

Signer



Financial Statements East Belfast Mission Company Limited by Guarantee

For the year ended 31 March 2012



Registered number: NI069097

Contents

	Page
Reference and administrative details of the charity, its trustees and advisers	1 - 2
Directors' report	3 - 7
Independent auditor's report	8 - 9
Statement of financial activities	10
Statement of total recognised gains and losses	11
Balance sheet	12
Notes to the financial statements	13 - 22

The following pages do not form part of the statutory financial statements:

Appendix I

Reference and Administrative Details of the Company, its Board and Advisers

For the year ended 31 March 2012

Directors	G Mason P Blair C Eves D Kerr A McCartney C O'Bryan M Ferguson P Whan H Neill G Crooks L Hopley
Superintendent	Rev Dr G Mason
Honorary secretary	P Blair
Honorary Treasurer	G Crooks
Charity registered number	XN68566
Company registered number	NI069097
Registered office	239 Newtownards Road Belfast BT4 1AF
Bankers	Ulster Bank Limited Connswater Arches Retail Park Belfast BT5 4AF
Solicitors	Ian MacCorkell Solicitor MacCorkell Legal & General Garvey Studios 8-10 Longstone Street Lisburn BT28 1TP

East Belfast Mission

(A company limited by guarantee)

Reference and Administrative Details of the Company, its Board and Advisers

For the year ended 31 March 2012

Advisers (continued)

Auditors

Grant Thornton UK LLP
Chartered Accountants
Statutory Auditor
Clarence West Building
2 Clarence Street West
Belfast
BT2 7GP

Directors' Report

For the year ended 31 March 2012

The Board of East Belfast Mission have pleasure in presenting their report for the year ended 31 March 2012. This report is prepared in accordance with the Manual of Laws of the Methodist Church in Ireland and the Statement of Recommended Practice – Accounting and Reporting by Charities 2005.

The Board express deep gratitude to its 64 staff and 140 volunteers for their hard work and efficiency in the day-to-day administration of the Missions' programmes and services.

Reference and administrative details

Professional advisors and Mission officials

The Professional advisers and Mission officials are listed on the reference and administrative details page of the audited accounts.

Structure, governance and management

Constitution

The East Belfast Mission was brought into existence by the Annual Conference of the Methodist Church in Ireland under the Methodist Church in Ireland Act 1928. In 2008 the Mission incorporated itself as a company limited by guarantee.

The Mission is also governed by the Constitution (Manual of Laws) of the Methodist Church in Ireland as set out under the Methodist Church in Ireland Act 1928. The Mission has been granted charitable status by the Inland Revenue and accordingly is exempt from income tax, corporation tax and capital gains tax. Its charity reference number is XN68566. Its company reference is NI069097.

Policies adopted for the induction and training of Directors

We have undertaken a skills audit of our current Board and have recruited new members who have some of the skills we recognised as being lacking. A structured induction process for new Board members and ongoing training for existing Board members is currently being implemented.

Management structure

The Board is nominated locally and approved annually by the Conference of the Methodist Church in Ireland and at 31st March 2012 comprised of 11 members.

Achievements and performance

Review of activities

A review of East Belfast Mission activities and achievements for this period are set out below. During the period the Board duties have included overseeing the implementation of the strategic objectives of the Mission and developing the social economy projects within the organisation.

During the year we were delighted to welcome both the President of Ireland and the Taoiseach to East Belfast Mission. The Mission was recognised by both the Aisling Awards and the Ulster Bank Achiever Awards for its work in the community and the social economy projects which support them. During this year of transition and preparation for the Skainos development, the Mission staff were located in temporary premises in our Stepping

Directors' Report (continued)

For the year ended 31 March 2012

Stone offices, the church in the Connswater Community Centre and our furniture store and cafe in Skyline.

