

MANCHESTER ASSEMBLY HALL OF JEHOVAH'S WITNESSES

UNAUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 August 2012

Registered number  
**1039414**

*Charles Stringer*  
Chartered Accountant  
17 Frith Way  
Hinckley  
Leicestershire

**MANCHESTER ASSEMBLY HALL OF JEHOVAH'S WITNESSES**  
**LEGAL & ADMINISTRATIVE INFORMATION**

**Trustees**

Chairman  
Secretary  
Treasurer

David Warburton  
John Oldham  
Ian Hamilton

**Custodian trustees holding the lease to the property**

Derek Carter  
Raymond Pople

**Hall manager**

David Warburton

**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**

The Royal Bank of Scotland Plc  
Lapwing Lane  
Didsbury  
Manchester  
M20 6UR

**Assembly hall address**

456 Palatine Road  
Northenden  
Manchester  
M22 4DJ

**Registered charity number**

1039414

## **MANCHESTER 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.

#### **STRUCTURE GOVERNANCE & MANAGEMENT**

##### **GOVERNING DOCUMENT**

The charity is governed by a declaration of trust dated 16 July 1975, amended by a supplementary declaration of trust dated 21 June 1994. It is registered with the Charity Commission under charity number 1039414.

##### **RECRUITMENT APPOINTMENT INDUCTION AND TRAINING OF TRUSTEES**

These appointments are based on the trustees' long experience of the principles governing the activities of Jehovah's Witnesses. New trustees are given appropriate induction by more experienced trustees and all trustees receive regular training at kingdom ministry schools.

##### **ORGANISATIONAL STRUCTURE**

The following trustees served throughout the financial year: I Hamilton, J Oldham, D Winterbottom, D Chislett and P Lowe. On 31 August 2012 Brothers Chislett, Lowe and Winterbottom retired.

Derek Carter and Raymond Pople are the custodian trustees holding the title deeds to this property.

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.

##### **AIMS**

During the coming year the assembly hall aims to continue to pursue its purpose by holding regular assemblies for congregations and individuals for public worship of God and Bible study.

## **MANCHESTER ASSEMBLY HALL OF JEHOVAH'S WITNESSES**

### **TRUSTEES ANNUAL REPORT**

#### **OBJECTIVES FOR THE YEAR**

Each year the trustees review our objectives and activities to ensure they continue to reflect our aims. Accordingly we have considered the Charity Commission's guidance on public benefit and the advancement of religion for public benefit.

The main objective for the year was the provision of facilities to educate Jehovah's Witnesses and others in the Christian religion found in God's word the Bible.

The charity recognises its continued reliance on the valuable services provided by Witnesses volunteering their time and skills to assist in the running of Christian gatherings and in maintaining the facilities. It would be impossible to put a cost on their invaluable work.

#### **PUBLIC BENEFIT**

The trustees consider the beliefs and practices of Christian religion as practised by Jehovah's Witnesses, assist in the advancement of religion for the purposes of charity law and promote morals and ethics of the Christian faith which can have a positive impact on society as a whole. The assembly hall has provided facilities to educate thousands of 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.

#### **SIGNIFICANT ACTIVITIES FOR ACHIEVING OBJECTIVES**

The charity is continuing to pursue the above activities through the provision of facilities for Christian gatherings for worship and the maintenance of the facilities to a standard that brings praise to our grand creator, Jehovah.

#### **ACHIEVEMENTS & PERFORMANCE**

The year saw many achievements with regard to teaching and training activities. The recent upgrades that have been carried out mean that the classroom now has air conditioning and is more accommodating to teaching activities such as a Language Instruction School and training courses for Assembly Hall personnel. This course covered First Aid and Food Hygiene. A CITB Site Safety and Awareness Course was successfully completed by students from a number of the Assembly Halls around the country including three from Manchester.

Scaffolding was erected to the front of the Assembly Hall, which enabled that area to be fully repainted. All the work was carried out by the use of volunteer labour.

