

# Financial Statements

For the year ended 31 December 2013

## Keswick Convention Trust

Company No 3913741  
Charity No. 1083584

MONDAY



\*A3A52VN4\*

A24

16/06/2014

#103

COMPANIES HOUSE

# Financial Statements

For the year ended 31 December 2013

## **KESWICK CONVENTION TRUST**

Company No 3913741

Charity No 1083584

<b>CONTENTS</b>	<b>PAGE</b>
Information	1
Report of the Directors	2 - 8
Report of the Auditors	9
Statement of Financial Activities	10
Balance Sheet	11
Notes to the Financial Statements	12 - 19

## **KESWICK CONVENTION TRUST – COMPANY LIMITED BY GUARANTEE**

---

### **Reference information**

ADDRESS	Keswick Convention Centre Skiddaw Street Keswick Cumbria CA12 4BY
REGISTERED CHARITY NUMBER	1083584
COMPANY REGISTRATION NO	3913741
WORKING NAME	Keswick Ministries
GOVERNING DOCUMENT	Memorandum and Articles of Association
DIRECTORS	Mrs R Baughen Rev Dr S Brady Mr D Burnside Mr J Chatfield Mr D Gascoigne Mr J Lamb Mrs E McQuoid Rev A Paine Mr J Risbridger, Chairman Mr D Ryan Rev Dr M Sleeman Mr G Smallman
COMPANY SECRETARY	Mr S Overend
AUDITORS	Mazars LLP The Lexicon Mount Street Manchester M2 5NT
SOLICITORS	Anthony Collins Solicitors LLP 134 Edmund Street Birmingham B3 2ES
CHARITY OBJECTS	The Trust exists to promote Bible Teaching at an annual Convention in Keswick and on other occasions with the aim of encouraging holy and Biblical life styles
BANKERS	HSBC plc, Market Square, Keswick, Cumbria, CA12 5BG

## **REPORT OF THE DIRECTORS**

The Directors present their Annual Report and Financial Statements for the year ended 31 December 2013

### **DIRECTORS AND OFFICERS**

The following directors held office for the whole of the year to 31 December 2013

Mrs R Baughen  
Rev Dr S Brady  
Mr D Burnside  
Mr J Chatfield  
Mr D Gascoigne  
Mr J Lamb  
Mrs E McQuoid  
Rev A Paine  
Mr J Risbridger, Chairman  
Mr D Ryan  
Mr G Smallman  
Mr I Sowerby, Honorary Treasurer

The following have held senior management positions during the year

David Bradley was the Company Secretary and General Director until 20<sup>th</sup> November and Simon Overend is the Director of Operations (formerly Operations Manager), and new Company Secretary, appointed 20 November

### **STATUS**

The Keswick Convention Trust is both a company limited by guarantee, not having a share capital, and a registered charity, it was incorporated as a company on 1 September 2001 when the assets and liabilities of the Keswick Convention Trust were transferred to the company

### **APPOINTMENT OF DIRECTORS**

Under the Trust Deed directors are to be known as Trustees. The Council of Management consists of the Trustees and it now meets twice a year, including an overnight meeting, to manage the Trust. Trustees serve for a term of three years, are re-electable for a maximum of a further three terms, and may remain in office until age 70 years.

Recruitment and appointment of new Trustees – new Trustees are appointed in accordance with the Charity's Memorandum and Articles of Association. The Keswick Convention Trust maintains a Trustees' matrix setting out the skills mix required to manage the Charity and plans successors based on the known retirement dates of Trustees.

New Trustees are required to follow an induction process which consists of being introduced to the operations of the Trust, attending one Council meeting before being formally appointed and, where appropriate, are offered formal training in their responsibilities.

A procedure for Trustee appraisal is in place and takes place during the final year of their three year term of appointment.

## **REPORT OF THE DIRECTORS (continued)**

### **ORGANISATIONAL STRUCTURE**

The charity operates from offices in its home town of Keswick, Cumbria. The team, headed by the Director of Operations, Simon Overend, together with a very active Council of Trustees, plan and organise the annual summer Convention.

