

Registered number: 02693748  
Charity number: 1010207

**CHURCHES ACTING TOGETHER IN ARTHUR'S HILL  
(THE CHAT TRUST)**

**(A company limited by guarantee)**

**UNAUDITED**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**for the year ended 31 March 2012**

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**CHURCHES ACTING TOGETHER IN ARTHUR'S HILL (THE CHAT TRUST)**  
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITABLE COMPANY, ITS TRUSTEES  
AND ADVISERS**  
**for the year ended 31 March 2012**

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**Trustees**

Rev. Richard Deadman, Chair  
Mrs Jean Fisher, Company Secretary  
Mr Laurence Ellacott, Treasurer  
Mrs Alma Miller, Minutes Secretary  
Rev. A. Paul Merton  
Deacon Kate Barrett  
Miss Jean Royal  
Mr Ron Wilson  
Mr Barry Larking  
Father John Skivington  
Mrs Gillian Arthurs (resigned 10 March 2012)  
Miss Lillian Molloy

**Company registered number**

02693748

**Charity registered number**

1010207

**Registered office**

250 - 252 Philip Street, Arthur's Hill, Newcastle upon Tyne, NE4 5BH

**Company secretary**

Jean Fisher

**Chief executive officer**

Richard Deadman

**Development Officer**

Caroline Emmerson

**Accountants**

Ryecroft Glenton, 32 Portland Terrace, Newcastle upon Tyne, NE2 1QP

**Bankers**

Lloyds Bank plc, Grey Street, Newcastle upon Tyne, NE1 6AG

**Our Member Churches**

St Philip's and St Augustine's Anglican Church, Dilston Road Methodist Church, Westgate Baptist Church, St Mary's Roman Catholic Cathedral

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**REPORT FROM THE CHAIRPERSON AND PROJECT MANAGER**  
**for the year ended 31 March 2012**

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**Chairpersons Report**

This has been a difficult year in several ways and it is a testament to the resilience of the Trust that we have come through the challenges in the good shape that we have. A staffing issue took up a lot of time and not a little money; money that has become in ever shorter supply over recent months. The constriction of fund sources is hardly news, but it has been a factor in the life of the Trust, none-the-less.

Challenges connected with the Youth Music Project meant that we had to bring forward plans that we have been considering for its replacement. Fortunately, there had already been sufficient thinking about what we would do when the Youth Music Project had run its course and we were in a position to implement our plans for a broadly based Youth Provision, which became *CHAT Trust: The BASE*. This is a different undertaking, which, although it includes a "Creative Stream" also offers other activities designed to challenge and help young people find a positive aspiration for their lives.

The focus of *CHAT Trust: The BASE* is much more on activities, including music-making, as a means to an end, rather than an ends in themselves. Our own concerns about the creeping elitism of the Youth Music Project were underlined by research we commissioned, which, reflecting the views of local young people, pointed to this as an inherent danger of all projects focused on a single activity.

The almost instantaneous change temporarily left some important aspects of our work in abeyance. However, we are now in the process of reintroducing features such as the monitoring, to ensure that we sustain a rigorous project. We have declined to pursue a number of potential funding opportunities, because we felt that they would require us to dilute the quality of the work we do. This has meant that we have had to spend a lot more time and energy on fundraising.

It has also had the unforeseen advantage of drawing in Caroline Emmerson's skills and experience in youth work. We do not envisage reversing this development, because it has added considerable value to the work that we do with the young people.

Funding for the Women's English Conversation Classes has also been hard to find. However, we are not letting that stand in the way of laying plans for its development as and when the necessary revenue becomes available. This is a strong project, ably run by Sharon Oversby and continues to serve a significant need in the area.

Much of the Advocacy Project's activity is now delivered through the BASE. We are exploring ways to manage the work we do with others through the volunteer advocates: this is at an early stage.

It is a tribute to Caroline's energy and commitment that despite the problems, the Trust is still functioning in a meaningful way. We have been fortunate that a number of former employees have continued as volunteers. At the same time, it is clear that the Trustees are going to have to assume some of the responsibilities, which were, until recently, borne by the Project Manager.

It was this, amongst other things, which provoked discussions amongst the Trustees of the future of the Trust's governance. As I write, the constitution is in its final stages of revision and the new provision should be in place by the time of the AGM. In short, Saint Matthew's, Newcastle will assume responsibility for appointing a majority of the Trustees and the Trustees themselves the rest. The intention is to increase the pool of people from which we draw Trustees and ensure that the Board can take a full and proper part in responding to the challenges that the Trust faces.

Of itself, the change is a largely technical matter. The Trust is an independent organisation and will not thereby become an offshoot of Saint Matthew's. It will place some responsibility on Saint Matthew's to identify and recruit effective Trustees, but beyond that, it will be for those Trustees to carry the charity forward.

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**REPORT FROM THE CHAIRPERSON AND PROJECT MANAGER**  
**for the year ended 31 March 2012**

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There is an amount of sadness at this point, because a number of Trustees are to stand down and we shall miss their presence. In particular, I should pay tribute to the long service of Mr Ron Wilson and the Revd Paul Merton, who have supported the Trust through some difficult times and both of whom have offered consistently constructive support in a kindly manner to me in the years that I have occupied the chair.

