

# *Churches in Reading Drop in Centre*

Financial statements

For the year ending 31<sup>st</sup> March 2006

Registration number: 02652137



*Presented by Brywel Associates, 7 Chiltern Court, 37 St Peters Avenue, Reading, RG4 7DH*

**Independent review of accounts for**  
**Churches in Reading Drop in Centre**  
**To 31<sup>st</sup> March 2006**

29<sup>th</sup> September 2006

We can confirm that we have carried out an independent review of the records and accounts for the Churches in Reading Drop in Centre for the year to 31<sup>st</sup> March 2006 and have produced the attached accounts for the director's agreement and for filing at Companies House and with the Charities Commission.

Mr A S Bryant AFA FIAB

Brywel Associates

7 Chiltern Court, 37 St Peters Avenue, Caversham, Reading, RG4 7DH

## CIRDIC – Chair's Annual Report

The last year has been one of progress for CIRDIC; our new Manager, Mabel, has been getting to grips with a number of issues and all concur that she has been instrumental in making a number of improvements to the Centre, especially in compliance matters, which have directly resulted in the return of the Reading Street Team and the Baker Street Nurses. She is popular and respected by the guests and it has been remarked that it is difficult to keep up with her energy, and this is with her only working 50% of her time for CIRDIC. We are also indebted to Eileen, as Centre Co-ordinator, who has provided support for Mabel in the running of the Centre.

As mentioned last year the collaboration with CIRWC over the employment of a new Manager was a leap of faith. I am pleased to say that this has borne fruit, not just in finding Mabel but through the Joint Management Committee and working together in a number of areas. On the 8<sup>th</sup> March this year we held a joint ecumenical dedication service at Wesley Methodist Church at which the Bishop of Reading commissioned Mabel in her work for both Centres. This she has done, promoting both Centres where commonality of interest exists, yet maintaining the distinct ethos of both Centres.

As to funding, I am pleased to say that we had a better year, largely due to the fact that we did not have a paid Manager for 6 months; my thanks go again to Eileen who kept the Centre running during this period. My thanks also go to Reading BC, who provide grant support, all the individuals, and Churches that provide regular support for the work of the Centre. We are however responsible for the building under a full repairing lease, and need to improve both facilities and disabled access. We therefore need sponsors for capital improvements.

The work of CIRDIC is not easy, but the need remains great. Our aim remains to ease the difficulties experienced by those disadvantaged members of our community by standing alongside them; this is rewarding to both volunteers and our guests alike. New volunteers receive a warm welcome; in particular we need new Trustees, not actively involved in the day to day running of the Centre, who can join the Management Committee to help in some of the back-room tasks (Fundraising/Health & Safety/Food Hygiene/Finance etc)

The Centre is kept running by many people, mostly volunteers; I wish to express my thanks to all who have supported the Centre, in whatever capacity, over the last year but particularly to those, our "Guest Volunteers" who came for help and remain with us providing help.

Steve Barden  
Chair  
CIRDIC

November 2006

**Churches in Reading Drop-In Centre**  
**Registration Number: 02652137**

**DIRECTORS REPORT**

The directors of the Centre, who are ultimately its trustees, have pleasure in presenting their report and the accounts for the year to 31st March 2006.

**CONSTITUTION**

Churches in Reading Drop-in Centre Limited was incorporated as a company limited by guarantee on 8th October 1991 to take over the activities of the Churches in Reading Drop-in Centre as it then was. This transfer took place on 1st November 1991. On 9th April 1992 the company changed its name to Churches in Reading Drop-in Centre, taking advantage of section 30 Companies Act 1985.

Although the formal directors are ultimately responsible for the running of the Centre, general policy decisions are taken by the Management Committee. At 31st March 2006, the Management Committee consisted of:

Stephen Barden (Chairman)  
Eric Moyse  
Mary Tricker  
Eileen Gilbert  
Theresa Bicknell

Rosemarie Campbell  
Sally D'Sa  
Valerie Sansom  
Derek Winslow  
Clare Palmer

The Centre is a registered charity.

**ACTIVITIES**

The Centre, just off Berkeley Avenue in Reading, is open in the daytime on Mondays, Tuesdays and Fridays and on Saturday evenings to cater for the homeless or those in temporary accommodation in the Reading area. The Centre aims to provide food, warmth, shelter, a change of clothing, washing and recreational facilities, some basic health care, a referral service, a listening ear, advice and spiritual guidance.

**OVERVIEW OF THE PERIOD**

During the year normal donation income increased from Churches, individuals and other organisations. The directors have to report that the revenue account shows a surplus on ordinary activities for the year as, although incomings fell, expenditure was reduced to a larger extent.