Other committees have been formed to support the Council: these are the Children & Youth, Development, Finance & General Purposes, Literature, and Programme Committees. These are composed of some Council members, staff and some volunteers who have relevant experience and expertise. These committees are supported by a number of Working Groups that report to them. All major decisions are subject to Council's agreement.

During 2013 the Council decided to create a new post of Chief Executive Officer who will be responsible for the development of the Convention, the wider work of Keswick Ministries, the use of our sites and our strategic partnerships.

The General Director, David Bradley left the Convention during 2013 and the Council wish to record their thanks to him for his part in the development of the Convention over the last 10 years.

### **RELATIONSHIPS WITH RELATED PARTIES**

Partners - Keswick Ministries partners with different Christian organisations to help take forward its objectives, including the recording, broadcasting and publishing of the teaching given at the Keswick Convention.

Trading subsidiaries - Keswick Ministries has two trading subsidiaries to respectively manage the Rawsley Centre car park and Crosthwaite campsite.

### **RISK POLICY**

The Trustees regularly review the risks to which the charity is exposed, as identified, so that reasonable measures are taken to reduce and manage them and to provide insurance cover where this is possible. A risk review procedure is in place to identify the most significant risks and the Trustees check that appropriate remedial action has been taken. The Trustees are advised on Health and Safety issues by an external consultancy firm.

Trustees, staff and volunteers are instructed in the risk management policies that are appropriate to the work that they do. Expenditure is monitored and the financial situation is examined by the Hon. Treasurer on a monthly basis so as to manage financial risk. Local public relations issues are taken seriously and regular consultative meetings are held with representative bodies across the town.

Major risks – the Trustees receive a Risk Management report annually and the staff review this quarterly.

### **OBJECTIVES AND ACTIVITIES**

The charity exists to promote Bible Teaching at an annual Convention in Keswick and on other occasions with the aim of encouraging holy and Biblical life styles.

In the pursuance of these objectives, the Trustees have -

- conducted the annual Convention for three weeks in the summer,
- held two Bible study weeks during the year in the Convention Centre,
- been engaged in development activities to promote similar events throughout the country and abroad.

## **REPORT OF THE DIRECTORS (continued)**

The aim of these events is to bring about life transforming encounters with God's Word which issue in practical Christian living

Missionary Hospitality Fund – supports the cost of attendance of missionaries at the annual Convention and also the costs of those attending other Keswick Ministries mission related activities

Volunteers – volunteers undertake a wide variety of practical tasks during the Convention (crèche, children and youth work, provision for people with learning disabilities, stewards, catering, finance and reception teams)

The Trust relies on volunteer workers to a very large extent. During the annual Convention some 500 adults were engaged in this way

Additionally the Trustees have sought to raise funds by letting property for local community activities at times when the premises are not needed for their charitable activities. They also permit the use of some of the charity's land in Keswick for a public car park which is operated by Allerdale Borough Council

## **ACHIEVEMENTS AND PERFORMANCE**

To help people get more from Convention a Study Guide based on the Transforming Trinity theme was written by trustee Elizabeth McQuoid, and published by IVP. It sold well both at, and immediately after Convention and a new Study Guide is planned for 2014

A part-time freelance Communications Officer was appointed to provide on-site support during the three week Convention, and year round support as required. Linked to this, in seeking to embrace the use of social media we engaged with Twitter for the first time this year

Greater integrations of the whole event and programme were achieved by the positive and close working of the Children & Youth Committee and the Programme Committee, and the commitment of all involved

In 2013 mp3 recordings of the main talks were made available free of charge via the Convention website within a few days of their delivery, and these have proved very popular. CD and DVD recordings also continue to be made available

It is a mark of the public benefit being provided that in the context of the above, between 2,000 and 4,000 people of all ages attend the Convention daily during the three weeks at no charge, and that out of the voluntary giving, the expenses of the Convention have been met

The programme encourages participation in events throughout the day including Bible Readings, seminars, Christian worship, times of prayer and special events, a number designed for particular interest groups

People attending have the benefit of the wonderful environment of the Lake District, with all its amenities and facilities, so that they can return home both spiritually and physically refreshed

During the Convention there is a mission exhibition that opens up to participants the possibilities and opportunities in Christian work around the world and it is also a great source of information about other cultures

Outside of the main Convention period the facilities and resources of Keswick Ministries benefit the Church and interested people. This includes the media resources that are made available from the Convention weeks. Keswick meetings are also held in nearly 60 different locations both within the UK and abroad

## **REPORT OF THE DIRECTORS (continued)**

The properties of Keswick Ministries in the town of Keswick are used by Christian and other community groups during the periods that they are not required for its own activities. Where that usage does not fall within the charitable objectives, they are carried out for the benefit of the community through the subsidiary companies.