As they leave us, the Trust is in serviceable shape. There are sufficient funds for the immediate future; and we have a clear vision of the direction of travel. The outcomes of various funding applications will determine the scale and vigour with which we can pursue our aspirations.

For all the ups and downs of the past year, we are still here and still confident of and enthusiastic about the future. We are certain that we offer substantial and effective services to our clients and will continue so to do. We owe debts of thanks to our funders, not just for their money, but also in some cases for their advice and other intangible support. There are others, also, who have, in different ways provided sometimes substantial support.

There have been moments over the past year when things looked very gloomy, but we ended the year with a sense of purpose and momentum. For His guidance and blessing we give thanks to almighty God during these twelve months and ask His Wisdom as we contemplate the challenges to come.

Fr. Richard Deadman

Date 9 October 2012

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**CHURCHES ACTING TOGETHER IN ARTHUR'S HILL (THE CHAT TRUST)**  
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**REPORT FROM THE CHAIRPERSON AND PROJECT MANAGER**  
**for the year ended 31 March 2012**

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**Project Managers Report**

I believe it is true to say that since January 2008 the CHAT Trust has been in a process of redevelopment. Building on the foundations laid since the Trust's inception in 1991, we have been listening and responding to the needs of local people. We have developed a number of bespoke projects and, in so doing, we have encountered all kinds of opportunities and challenges.

For myself this last year has perhaps set me the greatest challenge of all; that of becoming once again, a hands on lead Youth Worker. In actuality the opportunity to develop *CHAT Trust: The BASE* has been both daunting and invigorating. It has taken all my skills and abilities to turn the theory into practice, to build a new team, not only to introduce a new project but to exceed expectations in outputs, to win the respect of both our young people and fellow youth organisations and to build something innovative that inspires. I must admit I did not think that I would enjoy being part of this project as much as I have. Whilst resourcing and running *CHAT Trust: The BASE* has the capacity to frustrate me, it also has the ability to inspire me. I am really delighted with what the team and young people, together, have achieved.

However, lead Youth Worker is only one of my roles. I am the Development Officer for the Trust and that means that I also run the Advocacy Service, oversee the Women's English Conversation Classes, co-ordinate our superb team of volunteers, write reports, secure funding, network and generally do what is needed to fulfil the day to day requirements of managing the CHAT Trust. I do not do this alone as I have been ably assisted by the Trustees who have provided exceptional support, wisdom and guidance when required over some of the more challenging aspects of running the Trust. In particular I would like to thank Fr. Richard Deadman in whose judgement I trust in times of trial.

Securing on-going funding has proved to be a time consuming and frustrating aspect of the work undertaken this year. The current financial climate and the loss of significant funding streams have seen many smaller organisations close. We are fortunate in that we are still viable, although a lot of work will be needed in the short term to secure our future for the next three years.

A big thank you must go to our current funders (The Northern Rock Foundation and the Tudor trust) without whom we would not have travelled such a productive journey over the last 3 years. In addition, I would like to thank the Community Foundation, the local Ward Committees, the Sherburn Trust and the Nunsmoor Centre Trust for investing in us. A big thank you also to my amazing team, without whom the Trust would not have achieved so much or seen so many lives transformed. I am blessed to work with such a dedicated group of people.

My final thoughts look to the future and to Him who has guided us thus far. For Him all things are possible even if they seem impossible and it is to Him I give my all and my hopes for the future.

Caroline Emmerson

Date 9 October 2012

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## **CHURCHES ACTING TOGETHER IN ARTHUR'S HILL (THE CHAT TRUST)**

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### **TRUSTEES' REPORT**

**for the year ended 31 March 2012**

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The Trustees (who are also directors of the charity for the purposes of the Companies Act) submit their annual report and the financial statements of Churches Acting Together in Arthur's Hill (the charitable company) for the year ended 31 March 2012. The Trustees confirm that the annual report and financial statements of the charitable company comply with current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **a. CONSTITUTION**

The charitable company is a charitable company limited by guarantee and was set up by a Memorandum of Association on 4 March 1992 .

The charitable company is constituted under a Memorandum of Association dated 4 March 1992 and is a registered charity number 1010207.

#### **b. METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES**

The Trustees are to be appointed two by each of: -

- i. the Membership of Westgate Baptist Church;
- ii. the Newcastle upon Tyne (West Circuit) of the Methodist Church;
- iii. the Parish Priest of St Mary's Cathedral; and
- iv. the Parochial Church Council of St Philip and St Augustine.

The Minister of Dilston Road Methodist Church, the Priest in charge of St Mary's Cathedral, the Vicar of Newcastle St Philip and St Augustine and the Minister of Westgate Baptist Church or in each case their delegate, will automatically be a Trustee during their period of Ministry in the area. They will be in addition to the eight appointed Trustees.

The Board has powers to appoint a small number of further Trustees.

#### **c. RISK MANAGEMENT**

The Trustees have assessed the major risks to which the charitable company is exposed, in particular those related to the operations and finances of the charitable company, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

### **OBJECTIVES AND ACTIVITIES**

#### **a. POLICIES AND OBJECTIVES**

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives and in planning future activities. There follows an explanation as to how the activities of the charity for the year are in the public benefit.