**DIRECTORS**

The people who served as directors during the year, all of whom were members of the company throughout their period of office were:

S Barden (Chairman)  
E Moyse  
M Tricker

**DIVIDENDS ETC**

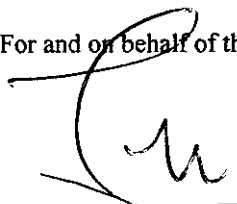
It is a requirement of the Memorandum of Association of the Centre that no distributions shall be made to the people who are members of the company at any time.

Churches in Reading Drop-In Centre  
Registration Number: 02652137

**DONATIONS**

During the year the Centre did not make donations to other organisations.

For and on behalf of the Directors

A handwritten signature in black ink, appearing to be 'S Barden', written over a horizontal line.

S Barden (Chairman)

**Churches in Reading Drop-In Centre**  
**Statement of the financial activities for the year to 31st March 2006**

		<b><u>Revenue</u></b> <b><u>Reserve</u></b>	<b><u>Building</u></b> <b><u>Fund</u></b>	<b><u>Total</u></b> <b><u>Funds</u></b> <b><u>2006</u></b>	<b><u>Total</u></b> <b><u>Funds</u></b> <b><u>2005</u></b>
<b><u>INCOME AND EXPENDITURE</u></b>					
<b><u>INCOME RESOURCES</u></b>					
Donations	Note 3	52,757	0	52,757	60,257
Investment Income	Note 11	194	0	194	108
		<u>52,951</u>	<u>0</u>	<u>52,951</u>	<u>60,365</u>
<b><u>RESOURCES EXPENDED</u></b>					
Direct charitable expenditure:					
Other	Note 9	31,614	0	31,614	53,501
Other expenditure:					
Management & administration	Note 15	6,795	0	6,795	9,057
		<u>38,409</u>	<u>0</u>	<u>38,409</u>	<u>62,558</u>
Net incoming/(outgoing) resources before transfers		14,254	0	14,254	-2,193
Transfers between funds	Note 7	0	0	0	0
Net movement in funds		14,254	0	14,254	-2,193
Opening balances		11,855	15,847	27,702	27,702
Closing balances		<u>26,109</u>	<u>15,847</u>	41,956	25,509
Capital reserve				<u>8,827</u>	<u>8,827</u>
Net Assets				<u>50,783</u>	<u>34,336</u>

The notes on pages 6 to 9 form part of these accounts.

**Churches in Reading Drop-In Centre**  
**Balance Sheet at 31st March 2006**

		<u>2006</u>	<u>2005</u>
<b>FIXED ASSETS</b>	Note 4	1,741	2,544
<b>CURRENT ASSETS</b>			
Debtors	Note 5	1,129	0
Cash at bank & in hand		50,063	33,014
		<u>51,192</u>	<u>33,014</u>
<b>CURRENT LIABILITIES</b>			
Creditors	Note 6	4,343	1,222
		<u>4,343</u>	<u>1,222</u>
<b>NET CURRENT ASSETS</b>		<u>46,849</u>	<u>31,792</u>
<b>TOTAL ASSETS</b>		<u>48,590</u>	<u>34,336</u>
<b>FINANCED BY</b>			
Capital reserve	Note 7	8,827	8,827
Building fund	Note 7	15,847	15,847
Revenue reserve	Note 7	23,916	9,662
		<u>48,590</u>	<u>34,336</u>

The notes on page 6 to 9 form part of these accounts.

For the year ended 31st March 2006 the company was entitled to exemption from the requirement to have an audit under the provisions of section 249A(1) of the Companies Act 1985. No notice has been deposited with the company under section 249B(2) of that Act requiring an audit to be carried out.

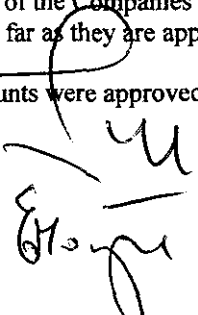
The directors acknowledge their responsibility for:

(a) ensuring the company keeps accounting records in accordance with section 221 of the Companies Act 1985; and

(b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of its financial year and of its surplus or deficit for that financial year in accordance with the requirements of section 226 of the Companies Act 1985 and which otherwise comply with the requirements of the Act relating to accounts so far as they are applicable to the company.

These accounts were approved by the Directors on

S C Barden  
E Moyse



**Churches in Reading Drop-In Centre**  
**Revenue Account for the year to 31st March 2006**

		<u>2006</u>	<u>2005</u>
Donations and similar income	Note 3	52,757	60,257
Centre running expenses	Note 8	30,197	42,751
Administration expenses	Note 10	8,500	19,807
		<u>38,697</u>	<u>62,558</u>
Revenue surplus/deficit on ordinary activities		14,060	-2,301
Interest receivable and similar income	Note 11	<u>194</u>	<u>108</u>
Revenue account surplus/deficit		<u>14,254</u>	<u>-2,193</u>

The income and surplus for the year all relate to continuing operations.