Work is still on-going in replacing the carpet and chairs in the main auditorium, but completion has been delayed until 2014.

With the severe weather during the winter a number of water pipes burst and work was carried out to insulate the toilet blocks running alongside the hall to a high standard to prevent a reoccurrence of this problem.

The building is Grade 2 listed and is of art deco design which attracts a number of historical societies to visit on a pre arranged basis. They are always appreciative of the work that goes on in maintaining the special features associated with the listing.

Continual upkeep and normal maintenance of the building and grounds continued during the year to maintain the general high standard of the Hall

**MANCHESTER ASSEMBLY HALL OF JEHOVAH'S WITNESSES**  
**TRUSTEES ANNUAL REPORT**

**FINANCIAL REVIEW**

The results are shown on page 5. There was a surplus of incoming resources over those expended of £23,787, last year £41,341.

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
This was after charging refurbishment costs of	64,870	46,081

Other incoming resources include a refund of water charges of £4,173.

Bank and cash balances started the year at £115,773 and increased by £64,440 to close at £180,213. The trustees confirm the hall has sufficient funds to meet its obligations and continue serving the congregations.

**RESERVES POLICY**

It is our policy to continue 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.

At the year end the trustees determined the free reserves were roughly equivalent to 22 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**

The financial statements shows the assets and liabilities, all attributable to unrestricted funds. The fund balances amounted to:

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Designated fund to replace fixed assets	150,000	100,000
General fund	792,353	818,566
Unrestricted funds	<u>942,353</u>	<u>918,566</u>

Tangible fixed assets are all held for use by the charity and we estimate that the current value is in the region of £3,000,000.

**PRINCIPAL FUNDING SOURCES**

The charity's principal funding continues to come from Jehovah's Witnesses attending the circuit assemblies and other meetings at the hall.

**PLANS FOR FUTURE PERIODS**

Work to replace the carpet and chairs in the main auditorium has been delayed until 2014. This is to allow the replacement of the ventilation cupolas on the main auditorium roof which have deteriorated to the point where water ingress is a distinct possibility. At the same time the guttering around the edge of the roof and the safety handrails will be upgraded.

This report was approved by the board of trustees on 26 June 2013 and signed on its behalf.

*D Warburton*  
Chairman

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

	Note	2012 £	2011 £
<b>INCOMING RESOURCES</b>			
<i>Incoming resources from generated funds</i>			
Voluntary income		179,501	182,661
<b>Investment income</b>			
Bank interest receivable		82	57
Other incoming resources		4,500	735
<b>TOTAL INCOMING RESOURCES</b>		<b>184,083</b>	<b>183,453</b>
<b>RESOURCES EXPENDED</b>			
<i>Costs of charitable activities</i>			
Refurbishment costs		64,870	46,081
Costs of holding meetings		94,590	86,789
Governance costs		836	845
Grants paid		-	8,397
<b>TOTAL RESOURCES EXPENDED</b>		<b>160,296</b>	<b>142,112</b>
<b>NET INCOMING RESOURCES BEFORE TRANSFERS</b>	2	<b>23,787</b>	<b>41,341</b>
Transfers		-	-
<b>NET MOVEMENT IN FUNDS</b>		<b>23,787</b>	<b>41,341</b>
Balances brought forward		918,566	877,225
<b>BALANCES CARRIED FORWARD</b>		<b>942,353</b>	<b>918,566</b>

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

MANCHESTER ASSEMBLY HALL OF JEHOVAH'S WITNESSES

**BALANCE SHEET**

**31 August 2012**

	Note	2012	2011
		£	£
<b>FIXED ASSETS</b>			
Tangible assets	3	763,217	803,597
<b>CURRENT ASSETS</b>			
Cash at bank and in hand:			
Investment accounts		30,664	25,986
Cash accounts and in hand		150,255	91,428
		<u>180,919</u>	<u>117,414</u>
<b>CREDITORS: amounts falling due within one year</b>	4	(1,783)	(2,445)
<b>NET CURRENT ASSETS</b>		<u>179,136</u>	<u>114,969</u>
<b>NET ASSETS</b>		<u>942,353</u>	<u>918,566</u>
Funds:			
<b>UNRESTRICTED FUNDS</b>			
Designated fund to replace fixed assets	5	150,000	100,000
General fund	6	792,353	818,566
		<u>942,353</u>	<u>918,566</u>