#### **Our aims**

The objects of Churches Acting Together in Arthur's Hill are as set out in the charity's memorandum and articles and are as follows:

- The advancement of the Christian religion for the benefit of the inhabitants of the West End of the City of Newcastle upon Tyne.
- The advancement of education of the said inhabitants, the protection of health, the relief of poverty, sickness and distress.

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## **CHURCHES ACTING TOGETHER IN ARTHUR'S HILL (THE CHAT TRUST)**

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### **TRUSTEES' REPORT (continued) for the year ended 31 March 2012**

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#### **Our objectives**

Our objectives are set to reflect our faith and community aims. Throughout the year, at their meetings, the Trustees monitor the activities undertaken and ensure that they comply with the Charity Commission's guidance on public benefit and in particular, that which relates to the advancement of religion.

As a Christian initiative rooted in the values of the Gospel, our aim is to develop a shared sense of purpose and self-worth in the West End of Newcastle through projects and services that will support people in identifying and realising their God given potential by building their self-confidence, increasing community involvement and enhancing employability amongst individuals.

#### **b. STRATEGIES FOR ACHIEVING OBJECTIVES**

##### **Strategies**

Churches Acting Together in Arthur's Hill seeks to display the Kingdom of God by:

- Being open and welcoming to all
- Making the CHAT Trust a place of friendship and support in the heart of our local community
- Providing a secure environment in which local groups and residents can meet
- Reaching out in service and witness to our neighbours
- Working in partnership with others for the good of the West End of Newcastle

An important part of our strategy is helping individuals to realise their potential by providing projects and services that give them the opportunity to develop their skills. All our projects and services are advertised across our area of benefit and we welcome the participation of all in our local community, both Christian and non-Christian alike. Most of our projects and services are free and are supported by donations or grant funding. Where there is a charge e.g. for room hire, it is kept to a minimum to cover operational costs.

##### **Use of volunteers**

Volunteers are an important resource in the work we undertake. We have 20 people regularly giving their time in addition to our Trustees who also give of their time freely. All our volunteers who assist on projects and services involving either children and young people or vulnerable adults are CRB checked through the umbrella organisation Caring Hands. We also provide relevant in-house training and support as outlined in our Volunteer Induction Pack.

#### **c. ACTIVITIES FOR ACHIEVING OBJECTIVES**

Churches Acting Together in Arthur's Hill carries out a range of activities in pursuance of its charitable aims. The Trustees consider that these activities, summarised below, provide benefit to the community of the West End of Newcastle.

##### **Women's English Conversation Class**

Due to constraints of funding we ran 4 Classes this year instead of the 6 planned. The classes are designed to both give women confidence in using everyday English and to encourage them to socialise with women from different ethnic and cultural backgrounds. Having access to a crèche means that we are able to ensure that vulnerable isolated women are able to access our provision without the barrier of childcare. We have provided places for 66 participants and 35 children.



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## **CHURCHES ACTING TOGETHER IN ARTHUR'S HILL (THE CHAT TRUST)**

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### **TRUSTEES' REPORT (continued) for the year ended 31 March 2012**

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Our participants are drawn from a variety of different ethnic and religious communities from across the West End. They are aged between 18 and 55. Ethnicities represented include, Pakistani, Bangladeshi, Afghani, Iranian, Chinese, Bulgarian, Croatian, Kurdish, Libyan, Iraqi, Indian, Bosnian, Vietnamese, Syrian, Indonesian, Japanese, Malaysian and Omani.

*This project was funded by:*  
*Community Foundation: £2,900*  
*Nunsmoor Centre Trust: £800*  
*Wingrove Ward Committee: £1,680*  
*Elswick Ward Committee: £1,400*  
*Fenham Ward Committee: £680*  
*Westgate Ward Committee: £240*

#### **CHAT Youth Music Project**

Between April 1st 2011 and May 31st 2012 we ran 57 sessions (both group and individual) and recorded 154 attendances. Following the conclusion of the research and reflection upon the results, we held discussions with our funders. Whilst the Youth Music Project was successful to a degree it was neither fully meeting the targets we had set for it nor was it effectively meeting our aims. The decision was taken therefore to close the Youth Music Project and to open a much broader based youth project – *CHAT Trust: The BASE*.

*The project was funded by:*  
*The Northern Rock Foundation: £6,133.84*

#### **CHAT Trust: The BASE from 1st June 2011**

Between June 1st 2011 and March 31st 2012 we ran 290 sessions (both individual and group) and recorded 964 attendances.

As this project is new it has been in development phase since its inception on 1st June 2011. *CHAT Trust: The BASE* operates a Stream system providing different pathways into the project. There are currently 3 Streams operating, Social Stream, Creative Stream and Support Stream. The design of the project is a direct response to the wishes of the young people who participated in the research. It is somewhere to go to that is safe where they can 'chill' with their friends; it is somewhere where they can access creative activities such as music, photography and video; it is somewhere where they can go to access help and support.

Our young people are drawn from a variety of different ethnic and religious communities from across the West End. They are all aged between 13 and 21, mainly but not exclusively male and most are from low income families. Ethnicities represented include, Zimbabwean, Ghanaian, Russian, Pakistani, Bangladeshi, Afghani, Kurdish, Croatian, African-Caribbean, Indian, White British, Irish, South African, Algerian, Iranian and Iraqi.