There were no recognised gains or losses other than the surplus for the year.

The notes on pages 6 to 9 form part of these accounts.



**Churches in Reading Drop-In Centre**  
**Notes to the accounts for the year ended 31st March 2006**

**NOTE 1: ACCOUNTING POLICIES**

**ACCOUNTING CONVENTION**

These accounts have been prepared under the historical cost accounting convention and in accordance with the requirements of the Companies Act 1985 and applicable accounting standards, including the charities Statement of Recommended Practice.

**INTEREST RECEIVABLE**

Except as detailed below, all donation income is included when received, including subscriptions to the Friends of the Drop-in. Amounts received under deposit covenants are included as current liabilities. The yearly covenanted amount, plus the associated recoverable income tax, is recognised as income on the due date for payment under the deed of covenant.

The Centre receives considerable amounts of food and clothing in kind, rather than money being given to purchase these items. No account has been taken of these receipts as it would not be practical to do so. All these items are either consumed by or donated on to the Centre's guests. Similarly, no account has been taken of building work carried out by the Centre's guests. Bank and building society interest is accrued on a daily basis and is credited on this basis in the revenue account.

**FIXED ASSETS**

Depreciation is provided on all fixed assets in a manner designed to write off their costs, less estimated residual values, by the following methods and at the following rates:

Furniture and equipment	25%reducing balance
Computer equipment	25%straight line
Security system	33%straight line
Building improvements	over the period of the lease

No account is taken of fixed assets that have been donated to the Centre, as this would be impractical. The directors do not believe that any effect on the accounts would be material.

**STOCKS**

No account has been taken of stocks of food and clothing held at the balance sheet date, as these are intended for consumption by or donation to the Centre's guests.

**OPERATING LEASES**

Rentals paid under operating leases are charged to the revenue account and statement of financial activities as incurred.

**RESERVES**

The Capital reserve represents the net assets taken over from the former unincorporated Churches in Reading Drop-in Centre on 1st November 1991.

The Building fund represents the amounts raised towards the redevelopment work at the Centre. This reserve is being amortised over the life of the lease of St Saviour's Hall.

The Revenue reserve consists of accumulated revenue account surpluses less any revenue account deficits.

The Funds are unrestricted.

**NOTE 2: ACCOUNT HEADINGS**

On the balance sheet and in the revenue account and the associated notes the directors have in certain cases departed from the headings contained in the Companies Acts in order to present the user of these accounts with a true and fair view.

**Churches in Reading Drop-In Centre**  
**Notes to the accounts for the year ended 31st March 2006**

**NOTE 3: DONATION INCOME**

	2006	2005
Churches	15,145	19,446
Individuals	18,965	12,104
Reading Borough Council	9,591	9,389
Other	9,056	19,318
	<u>52,757</u>	<u>60,257</u>

All donations were received from within the United Kingdom.

**NOTE 4: TANGIBLE ASSETS**

	<b>Building Improvements</b>	<b>Furniture &amp; Computer Equipment</b>	<b>Computer Equipment</b>	<b>Security System</b>	<b>Total</b>
<b>Cost</b>					
At 1st April 2005	121,958	13,665	1,848	3,512	137,471
Additions/(Disposals)	0	-386	0	0	-386
At 31st March 2006	<u>121,958</u>	<u>13,279</u>	<u>1,848</u>	<u>3,512</u>	<u>140,597</u>
<b>Depreciation</b>					
At 1st April 2005	121,958	12,291	1,848	2,342	127,689
Charge in period	0	247	0	1,170	1,417
Eliminated on Disposals	0	-1,000	0	0	-1,000
At 31st March 2006	<u>121,958</u>	<u>11,538</u>	<u>1,848</u>	<u>3,512</u>	<u>138,856</u>
<b>Net book value</b>					
At 31st March 2006	<u>0</u>	<u>1,741</u>	<u>0</u>	<u>0</u>	<u>1,741</u>
At 31st March 2005	<u>0</u>	<u>1,374</u>	<u>0</u>	<u>1,170</u>	<u>2,544</u>

**NOTE 5: DEBTORS**

	2006	2005
Project expenses to be reimbursed	0	0
Donations & income tax	0	0
Prepayments and accrued income	1,129	0
	<u>1,129</u>	<u>0</u>

**NOTE 6: CREDITORS (amounts falling due within one year)**

	2006	2005
Other taxation and social security costs	0	719
Accruals and deferred income	4,343	503
	<u>4,343</u>	<u>1,222</u>

