

**Registered number: 06558879**  
**Charity number: 1123878**

**The Kench Hill Charity**  
**(A company limited by guarantee)**

**Trustees' report and financial statements**  
**for the year ended 31 March 2011**

**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 year ended 31 March 2011**

**Trustees**

C J Larter, Chairman  
Ms N M G Baboneau  
T N Brooke  
Ms E Cooke-Szewczyk  
M N Derrington (appointed 3 March 2011)  
P Fuller  
B G Hawes  
Mrs H F T Hiscock  
Ms D L Roome  
M L Smith (resigned 14 May 2010)

**Company registered number**

06558879

**Charity registered number**

1123878

**Registered office**

1 Reading Lane  
London  
E8 1GQ

**Company secretary**

T N Brooke

**Head of Centre**

Ms S Bain

**Accountants**

Chavereys  
Chartered Accountants  
Mall House  
The Mall  
Faversham  
Kent  
ME13 8JL

**Bankers**

NatWest Bank plc  
58 High Street  
Tenterden  
Kent  
TN30 6AX

## **The Kench Hill Charity**

### **(A company limited by guarantee)**

### **Trustees' report**

#### **for the year ended 31 March 2011**

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 year to 31 March 2011. 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 strategies for achieving objectives**

- **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**  
**(A company limited by guarantee)**

**Trustees' report (continued)**  
**for the year ended 31 March 2011**

● **Strategies for achieving objectives**

The key objectives for the financial period under review were:

Capital works projects including:

- Completion of new classroom project
- Re-laying of peg tile roof to allow insulation of first floor teaching area

Expansion of website and IT facilities for visitors.

Further development of the kitchen garden to produce a proportion of the centre's food supply and as an educational resource.

**Activities, achievements and performance**

● **Review of activities**

The charity managed to survive a hard winter and fortunately did not have to make cancellations. However, the severe weather took its toll on the condition of the building and it was agreed to use some of our financial reserves to undertake essential major roof renovations whilst the building was unoccupied, thus avoiding further damage to the property in future. A large area of roofing was filled with insulation and waterproof lining which will reduce heating costs in future years and improve our commitment to environmental sustainability.

The kitchen garden, funded by the National Lottery's Local Food programme, has grown into a resounding success, providing both a well-received educational activity and improving the nutritional value of our catering at no extra cost to visitors. Growing our own food also reduces our carbon footprint considerably, further ensuring sustainability. Self-catered groups have also contributed by purchasing surplus produce for their own use.

● **Achievements**

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

1. Relocation of electric cables, construction of foundations and groundwork completed for new classroom.
2. Rear extension roofs removed and refitted with insulation and waterproofing.
3. Provision of new study area with PC and internet for visiting staff.
4. Facebook page set up.
5. Redecoration of internal areas including murals.
6. Quality Badge, a nationally-recognised standard, awarded by LOfC (Learning Outside the Classroom) forum.
7. Development of the role of volunteers including full-time international residents.
8. Wildlife gardening award (Kent Wildlife Trust Bronze).
9. Official opening of the new kitchen garden, funded by the National Lottery's Local Food programme, by the Mayor of Tenterden and Speaker for Hackney. Prizes awarded for garden produce (Tenterden & District Horticultural Society).

## **The Kench Hill Charity**

### **(A company limited by guarantee)**

#### **Trustees' report (continued)**

#### **for the year ended 31 March 2011**

10. Summer holiday period fully booked with youth groups etc
11. A significant increase in visitor numbers (up 31%, 60% since 2009) and days occupied (up 10%, 23% since 2009).

#### ● **Public benefit delivered by the charity (statistics)**

##### School groups

981 pupils visited for week-long residential curriculum-linked study (758 from Hackney schools, plus 223 pupils from 6 non-Hackney London schools)

##### School journey grant

400 Hackney pupils (ie 53% of all Hackney pupils attending) were awarded individual grants of up to £80 each towards the cost of a residential curriculum-linked trip, a total value of £32,560.

The following schools that had not visited the centre in the previous 4 years and that are located in areas of high deprivation were given grants for 100% of pupils to visit in winter weeks: St John the Baptist CE Primary; Springfield Primary; St Scholastica's RC Primary.