*The project was funded by:*  
*The Northern Rock Foundation: £25,613.29*  
*Healthier Communities: £51*

#### **CHAT Advocacy Service**

The Advocacy Service has been designed to give support to vulnerable members of our community in times of need by coming alongside them and helping their voices be heard. With the closure of many local Advice and Guidance Services our work has become more important than ever. To expand the service we have started working in partnership with the Your Homes Newcastle Refugee Move On team who are providing an Advice and Guidance session for A8 nationals on a Tuesday morning. Over the last year between ourselves and our partners from YHN we have had 170 client contacts. Issues addressed have included debt management, housing issues, benefits and tax credits.

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**CHURCHES ACTING TOGETHER IN ARTHUR'S HILL (THE CHAT TRUST)**  
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**TRUSTEES' REPORT (continued)**  
**for the year ended 31 March 2012**

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*The project was funded by:  
Tudor Trust and donations to CHAT Trust*

**Premises Management and Support to Community Organisations**

In 2011 – 2012 the following organisations and services have been based in the building:

- St Philip's Church Office
- The Ideas Mine/Recovery Works

In addition we have provided a regular meeting venue for the Time Exchange's Food for All and the Children's Victory Bible Club.

The work of Churches Acting Together in Arthur's Hill in 2011/12 was also supported by:

|  |            |
|--|------------|
| The Tudor Trust                            | £20,000.00 |
| Westgate Baptist Church                    | £3,444.77  |
| Dilston Road Methodist Church              | £345.75    |
| Ponteland Methodist Church                 | £500.00    |
| Fenham Holy Cross Church                   | £100.00    |
| Carillion                                  | £500.00    |
| Arthur's Hill Advice & Information Project | £5,912.36  |

**d. EMPLOYEES AND TRAINEES**

**CHAT Trust**

|  |                   |
|--|-------------------|
| CHAT Development Officer                       | Caroline Emmerson |
| CHAT Premises Cleaner until 31st December 2011 | Annette Clark     |
| CHAT Premises Cleaner from 1st January 2012    | Fatema B Rahman   |

**CHAT Women's English Conversation Class**

|           |                 |
|-----------|-----------------|
| Tutor     | Sharon Oversby  |
| Assistant | Fatema B Rahman |

**CHAT Youth Music Project until 31st May 2012**

|                                       |                 |
|---------------------------------------|-----------------|
| CHAT Youth Music Project Co-ordinator | Tim Hutchinson  |
| Sessional Worker                      | Louis Thomas    |
| Sessional Worker                      | Steven Barrass  |
| Sessional Worker                      | Daniel Williams |
| Sessional Worker                      | Carl Nielsen    |

**CHAT Trust: The BASE from 1st June 2012**

|                        |                 |
|------------------------|-----------------|
| Project Support Worker | Daniel Williams |
| Youth Support Worker   | Louis Thomas    |
| Youth Support Worker   | Carl Nielsen    |
| Youth Support Worker   | Steven Barrass  |

Thank you to all our supporters, volunteers and staff.

**a. INVESTMENT POLICY AND PERFORMANCE**

The charitable company invests certain cash funds in a COIF Charities Deposit Fund should the sum rise above £50,000 the trust will review the arrangements.

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**CHURCHES ACTING TOGETHER IN ARTHUR'S HILL (THE CHAT TRUST)**  
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**TRUSTEES' REPORT (continued)**  
**for the year ended 31 March 2012**

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**a. RESERVES POLICY**

Since costs are incurred against funding that has been awarded, the Trustees' policy is to keep £15,000 in reserve for contingencies. Other reserves represent fixed assets and funds in the course of being spent.

**PLANS FOR THE FUTURE**

**a. FUTURE DEVELOPMENTS**

Our focus for the financial year 2012/13 will be securing the funds to keep us operational. This will be no easy task in the current financial climate. In addition the governance of the Trust will be placed under review and whatever changes are needed will be put into place to ensure it best meets the needs of the organisation for the foreseeable future.

Project wise we will be focusing on developing *CHAT Trust: The BASE*, looking at how we can best deliver Advocacy and finding a means to develop a Class 3 for the Conversation Classes.

**MEMBERS' LIABILITY**

The Trustees of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up.

**TRUSTEES' RESPONSIBILITIES STATEMENT**

The Trustees (who are also directors of Churches Acting Together in Arthur's Hill for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

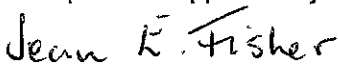
Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Board of Trustees on 9 October 2012 and signed on its behalf, by:

  
**Jean Fisher, Secretary**

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**CHURCHES ACTING TOGETHER IN ARTHUR'S HILL (THE CHAT TRUST)**  
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**INDEPENDENT EXAMINER'S REPORT**  
**for the year ended 31 March 2012**

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**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF CHURCHES ACTING TOGETHER IN**  
**ARTHUR'S HILL (THE CHAT TRUST)**

I report on the financial statements of the charitable company for the year ended 31 March 2012 which are set out on pages 12 to 21.

This report is made solely to the charitable company's Trustees, as a body, in accordance with section 145 of the Charities Act 2011 and regulations made under section 154 of that Act. My work has been undertaken so that I might state to the charitable company's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charitable company and the charitable company's Trustees as a body, for my work or for this report.

**RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND EXAMINER**

The Trustees, who are also the directors of the company for the purposes of company law, are responsible for the preparation of the financial statements. The Trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the Act) and that an independent examination is needed.

Having satisfied myself that the charitable company is not subject to audit under charity or company law and is eligible for independent examination, it is my responsibility to:

- examine the financial statements under section 145 of the Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the Act; and
- state 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 Commission. An examination includes a review of the accounting records kept by the charitable company and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, 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 no opinion is given as to whether the financial statements present a 'true and fair view' and the report is limited to those matters set out in the statement below.

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**CHURCHES ACTING TOGETHER IN ARTHUR'S HILL (THE CHAT TRUST)**  
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**INDEPENDENT EXAMINER'S REPORT (continued)**  
**for the year ended 31 March 2012**

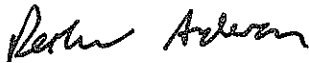
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**INDEPENDENT EXAMINER'S STATEMENT**

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 386 of the Companies Act 2006; and
  - to prepare financial statements which accord with the accounting records and comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Signed:



Dated: 9 October 2012

Detlev Anderson Chartered Accountant

**RYECROFT GLENTON**

Chartered Accountants

32 Portland Terrace  
Newcastle upon Tyne  
NE2 1QP

**CHURCHES ACTING TOGETHER IN ARTHUR'S HILL (THE CHAT TRUST)**  
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**STATEMENT OF FINANCIAL ACTIVITIES**  
**(incorporating income and expenditure account)**  
**for the year ended 31 March 2012**

|   | Note | Restricted<br>funds<br>2012<br>£ | Unrestricted<br>funds<br>2012<br>£ | Total<br>funds<br>2012<br>£ | Total<br>funds<br>2011<br>£ |
|---|------|----------------------------------|------------------------------------|-----------------------------|-----------------------------|
| <b>INCOMING RESOURCES</b>                 |      |                                  |                                    |                             |                             |
| Incoming resources from generated funds:  |      |                                  |                                    |                             |                             |
| Voluntary income                          | 2    | 60,764                           | 12,836                             | 73,600                      | 65,313                      |
| Activities for generating funds           | 3    | -                                | 3,695                              | 3,695                       | 6,351                       |
| Investment income                         | 4    | -                                | 178                                | 178                         | 131                         |
| <b>TOTAL INCOMING RESOURCES</b>           |      | <b>60,764</b>                    | <b>16,709</b>                      | <b>77,473</b>               | <b>71,795</b>               |
| <b>RESOURCES EXPENDED</b>                 |      |                                  |                                    |                             |                             |
| Charitable activities                     | 5    | 71,282                           | 21,903                             | 93,185                      | 81,276                      |
| Governance costs                          | 8    | -                                | 1,323                              | 1,323                       | 1,250                       |
| <b>TOTAL RESOURCES EXPENDED</b>           | 9    | <b>71,282</b>                    | <b>23,226</b>                      | <b>94,508</b>               | <b>82,526</b>               |
| <b>NET EXPENDITURE BEFORE TRANSFERS</b>   |      | <b>(10,518)</b>                  | <b>(6,517)</b>                     | <b>(17,035)</b>             | <b>(10,731)</b>             |
| Transfers between Funds                   | 15   | (11,014)                         | 11,014                             | -                           | -                           |
| <b>NET MOVEMENT IN FUNDS FOR THE YEAR</b> |      | <b>(21,532)</b>                  | <b>4,497</b>                       | <b>(17,035)</b>             | <b>(10,731)</b>             |
| <i>Total funds at 1 April 2011</i>        |      | <i>34,056</i>                    | <i>16,199</i>                      | <i>50,255</i>               | <i>60,986</i>               |
| <b>TOTAL FUNDS AT 31 MARCH 2012</b>       |      | <b>12,524</b>                    | <b>20,696</b>                      | <b>33,220</b>               | <b>50,255</b>               |

The notes on pages 14 to 21 form part of these financial statements.

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**CHURCHES ACTING TOGETHER IN ARTHUR'S HILL (THE CHAT TRUST)****(A company limited by guarantee)****Registered number: 02693748**

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**BALANCE SHEET**  
**as at 31 March 2012**

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|   | Note | £              | 2012<br>£            | £              | 2011<br>£            |
|---|------|----------------|----------------------|----------------|----------------------|
| <b>FIXED ASSETS</b>                                   |      |                |                      |                |                      |
| Tangible assets                                       | 12   |                | 345                  |                | 11,033               |
| <b>CURRENT ASSETS</b>                                 |      |                |                      |                |                      |
| Debtors   | 13   | 1,400          |                      | -              |                      |
| Cash at bank  |      | 35,861         |                      | 45,362         |                      |
|   |      | <u>37,261</u>  |                      | <u>45,362</u>  |                      |
| <b>CREDITORS: amounts falling due within one year</b> | 14   | <b>(4,386)</b> |                      | <b>(6,140)</b> |                      |
| <b>NET CURRENT ASSETS</b>                             |      |                | <b>32,875</b>        |                | <b>39,222</b>        |
| <b>NET ASSETS</b>                                     |      |                | <b>33,220</b>        |                | <b>50,255</b>        |
|   |      |                | <u><u>33,220</u></u> |                | <u><u>50,255</u></u> |
| <b>CHARITY FUNDS</b>                                  |      |                |                      |                |                      |
| Restricted funds                                      | 15   |                | 12,524               |                | 34,056               |
| Unrestricted funds                                    | 15   |                | 20,696               |                | 16,199               |
|   |      |                | <u>33,220</u>        |                | <u>50,255</u>        |

The Trustees consider that the charitable company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the charitable company to obtain an audit for the year in question in accordance with section 476 of the Act.