These accounts were approved and authorised for issue by the management committee and signed on its behalf on 26 June 2013

*I Hamilton*

Treasurer

MANCHESTER ASSEMBLY HALL OF JEHOVAH'S WITNESSES

**CASH FLOW STATEMENT**

for the year ended 31 August 2012

	2012		2011
	£	£	£
<b>Reconciliation of net incoming resources before transfers to net cash inflow from operating activities</b>			
Net incoming resources before transfers	23,787		41,341
Depreciation	40,380		40,380
Increase/(decrease) in creditors	273		(28,984)
<b>Net inflow from operating activities</b>	<b>64,440</b>		<b>52,737</b>
<b>Capital expenditure</b>			
<b>Net inflow from capital expenditure</b>	-		-
Cash outflow before financing	64,440		52,737
<b>INCREASE IN CASH</b>	<b>64,440</b>		<b>52,737</b>
<b>RECONCILIATION OF NET CASH FLOW MOVEMENT TO MOVEMENT IN CASH</b>			
Net increase in cash for the year	64,440		52,737
Change in cash balances	64,440		52,737
Cash at bank and in hand less overdrafts at 1 September	115,773		63,036
<b>Cash at bank and in hand less overdrafts at 31 August</b>	<b>180,213</b>		<b>115,773</b>
		<b>This year</b>	<b>Cash flows</b>
<b>Analysis of changes in net cash balances:</b>			<b>Last year</b>
Investment accounts	30,664	4,678	25,986
Cash accounts and in hand	150,255	58,827	91,428
Overdraft and credit cards	(706)	935	(1,641)
	<u>180,213</u>	<u>64,440</u>	<u>115,773</u>
Net incoming resources before transfers includes:			
Interest received	<u>82</u>		<u>57</u>

## MANCHESTER ASSEMBLY HALL OF JEHOVAH'S WITNESSES

### NOTES TO THE ACCOUNTS

for the year ended 31 August 2012

#### 1 ACCOUNTING POLICIES

##### ***Basis of preparation***

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

##### ***Tangible fixed assets and depreciation***

On 16 June 2000 the School of Property & Construction of the University of Central England valued the leasehold property on a depreciated replacement cost basis. This supersedes the valuation made on 1 September 1996 by the trustees.

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.

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

Equipment and furniture	20% - 25% straight line
Leasehold buildings and fixtures	Length of lease - 4% straight line

##### ***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.

MANCHESTER ASSEMBLY HALL OF JEHOVAH'S WITNESSES

NOTES TO THE ACCOUNTS

for the year ended 31 August 2012

2 NET CASH INFLOW FROM OPERATIONS	2012 £	2011 £
This is stated after charging:		
Depreciation of owned fixed assets	40,380	40,380
Equipment hire	301	298
Ground rent	200	200
Independent examiner's fees	836	845
	<hr/>	<hr/>
and crediting:		
Circuits using the assembly hall	159,570	161,174
Gift aid income tax refunds	11,394	13,355
Bank interest receivable	82	57
	<hr/>	<hr/>

3 TANGIBLE FIXED ASSETS

	Leasehold land and buildings £	Equipment £	Total £
<b>Cost or valuation</b>			
At 1 September 2011	1,200,000	134,164	1,334,164
At 31 August 2012	1,200,000	134,164	1,334,164
	<hr/>	<hr/>	<hr/>
<b>Depreciation</b>			
At 1 September 2011	419,272	111,295	530,567
Charge for the year	37,500	2,880	40,380
At 31 August 2012	456,772	114,175	570,947
	<hr/>	<hr/>	<hr/>
<b>Net book value</b>			
At 31 August 2012	743,228	19,989	763,217
At 31 August 2011	780,728	22,869	803,597
	<hr/>	<hr/>	<hr/>

The leasehold property, originally not capitalised when the lease was purchased in 1975, was valued by the trustees on 1 September 1996 on a replacement value basis at £1,500,000. On 16 June 2000 the School of Property & Construction of the University of Central England valued the leasehold property on a depreciated replacement cost basis at £1,200,000. On incorporating this revaluation into the 2000 accounts, an unrealised loss of £255,140 arose and was included in the Statement of Financial Activities.

