

Registered number: 06558879
Charity number: 1123878

The Kench Hill Charity
(A company limited by guarantee)

Trustees' report and financial statements
for the period ended 31 March 2009

The Kench Hill Charity
(A company limited by guarantee)

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The Kench Hill Charity
(A company limited by guarantee)

**Reference and administrative details of the company, its trustees and advisers
for the period ended 31 March 2009**

Trustees

C J Larter, Chairman (appointed 11 September 2008)
T N Brooke (appointed 8 April 2008)
M C Burford (appointed 11 September 2008)
P Fuller (appointed 8 April 2008)
B G Hawes (appointed 11 September 2008)
Mrs H F T Hiscock (appointed 11 September 2008)
M L Smith (appointed 8 April 2008)

Company registered number

06558879

Charity registered number

1123878

Registered office

1 Reading Lane
London
E8 1GQ

Principal operating office

Kench Hill Centre
Appledore Road
Tenterden
Kent
TN30 7DG

Company secretary

P Fuller

Head of Centre

Mrs S Bain

Bankers

NatWest Bank plc
58 High Street
Tenterden
Kent
TN30 6AX

The Kench Hill Charity

(A company limited by guarantee)

Trustees' report

for the period ended 31 March 2009

The trustees, who are also directors of the charity for the purposes of the Companies Act, present their annual report together with the financial statements of The Kench Hill Charity (the company) for the period from 8 April 2008 to 31 March 2009. The trustees confirm that the annual report and financial statements of the company comply with the current statutory requirements, the requirements of the 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

- **Constitution**

The company was incorporated on 8 April 2008 and registered as a charity on 24 April 2008.

- **Method of appointment or election of trustees**

The management of the company is the responsibility of the trustees who are elected under the terms of the Memorandum of Association.

New trustees are invited to meet the other trustees and key employees at the centre, they are briefed on the organisation, current plans and the financial status of the charity. New trustees are advised of their legal obligations under charity law and are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

- **Organisational structure and decision making**

The Kench Hill Charity is governed by the board of trustees, which meets termly (3 times a year). It is responsible for the management of Kench Hill Centre and strategic direction and management of the "activities" of The Kench Hill Charity. Management of the centre is delegated to the Head of Centre, currently Ms Sandi Bain. All staff are employed by The Learning Trust and seconded to The Kench Hill Charity. The Head of Centre is responsible for managing the budget agreed by the board of trustees, for implementing curriculum development and management of the premises in accordance with health and safety legislation and guidelines.

- **Risk management**

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

Objectives and activities

- **Policies and objectives**

The Kench Hill Charity seeks to deliver life-changing experiences for young people and adults by providing educational and recreational activities that inspire personal development, self-confidence, independent life skills and that promote healthy lifestyles in a safe, supportive environment with good quality affordable accommodation for groups who do not have access to other facilities.

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular the trustees consider how planned activities will contribute to the aims and objectives they have set.

The Kench Hill Charity

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Trustees' report (continued)

for the period ended 31 March 2009

• Review of activities

The Kench Hill Centre entered a new phase of development this year when it registered as a charity and limited company, The Kench Hill Charity. The services provided by the charity at the Kench Hill Centre were formerly provided in house by The Learning Trust. A board of trustees was appointed, with members representing areas of expertise including finance, law and education.

The key objectives for the financial period under review were:

- (i) Establish The Kench Hill Charity, reduce financial dependency on local authority funding and generate additional funding streams.
- (ii) Implement a capital works programme to increase the capacity of the centre to accommodate larger and more diverse groups, including physical alterations to improve disabled access.
- (iii) Improve facilities, resources and activities including IT resources.

• Achievements in the period

Key activities in the year in pursuance of the above stated objectives were:

- (i) Refurbishment of 1st floor communal washroom and three guest bedrooms.
- (ii) Submission of plans for new classroom and renovation of rear extensions to Ashford Borough Council, revision and attendance at planning committee.
- (iii) Network cabling to improve internet access for staff and visitors, installation of digital weather station, cameras and development of Kench Hill website.
- (iv) Trial project with Family Holiday Association to provide 'Healthy Breaks' to targeted families with physical and/or mental health issues, in partnership with Primary Care Trusts.
- (v) Submit application to National Lottery for Local Food grant to develop kitchen garden.
- (vi) Submission to Ashford Borough Council for reduction of business rates for 2009-10.

Public benefit delivered by the charity (statistics):

School groups

768 pupils from 24 Hackney schools attended the centre for curriculum-linked residential weeks. 1 non-Hackney school (London Borough of Barnet) also visited.

359 Hackney pupils received financial assistance through subsidised places from the School Journey Grant, totalling £26,925.