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and for preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at 31 March 2012 and of its net resources expended for the year in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Trustees on 9 October 2012 and signed on their behalf, by:



**Rev. Richard Deadman, Chair**

The notes on pages 14 to 21 form part of these financial statements.

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**CHURCHES ACTING TOGETHER IN ARTHUR'S HILL (THE CHAT TRUST)**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 31 March 2012**

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**1. ACCOUNTING POLICIES**

**1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008). The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" published in March 2005, applicable accounting standards and the Companies Act 2006.

**1.2 COMPANY STATUS**

The charitable company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the charitable company being wound up, the liability in respect of the guarantee is limited to £1 per member of the charitable company.

**1.3 FUND ACCOUNTING**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charitable company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charitable company for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

**1.4 INCOMING RESOURCES**

All incoming resources are included in the Statement of financial activities when the charitable company is legally entitled to the income and the amount can be quantified with reasonable accuracy.

**1.5 RESOURCES EXPENDED**

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Support costs are those costs incurred directly in support of expenditure on the objects of the charitable company and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the charitable company and compliance with constitutional and statutory requirements.

**1.6 TURNOVER**

Turnover comprises revenue recognised by the charitable company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.



**CHURCHES ACTING TOGETHER IN ARTHUR'S HILL (THE CHAT TRUST)**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 31 March 2012**

**1. ACCOUNTING POLICIES (continued)**

**1.7 TANGIBLE FIXED ASSETS AND DEPRECIATION**

All assets costing more than £400 are capitalised.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

|                    |   |                   |
|--------------------|---|-------------------|
| Catering equipment | - | 25% straight line |
| Musical equipment  | - | 33% straight line |
| Computer equipment | - | 33% straight line |

**2. VOLUNTARY INCOME**

|           | Restricted<br>funds<br>2012<br>£ | Unrestricted<br>funds<br>2012<br>£ | Total<br>funds<br>2012<br>£ | Total<br>funds<br>2011<br>£ |
|-----------|----------------------------------|------------------------------------|-----------------------------|-----------------------------|
| Donations | -                                | 12,836                             | 12,836                      | 3,509                       |
| Grants    | 60,764                           | -                                  | 60,764                      | 61,804                      |
|           | <u>60,764</u>                    | <u>12,836</u>                      | <u>73,600</u>               | <u>65,313</u>               |

**3. FUNDRAISING AND TRADING ACTIVITIES**

|  | Unrestricted<br>funds<br>2012<br>£ | Total<br>funds<br>2012<br>£ | Total<br>funds<br>2011<br>£ |
|--|------------------------------------|-----------------------------|-----------------------------|
| Room hire  | 3,695                              | 3,695                       | 6,351                       |
| Net income from fundraising and trading activities | <u>3,695</u>                       | <u>3,695</u>                | <u>6,351</u>                |

**4. INVESTMENT INCOME**

|                     | Restricted<br>funds<br>2012<br>£ | Unrestricted<br>funds<br>2012<br>£ | Total<br>funds<br>2012<br>£ | Total<br>funds<br>2011<br>£ |
|---------------------|----------------------------------|------------------------------------|-----------------------------|-----------------------------|
| Interest receivable | -                                | 178                                | 178                         | 131                         |
|                     | <u>-</u>                         | <u>178</u>                         | <u>178</u>                  | <u>131</u>                  |

**CHURCHES ACTING TOGETHER IN ARTHUR'S HILL (THE CHAT TRUST)**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 31 March 2012**

**5. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES**

|                    | Activities<br>undertaken<br>directly<br>2012<br>£ | Support<br>costs<br>2012<br>£ | Total<br>2012<br>£ | Total<br>2011<br>£ |
|--------------------|---|-------------------------------|--------------------|--------------------|
| Community projects | 71,282  | 21,903                        | 93,185             | 81,276             |

**6. DIRECT COSTS**

|  | Community<br>Projects<br>£ | Total<br>2012<br>£ | Total<br>2011<br>£ |
|--|----------------------------|--------------------|--------------------|
| Volunteer training resources             | 714                        | 714                | 1,105              |
| Professional fees and management charges | 5,600                      | 5,600              | 786                |
| Volunteer expenses                       | 301                        | 301                | -                  |
| Project childcare costs                  | 4,600                      | 4,600              | 3,200              |
| Other                                    | 1,608                      | 1,608              | 3,116              |
| Wages and salaries                       | 46,660                     | 46,660             | 41,910             |
| National insurance                       | 2,056                      | 2,056              | 2,857              |
| Depreciation                             | 9,743                      | 9,743              | 11,693             |
|  | <u>71,282</u>              | <u>71,282</u>      | <u>64,667</u>      |