Other residential groups visiting the centre included:

Mainstream, extended and supplementary schools

African Community School

Family Learning groups from Daubeney, Kingsmead, Sebright and St Monica's RC Primary schools (LB Hackney)

Latymer School choir (LB Haringey)

Church-based groups visiting the centre included:

Bridge Church Youth

Bromley Christian Centre Youth

Buddhist groups (East & West Kent)

Christadelphian Church Youth

New Life Church Youth

North London Muslim Community Centre

St Mary's Church Youth

Other charitable groups

St John Ambulance youth group

Single Parent Travel Club

Total Visitors 2,209 (2010 – 1,675)

Occupancy 254 days (2010 - 233 days)

#### **Financial review**

#### ● **Reserves policy**

The charity's 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 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

**The Kench Hill Charity**  
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**Trustees' report (continued)**  
**for the year ended 31 March 2011**

considered adequate by the board to meet the foreseeable liabilities of the charity as they fall due.

• **Results for the year**

In the year under review the charity balanced income and expenditure on running costs (unrestricted funds). However it was agreed to use circa £10,000 of financial reserves to enable essential capital improvements to the centre to take place which would secure future sustainability. The deficit for the year on the restricted funds of £11,564 represents expenditure incurred in the year in respect of the kitchen garden project for which a grant of £23,571 was recognised in full in the previous year's accounts.

**Plans for the future**

• **Future developments**

Completion of new classroom project, with training opportunities in sustainable build techniques eg green roofing, straw bale construction.

Developing partnership with London Borough of Hackney eg providing activities for the Youth Service, voluntary sector groups.

Developing links and support to local groups in Tenterden area eg schools, voluntary groups, Tenterden Chamber of Commerce.

**The Kench Hill Charity**  
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**Trustees' report (continued)**  
**for the year ended 31 March 2011**

**Statement of trustees' responsibilities**

The trustees (who are also directors of The Kench Hill Charity 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 and charity law requires the trustees to prepare financial statements for each financial year which 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 estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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 trustees on 16 June 2011 and signed on their behalf, by:

**T N Brooke**  
Trustee

**The Kench Hill Charity**  
**(A company limited by guarantee)**

**Independent examiner's report**  
**for the year ended 31 March 2011**

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

I report on the financial statements of the company for the year ended 31 March 2011 which are set out on pages 9 to 17.

This report is made solely to the company's trustees, as a body, in accordance with section 43 of the Charities Act 1993 and regulations made under section 44 of that Act. 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 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 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 the Institute of Chartered Accountants in England and Wales..

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 financial statements 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 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.

**The Kench Hill Charity**  
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**Independent examiner's report (continued)**  
**for the year ended 31 March 2011**

**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 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 financial statements to be reached.

Signed:

Dated: 17 June 2011

M A Crawley FCA STEP

**Chavereys**  
Chartered Accountants  
Faversham

**The Kench Hill Charity**  
**(A company limited by guarantee)**

**Statement of financial activities**  
**(incorporating income and expenditure account)**  
**for the year ended 31 March 2011**

	Note	Restricted funds 2011 £	Unrestricted funds 2011 £	Total funds 2011 £	Total funds 2010 £
<b>Incoming resources</b>					
Incoming resources from generated funds:					
Voluntary income	2	-	90,223	90,223	113,571
Activities for generating funds	3	-	14,391	14,391	8,758
Investment income		-	404	404	456
Incoming resources from charitable activities	4	-	141,053	141,053	142,771
Other incoming resources	5	-	55	55	-
<b>Total incoming resources</b>		-	246,126	246,126	265,556
<b>Resources expended</b>					
Charitable activities	6,7	11,564	240,087	251,651	226,973
Governance costs	8	-	5,529	5,529	7,413
<b>Total resources expended</b>		11,564	245,616	257,180	234,386
<b>Movement in total funds for the year - Net income/(expenditure) for the year</b>		(11,564)	510	(11,054)	31,170
<i>Total funds at 1 April 2010</i>		23,571	172,398	195,969	164,799
<b>Total funds at 31 March 2011</b>		12,007	172,908	184,915	195,969

The notes on pages 11 to 17 form part of these financial statements.

