

For internal purposes only

ACTIVE CHRISTIAN TRUST

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2021

Charity Number 1015452

ACTIVE CHRISTIAN TRUST

For internal purposes only

Contents

	Page
Trust Information	2
Trustees' Report	3
Statement of Trustees' Responsibilities	6
Independent Examiner's Report	7
Statement of Financial Activities	8
Balance Sheet	9
Notes to the Financial Statements	10

ACTIVE CHRISTIAN TRUST

For internal purposes only

Legal and Administrative Information

Trustees	L Cattle P Goldsmith S Dunlop L Dobson F Chapman M Hughes (resigned 30.1.21)
Charity Number	1015452
Principal address	7-9 Brook Road Rayleigh Essex SS6 7UT
Independent Examiners	Connah Goldsworthy 12 Station Court Station Approach Wickford Essex SS11 7AT

ACTIVE CHRISTIAN TRUST
(Reg. Charity No. 1015452)

Annual Report for the Year ending 30th September 2021

As in the previous financial year, the 2020/21 financial year for both the charity and its trading subsidiary was considerably impacted by the COVID-19 epidemic and the subsequent restrictions. However, management of the situation to ensure financial stability was both prompt and effective.

Charitable purpose and public benefit

The purpose of the Trust is the provision of recreational and leisure facilities and activities for young people in particular, and the provision of social welfare activities and programmes for the benefit of the community. As recommended by the Charity Commission, the income generating trading activities are channelled through The MegaCentre Rayleigh Ltd, its 100% owned trading subsidiary.

The normal activities and programmes of the Trust are varied and include youth and family support work, special needs groups sessions for young people; Family Fun House sessions for families with additional needs; parenting programmes; well-being and mental health programmes; counselling services into local senior schools; over-50's sessions; XL Mentoring programme with 20 trained mentors; Sensory Room babies' activities; music practice; dance; drama; and mothers & toddlers groups. External groups and local charities also make good use of the facilities of the Centre. An important development initiated shortly after the start of the COVID restrictions in March 2020 was the provision of a Community Response Hub based at the Megacentre. In conjunction with Rochford District Council in particular, plus church organisations, local councillors, and other community partners, a 7 days-per-week online and telephone response hub has been operating continuously to date. With a team of volunteers, a wide range of services have been provided including advice, delivery of food parcels, collection and delivery of prescription medications etc. The Community Response Hub delivered at least **183,500** "hits" per week to local residents on social media multiple times. This was weekly through the course of the project. The Community Response Hub subsequently expanded to form part of a Community Resilience Hub based at the Megacentre, whereby the office facilities were developed to provide fully-equipped accommodation for other partner organisations, such as Citizens Advice Bureau, to have a base at the Centre. The Hopeworx Food Bank also re-located to the Centre with a greatly increased working space. The Centre was also used as a busy lateral-flow COVID testing centre for a 4-month period, arranged in conjunction with Essex County Council.)

Besides all the trading company operational staff, the Trust employs Youth Workers, and Family Support Workers. The quality and range of the programmes provided by the Centre are such that many referrals are made by schools, Social Services and other local community organisations.

In planning its activities, the Trustees have had regard to the guidance issued by the Charity Commission on public benefit

ACTIVE CHRISTIAN TRUST
(Reg. Charity No. 1015452)

Annual Report for the Year ending 30th September 2021

Financing and the relationship with The MegaCentre Rayleigh Ltd

The Trust is governed by a board of trustees that meets regularly to discuss its activities and to provide direction and leadership. Because the activities of the two organisations are closely aligned, 2 trustees currently also act as directors of The MegaCentre Rayleigh Ltd to ensure operational consistency across both organisations. The trust owns the building from which The MegaCentre Rayleigh Ltd operates and much of the financing for the Trust's work normally comes in the form of rental income received from renting this building to The MegaCentre Rayleigh Ltd. The level of rental paid by the trading company has been significantly reduced during this year due to the trading restrictions imposed by the pandemic. The Megazone Laser Arena and the Megaplay Soft-Play centre, together with room hire and theatre use are the principal trading income generators and these have all been seriously impacted by the trading restrictions.