**7. SUPPORT COSTS**

|                      | Community<br>Projects<br>£ | Total<br>2012<br>£ | Total<br>2011<br>£ |
|----------------------|----------------------------|--------------------|--------------------|
| Repairs and renewals | 3,047                      | 3,047              | 3,379              |
| Premises             | 5,958                      | 5,958              | 2,884              |
| Telephone            | 960                        | 960                | 1,323              |
| Insurance            | 473                        | 473                | 464                |
| Other                | 1,589                      | 1,589              | 2,504              |
| Wages and salaries   | 7,957                      | 7,957              | 4,275              |
| National insurance   | 464                        | 464                | 366                |
| Depreciation         | 1,455                      | 1,455              | 1,414              |
|                      | <u>21,903</u>              | <u>21,903</u>      | <u>16,609</u>      |

**CHURCHES ACTING TOGETHER IN ARTHUR'S HILL (THE CHAT TRUST)**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 31 March 2012**

**8. GOVERNANCE COSTS**

|                 | Restricted<br>funds<br>2012<br>£ | Unrestricted<br>funds<br>2012<br>£ | Total<br>funds<br>2012<br>£ | Total<br>funds<br>2011<br>£ |
|-----------------|----------------------------------|------------------------------------|-----------------------------|-----------------------------|
| Accountancy fee | -                                | 1,323                              | 1,323                       | 1,250                       |

**9. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE**

|                    | Staff costs<br>2012<br>£ | Depreciation<br>2012<br>£ | Other costs<br>2012<br>£ | Total<br>2012<br>£ | Total<br>2011<br>£ |
|--------------------|--------------------------|---------------------------|--------------------------|--------------------|--------------------|
| Community projects | 57,137                   | 11,198                    | 24,850                   | 93,185             | 81,276             |
| Governance         | -                        | -                         | 1,323                    | 1,323              | 1,250              |
|                    | <u>57,137</u>            | <u>11,198</u>             | <u>26,173</u>            | <u>94,508</u>      | <u>82,526</u>      |

**10. NET EXPENDITURE**

This is stated after charging:

|  | 2012<br>£     | 2011<br>£     |
|--|---------------|---------------|
| Depreciation of tangible fixed assets:<br>- owned by the charity | 11,198        | 13,108        |
| Accountancy fee  | 1,323         | 1,250         |
|  | <u>12,521</u> | <u>14,358</u> |

During the year, no Trustees received any remuneration (2011 - £NIL).  
 During the year, no Trustees received any benefits in kind (2011 - £NIL).  
 During the year, no Trustees received any reimbursement of expenses (2011 - £NIL).

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**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 31 March 2012**

**11. STAFF COSTS**

Staff costs were as follows:

|                       | 2012<br>£     | 2011<br>£     |
|-----------------------|---------------|---------------|
| Wages and salaries    | 54,617        | 46,184        |
| Social security costs | 2,520         | 3,223         |
|                       | <u>57,137</u> | <u>49,407</u> |

The average monthly number of employees during the year was as follows:

|  | 2012<br>No. | 2011<br>No. |
|--|-------------|-------------|
|  | <u>3</u>    | <u>2</u>    |

No employee received remuneration amounting to more than £60,000 in either year.

**12. TANGIBLE FIXED ASSETS**

|                       | Fixtures &<br>fittings<br>£ | Computer<br>equipment<br>£ | Total<br>£    |
|-----------------------|-----------------------------|----------------------------|---------------|
| <b>COST</b>           |                             |                            |               |
| At 1 April 2011       | 35,084                      | 4,244                      | 39,328        |
| Additions             | 150                         | 360                        | 510           |
| At 31 March 2012      | <u>35,234</u>               | <u>4,604</u>               | <u>39,838</u> |
| <b>DEPRECIATION</b>   |                             |                            |               |
| At 1 April 2011       | 25,388                      | 2,907                      | 28,295        |
| Charge for the year   | 9,743                       | 1,455                      | 11,198        |
| At 31 March 2012      | <u>35,131</u>               | <u>4,362</u>               | <u>39,493</u> |
| <b>NET BOOK VALUE</b> |                             |                            |               |
| At 31 March 2012      | <u>103</u>                  | <u>242</u>                 | <u>345</u>    |
| At 31 March 2011      | <u>9,696</u>                | <u>1,337</u>               | <u>11,033</u> |

**13. DEBTORS**

|               | 2012<br>£    | 2011<br>£ |
|---------------|--------------|-----------|
| Other debtors | <u>1,400</u> | <u>-</u>  |

**CHURCHES ACTING TOGETHER IN ARTHUR'S HILL (THE CHAT TRUST)**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 31 March 2012**

**14. CREDITORS:**  
**AMOUNTS FALLING DUE WITHIN ONE YEAR**

|                              | 2012<br>£    | 2011<br>£    |
|------------------------------|--------------|--------------|
| Other creditors              | 3,063        | 3,366        |
| Accruals and deferred income | 1,323        | 2,774        |
|                              | <u>4,386</u> | <u>6,140</u> |