**Churches in Reading Drop-In Centre**  
**Notes to the accounts for the year ended 31st March 2006**

**NOTE 7: RESERVES**

	<b>Capital reserve</b>	<b>Building fund</b>	<b>Revenue reserve</b>	<b>Total</b>
As at 1st April 2005	8,827	15,847	9,662	34,336
Surplus for year	0	0	14,254	14,254
Transfer of depreciation of building improvements	0	0	0	0
	<u>8,827</u>	<u>15,847</u>	<u>23,916</u>	<u>48,590</u>

**NOTE 8: CENTRE RUNNING EXPENSES**

	<b>2006</b>	<b>2005</b>
Rent of building	13,200	12,500
Rent adjustment relating to over accrual in 2004	0	-2,500
Food, etc	3,126	3,122
Heat and Light	1,921	1,575
Telephone	1,456	1,151
Repairs & renewals	2,956	2,435
Employment costs	6,935	23,832
Rates and water	603	636
	<u>30,197</u>	<u>42,751</u>
Expenses reimbursed	<u>0</u>	<u>0</u>
	<u>30,197</u>	<u>42,751</u>

**NOTE 9 : OTHER DIRECT CHARITABLE EXPENDITURE**

	<b>2006</b>	<b>2005</b>
Centre running expenses (note 8)	30,197	42,751
Depreciation	<u>1,417</u>	<u>10,750</u>
	<u>31,614</u>	<u>53,501</u>

**NOTE 10: ADMINISTRATION EXPENSES**

	<b>2006</b>	<b>2005</b>
Printing, postage, stationery and publicity	924	1,066
Legal and professional	666	1,736
Audit costs	353	353
Laundry and cleaning	1,582	2,170
Books and journals	254	309
Insurance	2,509	2,513
Training	288	0
Computer expenses	352	0
General	3	366
Bank charges	152	175
Loss on Project scheme	0	369
Depreciation	<u>1,417</u>	<u>10,750</u>
	<u>8,500</u>	<u>19,807</u>

**Churches in Reading Drop-In Centre**

**Notes to the accounts for the year ended 31st March 2006**

**NOTE 11: INTEREST RECEIVABLE AND SIMILAR INCOME**

	2006	2005
Bank interest	194	108
	<u>194</u>	<u>108</u>

**NOTE 12: OPERATING LEASES**

The company was committed to making the following payments under a non-cancellable operating lease of land and buildings in the year to 31st March 2006:

	2006	2005
<b>Operating leases which expire:</b>		
Within 1 year	13,200	13,200
Within 2 to 5 years	52,800	52,800
After more than 5 years (10 year lease from 12/03)	<u>26,400</u>	<u>66,000</u>
	<u>92,400</u>	<u>132,000</u>

Under the terms of the lease the company is entitled to give notice to terminate the lease at the end of three years but the lessor is not so entitled.

**NOTE 13: EMPLOYEES**

The Centre was entitled to the half-time services of one employee of a Joint Management Committee accountable to CIRDIC and the Churches in Reading Women's Centre, but is basically manned by teams of volunteers. The average number of volunteers during the period was approximately 65 (2005:65), including the Management Committee.

**NOTE 14: TAXATION**

As a registered charity the Centre is exempt from direct United Kingdom taxation. Refunds of income tax on deeds of covenant and donations under the gift aid scheme are included in the category of income in which the underlying donation is included.

It should be noted that the Centre enjoys no general exemption from Value Added Tax.

**NOTE 15: MANAGEMENT AND ADMINISTRATION**

	2006	2005
Printing, postage, stationery and publicity	924	1,066
Legal and professional	666	1,736
Audit costs	353	353
Laundry and cleaning	1,582	2,170
Books and journals	254	309
Insurance	2,509	2,513
Computer expenses	352	0
General	3	366
Bank charges	152	175
Loss on Project scheme	<u>0</u>	<u>369</u>
	<u>6,795</u>	<u>9,057</u>

**Churches in Reading Drop-In Centre**  
**Legal and Administrative details**

**LEGAL STATUS**

The Centre is a company limited by guarantee, registered in England and Wales. The company registration number is 2652137. The Centre is a registered charity, number 1005654.

**DIRECTORS, TRUSTEES, ETC**

The names of the directors and members of the Management Committee are set out on page 2.

**ADDRESSES**

Registered Office	1 London Road Reading RG1 4QW
The Centre	Berkeley Avenue Reading RG1 6JT
Chairman	5 St Andrews Road Caversham Reading RG4 7PH

**BANKERS AND ADVISORS**

Bankers	Barclays Bank plc P O Box 27 Reading RG1 2HD  Sort Code 20-71-03 Account 70269573
Solicitors	Field Seymour Parkes The Old Coroner's Court 1 London Road Reading RG1 4QW
Accountants	Brywel Associates Ltd 7 Chiltern Court 37 St Peter's Avenue Caversham Reading RG4 7DH