

MANCHESTER ASSEMBLY HALL OF JEHOVAH'S WITNESSES

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

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

David Warburton
John Oldham
Ian Hamilton

Hall manager

David Warburton

Independent examiner

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

Solicitors

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 2014.

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 and D Warburton.

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 objectives 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 price 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 is open to the public and 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

This year, the maintenance and renovation activities were relatively simple and on a small scale. Some aisle carpet was replaced where the old carpet was badly worn and was presenting potential health and safety hazards.

The design work with regard to the simplification of décor and replacement of the carpet and chairs in the main auditorium has been put in abeyance. A smaller scale renovation to last for three to five years has been developed.

Work to provide accurate drawings of the mechanical and electrical services has proceeded and is in progress.

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

FINANCIAL REVIEW

The results are shown on page 5. There was a surplus of incoming resources over those expended of £41,443, last year a deficit of £3,360.

	2014	2013
	£	£
This was after charging refurbishment costs of	48,381	77,775

Bank and cash balances started the year at £213,996 and increased by £75,310 to close at £289,306. 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 34 months working expenditure. It is the policy of the trustees to have free reserves on hand of not less than six months' working expenditure.

MANCHESTER ASSEMBLY HALL OF JEHOVAH'S WITNESSES

TRUSTEES ANNUAL REPORT

RESERVES

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

	2014	2013
	£	£
Designated fund to replace fixed assets	150,000	150,000
General fund	830,436	788,993
Unrestricted funds	<u>980,436</u>	<u>938,993</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.

This report was approved by the board of trustees on 29 June 2015 and signed on its behalf.

J Oldham

Trustee

MANCHESTER ASSEMBLY HALL OF JEHOVAH'S WITNESSES**STATEMENT OF FINANCIAL ACTIVITIES**

for the year ended 31 August 2014

	Note	2014 £	2013 £
INCOMING RESOURCES			
<i>Incoming resources from generated funds</i>			
Voluntary income		190,141	178,876
Investment income			
Bank interest receivable		151	115
TOTAL INCOMING RESOURCES		<u>190,292</u>	<u>178,991</u>
RESOURCES EXPENDED			
<i>Costs of charitable activities</i>			
Refurbishment costs		48,381	77,775
Costs of holding meetings		99,629	103,703
Governance costs		839	873
TOTAL RESOURCES EXPENDED		<u>148,849</u>	<u>182,351</u>
NET INCOMING/(OUTGOING) RESOURCES BEFORE TRANSFERS			
	2	41,443	(3,360)
Transfers		-	-
NET MOVEMENT IN FUNDS		<u>41,443</u>	<u>(3,360)</u>
Balances brought forward		938,993	942,353
BALANCES CARRIED FORWARD		<u>980,436</u>	<u>938,993</u>

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 2014**

	Note	£	2014 £	£	2013 £
FIXED ASSETS					
Tangible assets	3		686,178		725,781
CURRENT ASSETS					
Debtors	4	5,755		20	
Cash at bank and in hand:					
Investment accounts		37,549		35,384	
Cash accounts and in hand		252,306		179,291	
		<u>295,610</u>		<u>214,695</u>	
CREDITORS: amounts falling due within one year	5	(1,352)		(1,483)	
NET CURRENT ASSETS			<u>294,258</u>		<u>213,212</u>
NET ASSETS			<u>980,436</u>		<u>938,993</u>
Funds:					
UNRESTRICTED FUNDS					
Designated fund to replace fixed assets	6		150,000		150,000
General fund	7		830,436		788,993
			<u>980,436</u>		<u>938,993</u>

These accounts were approved and authorised for issue by the management committee and signed on its behalf on 29 June 2015

D Warburton

Chairman

MANCHESTER ASSEMBLY HALL OF JEHOVAH'S WITNESSES

CASH FLOW STATEMENT

for the year ended 31 August 2014

	2014		2013
	£	£	£
Reconciliation of net incoming/(outgoing) resources before transfers to net cash inflow from operating activities			
Net incoming/(outgoing) resources before transfers	41,443		(3,360)
Depreciation	41,300		40,880
Increase in debtors	(5,735)		(20)
Decrease in creditors	(1)		(273)
Net inflow from operating activities	77,007		37,227
Capital expenditure			
Payments to acquire tangible fixed assets	(1,697)	(3,444)	
Net outflow from capital expenditure	(1,697)		(3,444)
Cash inflow before financing	75,310		33,783
INCREASE IN CASH	75,310		33,783
RECONCILIATION OF NET CASH FLOW MOVEMENT TO MOVEMENT IN CASH			
Net increase in cash for the year	75,310		33,783
Change in cash balances	75,310		33,783
Cash at bank and in hand less overdrafts at 1 September	213,996		180,213
Cash at bank and in hand less overdrafts at 31 August	289,306		213,996
Analysis of changes in net cash balances:		This year	Cash flows
Investment accounts	37,549	2,165	35,384
Cash accounts and in hand	252,306	73,015	179,291
Overdraft and credit cards	(549)	130	(679)
	289,306	75,310	213,996
Net incoming resources before transfers includes:			
Interest received	151		115

