

**THE DUDLEY ASSEMBLY HALL OF JEHOVAH'S WITNESSES**

**UNAUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 August 2015**

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

Luke Thomas  
John Martin Sheppard  
Keith Tomlinson  
Frederick Collins

**Custodian trustee holding the title deeds**

The Kingdom Hall Trust  
The Ridgeway  
London  
NW7 1RN

**Hall manager**

Luke Thomas

**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 2015.

#### **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. L Thomas was appointed a trustee on 1 October 2015.

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.

##### **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 regional conventions 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 2015, the following projects were undertaken to maintain the hall complex:**

We installed air conditioning in the multi-function room.

Large areas of the car park were refurbished and automatic gates were installed. We improved security by installing door cameras and keypad systems.

A large section of the main auditorium floor was replaced as part of an on-going programme to deal with a problem with dry rot.

We also replaced the main electrical panels and the total rewire of the whole building continues. We also began replacing the existing lighting with more cost effective LEDs.

**For the year commencing 1 September 2015, we have no significant projects planned:**

We will continue the rewiring and replacement of lighting and carry out general maintenance on the hall. The hall's control systems will continue to be developed and refined.

A defibrillator will be purchased and made available for the benefit of those who use the hall.

In January 2015, we implemented a Planned Maintenance Programme which will enable us systematically, month on month, to maintain and thereby extend the life of our assets by keeping them in pristine condition.

#### PUBLIC BENEFIT

The assembly hall has provided facilities to educate approximately 20,000 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.

In addition to English speaking delegates, we also provide the same education for Persian, Polish, Punjabi, Slovak and Sign Language groups.

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 £554,050, last year a deficit £61,375.

Bank and cash balances started the year at £561,231 and decreased by £469,495 to close at £91,736. The trustees confirm the hall has sufficient funds to meet its obligations and continue serving the congregations.

## THE DUDLEY ASSEMBLY HALL OF JEHOVAH'S WITNESSES

### TRUSTEES ANNUAL REPORT

#### RESERVES POLICY

It is our policy to maintain sufficient reserves so that the hall will be effectively maintained and in a condition to serve the delegates in our catchment area to bring praise to our God, Jehovah. It is the policy of the trustees to have free reserves on hand of not less than four months working expenditure.

This year, after consultation and directives from our donors, and having in place a mechanism to facilitate the future replacement of assets, we made the decision to donate our reserves for the immediate purpose of furthering the advancement of the preaching and teaching of Bible truths. It was also decided, that after covering our expenses for this year and maintaining adequate reserves for future expenses, to donate this year's surplus funds for the same purpose. In our budgets for 2015/16 we have as usual included a contingency to cover the cost of capital items needed in the immediate future.

The Bible School for Single Brothers has been discontinued and hence the fund is no longer needed. The balance of £20,133 has been transferred to the general reserve.

#### RESERVES

Note 13 to the financial statements shows the assets and liabilities attributable to the various funds.

The fund balances amounted to:

	2015	2014
	£	£
Bible School for Single Brothers restricted fund	-	20,133
Designated fund to replace fixed assets	-	454,643
General fund	1,453,895	1,533,169
Total of all funds	<u>1,453,895</u>	<u>2,007,945</u>

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

#### INVESTMENT POLICY

A current account is maintained for day-to-day operations of the assembly hall.

#### TRUSTEES RESPONSIBILITIES

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;
- 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 ascertain the financial position of the charity and which enable them to ensure that the accounts comply with applicable laws 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 May 2016 and signed on its behalf.

*J M Sheppard*

Trustee

**THE DUDLEY ASSEMBLY HALL OF JEHOVAH'S WITNESSES**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
for the year ended 31 August 2015

			2015	2014
	Note	Unrestricted funds £	Restricted funds £	Total funds £
<b>INCOMING RESOURCES</b>				
<i>Incoming resources from generated funds</i>				
Voluntary income		259,554	-	259,554
<b>Investment income</b>		-	-	-
<b>TOTAL INCOMING RESOURCES</b>		<u>259,554</u>	<u>-</u>	<u>259,554</u>
<b>RESOURCES EXPENDED</b>				
<b>Charitable activities</b>				
Refurbishment costs		-	-	84,152
Costs of holding meetings		185,684	-	176,186
Governance costs	2	281	-	804
Grants and donations paid		<u>627,639</u>	<u>-</u>	<u>-</u>
<b>TOTAL RESOURCES EXPENDED</b>		<u>813,604</u>	<u>-</u>	<u>813,604</u>
<b>NET OUTGOING RESOURCES BEFORE TRANSFERS</b>				
	2	(554,050)	-	(554,050)
Gross transfers between funds	13	20,133	(20,133)	-
<b>NET MOVEMENT IN FUNDS</b>		<u>(533,917)</u>	<u>(20,133)</u>	<u>(554,050)</u>
Reconciliation of funds				
Balances brought forward		1,987,812	20,133	2,007,945
<b>BALANCES CARRIED FORWARD</b>		<u>1,453,895</u>	<u>-</u>	<u>1,453,895</u>
				<u>2,007,945</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 2015**

