

DRAFT

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31ST DECEMBER 2004**

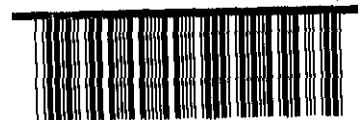
FARNHAM VINEYARD

(A Company Limited by Guarantee)

CHARITY REGISTRATION NUMBER 1101445

COMPANY REGISTRATION NUMBER 4943739

Independent Examiners Ltd
Revelation Centre
Spur Road
CHICHESTER
W. Sussex
PO19 8PR



A16
COMPANIES HOUSE

ALLIN678RE

0597
17/09/05

**FARNHAM VINEYARD
(A COMPANY LIMITED BY GUARANTEE)
CONTENTS**

Page 3	Legal and Administrative Information
Page 4	Reporting Accountants Report to the Directors
Pages 5 to 7	Directors Report
Page 8	Statement of Financial Activities
Page 9	Balance Sheet
Pages 10 to 14	Notes to the Financial Statements

FARNHAM VINEYARD
(A COMPANY LIMITED BY GUARANTEE)
LEGAL AND ADMINISTRATIVE INFORMATION

CHARITY NUMBER	1101445
COMPANY REGISTRATION NUMBER	4943739
START OF FINANCIAL YEAR	1st January 2004
END OF FINANCIAL YEAR	31st December 2004
Directors AT 31ST DECEMBER 2004	Rev. Alastair Forman Rev. Ron Dodgson Mr David Rodgett Mrs Lorely Clark
COMPANY SECRETARY	Mrs Lorely Clark
CORRESPONDENT ADDRESS	1a The Borough Farnham Surrey GU9 7NA
DATE OF INCORPORATION	23 October 2003
GOVERNING DOCUMENT	Memorandum and Articles of Association incorporated 27th October 2003
BANKERS	Lloyds TSB Farnham Branch
REPORTING ACCOUNTANT	MLV Halson & Co 4 Sudley Road Bognor Regis West Sussex PO21 1EU

OBJECTS

- a) To advance the Christian faith in accordance with the statement of faith appearing in the schedule hereto in Surrey and in such other parts of the United Kingdom or the world as the trustees may from time to time think fit and such other purposes which are exclusively charitable according to the law of England and Wales and are connected with charitable work of the charity.
- b) To relieve persons who are in conditions of need or hardship or who are aged or sick and to relieve the distress caused thereby in particular in Surrey and elsewhere in the United Kingdom and the world.
- c) To advance Christian education and in particular in Surrey and elsewhere in the United Kingdom and the world.

**ACCOUNTANTS' REPORT TO THE MEMBERS ON THE UNAUDITED ACCOUNTS OF
FARNHAM VINEYARD
(A Company Limited by Guarantee)**

**We report on the accounts for the period ended 31st December 2004
set out on pages 8 to 14**

Respective Responsibilities of Directors and Reporting Accountants

As described on page 7 the company's directors are responsible for the preparation of the accounts, and they consider that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

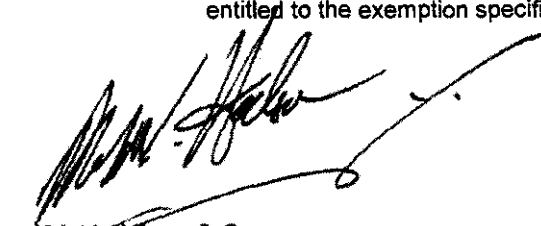
Basis of Opinion

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the accounts with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

Opinion

In our opinion

- 1) the accounts are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985;
- 2) having regard only to, and on the basis of, the information contained in those accounting records:
 - a) the accounts have been drawn up in a manner consistent with the accounting requirements specified in Section 249C(6) of the Act; and
 - b) the company satisfied the conditions for exemption from an audit of the accounts for the year specified in Section 249A(4) of the Act as modified by Section 249A(5) and did not, at anytime within that year, fall within any of the categories of companies not entitled to the exemption specified in Section 249B(1).



M.L.V. Halson & Co.
4 Sudley Road
Bognor Regis
West Sussex
PO21 1EU

Date *7th September 2005.*

**FARNHAM VINEYARD
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE Directors
FOR THE YEAR ENDED 31ST DECEMBER 2004**

Farnham Vineyard
(A company limited by guarantee)

Report of the Directors for the year ended 31st December 2004

1. The official name of the charity is Farnham Vineyard Trust Ltd. By a declaration of Trust dated 26th September 1995 the charity was originally named the Riverside Church Farnham Trust. By a supplementary declaration of Trust dated 13th February 1996, the name of the charity was changed to Farnham Vineyard Trust consequent upon the church's affiliation to the Association of Vineyard Churches, now Vineyard Churches UK. On 27th October 2003 Farnham Vineyard was incorporated as a Charitable Company Limited by Guarantee.