Significantly, the freehold of the property at 7-9 Brook Road, Rayleigh has been mortgage-free with effect from April 2020, and the Trust owns the freehold. Under an agreement with The MegaCentre Rayleigh Ltd, the recreational equipment and other assets in the building are owned by The MegaCentre Rayleigh Ltd. The equipment serves both the purposes of The MegaCentre Rayleigh Ltd and those of the Trust, and the Trust makes a payment to The MegaCentre Rayleigh Ltd for its use of those assets. The trustees and The MegaCentre Rayleigh Ltd directors' aim is for The MegaCentre Rayleigh Ltd to financially break-even.

Where operational costs are incurred by The MegaCentre Rayleigh Ltd but benefit both organisations, these costs are shared between the two entities on a formulaic basis.

Review of activities and the impact of COVID-19.

The Trading company activities were effectively suspended completely with effect from 20th March 2020 due to the COVID-19 restrictions. All trading income ceased immediately and a substantial amount of customer deposits were required to be refunded. With incredible timing, the last payment to pay off the mortgage for the freehold purchase was made on the 25th March 2020. Subsequently, in view of the suspension of trading, the Trust allowed the trading company to suspend payment of rent with no specific requirement to repay any shortfall in the future. An appeal to our supporter base provided financial gifts to the Trust of £15,400 plus £3,350 gift-aid and a further £17,500 in loans repayable interest-free for up to 3 years. These loans have all been repaid in full. A Bounce Back Loan of £50,000 from HSBC under the Government scheme was successfully applied for by the trading company to provide a fall-back support cushion. Local and national Government support has been received in the form of premises-based grants and furlough payments for staff, and these have been crucial in helping to maintain financial stability. Although a limited re-opening of activities was permitted for part of the year, this was at a considerably reduced level due to the COVID restrictions in place. Although most regular staff were retained, it was necessary to implement several redundancies to reduce non-sustainable costs. Despite the restrictions, crucial support to a number of vulnerable families continued throughout the period through our Family Support team.

ACTIVE CHRISTIAN TRUST
(Reg. Charity No. 1015452)

ANNUAL REPORT FOR YEAR ENDING 30th SEPTEMBER 2021

Financial Review

Unrestricted income for the year was £193,483 (2020: £76,432) and, as in previous years, a large proportion of the income was received in the form of rental income paid by The Megacentre Rayleigh Ltd for use of the building. This combination of income and expenditure resulted in net incoming resources of £107,611 for the year.

Restricted funds, which have been provided to ACT for specific purposes, saw income of £19,852 (2020: £28,236) and expenditure of £37,866 (2020: £48,440). The total balance of restricted funds held at the end of the year to 30.9.21 was £28,141 (2020: £12,405).

In the coming year, the Trust is seeking to grow its personal supporter base and to seek sponsorship funding from local businesses. It will also seek to increase grant funding to finance some of the more significant building and refurbishment work that is planned and further development of programme delivery, especially with regard to wellbeing and mental health.

Reserves

Funds given to the Trust for specific purposes, mainly in the form of grants, are strictly allocated for that purpose and do not form part of the reserves. Under normal circumstances, with regular rental income from The Megacentre Rayleigh Ltd prior to the impact of COVID, the trustees had considered the target for formal reserves should be £15,000. Subsequently, this target will be revised. Reserves are held as part of unrestricted funds.

Risk Management

The Trustee Board examine the major risks that the charity faces each financial year when preparing and updating its strategic plan. The Trust has developed systems to monitor and control these risks and to mitigate any impact that they may have.

Summary

The Trustees are very thankful to those organisations that have contributed to the work of the Trust and are also very grateful to the volunteers who cover many areas of the work. Without their substantial input and consistent dedication, the aims of the Trust could not be sustained to the current level. The volunteer input speeds the progress of development due to the financial savings achieved and also enables the Trust to provide a high level of service to the young people and the community who attend and use the facilities.


ACTIVE CHRISTIAN TRUST
(Reg. Charity No. 1015452)

ANNUAL REPORT FOR YEAR ENDING 30th SEPTEMBER 2021

Summary (Continued)

The Trustees are committed to ensuring high standards in all aspects of its work as the Trust strives to create a centre of excellence. The trustees acknowledge the commitment and dedication of the Chief Executive Officer, Scott Williamson, who was newly appointed two months before the first COVID lockdown started and has helped substantially to successfully guide the organisation through a very challenging period. Despite the tremendous challenges facing both the charity and its trading company, the trustees look forward with optimism as the expanding community programmes and Community Resilience Hub bring new opportunities for the benefit of the community. The Trust will again need to be successful with new grant applications to maintain momentum with desired development work. However, the project has been faith-based from the beginning and this important aspect remains undiminished as the growing potential and value of the work of the Trust to the community continues to become more widely recognised and acknowledged.