**15. STATEMENT OF FUNDS**

|  | Brought<br>Forward<br>£ | Incoming<br>resources<br>£ | Resources<br>Expended<br>£ | Transfers<br>in/out<br>£ | Carried<br>Forward<br>£ |
|--|-------------------------|----------------------------|----------------------------|--------------------------|-------------------------|
| <b>UNRESTRICTED FUNDS</b>              |                         |                            |                            |                          |                         |
| General Funds - all funds              | 16,199                  | 16,709                     | (23,226)                   | 11,014                   | 20,696                  |
| <b>RESTRICTED FUNDS</b>                |                         |                            |                            |                          |                         |
| Healthier Communities                  | 51                      | -                          | -                          | (51)                     | -                       |
| Women's English Language<br>Provision  | -                       | 7,700                      | (7,900)                    | 200                      | -                       |
| Youth Music Equipment                  | 15,150                  | -                          | (7,654)                    | (7,495)                  | 1                       |
| Church Urban Fund                      | 1,700                   | -                          | -                          | (1,700)                  | -                       |
| Kitchen Equipment                      | 4,059                   | -                          | (2,039)                    | (2,019)                  | 1                       |
| The Tudor Trust                        | 3,333                   | 20,000                     | (20,000)                   | -                        | 3,333                   |
| Northern Rock Foundation - YMP         | 7,821                   | -                          | (6,134)                    | (1,687)                  | -                       |
| Northern Rock Foundation -<br>Training | 1,942                   | -                          | (1,942)                    | -                        | -                       |
| The BASE                               | -                       | 29,064                     | (25,613)                   | 1,738                    | 5,189                   |
| The BASE - Development Work            | -                       | 4,000                      | -                          | -                        | 4,000                   |
|  | <u>34,056</u>           | <u>60,764</u>              | <u>(71,282)</u>            | <u>(11,014)</u>          | <u>12,524</u>           |
| Total of funds                         | <u>50,255</u>           | <u>77,473</u>              | <u>(94,508)</u>            | <u>-</u>                 | <u>33,220</u>           |

The nature and purpose of the restricted funds are as set out below:-

**Healthier Communities.** These funds were used to support our ongoing commitment to promoting healthy eating with local young people.

**Women's English Language Provision.** Funds from the Community Foundation, Nunsmoor Centre Trust and Wingrove, Elswick, Fenham and Westgate Ward Committees were awarded to enable the organisation to provide English conversation classes for BME women

**CHURCHES ACTING TOGETHER IN ARTHUR'S HILL (THE CHAT TRUST)**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 31 March 2012**

**15. STATEMENT OF FUNDS (continued)**

**Youth Music Equipment.** The purchase of this equipment was funded by the Youth Opportunity Fund. There is a continuing restriction over the use of the assets purchased. The balance on the fund represents the net book value of the fixed assets purchased.

**Church Urban Fund.** This is funding which was for research into youth provision to promote positive social behaviour. The research has now been completed.

**Kitchen Equipment.** This equipment, which was obtained on the closure of the Yours & Mine Cafe, is restricted to community use. The balance on the fund represents the net book value of the fixed assets transferred.

**The Tudor Trust.** This grant is towards the project manager salary.

**Northern Rock Foundation.** The second year of this grant was to employ staff for the Youth Music Project. Following agreement with the Northern Rock Foundation the balance has been assigned to *CHAT Trust: The BASE*. The third year of the grant was to employ staff for *CHAT Trust: The BASE* Youth project. For further details see page 7.

**The BASE - Development Work.** This is funding from the Sherburn House Trust to reconfigure the ground floor of the CHAT Trust in order to provide a suitable environment for The BASE to be held. Work began on this after the year end.

**SUMMARY OF FUNDS**

|                  | Brought<br>Forward<br>£ | Incoming<br>resources<br>£ | Resources<br>Expended<br>£ | Transfers<br>in/out<br>£ | Carried<br>Forward<br>£ |
|------------------|-------------------------|----------------------------|----------------------------|--------------------------|-------------------------|
| General funds    | 16,199                  | 16,709                     | (23,226)                   | 11,014                   | 20,696                  |
| Restricted funds | 34,056                  | 60,764                     | (71,282)                   | (11,014)                 | 12,524                  |
|                  | <u>50,255</u>           | <u>77,473</u>              | <u>(94,508)</u>            | <u>-</u>                 | <u>33,220</u>           |

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**CHURCHES ACTING TOGETHER IN ARTHUR'S HILL (THE CHAT TRUST)**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 31 March 2012**

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**16. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

|                               | <b>Restricted<br/>funds<br/>2012<br/>£</b> | <b>Unrestricted<br/>funds<br/>2012<br/>£</b> | <b>Total<br/>funds<br/>2012<br/>£</b> | <i>Total<br/>funds<br/>2011<br/>£</i> |
|-------------------------------|--|--|---------------------------------------|---------------------------------------|
| Tangible fixed assets         | 103  | 242  | 345                                   | 11,032                                |
| Current assets                | 12,421                                     | 24,840                                       | 37,261                                | 45,362                                |
| Creditors due within one year | -  | (4,386)                                      | (4,386)                               | (6,139)                               |
|                               | <u>12,524</u>                              | <u>20,696</u>                                | <u>33,220</u>                         | <u>50,255</u>                         |

**17. CONTROLLING PARTY**

The controlling party of the charitable company is the Board of Trustees.