### **FUTURE PLANS**

Intergenerational integration has been a key theme of 2013 which will be built on in 2014 Convention.

2014 also sees us doing something new, crafting a week three programme that will be helpful to both Christians and their non-Christian family and friends.

Keswick Ministries continues to pursue options to make its teaching materials available in new formats e.g. e-books and downloads as well as making greater use of opportunities in social media.

Jonathan Lamb is appointed to the new position of CEO and Minister at Large with effect from 5th May 2014. The Trustees are excited about the opportunities, by God's grace, to establish further teaching and training ministries, provide new resources, and extend the reach both of the summer event and the Keswick movement - all designed to encourage the spiritual renewal of God's people for his mission in the world.

We remain a non-fee paying, non-registration event, funded from donations made at the Convention and throughout the year, and we encourage other 'Keswicks' to follow this pattern. These other 'Keswicks' are not formally associated to the charity and so these financial statements do not include their activities.

United Utilities essential flood alleviation works which began on the Rawnsley site in autumn 2011 are nearing completion and should provide increased scope for our use of the site.

### **FINANCIAL REVIEW**

The income of Keswick Ministries is mainly from voluntary donations made from those who support and attend the Convention and its financial viability is dependant on this. Once again we are grateful to God for the financial provision in the year under review and to the many thousands who have given generously, in another year of economic difficulty in the UK.

The financial results are set out in the Statement of Financial Activities on page 10.

Total incoming resources amounted to £1,189,604 compared to a previous year's total of £1,077,676.

Voluntary income increased this year by £123,254. The numbers of people attending the Convention increased again to unprecedented levels and the increased income was largely linked to the offerings taken, coupled with the receipt of a generous legacy of £26,411 (2012 - £3,003).



**REPORT OF THE DIRECTORS (continued)**

Rental income from the car park run by the subsidiary Keswick Convention Projects (Rawnsley) Ltd was at similar levels to the previous year at £38,000. United Utilities continued to compensate the charity for reduced availability during the course of its work on essential flood protection to the town of Keswick and the site was returned to the Convention shortly before the year end.

Investment income reduced during the year due to the fall in interest rates on deposits. The charity continues to invest in a spread of suitable accounts that offer a reasonable rate of interest at today's standard, whilst providing appropriate security of funds.

Total resources expended in the year amounted to £1,052,521, compared to £1,059,864 in the previous year. An analysis of the costs is shown in the Notes to the Financial Statements on pages 13 and 14. The main changes in costs were in those of development activity, which were lower this year and repairs to the Skiddaw Street premises, which were increased.

The Restricted Funds at the year end, amounting to £28,565, relate entirely to the Missionary Hospitality Fund, which relates to the support of missionaries who wish to attend the Convention.

The excess of unrestricted incoming resources over outgoings was £143,146 which consisted of a reduction of £31,086 in designated reserves and an increase in general reserves of £174,232.

We are very thankful for both the increased numbers attending the Convention and the generosity of the Lord's people, in both prayer and contributions of finance and time, which enabled the year's ministry costs to be borne out of the income for the year.

The designated reserves are shown and explained in note 13 and are also referred to below under Reserves Policy. They include £300,000 for marquee renovation or replacement and £80,000 for replacement of fabric and refurbishment.

The Trustees' financial objective is to raise sufficient funds to meet the cost of the Trust's activities and also to have funds for maintaining and developing the activities.

**ASSOCIATED ACTIVITIES**

The Directors permit a bookshop to operate during the Convention selling sympathetic Christian literature. This provides a modest source of rental income, and royalties are received from the sale of recordings and books.

The company owns the entire share capital of Keswick Convention Projects Limited, a company that operates a campsite in the neighbourhood during the Convention and this made a surplus of £6,920 before tax and a donation to the Convention in the coming year. During the past year the company made a Gift Aided donation of £4,533 to the Convention.