Signed on behalf of the board of Trustees

 Dated 27/6/22

L. Cantle – Trustee

ACTIVE CHRISTIAN TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

YEAR ENDED 30 SEPTEMBER 2021

THE TRUSTEES

The Trustees who served on the charity committee during the period are set out on page 2.

The Trustees are responsible for the recruitment of any new trustees.

RESPONSIBILITIES OF THE TRUSTEES

The Charities Act requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the charity at the end of the year and of the surplus or deficiency for the year then ended.

In preparing those financial statements, the Trustees are required to select suitable accounting policies, as described on page 10, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The Trustees must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011. The Trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ACTIVE CHRISTIAN TRUST

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

YEAR ENDED 30 SEPTEMBER 2021

I report on the accounts of the trust for the year ended 30 September 2021, which are set out on pages 8 to 14.

RESPECTIVE RESPONSIBILITIES OF THE TRUSTEES AND EXAMINER

As the charity's trustees you are responsible for the preparation of the accounts; you consider that the audit requirement of Section 145 of the Charities Act 2011 (the Act) does not apply. It is my responsibility to state, on the basis of procedures specified in the General Directions given by the Charity Commissioners under Section 145(5) (b) of the Act, whether particular matters have come to my attention.

BASIS OF INDEPENDENT EXAMINER'S REPORT

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

INDEPENDENT EXAMINER'S STATEMENT

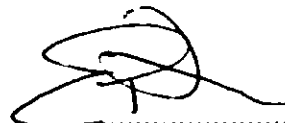
In connection with my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that in any material respect the requirements
 - to keep accounting records in accordance with section 130 of the Act; and
 - to prepare accounts which accord with the accounting records and to comply with the requirements of the Act

have not been met: or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

12 Station Court
Station Approach
Wickford
Essex
SS11 7AT



.....
E C PARKER FCCA
Connah Goldsworthy
Chartered Certified Accountants

.....
27/06/2022
.....
Dated

ACTIVE CHRISTIAN TRUST

**Statement of Financial Activities
for the year ended 30 September 2021**

SUMMARY INCOME AND EXPENDITURE ACCOUNT

	Notes	Unrestricted * funds £	Restricted funds £	Total 2021 £	Total 2020 £
INCOMING RESOURCES					
Donations & legacies	2	80,984	450	81,434	32,409
Activities in furtherance of the charity's objectives	3	51,533	16,652	68,185	18,945
Investment Income	4	60,000	-	60,000	47,665
Other incoming resources	5	966	2,750	3,716	5,649
Total Income		<u>193,483</u>	<u>19,852</u>	<u>213,335</u>	<u>104,668</u>
RESOURCES EXPENDED					
Cost of generating funds					
Fundraising and publicity		-	-	-	144
Charitable expenditure					
Costs of activities in furtherance of the charity's objects:					
Mortgage Interest		-	-	-	240
Staff costs		43,464	34,997	78,461	60,879
Grants to Megacentre activities		35,000	-	35,000	17,914
Donation to Mended		2,500	-	2,500	-
Management and administration		1,861	2,146	4,007	3,048
Support Costs		3,047	723	3,770	2,983
Total resources expended	6	<u>85,872</u>	<u>37,866</u>	<u>123,738</u>	<u>85,208</u>
Net incoming resources before transfers		107,611	(18,014)	89,597	19,460
Transfers between funds		(33,750)	33,750	-	-
Net incoming resources / (resources expended) before other recognised gains and losses		<u>73,861</u>	<u>15,736</u>	<u>89,597</u>	<u>19,460</u>
Loss on revaluation of Fixed Asset Investment	10	-	-	-	-
Net movement in funds		<u>73,861</u>	<u>15,736</u>	<u>89,597</u>	<u>19,460</u>
Fund balances at 1 October 2020		1,180,195	12,405	1,192,600	1,173,140
Fund balances at 30 September 2021		<u>1,254,056</u>	<u>28,141</u>	<u>1,282,197</u>	<u>1,192,600</u>