This annual report represents the accounts and Directors Report for Farnham Vineyard Trust Ltd. The accounts for the original charity were finalised 31st December 2004.

2. The registered number of the charity is now 1101445 (was 1050336). The Company Number is 4943739.
3. The principal address of the charity is Farnham Vineyard, 1A The Borough, Farnham, Surrey, GU9 7NA.
4. *The Directors and Trustees who served during the period and at the year end are The Rev'd Alastair Forman, The Rev'd Ronald Dodgson and Mr David Rodgett. Mrs Lorely Clark is Company Secretary and a Trustee.*
5. The Trust's bank is Lloyds TSB, 75 Castle Street, Farnham, Surrey, GU9 7LT.
6. The Trust's reporting accountant is MLV Halson & Co 4 Sudley Road, Bognor Regis, West Sussex, PO21 1EU.
7. *The Declaration of Trust confers upon the Directors in addition to the statutory powers of investment the power to purchase stocks, funds, shares, securities and other investments including property, to take lands and to make variations on any investment.*
8. The objects of the trust are:
 - a. To advance the Christian religion, in particular in the county of Surrey and elsewhere in the United Kingdom or the world.
 - b. To relieve persons who are in conditions of need or hardship or who are aged or sick and to relieve the distress caused thereby in particular in the said county and elsewhere in the United Kingdom or the world.
 - c. To advance Christian education, in particular in the said county and elsewhere in the United Kingdom or the world.
 - d. To undertake and fulfil other such charitable activities and purposes for the benefit of the community in the said country and elsewhere as the Directors may, from time to time, think fit.
9. Farnham Vineyard Trust Ltd. is the governing body of Farnham Vineyard Church, a Christian church in Farnham, Surrey and affiliated to the worldwide Association of Vineyard Churches and of Vineyard Churches UK, a Registered Charity. It is a member of Churches together in Farnham and plays an increasingly active role in the town and surrounding area. The Trust also acts in an advisory capacity to Farnham Christian Community Trust.

Apart from its pastoral and administrative staff Farnham Vineyard, as any church, relies heavily on the commitment and assistance of its members, who are unpaid. The strategy adopted to meet the charity's aims is encapsulated in its booklet 'Farnham Vineyard – Our Vision and Values'. It is kept under review by the charity's staff and its contents regularly brought to the attention of the members of the church. The booklet is freely available.

The church hires the auditorium of All Hallows Catholic School for its Sunday services and also has a lease on office premises at 1A The Borough, Farnham; at which its staff is based and from where it administers the Trust and the church. The lease is for 5 years from 4th February 2005 at a fixed rent of £20,000 per annum within the Landlord and Tenant Act of 1954.

The Trust currently employs a full-time Senior Pastor, Assistant Pastor and Senior Pastor's PA/Church Administrator. A part time Young Vineyard Co-ordinator engaged by the Trust on a self employed basis.

The church places a strong emphasis on service in the community at both church and individual levels.

10. Review of the main activities of the charity during the year

The Trust continued to fulfil its objectives throughout the year. The lettered paragraphs that follow refer to the main activities that took place during the year and correspond to the four lettered objectives of the Trust as referred to above.

a. *To advance the Christian religion, in particular in the County of Surrey and elsewhere in the United Kingdom or the world:*

- An Alpha course was held from September to December 2004, with interested participants from the course moving on into Home Groups within the church.
- The church played an active part in Churches Together in Farnham, particularly supporting its 'On the Move' event in June 2004. Farnham Vineyard also works in a consultative and collaborative capacity with The Farnham Christian Community Trust.
- A team from Farnham Vineyard visited Belmarsh Prison to help take services there.
- SOS, a club for ten to fifteen-year-old children continued during the year. Its members are drawn from children in the church and their friends who may not be a part of any church.
- A team visited churches and charities in and around Oradea, Northern Romania, taking a training day for pastors and musicians and three Sunday services. The team also visited various humanitarian projects.

b. *To relieve persons who are in conditions of need or hardship or who are aged or sick and to relieve the distress caused thereby in particular in the said country and elsewhere in the United Kingdom or the world:*