The company also owns the entire share capital of Keswick Convention Projects (Rawnsley) Limited, a trading company that operates car parking facilities at Rawnsley Centre and this broke even after paying rent to the Convention.

Consolidated financial statements have not been prepared on the grounds that the results of the subsidiary undertakings would not be material to the group financial statements.

## **REPORT OF THE DIRECTORS (continued)**

### **DONATIONS AND LEGACIES**

The activities of the charity are financed almost entirely by voluntary gifts throughout the year, offerings taken at the Convention and legacies. We gratefully acknowledge the many unrecorded gifts of time and expertise given by so many during the course of the year, without which our operating costs would increase greatly.

### **RESERVES POLICY**

The directors have agreed a reserves policy designed to achieve or maintain adequate funds to cover the net book value of fixed assets (£984,792) and replacement and upgrading of fixed assets (£380,000), including the ageing marquee. For an explanation of the designated funds see note 13 to the financial statements.

In addition to the designated funds, the Trustees have considered the required level of funds for working capital, given the cyclical nature of the cash flow, development planning and economic environment. The Trustees hold the view that the unrestricted general fund of £596,924 is appropriate to this stage of the Convention's development, given the voluntary nature of most of the income. Reference has been made earlier in this report, to the decision to appoint a Chief Executive Officer and the development objectives mentioned will require funding.

### **TANGIBLE FIXED ASSETS**

The assets and related depreciation, including rates of depreciation are set out in note 7.

### **PUBLIC BENEFIT**

The Trustees have considered the public benefit guidance issued by the Charity Commission together with the supplemental guidance on the application of the public benefit test to charities whose aims include advancing religion. The Trustees are aware of their legal duty to have regard to the public benefit guidance and to report on this charity's compliance with the public benefit obligation.

The physical and spiritual refreshment gained by those who attend the Convention provides a direct public benefit by the deepening of the spiritual life of the individuals and, through the individuals, their church communities and, through those church communities, the wider communities in which the churches are set. These benefits are directly related to the aims of the charity and the Trustees are conscious of the need, so far as they are able, to balance the delivery of the benefits against any possible detriment or harm.

Since the main Convention event is open to the public and no charge is made for attendance at the vast majority of the programme, there is the widest possible reach from the charity's activities. Because there is no fee, those in poverty are not excluded from the opportunity to benefit as they can attend the meetings at no charge. The Trustees are conscious of the need to ensure that any private benefits are only incidental.

The work of the charity through the year in offering assistance and guidance to similar Conventions and meetings elsewhere has the effect of spreading the public benefit even wider.

### **INVESTMENT POLICY**

The directors have powers to invest surplus funds in investments, securities and properties as they think fit, subject to the provisions of any relevant legislation. During the year the Trustees have considered the investment policies, especially in the light of the low interest rates being paid. Given the active consideration that is being given to the timing of some of the major costs noted in the above Reserves Policy, surplus funds are invested in a mix of Term and Instant Access bank deposits. Social, environmental and ethical considerations are considered in selecting the banks at an appropriate level of risk.

**REPORT OF THE DIRECTORS (continued)**

**DIRECTORS' RESPONSIBILITIES**

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year. In preparing those accounts, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors also confirm that as far as they are aware there is no relevant audit information of which the charity's auditors are unaware and they have taken all steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**AUDITORS**

A resolution to re-appoint Mazars LLP as auditors to the Company will be proposed at the forthcoming Annual General Meeting.

By order of the Directors

  
J. Risbridger

7<sup>th</sup> May 2014

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KESWICK CONVENTION TRUST**

We have audited the financial statements of Keswick Convention Trust for the year ended 31 December 2013 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

**RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS**

As explained more fully in the Trustees' Responsibilities Statement set out on page 8, the trustees (who are also the directors of the charity for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors. This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body for our audit work, for this report, or for the opinions we have formed.

**SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's web-site at <http://www.frc.org.uk/auditscopeukprivate>.

**OPINION ON THE FINANCIAL STATEMENTS**

In our opinion the financial statements

- give a true and fair view of the state of the charity's affairs as at 31 December 2013 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

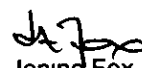
**OPINION ON THE OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of trustees' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime.