	Note	£	2015 £	£	2014 £
<b>FIXED ASSETS</b>					
Tangible assets	3		1,402,163		1,449,577
<b>CURRENT ASSETS</b>					
Stocks		7,159		6,555	
Debtors	4	2,863		1,272	
Cash at bank and in hand:					
Investment accounts	12	-		495,105	
Cash accounts and in hand		91,736		66,126	
		<u>101,758</u>		<u>569,058</u>	
<b>CREDITORS: amounts falling due within one year</b>					
	5	(50,026)		(10,690)	
<b>NET CURRENT ASSETS</b>					
			<u>51,732</u>		<u>558,368</u>
<b>NET ASSETS</b>					
			<u>1,453,895</u>		<u>2,007,945</u>
Funds:					
<b>RESTRICTED FUNDS</b>					
Bible School for Single Brothers	6		-		20,133
<b>UNRESTRICTED FUNDS</b>					
Designated fund to replace fixed assets	7		-		454,643
General fund	8		1,453,895		1,533,169
			<u>1,453,895</u>		<u>2,007,945</u>

These accounts were approved and authorised for issue by the management committee and signed on its behalf on 27 May 2016.

*K Tomlinson*

Trustee

**THE DUDLEY ASSEMBLY HALL OF JEHOVAH'S WITNESSES**

**CASH FLOW STATEMENT**

for the year ended 31 August 2015

	2015		2014
	£	£	£
<b>Reconciliation of net outgoing resources before transfers to net cash outflow from operating activities</b>			
Net outgoing resources before transfers	(554,050)		(61,375)
Depreciation	52,892		48,205
(Increase)/decrease in stocks	(604)		3,545
(Increase)/decrease in debtors	(1,591)		4,544
Increase/(decrease) in creditors	39,336		(3,767)
<b>Net outflow from operating activities</b>	<b>(464,017)</b>		<b>(8,848)</b>
<b>Capital expenditure</b>			
Payments to acquire tangible fixed assets	(5,478)	(27,604)	
Receipts from the sale of tangible fixed assets	-	-	
<b>Net outflow from capital expenditure</b>	<b>(5,478)</b>		<b>(27,604)</b>
Cash outflow before financing	(469,495)		(36,452)
<b>Financing</b>	<b>-</b>		<b>-</b>
<b>DECREASE IN CASH</b>	<b>(469,495)</b>		<b>(36,452)</b>
<b>RECONCILIATION OF NET CASH FLOW MOVEMENT TO MOVEMENT IN CASH</b>			
Net decrease in cash for the year	(469,495)		(36,452)
Change in cash balances	(469,495)		(36,452)
Cash at bank and in hand less overdrafts at 1 September	561,231		597,683
<b>Cash at bank and in hand at 31 August 2015</b>	<b>91,736</b>		<b>561,231</b>

	This year	Cash flows	Last year
<b>Analysis of changes in net cash balances:</b>			
Investment accounts	-	(495,105)	495,105
Cash accounts and in hand	91,736	25,610	66,126
	<b>91,736</b>	<b>(469,495)</b>	<b>561,231</b>

## THE DUDLEY ASSEMBLY HALL OF JEHOVAH'S WITNESSES

### NOTES TO THE ACCOUNTS

for the year ended 31 August 2015

#### 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. The one restricted fund for the provision of a Bible School for Single Brothers is no longer needed and the balance has been transferred to the general fund.

With the new maintenance mechanism to maintain the fixed assets in place, the designated fund for the future replacement of fixed assets is no longer needed and the balance has been transferred to the general fund.