* unrestricted funds includes designated funds

ACTIVE CHRISTIAN TRUST

Balance Sheet
as at 30 September 2021

	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Tangible assets	9		880,000		880,000
Investments	10		265,000		265,000
			<u>1,145,000</u>		<u>1,145,000</u>
Current assets					
Debtors	11	77,448		45,000	
Cash at Bank and in hand		66,919		27,270	
		<u>144,367</u>		<u>72,270</u>	
Creditors					
Amounts falling due within one year	12	(7,170)		(24,670)	
Net current assets			137,197		47,600
Total assets less current liabilities			<u>1,282,197</u>		<u>1,192,600</u>
Creditors: amounts falling due after more than one year			-		-
Net assets			<u><u>1,282,197</u></u>		<u><u>1,192,600</u></u>
Income funds					
Unrestricted Funds	13		1,254,056		1,180,195
Restricted Funds	13		28,141		12,405
			<u>£1,282,197</u>		<u>£1,192,600</u>

Approved by the trustees on 6/6/22



.....
P Goldsmith
Trustee



.....
L Cantle
Trustee

ACTIVE CHRISTIAN TRUST

Notes to the financial statements for the year ended 30 September 2021

1 Accounting policies

1.1 Basis of preparation of accounts

The financial statements have been prepared under the historical cost convention and applicable accounting standards. They have been prepared in accordance with Accounting and Reporting by Charities: statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Active Christian Trust meets the definition of a public benefit entity under FRS 102.

1.2 Going Concern

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern.

1.3 Cash Flow

The financial statements do not include a cash flow statement because the charity, as a small reporting entity, is exempt from the requirements to prepare such a statement.

1.4 Incoming resources

Income represents the total amount receivable by the charity from all sources including Income Tax repayments.

1.5 Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered.

Expenditure which is directly attributable to specific activities has been included in these cost categories. Where costs are attributable to more than one activity, they have been apportioned across the cost categories on a basis consistent with the use of these resources.

1.6 Tangible fixed assets and depreciation

The valuation of the freehold property is based on a professional valuation which was last updated on 11 June 2008, and the current balance sheet value is based on this valuation.

No depreciation has been provided on the freehold property on the basis that it is not material. The trustees are regularly upgrading the property and expending funds on repairs to maintain the structure of the property and for this reason the residual value is being maintained. For this reason any depreciation which would be charged is not material.

1.7 Investments

Fixed asset investments are stated at the lower of cost or net realisable value.

1.8 Expenditure on management and administration of the charity

Administration expenditure includes all expenditure not directly related to the charitable activity or fundraising ventures. This includes costs of running office premises and staff salaries for administrative staff and audit fees.

ACTIVE CHRISTIAN TRUST

**Notes to the financial statements
for the year ended 30 September 2021**

2	Donations and legacies		2021	2020
			£	£
	Donations and gifts		<u>81,434</u>	<u>32,409</u>
3	Activities in furtherance of the charity's activities		2021	2020
			£	£
	Grants receivable for charitable activities		<u>68,185</u>	<u>18,944</u>
4	Investment income		2021	2020
			£	£
	Rental income		60,000	47,665
			<u>60,000</u>	<u>47,665</u>
5	Other incoming resources		2021	2020
			£	£
	Gift Aid repayments		3,658	3,998
	Sundry income		58	1,651
			<u>3,716</u>	<u>5,649</u>
6	Total resources expended	Staff costs	Other costs	2021
		£	£	£
	Charitable expenditure:			
	Mortgage interest			240
	Staff costs	78,461		78,461
	Grants to Megacentre activities		35,000	17,914
	Donation to Menshed		2,500	-
	Fund raising costs			144
	Management and administration		4,007	3,048
	Support Costs		3,770	2,983
		<u>78,461</u>	<u>45,277</u>	<u>123,738</u>
				<u>85,208</u>

7 Trustees

During the year there are no payments made to the Trustees of the charity.

8 Employees

Number of employees

The average number of employees analysed by function, were:-

	2021		2020
	Number		Number
Youth work, management & Administration	<u>7</u>		<u>6</u>

There were no employees whose annual emoluments were £50,000 or more.