  
Janine Fox (Senior Statutory Auditor)  
for and on behalf of Mazars LLP  
Chartered Accountants and Statutory Auditor  
The Lexicon, Mount Street, Manchester, M2 5NT  
Date 20 May 2014

# KESWICK CONVENTION TRUST – COMPANY LIMITED BY GUARANTEE

## Statement of Financial Activities (including income and expenditure account) For the year ended 31 December 2013

	Note	Designated £	Unrestricted Funds General £	Total £	Restricted Funds £	Total 2013 £	Total 2012 £
<b>INCOME AND EXPENDITURE</b>							
<b>INCOMING RESOURCES</b>							
Incoming resources from generated funds							
Voluntary income	2	-	905,022	905,022	24,557	929,579	806,325
Activities for generating funds		-	147,077	147,077	-	147,077	157,726
Investment income		-	7,708	7,708	-	7,708	10,026
Incoming resources from charitable activities		-	105,240	105,240	-	105,240	103,599
<b>TOTAL INCOMING RESOURCES</b>		-	<b>1,165,047</b>	<b>1,165,047</b>	<b>24,557</b>	<b>1,189,604</b>	<b>1,077,676</b>
<b>RESOURCES EXPENDED</b>							
Cost of generating funds							
Cost of generating voluntary income	3	-	11,718	11,718	-	11,718	11,257
Cost of activities for generating funds	3	14,054	144,159	158,213	-	158,213	142,159
Charitable activities							
Annual Convention costs	4	14,054	704,361	718,415	29,970	748,385	751,532
Cost of income generated from charitable activities	4	7,028	42,578	49,606	650	50,256	54,188
Cost of development activity	4	-	39,766	39,766	-	39,766	66,288
Governance costs	5	-	44,183	44,183	-	44,183	34,440
<b>TOTAL RESOURCES EXPENDED</b>		<b>35,136</b>	<b>986,765</b>	<b>1,021,901</b>	<b>30,620</b>	<b>1,052,521</b>	<b>1,059,864</b>
<b>MOVEMENT IN TOTAL FUNDS FOR THE YEAR – NET INCOMING/(OUTGOING) RESOURCES BEFORE TRANSFERS</b>							
		<b>(35,136)</b>	<b>178,282</b>	<b>143,146</b>	<b>(6,063)</b>	<b>137,083</b>	<b>17,812</b>
Transfers between funds		4,050	(4,050)	-	-	-	-
<b>NET MOVEMENT IN FUNDS</b>		<b>(31,086)</b>	<b>174,232</b>	<b>143,146</b>	<b>(6,063)</b>	<b>137,083</b>	<b>17,812</b>
Balances brought forward 1 January 2013		<u>1,395,878</u>	<u>422,692</u>	<u>1,818,570</u>	<u>34,628</u>	<u>1,853,198</u>	<u>1,835,386</u>
Balances carried forward 31 December 2013		<u>1,364,792</u>	<u>596,924</u>	<u>1,961,716</u>	<u>28,565</u>	<u>1,990,281</u>	<u>1,853,198</u>

The statement of financial activities includes all gains and losses recognised in the year

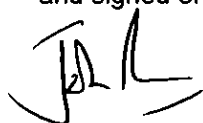
All incoming resources and resources expended derive from continuing activities

**KESWICK CONVENTION TRUST – COMPANY LIMITED BY GUARANTEE****Balance Sheet  
As at 31 December 2013****Company number: 3913741**

		2013 £	2012 £
<b>Fixed assets</b>			
Tangible assets	7	984,792	1,015,878
Investments in group undertakings	8	5	5
Other investments	9	621,892	518,586
<b>Current assets</b>		<u>1,606,689</u>	<u>1,534,469</u>
Debtors and prepayments	10	75,234	70,275
Cash at bank and in hand		343,259	283,732
		<u>418,493</u>	<u>354,007</u>
<b>Creditors' amounts falling due within one year</b>	11	<u>(34,901)</u>	<u>(35,278)</u>
<b>Net current assets</b>		<u>383,592</u>	<u>318,729</u>
<b>Net assets</b>		<u>1,990,281</u>	<u>1,853,198</u>
<b>Funds</b>			
Unrestricted			
- Designated	13, 14	1,364,792	1,395,878
- General	13, 14	596,924	422,692
		<u>1,961,716</u>	<u>1,818,570</u>
Restricted	12, 14	28,565	34,628
<b>Total funds</b>		<u>1,990,281</u>	<u>1,853,198</u>