Equipment originally not capitalised when purchased was valued by the trustees on 1 September 1995 on a replacement value basis at £19,712.

The lease of the hall building runs until 2032. 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 £2,256,772.

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. The charity's policy is not to revalue fixed assets. The trustees believe that the valuation has not materially changed.

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

Net additions since at cost are as follows:	Leasehold	Equipment
	property	
	£	£
In 1996 to 2004	47,490	80,837
In 2005	-	442
In 2006	-	5,276
In 2007	-	28,904
In 2008	-	220
In 2009	-	(1,000)
In 2010	-	(227)
	<u>47,490</u>	<u>114,452</u>

<b>4 CREDITORS: amounts falling due within one year</b>	<b>2012</b>	<b>2011</b>
	£	£
Bank loans and overdrafts	706	1,641
Trade creditors	273	-
Other creditors	804	804
	<u>1,783</u>	<u>2,445</u>

<b>5 DESIGNATED FUND TO REPLACE FIXED ASSETS</b>	<b>2012</b>	<b>2011</b>
	£	£
At 1 September 2011	100,000	100,000
Transfer from the general fund	50,000	-
	<u>150,000</u>	<u>100,000</u>
At 31 August 2012	<u>150,000</u>	<u>100,000</u>

<b>6 GENERAL FUND</b>	<b>2012</b>	<b>2011</b>
	£	£
At 1 September 2011	818,566	777,225
Net income for the year	23,787	41,341
Transfer to the designated fund to replace fixed assets	(50,000)	-
	<u>792,353</u>	<u>818,566</u>
At 31 August 2012	<u>792,353</u>	<u>818,566</u>

<b>7 COMMITMENTS</b>	<b>2012</b>	<b>2011</b>
	£	£
Expenditure has been approved, without entering into formal contracts for further refurbishment of the assembly hall to a total cost estimated at:	<u>70,000</u>	<u>100,000</u>

MANCHESTER ASSEMBLY HALL OF JEHOVAH'S WITNESSES

**NOTES TO THE ACCOUNTS**

**for the year ended 31 August 2012**

**8 EMPLOYEE EMOLUMENTS**

The charity does not have any employees.

**9 TRANSACTIONS WITH TRUSTEES**

No trustees received remuneration for services during the year.

During the year two trustees received expenses to reimburse travel and accommodation costs totalling £457.

**10 GRANTS**

**2012**  
**£**

**2011**  
**£**

The Bible School for Single Brothers was inaugurated in Britain in 1990 and is usually 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.

-

8,397

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

**11 NET ASSETS OF THE CHARITY**

	£	£	£
	Fixed assets	Net current assets	Fund balances
The net assets belong to the various funds as follows:			
Unrestricted funds:			
Designated to replace fixed assets	-	150,000	150,000
General fund	763,217	29,136	792,353
	<u>763,217</u>	<u>179,136</u>	<u>942,353</u>

	At 1 September 2011 £	Income £	Expended £	Transfers £	At 31 August 2012 £
Unrestricted funds:					
Designated to replace fixed assets	100,000	-	-	50,000	150,000
General fund	818,566	184,083	(160,296)	(50,000)	792,353
	<u>918,566</u>	<u>184,083</u>	<u>(160,296)</u>	<u>-</u>	<u>942,353</u>

The general reserve 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.

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

I report on the accounts of Manchester Assembly Hall of Jehovah's Witnesses for the year ended 31 August 2012, 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

26 June 2013