1,533,169
	<u>1,449,577</u>	<u>558,368</u>	<u>2,007,945</u>

	At 1 September 2013 £	Income £	Expended £	Transfers £	At 31 August 2014 £
Restricted fund:					
Bible School for Single Brothers	20,133	-	-	-	20,133
Unrestricted funds:					
Designated to replace fixed assets	454,643	-	-	-	454,643
General fund	1,594,544	199,767	(261,142)	-	1,533,169
	<u>2,069,320</u>	<u>199,767</u>	<u>(261,142)</u>	<u>-</u>	<u>2,007,945</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 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 2014, which are set out on pages 5 to 12.

### **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

27 February 2015