These financial statements have been prepared in accordance with the special provisions of the Companies Act 2006 relating to small companies

Approved by the directors on 7<sup>th</sup> May 2014  
and signed on their behalf by



J Risbridger

**Notes to the Financial Statements  
For the year ended 31 December 2013**

**1. Accounting policies**

**a Accounting convention**

The accounts are prepared under the historical cost convention in accordance with applicable accounting standards, the Companies Act 2006 and Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2005) issued in March 2005

**b Going concern**

The company's business activities, its performance and position are set out in the Directors' report on pages 2 to 8

The company's forecasts and projections show that the company should be able to operate within the working capital facilities available to it

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. They therefore continue to adopt the going concern basis of accounting in preparing the annual financial statements

**c Incoming Resources**

Voluntary income consists of gifts, offerings, legacies and related Gift Aid claims

Incoming resources, which are made for a specific purpose, are accounted for within a restricted fund

Income is recognised in the year in which the company is entitled to receipt and the amount can be measured with reasonable certainty. In accordance with this policy, legacies are included when the company is advised by the personal representative of an estate that payment will be made and the amount can be quantified

**d Resources expended**

Includes all expenditure directly relating to the objects of the charity (in accordance with SORP 2005), included on an accruals basis, inclusive of any VAT, which cannot be recovered, and on the following basis

Wherever possible, costs are allocated to headings in the Statement of Financial Activities on an actual basis. Salaries and pension costs are allocated on the basis of time spent on each activity. Depreciation is spread on the basis of the book value of the assets utilised within each activity. Other costs are allocated on the basis of time

Costs of income generated from charitable activities relate to costs incurred in relation to Bible Weeks and literature for sale or distribution

Governance costs relate to those costs incurred in the general running of the charity and in meeting its statutory obligations

**e Cash flow statement**

The company qualifies as a small company under the terms of the Companies Act 2006. As a consequence, in accordance with FRS 1 (Revised), it is exempt from the requirement to publish a cash flow statement

**Notes to the Financial Statements**  
**For the year ended 31 December 2013**

Continued

**f Fixed assets**

Fixed assets are shown at original cost or, if donated, at their value on the date of the gift less accumulated depreciation. Depreciation is calculated to write off the cost less estimated residual value of fixed assets over their estimated useful life.

The minimum capitalisation level is £1,000

**g Fund accounting**

The directors have set aside designated sums forming part of the charity's unrestricted funds to be used for particular purposes in the future, as outlined in note 13.

Restricted funds are subject to specific restrictive conditions imposed by donors or by the nature of the appeal. The purpose and use of the restricted funds are set out in note 12.

**h Investments**

Investments held as fixed assets are stated at cost less provision for any permanent diminution in value.

**2 Voluntary income**

Voluntary income relates to donations together with legacies of £26,411 (2012 - £3,003)

**3. Costs of generating funds**

	Cost of generating donations 2013 £	Cost of generating fundraising income 2013 £	Total 2013 £	Total 2012 £
Salaries	8,656	46,393	55,049	54,691
Rawnsley Centre running costs	-	42,858	42,858	36,929
Centre running costs	-	37,196	37,196	28,009
Insurance	-	6,876	6,876	8,540
Professional fees	-	4,136	4,136	1,125
Other costs	2,073	6,700	8,773	9,669
Website	989	-	989	298
Depreciation	-	14,054	14,054	14,155
	<u>11,718</u>	<u>158,213</u>	<u>169,931</u>	<u>153,416</u>