4 schools received subsidies to the value of £3,500 to compensate for small group sizes or late cancellations, reducing overall cost of their visits ie De Beauvoir, Queensbridge, Baden-Powell and Northwold Primaries.

Average group size 25.5 pupils (down slightly from 2007-8).

Other groups

511 children and adults visited Kench Hill for other purposes: Healthy Breaks for Families; Family Learning programmes; Staff training and team-building; self-catered hire.

The Kench Hill Charity
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Trustees' report (continued)
for the period ended 31 March 2009

Public benefit delivered by the charity (continued):

Total visitors	1380
Occupancy*	207 days excluding 22 days cancellations

*Includes some days which are counted as 2 days occupancy where 2 groups overlap eg newly qualified teachers training days which take place when schools groups are also in residence. A potential summer holiday booking for 30 days was cancelled by the charity as it was not within the charity's remit and due to the assessed risk.

Financial review

● **Reserves policy**

The charities policy is to hold financial reserves that are sufficient to enable it to:

- (i) Maintain adequate working capital to operate.
- (ii) Avoid the necessity of realizing fixed assets held for the use of the charity.
- (iii) Honour liabilities and expenditure commitments in the event of a reduction in income.

The board's assessment is that reserves of 4 months of expenditure are required to meet each of these needs. The level of reserves is monitored and reviewed by the board on an annual basis. The current level of free reserves is considered adequate by the board to meet the foreseeable liabilities of the charity as they fall due.

● **Results for the period**

In the period under review the charity achieved a surplus of income over expenditure of £164,799 and has retained unrestricted reserves of £164,799 to carry forward.

Plans for the future

● **Future developments**

Complete capital works programme to enhance visitor facilities and reduce future running costs ie new classroom/renovation of 1st floor library and conversion into bedrooms/ renovation of rear extension to upgrade WC and changing areas, office space.

Other plans include renovating the kitchen and kitchen garden, developing a marketing strategy, summer schools, inter school sports matches, quality badging and curriculum development.

The Kench Hill Charity
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Trustees' report (continued)
for the period ended 31 March 2009

Statement of trustees' responsibilities

The trustees are responsible for preparing the Annual report and the financial statements in accordance with applicable law and regulations.

Company and charity law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the trustees on 2 September 2009 and signed on their behalf, by:

P Fuller
Secretary

The Kench Hill Charity
(A company limited by guarantee)

Independent examiners report
for the period ended 31 March 2009

Independent examiner's report to the trustees of The Kench Hill Charity

I report on the accounts of the company for the period ended 31 March 2009 which are set out on pages 8 to 13.

This report is made solely to the company's trustees, as a body in accordance with Section 495 of the Companies Act 2006. My work has been undertaken so that I might state to the 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 company and the company's trustees, as a body, for my work, for this report, or for the opinions I have formed.

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 accounts. The trustees consider that an audit is not required for this period under section 43(2) of the Charities Act 1993 (the Act) and that an independent examination is needed. The company's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of ICAEW.

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

- examine the accounts under section 43 of the Act;
- follow the procedures laid down in the general directions given by the Charity Commission under section 43(7)(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 company 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 no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

The Kench Hill Charity
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Independent examiners report (continued)
for the period ended 31 March 2009

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 accounts 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 Charities
- 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.

Signed:

Dated: 7 September 2009

M A Crawley FCA STEP

Chavereys

Chartered Accountants

Cherry Court
Victoria Road
Ashford
Kent
TN23 7HE

The Kench Hill Charity
(A company limited by guarantee)

Statement of financial activities
(incorporating income and expenditure account)
for the period ended 31 March 2009

	Note	Unrestricted funds 2009 £
Incoming resources		
Incoming resources from generated funds:		
Voluntary income	2	264,306
Activities for generating funds	3	4,594
Investment income - bank interest		146
Incoming resources from charitable activities	4	123,547
		<hr/>
Total incoming resources		392,593
		<hr/>
Resources expended		
Charitable activities	5,6	224,885
Governance costs	7	2,909
		<hr/>
Total resources expended		227,794
		<hr/>
Movement in total funds for the year - Net income for the year		164,799
		<hr/>
<i>Total funds at 8 April 2008</i>		-
		<hr/>
Total funds at 31 March 2009		164,799
		<hr/> <hr/>

The notes on pages 10 to 13 form part of these financial statements.