- The church gave away 17% of its incoming resources. Donations were made to other Christian Churches in the UK and abroad for their ongoing work within the community, to Christian missionary institutions, to relief organisations and to individuals who were in conditions of financial hardship.
- We have continued our services with 'salt and light ministries'. These include the Storehouse Ministry (which distributes parcels of food donated by members of the church, for those in need), a Parent and Toddler Group and the regular team visits to the elderly at Shepherds Court to provide entertainment and friendship.
- Links are continuing with churches and charities in Northern Romania, particularly with the Oradea based charity People to People (providing crisis assistance, housing, education, training and adoption for homeless children in and around the city)
- Farnham Vineyard also maintains links with Mustard Seed, Jersey (bringing aid and financial resources to various projects with street children and gypsy communities in and around the city of Oradea).
- Funds were also given for aid to Sudan and South-East Asia.

c. *To advance Christian education and in particular in the said County and elsewhere in the United Kingdom or the world:*

- Three new Home Groups were started.
- Workshops within the church were held on specific topics about the Christian faith. Instruction on Christian living based on teaching from the scriptures was consistently

given throughout the year, both in the Sunday services, weekly Home Group meetings and regular leadership training.

- Church leaders and members attended various Christian conferences and training events throughout the year – including the annual UK Vineyard Pastors and Leaders Conference, the annual Vineyard Worship Leaders' retreat and the New Wine and Soul Survivor events.

d. *To undertake and fulfil such other charitable activities and purposes for the benefit of the community in the said County and elsewhere as the Directors may from time to time think fit:*

- Farnham Vineyard gave financial support to several local churches and charitable organisations.

11. As at 31st December 2004, the charity held £166,731.29 in the Charities Aid Foundation Gold Account. The purpose of this holding is to build up a reserve of capital in order, inter alia, to:

- Purchase, lease or refurbish a building for Sunday worship and other activities.
- Make special grants to beneficiaries if money from the church's current account is not available.
- Provide for emergencies.
- Other uses as directed by the Directors.

12. The major risks, to which the charity is exposed, as identified by the Directors, have been reviewed and systems are in place to mitigate these risks.

13. Report on the accounts

The church's total income of £138,117 (this is for May to Dec) showed an overall increase of 8.5% (£188,502 annualised) above the 2003 figure.

The Trust's expenditure has remained consistent with 2003. The church gave away 17% of its income (£32,177 annualised).

Statement of Directors' responsibilities:

Company law requires the directors to prepare financial statements for each financial year which gives a true and fair view of the state of affairs of the company and of the profit or loss of the company during that period. In preparing those financial statements the directors are required to:

- (i) select suitable accounting policies and then apply them consistently,
- (ii) make judgements and estimates that are reasonable and prudent,
- (iii) prepare financial statements on a 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 financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the detection of fraud and other irregularities. In preparing this report the directors have taken advantage of special exemption applicable to small companies conferred by part ii of schedule 8 of the Companies Act 1985.

Signed on behalf of the Directors by Alastair Forman

Dated pp. A.C. Forman.

FARNHAM VINEYARD
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2004

Summary income and expenditure account

	Notes	Unrestricted Funds £	Restricted Funds £	TOTAL 2004 £
INCOMING RESOURCES				
Donations, Legacies and Similar Incoming Resources	3a	123,037	9,622	132,659
Incoming Resources from Operating Activities	3b	1,652	0	1,652
Investment Income	3c	3,806	0	3,806
TOTAL INCOMING RESOURCES		128,495	9,622	138,117
RESOURCES EXPENDED				
Grants Payable in Furtherance of Charity Objects	4a	17,970	9,350	27,320
Costs of Activities in Furtherance of Charity Objects	4b	42,377	0	42,377
Support Costs	4c	26,938	0	26,938
Resources Expended on Managing and Administering the Charity	4d	6,270	0	6,270
TOTAL RESOURCES USED		93,555	9,350	102,905
NET INCOMING/(OUTGOING) RESOURCES		34,940	272	35,212
Total Funds Brought Forward		0	0	0
Transfer of Funds (1st May 2004)	14	174,642	733	175,375
TOTAL FUNDS CARRIED FORWARD		209,582	1,005	210,587

The charity had no recognised gains or losses other than the results for the year as set out above.
All the activities of the charity are classed as continuing.

The notes on pages 10 to 14 form part of these financial statements.