MANCHESTER ASSEMBLY HALL OF JEHOVAH'S WITNESSES

NOTES TO THE ACCOUNTS

for the year ended 31 August 2014

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

Leasing and hire

Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

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 2014

2 NET INCOMING RESOURCES FROM OPERATIONS	2014	2013
	£	£
This is stated after crediting:		
Circuits using the assembly hall	168,183	158,186
Gift aid income tax refunds	13,618	12,066
Bank interest receivable	151	115
	<hr/>	<hr/>
and charging:		
Depreciation of owned fixed assets	41,300	40,880
Equipment hire	1,855	362
Ground rent	200	200
Independent examiner's fees for external scrutiny	839	873
	<hr/>	<hr/>

3 TANGIBLE FIXED ASSETS

	Leasehold land and buildings £	Equipment £	Total £
Cost or valuation			
At 1 September 2013	1,200,000	137,608	1,337,608
Additions	-	1,697	1,697
	<hr/>	<hr/>	<hr/>
At 31 August 2014	1,200,000	139,305	1,339,305
	<hr/>	<hr/>	<hr/>
Depreciation			
At 1 September 2013	494,272	117,555	611,827
Charge for the year	37,500	3,800	41,300
	<hr/>	<hr/>	<hr/>
At 31 August 2014	531,772	121,355	653,127
	<hr/>	<hr/>	<hr/>
Net book value			
At 31 August 2014	668,228	17,950	686,178
	<hr/>	<hr/>	<hr/>
At 31 August 2013	705,728	20,053	725,781
	<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 £2,331,772.

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 2014

Net additions since at cost are as follows:	Leasehold property	Equipment
	£	£
In 1996 to 2005	47,490	81,279
In 2006	-	5,276
In 2007	-	28,904
In 2008	-	220
In 2009	-	(1,000)
In 2010	-	(227)
In 2013	-	3,444
In 2014	-	1,697
	<u>47,490</u>	<u>119,593</u>

4 DEBTORS	2014	2013
	£	£
Receivable from circuits	60	20
Tax receivable on gift aid receipts	5,695	-
	<u>5,755</u>	<u>20</u>

5 CREDITORS: amounts falling due within one year	2014	2013
	£	£
Bank loans and overdrafts	549	679
Accruals	803	804
	<u>1,352</u>	<u>1,483</u>

6 DESIGNATED FUND TO REPLACE FIXED ASSETS	2014	2013
	£	£
At 1 September 2013	150,000	150,000
At 31 August 2014	<u>150,000</u>	<u>150,000</u>

7 GENERAL FUND	2014	2013
	£	£
At 1 September 2013	788,993	792,353
Net income/(deficit) for the year	41,443	(3,360)
At 31 August 2014	<u>830,436</u>	<u>788,993</u>

MANCHESTER ASSEMBLY HALL OF JEHOVAH'S WITNESSES

NOTES TO THE ACCOUNTS

for the year ended 31 August 2014

8 COMMITMENTS

2014 **2013**
£ **£**

Expenditure has been approved, without entering into formal contracts for further refurbishment of the assembly hall to a total cost estimated at:

5,000 5,000

9 EMPLOYEE EMOLUMENTS

The charity does not have any employees.

10 TRANSACTIONS WITH TRUSTEES

During the year, one trustee, Mr D Warburton, received remuneration of £2,555, last year 2,589 in connection with his on-going work in managing the hall. In addition, his wife received remuneration of £2,663, last year £3,312.

No trustees received expenses this year, or last year.

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	686,178	144,258	830,436
	<u>686,178</u>	<u>294,258</u>	<u>980,436</u>

	At 1 September 2013	Income	Expended	Transfers	At 31 August 2014
	£	£	£	£	£
Unrestricted funds:					
Designated to replace fixed assets	150,000	-	-	-	150,000
General fund	788,993	190,292	(148,849)	-	830,436
	<u>938,993</u>	<u>190,292</u>	<u>(148,849)</u>	<u>-</u>	<u>980,436</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.

12 CONTROL RELATIONSHIPS

The charity is under the control of the trustees detailed on page 1 throughout the current year.

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 2014 , 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

29 June 2015