

Churches in Reading Drop in Centre

Financial statements

For the year ended 31st March 2007

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 31st March 2007

4th September 2007

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 31st March 2007 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

Chairman's Report (2006/7)

The last year has been a stable one, with Mabel Boyd now well and truly in charge of running the Centre. The collaboration with CIRWC has, and is, working very well and there have been no areas of conflict. Indeed, the Regenerate initiative has spurred us on to thinking how we can improve the service to our guests and this has led specifically to CIRDIC promoting two initiatives, 1) a Thursday life skills training session & 11) a Sunday spiritual session, which takes the form of a spiritual reflection led on an ecumenical rota basis, of around 15 minutes over breakfast. Both sessions are in operation and are providing focused learning to those who are seeking to address their individual problems and, hopefully, improve their lifestyles.

The constant challenges however remain drink & alcohol abuse by some of the guests, resulting in bad behaviour (Guests will be banned if this occurs), but the more recent challenge has been the influx of young migrant workers from Eastern Europe, with no money or accommodation. The Reading Street Team are therefore again attending the Centre to try and address the renewed homeless problem. Whilst the numbers had dropped, there are now again regularly 60/70 guests being fed at the Centre. Food, as always, is something that is needed.

As to funding, I am pleased to say that we are in the same position as last year and income has largely balanced costs. My thanks go to Reading BC, who provide grant support, all the individuals, and Churches that provide regular support for the work of the Centre. This does not mean that we do not need extra funding, whilst we have maintained a balance on running costs, we have an outstanding list of capital improvements that need to be addressed in the coming year. We are 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, including two who first came to the Centre as guests. This is my last year as Chair and a member of the Management Committee. I wish to express my thanks to all who have supported the Christian ethos of the Centre, in whatever capacity, over the last year and years to come.

Steve Barden
Chair
CIRDIC

November 2007

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 2007

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 2007, 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

Richard Knudsen

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 there was an increase in expenditure, this was more than covered by the additional income mentioned above.

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
C Palmer

DIVIDENDS ETC

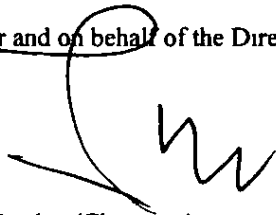
It is a requirement of the Memorandum of Association of the Centre that no distributions shall be made to the people who are members of the company at any time.

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, consisting of a large, stylized 'S' followed by a series of loops and a final flourish.

S Barden (Chairman)

Churches in Reading Drop-In Centre
Statement of the financial activities for the year to 31st March 2007

		Revenue Reserve	Building Fund	Total Funds 2007	Total Funds 2006
<u>INCOME AND EXPENDITURE</u>					
<u>INCOME RESOURCES</u>					
Donations	Note 3	51,526	0	51,526	52,757
Investment Income	Note 11	386	0	386	194
		<u>51,912</u>	<u>0</u>	<u>51,912</u>	<u>52,951</u>
<u>RESOURCES EXPENDED</u>					
Direct charitable expenditure					
Other	Note 9	37,124	0	37,124	31,614
Other expenditure					
Management & administration	Note 15	8,356	0	8,356	6,795
		<u>45,480</u>	<u>0</u>	<u>45,480</u>	<u>38,409</u>
Net incoming/(outgoing) resources before transfers		6,287	0	6,287	14,254
Transfers between funds	Note 7	0	0	0	0
Net movement in funds		6,287	0	6,287	14,254
Opening balances		23,916	15,847	39,763	25,509
Closing balances		<u>30,203</u>	<u>15,847</u>	46,050	39,763
Capital reserve				<u>8,827</u>	<u>8,827</u>
Net Assets				<u>54,877</u>	<u>48,590</u>

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

Churches in Reading Drop-In Centre
Balance Sheet at 31st March 2007

		<u>2007</u>	<u>2006</u>
FIXED ASSETS	Note 4	4,057	1,741
CURRENT ASSETS			
Debtors	Note 5	1,114	1,129
Cash at bank & in hand		50,206	50,063
		<u>51,320</u>	<u>51,192</u>
CURRENT LIABILITIES			
Creditors	Note 6	500	4,343
		<u>500</u>	<u>4,343</u>
NET CURRENT ASSETS		<u>50,820</u>	<u>46,849</u>
TOTAL ASSETS		<u>54,877</u>	<u>48,590</u>
FINANCED BY			
Capital reserve	Note 7	8,827	8,827
Building fund	Note 7	15,847	15,847
Revenue reserve	Note 7	30,203	23,916
		<u>54,877</u>	<u>48,590</u>

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

For the year ended 31st March 2007 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.