##### **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.

##### **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.

**THE DUDLEY ASSEMBLY HALL OF JEHOVAH'S WITNESSES**

**NOTES TO THE ACCOUNTS**

**for the year ended 31 August 2015**

**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 OUTGOING RESOURCES**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
This is stated after charging:		
Support costs - Depreciation of owned fixed assets	52,891	48,205
Donations	627,639	-
Independent examiner's fees for external scrutiny	281	804
	<u>          </u>	<u>          </u>
and crediting:		
Circuits using the assembly hall	243,948	169,557
Income tax refunds on gift aid donations	13,249	15,026
	<u>          </u>	<u>          </u>

**3 TANGIBLE FIXED ASSETS**

	<b>Land and buildings</b>	<b>Equipment</b>	<b>Motor vehicles</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost or valuation</b>				
At 1 September 2014	1,767,457	306,209	7,480	2,081,146
Additions	-	5,478	-	5,478
At 31 August 2015	<u>1,767,457</u>	<u>311,687</u>	<u>7,480</u>	<u>2,086,624</u>
<b>Depreciation</b>				
At 1 September 2014	484,077	147,492	-	631,569
Charge for the year	24,000	27,022	1,870	52,892
At 31 August 2015	<u>508,077</u>	<u>174,514</u>	<u>1,870</u>	<u>684,461</u>
<b>Net book value</b>				
At 31 August 2015	<u>1,259,380</u>	<u>137,173</u>	<u>5,610</u>	<u>1,402,163</u>
At 31 August 2014	<u>1,283,380</u>	<u>158,717</u>	<u>7,480</u>	<u>1,449,577</u>

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 £1,740,620.

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.

**THE DUDLEY ASSEMBLY HALL OF JEHOVAH'S WITNESSES**  
**NOTES TO THE ACCOUNTS**  
**for the year ended 31 August 2015**

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>2015</b>	<b>2014</b>
	£	£
The value of land not depreciated in land and buildings	<u>567,457</u>	<u>567,457</u>
<b>4 DEBTORS</b>	<b>2015</b>	<b>2014</b>
	£	£
Congregations using the kingdom hall	1,720	73
Prepayments	1,143	1,199
	<u>2,863</u>	<u>1,272</u>
<b>5 CREDITORS: amounts falling due within one year</b>	<b>2015</b>	<b>2014</b>
	£	£
Interest free loan	3,000	3,000
Trade creditors	46,699	6,840
Accruals	327	850
	<u>50,026</u>	<u>10,690</u>
<b>6 BIBLE SCHOOL FOR SINGLE BROTHERS</b>	<b>2015</b>	<b>2014</b>
	£	£
Balance brought forward	20,133	20,133
Transfer to the general fund	(20,133)	-
	<u>-</u>	<u>20,133</u>
<b>7 DESIGNATED FUND TO REPLACE FIXED ASSETS</b>	<b>2015</b>	<b>2014</b>
	£	£
At 1 September 2014	454,643	454,643
Transfer back to the general fund	(454,643)	-
	<u>-</u>	<u>454,643</u>
<b>8 GENERAL FUND</b>	<b>2015</b>	<b>2014</b>
	£	£
At 1 September 2014	1,533,169	1,594,544
Net deficit for the year	(554,050)	(61,375)
Transfer from the Bible School for Single Brothers	20,133	-
Transfer from the designated fund to replace fixed assets	454,643	-
	<u>1,453,895</u>	<u>1,533,169</u>
<b>9 CAPITAL COMMITMENTS</b>		

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

**THE DUDLEY ASSEMBLY HALL OF JEHOVAH'S WITNESSES**

**NOTES TO THE ACCOUNTS**

**for the year ended 31 August 2015**

**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 £3,309 in connection with his on-going work in managing the hall. In addition, his wife received remuneration of £3,309.

**12 INVESTMENT ACCOUNTS**

**2015**

**2014**

£

£

As noted in the trustees' report, these monies were advanced to the Watch Tower Bible and Tract Society of Britain and held with the Society. The year end balances were:

-

495,105

**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

-

-

-

Unrestricted funds:

Designated to replace fixed assets

-

-

-

General fund

1,402,163

51,732

1,453,895

1,402,163

51,732

1,453,895

**At 1  
September  
2014  
£**

**Income  
£**

**Expended  
£**

**Transfers  
£**

**At 31  
August  
2015  
£**

Restricted fund:

Bible School for Single  
Brothers

20,133

-

-

(20,133)

-

Unrestricted funds:

Designated to replace  
fixed assets

454,643

-

-

(454,643)

-

General fund

1,533,169

259,554

(813,604)

474,776

1,453,895

2,007,945

259,554

(813,604)

-

1,453,895

The general fund represents those funds that are unrestricted and not designated for other purposes. The designated fund was set aside and earmarked for the future replacement of fixed assets without resorting to outside finance. It is no longer needed.

## 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 2015 , which are set out on pages 5 to 11.

### **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 May 2016