**The Kench Hill Charity**  
**(A company limited by guarantee)**  
**Registered number: 06558879**

**Balance sheet**  
**as at 31 March 2011**

	Note	£	2011 £	£	2010 £
<b>Fixed assets</b>					
Tangible assets	10		<b>23,193</b>		<i>10,116</i>
<b>Current assets</b>					
Stocks		-		200	
Debtors	11	<b>39,996</b>		61,755	
Cash at bank and in hand		<b>141,825</b>		129,641	
			<u><b>181,821</b></u>	<u>191,596</u>	
<b>Creditors: amounts falling due within one year</b>					
	12	<b>(20,099)</b>		<b>(5,743)</b>	
<b>Net current assets</b>			<u><b>161,722</b></u>		<i>185,853</i>
<b>Total assets less current liabilities</b>			<u><u><b>184,915</b></u></u>		<u><i>195,969</i></u>
<b>Charity funds</b>					
Restricted funds	13		<b>12,007</b>		<i>23,571</i>
Unrestricted funds	13		<b>172,908</b>		<i>172,398</i>
			<u><b>184,915</b></u>		<u><i>195,969</i></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 ("the Act") and members have not required the company to obtain an audit for the year 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 2011 and of its surplus for the year then ended 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 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 16 June 2011 and signed on their behalf, by:

**C J Larter (Chairman)**

**T N Brooke**

The notes on pages 11 to 17 form part of these financial statements.

**The Kench Hill Charity**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**for the year ended 31 March 2011**

**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 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.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors which have been raised by the company for particular purposes. The costs 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.

**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.

Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Headquarters. 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 goods and services supplied, exclusive of Value Added Tax and trade discounts.

**The Kench Hill Charity**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**for the year ended 31 March 2011**

**1. Accounting policies (continued)**

**1.7 Tangible fixed assets and depreciation**

All assets costing more than £1,000 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:

Tenant's improvements to property	-	4-10% straight line
Fixtures, fittings and equipment	-	20-33% straight line

**2. Voluntary income**

	<b>Unrestricted funds 2011 £</b>	<i>Total funds 2010 £</i>
Donations	223	-
Grants	90,000	113,571
	<hr/>	<hr/>
Voluntary income	<b>90,223</b>	<i>113,571</i>
	<hr/> <hr/>	<hr/> <hr/>

**3. Activities for generating funds**

**Charity trading income**

Centre hire and team building events	14,391	8,758
	<hr/>	<hr/>
Net income from activities for generating funds	<b>14,391</b>	<i>8,758</i>
	<hr/> <hr/>	<hr/> <hr/>

**4. Incoming resources from charitable activities**

School journeys and educational breaks	141,053	142,771
	<hr/> <hr/>	<hr/> <hr/>

**5. Other incoming resources**

Sundry income	55	-
	<hr/> <hr/>	<hr/> <hr/>

**The Kench Hill Charity**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**for the year ended 31 March 2011**

**6. Direct costs**

	<b>Total funds 2011 £</b>	<i>Total funds 2010 £</i>
Educational services charged by TLT	<b>168,114</b>	<i>148,360</i>
Catering	<b>13,151</b>	<i>12,846</i>
Premises maintenance	<b>25,798</b>	<i>36,672</i>
Equipment maintenance	<b>1,062</b>	<i>480</i>
Laundry and cleaning	<b>5,876</b>	<i>4,818</i>
School journey disbursements	<b>6,939</b>	<i>4,556</i>
Motor expenses	<b>1,177</b>	<i>976</i>
Heat and light	<b>13,393</b>	<i>8,723</i>
Rates and water	<b>3,836</b>	<i>2,935</i>
Advertising and marketing	<b>1,993</b>	<i>1,099</i>
Equipment rental	<b>2,098</b>	<i>1,890</i>
Depreciation	<b>4,271</b>	<i>1,434</i>
	<hr/> <b>247,708</b>	<hr/> <i>224,789</i>
Support costs (see note 7)	<b>3,943</b>	<i>2,184</i>
	<hr/> <b>251,651</b> <hr/>	<hr/> <i>226,973</i> <hr/>

**7. Support costs**

IT, telephone and postage	<b>3,308</b>	<i>1,945</i>
Stationery and office costs	<b>579</b>	<i>239</i>
Travel	<b>56</b>	<i>-</i>
	<hr/> <b>3,943</b> <hr/>	<hr/> <i>2,184</i> <hr/>

**8. Governance costs**

Accountancy	<b>5,205</b>	<i>6,762</i>
Professional fees	<b>324</b>	<i>651</i>
	<hr/> <b>5,529</b> <hr/>	<hr/> <i>7,413</i> <hr/>

**The Kench Hill Charity**  
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**Notes to the financial statements**  
**for the year ended 31 March 2011**

**9. Net income / (expenditure)**

This is stated after charging:

	2011 £	2010 £
Depreciation of tangible fixed assets: - owned by the charity	4,271	1,434

During the period, no trustees received any remuneration, benefits in kind or reimbursement of expenses.