FARNHAM VINEYARD
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET
AS AT 31ST DECEMBER 2004

			31-Dec-04
		£	£
	Notes		
Fixed Assets			
Tangible assets	2		23,043
Current Assets			
Debtors	7	9,450	
Cash at bank and in hand	6	184,212	
		<u>193,662</u>	
Creditors: amounts falling due within one year	8	6,118	
NET CURRENT ASSETS			<u>187,544</u>
NET ASSETS			<u><u>210,587</u></u>
CAPITAL AND RESERVES			
General Funds			209,582
Restricted Funds	5	1,005	
		<u>210,587</u>	

The Directors have:

- a) taken advantage of the Companies Act 1985 in not having these Accounts audited under Section 249A(1) (Total Exemption).
- b) confirmed that no notice has been deposited under Section 249B(2) of the Companies Act 1985.
- c) acknowledged their responsibilities for ensuring that the Company keeps accounting records which comply with Section 221 of the Companies Act 1985.
- d) acknowledged their responsibilities for preparing Accounts which give a true and fair view of the Company as at the end of the year and of its surplus or deficit for the financial year in accordance with the requirements of the Companies Act 1985, so far applicable to the Company.
- e) taken advantage of the exemptions conferred by part III of schedule 8 of the Companies Act 1985 on the basis that the Company, in their opinion, qualifies as a small company.

Approved by the Board of Directors on 2/9/05

Signed on behalf of the Board of Directors p.p. D. A. Forman

The notes on pages 10 to 14 form part of these financial statements.

FARNHAM VINEYARD
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2004

1. ACCOUNTING POLICIES

The financial statements are prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2000) issued in October 2000, SORP Update Bulletin 1 issued in December 2002, applicable accounting standards and the Companies Act 1985.

Voluntary income is received by way of donations and gifts. It is shown in full in the Statement of Financial Activities, when received. Gifts in kind are valued at their estimated value to the charity and are included under the appropriate headings.

Grants, including grants for the purchase of fixed assets, are recognised in full in the Statement of Financial Activities in the year in which they are received.

Restricted funds are to be used for specified purposes as required by the donor. Expenditure which meets these criteria is allocated to the relevant fund. Income derived from these funds is retained within the funds concerned. Designated funds are unrestricted funds which the Directors have designated to be used for a specific purpose. Where these funds yield investment income, this is available for general purposes. Unrestricted funds are funds which are not designated or restricted.

Depreciation is calculated at a rate to write off the cost of tangible fixed assets on a straight line basis over their estimated useful lives. The rates applied per annum are as follows:

Equipment 10%

2. TANGIBLE FIXED ASSETS

		General £	Restricted £	Total 2004 £
EQUIPMENT				
Cost	01-Jan-04	0	0	0
Transferred In	01-May-04	30,540	0	30,540
Additions		7,136	0	7,136
Cost at	31-Dec-04	<u>37,676</u>	<u>0</u>	<u>37,676</u>
Depreciation	01-Jan-04	0	0	0
Transferred In	01-May-04	12,958	0	12,958
Charge		1,675	0	1,675
Depreciation at	31-Dec-04	<u>14,633</u>	<u>0</u>	<u>14,633</u>
Net Book Value	31-Dec-04	<u>23,043</u>	<u>0</u>	<u>23,043</u>

The annual commitments under non-cancelling operating leases, capital commitments, contingent liabilities are as follows:

31st December 2004 : None
31st December 2003 : None

FARNHAM VINEYARD
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST DECEMBER 2004

3. INCOMING RESOURCES

	Unrestricted Funds £	Restricted Funds £	TOTAL 2004 £
a) Donations, Legacies and Similar Incoming Resources			
Standing Orders	68,737		68,737
Other Pledged Giving	20,566		20,566
Sunday Offerings	10,613		10,613
Restricted Giving		9,319	9,319
Tax Received	23,121	303	23,424
	<u>123,037</u>	<u>9,622</u>	<u>132,659</u>
b) Incoming Resources from Operating Activities			
Event Receipts	1,652		1,652
	<u>1,652</u>	<u>0</u>	<u>1,652</u>
c) Investment Income			
Interest Received	3,806		3,806
	<u>3,806</u>	<u>0</u>	<u>3,806</u>

4. RESOURCES EXPENDED

a) Grants Payable in Furtherance of Charity Objects			
Church Folk in Need	6,580		6,580
Giving to Others	10,340		10,340
Visiting Speakers	1,050		1,050
Restricted Gifts		9,350	9,350
	<u>17,970</u>	<u>9,350</u>	<u>27,320</u>
b) Costs of Activities in Furtherance of Charity Objects			
Salaries	34,617		34,617
Travel & Subsistence	1,390		1,390
Conferences and Training	253		253
Hospitality	72		72
Teaching Materials	730		730
Publications & Tapes	316		316
Printing and Copying	74		74
Consumables	971		971
Events	653		653
Sundries	448		448
Fees	1,737		1,737
Outreach	1,075		1,075
Youth Work	41		41
	<u>42,377</u>	<u>0</u>	<u>42,377</u>