**Notes to the Financial Statements  
For the year ended 31 December 2013**

Continued

**4. Charitable activities**

	Annual convention costs 2013 £	Cost of income generated from charitable activities 2013 £	Development costs 2013 £	Total 2013 £	Total 2012 £
Salaries	83,432	11,738	38,259	133,429	124,689
Costs of volunteers and preachers	119,373	-	-	119,373	139,026
Special activities – youth, children, Exhibition, special needs, etc	202,288	-	-	202,288	205,128
Direct costs & overheads of convention	289,306	-	-	289,306	280,877
Hospitality for Missionaries	29,970	650	-	30,620	19,505
Cost of goods and services for sale	-	22,756	-	22,756	25,480
Bible Weeks costs	-	4,647	-	4,647	5,648
Development expenses	-	-	1,507	1,507	36,487
Professional fees	3,087	-	-	3,087	1,125
Insurance	6,875	3,437	-	10,312	12,810
Depreciation	14,054	7,028	-	21,082	21,233
	<u>748,385</u>	<u>50,256</u>	<u>39,766</u>	<u>838,407</u>	<u>872,008</u>

**5 Governance costs**

	2013 £	2012 £
Salaries and fees	33,949	26,189
Meeting expenses	3,034	1,801
Audit fee	7,200	6,450
	<u>44,183</u>	<u>34,440</u>

**Notes to the Financial Statements  
For the year ended 31 December 2013**

Continued

**6. Staff costs and directors' remuneration**

	2013 £	2012 £
Wages and salaries	202,492	185,734
Social Security costs	16,980	16,296
Pension contributions	2,995	3,539
	<u>222,467</u>	<u>205,569</u>

The Trust operates a defined contribution pension scheme

No employee earned £60,000 per annum or more

The average number of full time equivalent employees was 8 (2012 – 8)

**Directors' emoluments**

	2013 £	2012 £
Directors' remuneration	<u>7,006</u>	<u>6,868</u>

Expenses of £4,796 (2012 - £3,723) were reimbursed to 10 (2012 – 12) directors for travel and accommodation expenses in the year

Mr D Ryan, a Trustee director, received remuneration of £7,006 (2012 - £6,868), under an employment contract, in respect of accountancy services

Authority for the Trustee director's employment is contained within the constitution of the charity

No other director received any remuneration in respect of their services as a Trustee of the charity

**Notes to the Financial Statements  
For the year ended 31 December 2013**

Continued

**7. Fixed assets**

	Freehold land & buildings School £	Centre £	Equipment & Furniture £	Total £
<b>COST</b>				
At 1 January 2013	548,633	977,427	117,028	1,643,088
Additions	-	-	4,050	4,050
At 31 December 2013	<u>548,633</u>	<u>977,427</u>	<u>121,078</u>	<u>1,647,138</u>
<b>DEPRECIATION</b>				
At 1 January 2013	159,105	362,411	105,694	627,210
Charge for the year	10,973	19,548	4,615	35,136
At 31 December 2013	<u>170,078</u>	<u>381,959</u>	<u>110,309</u>	<u>662,346</u>
<b>NET BOOK VALUE</b>				
At 31 December 2013	<u>378,555</u>	<u>595,468</u>	<u>10,769</u>	<u>984,792</u>
At 31 December 2012	<u>389,528</u>	<u>615,016</u>	<u>11,334</u>	<u>1,015,878</u>
Rate of depreciation	2% straight line	2% straight line	30% reducing balance	

**8. Investments**

	2013 £	2012 £
Wholly owned subsidiary		
Keswick Convention Projects Limited	3	3
Keswick Convention Projects (Rawsley) Limited	2	2
	<u>5</u>	<u>5</u>

Keswick Convention Projects Limited, a company engaged in carrying out projects in connection with the Keswick Convention, and Keswick Convention Projects (Rawsley) Limited, a company engaged in carrying out trading activities in support of the Keswick Convention, are both wholly owned trading subsidiaries, and incorporated in England. All shares held are ordinary £1 shares.

The aggregate share capital and reserves of Keswick Convention Projects (Rawsley) Limited is £6 and its turnover for the year was £43,958, resulting in neither profit nor loss. United Utilities continued their flood protection work during substantially the whole of 2013, returning the site to the subsidiary company shortly before the end of the year.