**10. Tangible fixed assets**

	Tenant's improvements to property £	Fixtures and fittings £	Total £
<b>Cost</b>			
At 1 April 2010	5,334	6,216	11,550
Additions	16,719	629	17,348
At 31 March 2011	22,053	6,845	28,898
<b>Depreciation</b>			
At 1 April 2010	-	1,434	1,434
Charge for the year	2,711	1,560	4,271
At 31 March 2011	2,711	2,994	5,705
<b>Net book value</b>			
At 31 March 2011	19,342	3,851	23,193
<i>At 31 March 2010</i>	5,334	4,782	10,116

**11. Debtors**

	2011 £	2010 £
Trade debtors	37,325	39,249
Other debtors	2,671	22,006
Prepayments and accrued income	-	500
	39,996	61,755

**The Kench Hill Charity**  
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**Notes to the financial statements**  
**for the year ended 31 March 2011**

**12. Creditors: amounts falling due within one year**

	<b>2011</b>	<i>2010</i>
	<b>£</b>	<b>£</b>
Trade creditors	<b>1,083</b>	-
Accruals and deferred income	<b>19,016</b>	5,743
	<b><u>20,099</u></b>	<u>5,743</u>

**13. Statement of funds**

	<b>Brought forward</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Carried forward</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Designated funds</b>				
Disabled access	<b>2,500</b>	-	<b>(2,500)</b>	-
Marketing	<b>9,003</b>	-	<b>(1,363)</b>	<b>7,640</b>
	<b><u>11,503</u></b>	<u>-</u>	<u><b>(3,863)</b></u>	<u><b>7,640</b></u>
<b>General funds</b>				
Unrestricted and undesignated funds	<b>160,895</b>	<b>246,126</b>	<b>(241,753)</b>	<b>165,268</b>
Total unrestricted funds	<b><u>172,398</u></b>	<u><b>246,126</b></u>	<u><b>(245,616)</b></u>	<u><b>172,908</b></u>
<b>Restricted funds</b>				
National Lottery Grant - local food project	<b>23,571</b>	-	<b>(11,564)</b>	<b>12,007</b>
Total of funds	<b><u>195,969</u></b>	<u><b>246,126</b></u>	<u><b>(257,180)</b></u>	<u><b>184,915</b></u>

The National Lottery Grant is providing funding to establish a kitchen garden to be used as an educational resource by the centre.

**The Kench Hill Charity**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**for the year ended 31 March 2011**

**13. Statement of funds**

**Summary of funds**

	<b>Brought forward</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Carried forward</b>
	£	£	£	£
Designated funds	11,503	-	(3,863)	7,640
General funds	160,895	246,126	(241,753)	165,268
	<u>172,398</u>	<u>246,126</u>	<u>(245,616)</u>	<u>172,908</u>
National Lottery Grant - local food project	23,571	-	(11,564)	12,007
	<u>195,969</u>	<u>246,126</u>	<u>(257,180)</u>	<u>184,915</u>

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

	<b>Restricted funds</b>	<b>Unrestricted funds</b>	<b>Total funds</b>	<i>Total funds</i>
	2011	2011	2011	2010
	£	£	£	£
Tangible fixed assets	9,336	13,857	23,193	10,116
Current assets	2,671	179,149	181,820	191,596
Creditors due within one year	-	(20,098)	(20,098)	(5,743)
	<u>12,007</u>	<u>172,908</u>	<u>184,915</u>	<u>195,969</u>

**15. Operating lease commitments**

At 31 March 2011 the company had annual commitments under non-cancellable operating leases as follows:

	2011	2010
	£	£
<b>Expiry date:</b>		
Between 2 and 5 years	<u>2,030</u>	<u>2,030</u>

**The Kench Hill Charity**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**for the year ended 31 March 2011**

**16. 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.

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. A number of the trustees are also employees/former employees of The Learning Trust, however as at 31 March 2011 the only trustee who is still an employee of The Learning Trust was T N Brooke.

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:-

	<b>2011</b>	<i>2010</i>
	<b>£</b>	<b>£</b>
Grants receivable	<b>90,000</b>	<i>90,000</i>
Educational services	<b>(162,177)</b>	<i>(148,360)</i>
	<b>=====</b>	<b>=====</b>