FARNHAM VINEYARD
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST DECEMBER 2004

4. RESOURCES EXPENDED

	Unrestricted Funds £	Restricted Funds £	TOTAL 2004 £
c) Support Costs			
Heat & Light	650		650
Rent & Rates	11,707		11,707
Hire of Premises	5,172		5,172
Equipment Purchase and Repair	1,091		1,091
Housing Allowance	8,318		8,318
	26,938	0	26,938
d) Resources expended on Managing and Administering the Charity			
Insurance	1,959		1,959
Telephone	1,165		1,165
Postage	139		139
Office Supplies	883		883
Subscriptions	449		449
Depreciation	1,675		1,675
	6,270	0	6,270

5. RESTRICTED FUNDS

	Transfer 01-May-04 £	Income £	Expenditure £	Transfers £	Balance 31-Dec-04 £
Mustard Seed	0	5,000	5,000		0
Romania	677	3,122	2,850		949
Sri Lanka	40	0	0		40
Oldroyd	16	0	0		16
Alpha	0	1,500	1,500		0
	733	9,622	9,350	0	1,005

Mustard Seed is a fund supporting street children and gypsy communities in and around the city of Oradea.

Romania is a fund which supports the church outreach work in Romania (see annual report).

Sri Lanka is a fund used to support an orphanage called Lotus Blossom

Oldroyd funds were given for a restricted church gift and are to be reviewed shortly.

Alpha funds were in support of the church Alpha courses.

The restricted funds of the charity are wholly represented by cash reserves.

6. CASH AT BANK AND IN HAND

	31-Dec-04 £
Current Bank Account	12,411
Current Account	5,069
Reserve Gold Account	166,731
Petty Cash	1
	184,212

FARNHAM VINEYARD
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST DECEMBER 2004

7. DEBTORS

	31-Dec-04 £
Gift Aid Tax Recoverable	5,673
Prepayments	3,777
	<u>9,450</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31-Dec-04 £
Accruals	3,270
Credit Card	108
AVC	1,395
Accountancy	1,345
	<u>6,118</u>

9. STAFF COSTS AND NUMBERS

	2004 £
Gross Wages and Salaries	34,617
Employer's National Insurance Costs	2,215
Pension Contributions	0
	<u>36,832</u>

Employees who were engaged in each of the following activities:

	2004 TOTAL
Costs of generating funds/fund raising	3

No employees received annual emoluments of over £50,000.

No salaries were paid from 1st January 1004 until 30th April 2004

FARNHAM VINEYARD
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST DECEMBER 2004

10. RECONCILIATION OF MOVEMENT ON CAPITAL AND RESERVES

The Company is Limited by Guarantee and is a Charity registered with the Charity Commission number 4943739 and is not, therefore, subject to Corporation Tax and does not have a Share capital.

	2004
	£
Profit / Deficit for the financial year	35,212
Other Recognised Gains	175,375
	<u>210,587</u>
Balance Brought Forward	0
Closing Funds at 31st December 2004	<u><u>210,587</u></u>

11. PAYMENTS TO DIRECTORS AND RELATED PARTIES

A Forman:	Fees (Salary)	24,063
	Travel and Subsistence	997
	Hospitality	71
	Conferences and Training	150
		<u><u>25,281</u></u>

No other payments were made to Directors or any persons connected with them during this financial period. No material transaction took place between the charity and a trustee or any person connected with them.

12. RISK ASSESSMENT

The Directors actively review the major risks which the charity faces on a regular basis and believe that maintaining the free reserves stated, combined with the annual review of the controls over key financial systems carried out on an annual basis will provide sufficient resources in the event of adverse conditions. The Directors have also examined other operational and business risks which they face and confirm that they have established systems to mitigate the significant risks.

13. RESERVES POLICY

The Directors have considered the level of reserves they wish to retain, appropriate to the charity's needs. This is based on the charity's size and the level of financial commitments held. The Directors aim to ensure the charity will be able to continue to fulfil its charitable objectives even if there is a temporary shortfall in income or unexpected expenditure. The Directors will endeavour not to set aside funds unnecessarily.

14. TRANSFER OF FUNDS

On 1st May 2004 the unincorporated charity Farnham Vineyard Trust (Charity Number 1050366) was wound up, and all funds were transferred to Farnham Vineyard (registered company no. 4943739 & registered charity no. 1101445).

The company was dormant until 1st May 2004 and hence there are no comparative figures.