The Kench Hill Charity
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Balance sheet
as at 31 March 2009

	Note	£	2009 £
Current assets			
Stocks		2,658	
Debtors	9	62,079	
Cash at bank and in hand		150,761	
		<u>215,498</u>	
Creditors: amounts falling due within one year	10	<u>(50,699)</u>	
Net current assets			<u>164,799</u>
Total assets less current liabilities			<u>164,799</u>
Charity funds			
Unrestricted funds	11		<u>164,799</u>
			<u>164,799</u>

The trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 and members have not required the company to obtain an audit of its accounts for the period ended in question in accordance with section 476 of the Act. The trustees acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 March 2009 and of its surplus for the period ended then ended in accordance with the requirements of section 396 of the Act and which otherwise comply with the requirements of the Companies Act 2006 relating to the financial statements so far as applicable to the 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 2 September 2009 and signed on their behalf, by:

C J Larter (Chairman)

P Fuller

The notes on pages 10 to 13 form part of these financial statements.

The Kench Hill Charity
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Notes to the financial statements
for the period ended 31 March 2009

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, 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 company is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £10 per member of the 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 company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

1.4 Incoming resources

All incoming resources are included in the statement of financial activities when the 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.

Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

The company is not, and is not required to be, registered for Value Added Tax (VAT), consequently all expenditure is stated gross of any irrecoverable VAT incurred.

1.6 Turnover

Turnover comprises revenue recognised by the company in respect of services supplied. The company is not registered for Value Added Tax.

2. Voluntary income

	Unrestricted funds 2009 £
Grants	264,306

The Kench Hill Charity
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Notes to the financial statements
for the period ended 31 March 2009

3. Activities for generating funds

**Unrestricted
funds
2009
£**

Centre hire and team building events **4,594**

4. Incoming resources from charitable activities

School journeys and educational breaks **123,547**

5. Charitable activities - school journeys and educational breaks

Direct costs	
Educational services charged by TLT	152,839
Catering	13,934
Building maintenance	22,213
Grounds upkeep	4,128
Equipment maintenance	418
Laundry and cleaning	4,464
School journey disbursements	5,274
Motor expenses	2,024
Training	1,322
Heat and light	7,780
Rates and water	3,356
Advertising	1,232
Equipment rental	662

219,646

Support costs (see note 6) **5,239**

224,885

6. Support costs

Telephone and postage	2,042
Stationery and office costs	3,012
Travel	185

5,239

The Kench Hill Charity
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Notes to the financial statements
for the period ended 31 March 2009

7. Governance costs

	Unrestricted funds
	2009
	£
Accountancy	2,909
	=====

8. Net income

This is stated after charging:

Operating lease rentals (telephone system)	662
Accountancy	2,909
	=====

During the period, no trustees received any remuneration, benefits in kind or reimbursement of expenses. All staff working at the centre during the period were employees of The Learning Trust.

9. Debtors

Trade debtors	62,079
	=====

10. Creditors: amounts falling due within one year

Trade creditors	43,149
Accruals and deferred income	7,550
	=====
	50,699
	=====

11. Statement of funds

	Brought forward	Incoming resources	Resources expended	Transfers in/out	Carried forward
	£	£	£	£	£
Designated funds					
Disabled access	-	-	-	2,500	2,500
Marketing	-	-	(997)	10,000	9,003
	-----	-----	-----	-----	-----
	-	-	(997)	12,500	11,503
	-----	-----	-----	-----	-----
General funds					
Unrestricted and undesignated funds	-	392,593	(226,797)	(12,500)	153,296
	-----	-----	-----	-----	-----
Total Unrestricted funds	-	392,593	(227,794)	-	164,799
	-----	-----	-----	-----	-----
Total of funds	-	392,593	(227,794)	-	164,799
	=====	=====	=====	=====	=====

The Kench Hill Charity
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Notes to the financial statements
for the period ended 31 March 2009

11. Statement of funds

Summary of funds

	Brought forward £	Incoming resources £	Resources expended £	Transfers in/out £	Carried forward £
Designated funds	-	-	(997)	12,500	11,503
General funds	-	392,593	(226,797)	(12,500)	153,296
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	-	392,593	(227,794)	-	164,799
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	-	392,593	(227,794)	-	164,799
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

12. Operating lease commitments

At 31 March 2009 the company had annual commitments under non-cancellable operating leases as follows:

	2009
	£
Expiry date:	
Between 2 and 5 years	1,987
	<hr/> <hr/>

13. Related party transactions

The Learning Trust is a not-for-profit company which is contracted to provide all the education services for the London Borough of Hackney. A number of the trustees are also employees of The Learning Trust (T Brooke, M Burford, P Fuller and M Smith).

The Kench Hill Centre, which is owned by the London Borough of Hackney, was formerly managed by the Learning Trust, from 8 April 2008 management of the centre was assumed by the newly incorporated charity. Staffing of the centre is provided by employees of The Learning Trust which makes a charge for educational services provided to the charity.

In the year the charity has benefited from unrestricted grants made by The Learning Trust. The total value of grants received and educational services charged for the period was as follows:-

	Period ended
	31 March
	2009
	£
Grants receivable	264,306
Educational services	(152,839)
	<hr/> <hr/>