ACTIVE CHRISTIAN TRUST

**Notes to the financial statements
for the year ended 30 September 2021**

9 Tangible fixed assets

	Land and Buildings £
Cost	
At 1 October 2020	880,000
Additions	-
Disposals	-
Revaluation	
At 30 September 2021	880,000
Depreciation	
At 1 October 2020	-
Charge for year	-
Disposals	-
At 30 September 2021	-
Net book value	
At 30 September 2021	880,000
At 30 September 2020	880,000

The property was professionally valued on 11 June 2008 by Stevens Scanlan Ltd, Chartered Surveyors at an open market value of £1,100,000. However the valuation of £880,000 has been arrived at by the trustees after taking into account improvements to the property recorded in the financial statements of The Megacentre Rayleigh Ltd (a wholly owned subsidiary). The trustees consider this prudent in order to avoid any double counting of the improvement costs of the property.

In the trustees opinion, the current open market value of the property is not less than the valuation recorded in these accounts.

The property has a charge of £384,374 to Barnardos, as set out in note 14 to the accounts.

10 Fixed asset investments

	£
Cost/valuation at 1 October 2020	265,000
Diminution in value	-
Cost/valuation at 30 September 2021	265,000

Holdings of more than 10%

The charity holds more than 10% of the share capital of the following companies:

Company	Country of registration or incorporation	Class	%
Subsidiary undertakings			
The Megacentre Rayleigh Ltd	United Kingdom	Ordinary	100

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Capital and reserves £	Profit/(Loss) for the year £
The Megacentre Rayleigh Ltd	40,854	33,816

The fixed asset investment was written down by £600,000 in 2016, in order to reflect a fairer representation of its value given the historical trading losses and balance sheet values of The Megacentre Rayleigh Ltd.

ACTIVE CHRISTIAN TRUST

**Notes to the financial statements
for the year ended 30 September 2021**

11 Debtors	2021	2020
	£	£
Amounts owed by group undertaking	76,863	45,000
Gift Aid Debtor	585	-
	77,448	45,000

12 Creditors: amounts falling due within one year	2021	2020
	£	£
Accruals and deferred income	1,170	1,170
Interest Free Loans	6,000	23,500
	7,170	24,670

13 Analysis of net assets between funds

	Unrestricted Fund	Designated Fund	Restricted Fund	Total
	£	£	£	£
Tangible fixed assets		880,000		880,000
Investments		265,000		265,000
Current assets	1,170	115,056	28,141	144,367
Creditors: amounts falling due within one year	(1,170)	(6,000)		(7,170)
	-	1,254,056	28,141	1,282,197

The Designated Fund includes funds received for specific purposes and is therefore ring-fenced and also represents the charity's Investment and Property Fund, which has been separately designated to hold the Trust's freehold property, and improvements to the property. As set out in the Trustee's Report, the improvements to the charity's property are held by The Megacentre Rayleigh Ltd, and these are funded by virtue of an investment in the share capital of the charity's subsidiary company.

ACTIVE CHRISTIAN TRUST

Notes to the financial statements for the year ended 30 September 2021

14 Contingent liabilities

In the event of a sale of the property a charge to Barnados will be payable from the proceeds only upon any future sale of the property.

The maximum amount repayable to Barnados (to include crystallised interest at date of purchase) would be in the sum of £384,374.

At 30 September 1999, the rental arrears totalled £225,483. At the purchase date of the property (26 April 2000) this arrears, together with the nominal rent charge for the period 1 October 1999 (£9,800) was waived. On the acquisition of the property from Barnardos, a sum of £384,374 was converted to a further charge on the property, repayable from any sales proceeds surplus. The arrears have been transferred to the Investment and Property Fund at book value. No provision is made for interest charges.

If the property were to be sold at the balance sheet date, for the carrying value, all secured charges would be met.

15 Related parties

During the year, Active Christian Trust received rental income of £60,000 from The Megacentre Rayleigh Ltd, its subsidiary undertaking.

Grants totalling £35,000 (2020 - £17,914) were made to The Megacentre Rayleigh Ltd to support its activities.

At the year end, Active Christian Trust was owed £76,863 (2020- £45,000) by The Megacentre Rayleigh Ltd. No interest is receivable on this debt and there is no fixed repayment schedule.