# **KESWICK CONVENTION TRUST – COMPANY LIMITED BY GUARANTEE**

## **Notes to the Financial Statements For the year ended 31 December 2013**

Continued

Keswick Convention Projects Limited aggregate share capital and reserves at 31 December 2013 was £6,162 and its turnover for the year was £22,038, resulting in a net profit before tax and donations to the parent company of £6,920

Consolidated financial statements have not been prepared on the grounds that the results of the subsidiary undertakings would not be material to group financial statements

### **9. Other investments**

	2013 £	2012 £
UK quoted	2,715	2,715
Bank term deposits	619,177	515,871
	<u>621,892</u>	<u>518,586</u>

### **10. Debtors and prepayments**

	2013 £	2012 £
Payments in advance	41,737	23,900
Prepayments and accrued income	33,497	44,944
Amounts owed by group undertakings	-	1,431
	<u>75,234</u>	<u>70,275</u>

### **11. Creditors and accruals**

	2013 £	2012 £
Trade creditors	1,761	4,292
Finance leases	-	688
Other taxes and social security	3,147	-
Accrued expenses	29,993	30,298
	<u>34,901</u>	<u>35,278</u>

### **12. Restricted funds**

	Balance 1 January 2013 £	Movement in Incoming 2013 £	Resources Outgoing 2013 £	Balance 31 December 2013 £
Alan Redpath Fund	1,931	-	(1,931)	-
Missionary Hospitality Fund	32,197	24,407	(28,039)	28,565
Re-Ignite Missionary Retreat	500	150	(650)	-
	<u>34,628</u>	<u>24,557</u>	<u>(30,620)</u>	<u>28,565</u>

**Notes to the Financial Statements  
For the year ended 31 December 2013**

Continued

The Alan Redpath Fund was established to provide funds to assist UK based Christian workers meet the costs, including accommodation, of attending the Keswick Convention and, having been expended, is now closed

The Missionary Hospitality Fund was established to receive gifts in order that accommodation can be provided and grants can be given enabling Missionaries to attend the Convention and other Keswick Ministries mission related activities, together with associated administration costs

The Re-ignite Fund is in respect of gifts made specifically for a missionary retreat. The fund has been expended and is now closed

Restricted funds are held in liquid assets

**13. Unrestricted funds**

	Balance 1 January 2013 £	Movement in Resources			Balance 31 December 2013 £
		Incoming 2013 £	Outgoing 2013 £	Transfers 2013 £	
Designated funds					
Fixed Asset Fund	1,015,878	-	(35,136)	4,050	984,792
Marquee Replacement Fund	300,000	-	-	-	300,000
Fabric & Refurbishment Fund	80,000	-	-	-	80,000
General Fund	422,692	1,165,047	(986,765)	(4,050)	596,924
	<u>1,818,570</u>	<u>1,165,047</u>	<u>(1,021,901)</u>	<u>-</u>	<u>1,961,716</u>

The Fixed Asset Fund represents the total amounts invested, from general funds and special appeals in the past, in fixed assets less depreciation

The Marquee Replacement Fund represents amounts of the general fund set aside to replace the Convention Marquee which is nearing the end of its life

The Fabric and Refurbishment Fund represents amounts of the general fund set aside to replace worn out equipment and furnishings

**14. Analysis of net assets between funds**

	Tangible fixed assets and investments £	Net current assets £	Total £
Restricted funds			
Missionary Hospitality Fund	2,715	25,850	28,565
Unrestricted funds	1,603,974	357,742	1,961,716
	<u>1,606,689</u>	<u>383,592</u>	<u>1,990,281</u>

**Notes to the Financial Statements  
For the year ended 31 December 2013**

Continued

**15. Related party transactions**

Keswick Convention Projects (Rawnsley) Limited is a wholly owned subsidiary of Keswick Convention Trust. For the year ended 31 December 2013 Keswick Convention Projects (Rawnsley) Limited was charged rent of £38,484 (2012 - £34,964) by Keswick Convention Trust, of which nil (2012 £1,431) remained outstanding as at the year end. During the year the rental income continued to be reduced below normal levels due to essential flood defence work being carried out by United Utilities. At the year-end Keswick Convention Trust owed the subsidiary £818, which was a short term trading balance.

At the year end a provision has been made for the payments of a charitable donation in Keswick Convention Project's accounts to Keswick Convention Trust for the sum of £6,758.

Keswick Convention Projects Limited is a wholly owned subsidiary of Keswick Convention Trust. Keswick Convention Trust incurred no expenses on behalf of the subsidiary.