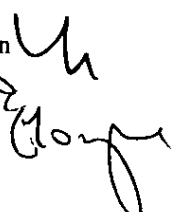
The directors acknowledge their responsibility for

(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 Moysa



Churches in Reading Drop-In Centre
Revenue Account for the year to 31st March 2007

		<u>2007</u>	<u>2006</u>
Donations and similar income	Note 3	51,526	52,757
Centre running expenses	Note 8	35,926	30,197
Administration expenses	Note 10	9,699	8,500
		<u>45,625</u>	<u>38,697</u>
Revenue surplus/deficit on ordinary activities		5,901	14,060
Interest receivable and similar income	Note 11	<u>386</u>	<u>194</u>
Revenue account surplus/deficit		<u>6,287</u>	<u>14,254</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 2007

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 Grant income from Reading Borough Council is recognised on the dates that the instalments become due

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 to contribute towards any further building improvements to St Saviours Church 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 2007

NOTE 3: DONATION INCOME

	<u>2007</u>	<u>2006</u>
Churches	20,645	15,145
Individuals	11,900	18,965
Reading Borough Council	9,699	9,591
Other	9,282	9,056
	<u>51,526</u>	<u>52,757</u>

All donations were received from within the United Kingdom

NOTE 4: TANGIBLE ASSETS

	<u>Building Improvements</u>	<u>Furniture & Computer Equipment</u>	<u>Computer Equipment</u>	<u>Security System</u>	<u>Total</u>
<u>Cost</u>					
At 1st April 2006	121,958	13,279	1,848	3,512	137,085
Additions/(Disposals)	954	2,560	0	0	3,514
At 31st March 2007	<u>122,912</u>	<u>15,839</u>	<u>1,848</u>	<u>3,512</u>	<u>144,111</u>
<u>Depreciation</u>					
At 1st April 2006	121,958	11,538	1,848	3,512	127,689
Charge in period	95	1,103	0	0	1,198
Eliminated on Disposals	0	0	0	0	0
At 31st March 2007	<u>122,053</u>	<u>12,641</u>	<u>1,848</u>	<u>3,512</u>	<u>140,054</u>
<u>Net book value</u>					
At 31st March 2007	<u>859</u>	<u>3,198</u>	<u>0</u>	<u>0</u>	<u>4,057</u>
At 31st March 2006	<u>0</u>	<u>1,741</u>	<u>0</u>	<u>0</u>	<u>1,741</u>

NOTE 5: DEBTORS

	<u>2007</u>	<u>2006</u>
Project expenses to be reimbursed	0	0
Donations & income tax	0	0
Prepayments and accrued income	<u>1,114</u>	<u>1,129</u>
	<u>1,114</u>	<u>1,129</u>

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

	<u>2007</u>	<u>2006</u>
Other taxation and social security costs	0	0
Accruals and deferred income	<u>500</u>	<u>4,343</u>
	<u>500</u>	<u>4,343</u>

Churches in Reading Drop-In Centre**Notes to the accounts for the year ended 31st March 2007****NOTE 7: RESERVES**

	Capital reserve	Building fund	Revenue reserve	Total
As at 1st April 2006	8,827	15,847	23,916	48,590
Surplus for year	0	0	6,287	6,287
Transfer of depreciation of building improvements	0	0	0	0
	<u>8,827</u>	<u>15,847</u>	<u>30,203</u>	<u>54,877</u>

NOTE 8: CENTRE RUNNING EXPENSES

	<u>2007</u>	<u>2006</u>
Rent of building	13,200	13,200
Rent adjustment relating to over accrual in 2004	0	0
Food, etc	3,066	3,126
Heat and Light	2,365	1,921
Telephone	1,135	1,456
Repairs & renewals	2,413	2,956
Employment costs	13,090	6,935
Rates and water	657	603
	<u>35,926</u>	<u>30,197</u>
Expenses reimbursed	<u>0</u>	<u>0</u>
	<u>35,926</u>	<u>30,197</u>

NOTE 9 : OTHER DIRECT CHARITABLE EXPENDITURE

	<u>2007</u>	<u>2006</u>
Centre running expenses (note 8)	35,926	30,197
Depreciation	1,198	1,417
	<u>37,124</u>	<u>31,614</u>

NOTE 10: ADMINISTRATION EXPENSES

	<u>2007</u>	<u>2006</u>
Printing, postage, stationery and publicity	1,024	924
Legal and professional	834	666
Audit costs	0	353
Laundry and cleaning	1,899	1,582
Books and journals	223	254
Insurance	2,703	2,509
Training	145	288
Computer expenses	1,404	352
General	20	3
Bank charges	249	152
Loss on Project scheme	0	0
Depreciation	1,198	1,417
	<u>9,699</u>	<u>8,500</u>

Churches in Reading Drop-In Centre
Notes to the accounts for the year ended 31st March 2007

NOTE 11: INTEREST RECEIVABLE AND SIMILAR INCOME

	<u>2007</u>	<u>2006</u>
Bank interest	386	194
	<hr/>	<hr/>
	<u>386</u>	<u>194</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 2007

	<u>2007</u>	<u>2006</u>
Operating leases which expire:		
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)	13,200	26,400
	<hr/>	<hr/>
	<u>79,200</u>	<u>92,400</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 70 (2006- 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

	<u>2007</u>	<u>2006</u>
Printing, postage, stationery and publicity	1,024	924
Legal and professional	834	666
Audit costs	0	353
Laundry and cleaning	1,899	1,582
Books and journals	223	254
Insurance	2,703	2,509
Computer expenses	1,404	352
General	20	3
Bank charges	249	152
Loss on Project scheme	0	0
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	<u>8,356</u>	<u>6,795</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