Our Stepping Stone employability project continues to assist local people in gaining long-term employment despite the current economic downturn. We are delighted to report that we have continued to develop a sound working relationship with the Short Strand community and work alongside them in helping unemployed residents journey towards employment. In this past 12 months, Stepping Stone has recorded approximately 450 new clients as having registered on its programmes and 143 people have been supported into employment.

In addition our homeless hostel, Hosford House, was relocated in temporary premises. Our homelessness project continued to implement innovative gardening, walking and healthy eating programmes for the benefit of hostel residents and local people in the community. During the year we increased the contact hours for our advice programme, successfully helping local people to access £750,000 of benefit entitlements. Further to this, our counselling team have engaged with approximately 250 people through various life challenges.

We continue to serve the local community in general through other programmes and to be committed to peace-building programmes and initiatives in the inner East Belfast and greater Belfast areas. Our Mission Superintendent and Mission Director have much experience in this field and devote much of their time to serving the community in this way.

The Mission has a social economy project with 10 shops which has a triple bottom line objective. The primary purpose of the charity included in its governing documents is:

- (i) the relief of poverty in such ways as may be thought fit;
- (ii) the relief of unemployment in such ways as may be thought fit, including assistance to find employment;
- (iii) the advancement of education, training or retraining, and the provision of work experience particularly for people who are unemployed; and
- (iv) relief of those in need by reason of youth, age, ill health, addictions, disability financial hardship or other disadvantage.

The social economy project consists of collecting donated clothing, furniture and household goods and selling them to those in need. The project also assists people back into employment through offering job placements and volunteering positions in our retail outlets. Beneficiaries of the project who receive training and retraining include those who come to the Mission seeking assistance to find employment and those who are resident in our homeless hostel. All profits from the project are used solely for the purposes of the charity. Our Social Economy flagship project has been very successful and we now operate shop outlets throughout Northern Ireland including a bespoke vintage clothes store, a bridal boutique and a furniture warehouse. We have developed new supply chains of donated furniture through contracts to collect bulk waste from seven council sites. The income from newly opened shops during the past few years ensures that the Missions Charitable Core Priorities are sustainable into the long-term.

Objectives and Activities

Policies and objectives

The strategic objectives include the following core priorities.

CORE PRIORITIES

Christian Community

Aim 1: To respond to the spiritual and pastoral needs of the congregation and wider community.

Directors' Report (continued)

For the year ended 31 March 2012

Welcoming Facility

Aim 2: To provide a welcoming and safe space where people can find appropriate information and social support.

Neighbourhood Services

Aim 3: To ensure that individuals in the community have access to appropriate services and training to respond to their needs.

Homelessness Services

Aim 4: To ensure that people who are homeless, or at risk of homelessness have an effective response to their needs.

Employability Services

Aim 5: To support people in their progression in gaining and sustaining appropriate employment

Community Initiatives

Aim 6: To promote the development of the whole community.

Financial review

Reserves policy

Unrestricted Reserves

The Board have set a Reserves Policy whereby unrestricted reserves of £2,112,285 are represented by fixed assets of £1,545,879 and the other reserves of £566,406 were designated as follows.

1. A calculated redundancy reserve of £60,948 for statutory redundancies payable on cessation.
2. An equipment fund for the new Skainos Development of £135,000
3. In the current economic climate, and with the Mission heavily reliant on the success of its social economy retail shops, the Board aim to have unrestricted (and undesignated reserves) held by the charity of the equivalent of twelve months of the annual unrestricted resources expended. This currently equates to £1,000,000. Currently the unrestricted and undesignated funds are £370,458.

Restricted Reserves

The Board has restricted reserves of £618,035.

The restricted reserves include a commitment of £617,616 towards the building of the new church. The remaining reserves are restricted income for charitable purposes.

Risk management

The Board assess the major risks to which the charity is exposed on an ongoing basis. In particular those related to the operations and finances of the company and are satisfied that systems are in place to mitigate our exposure to the major risks.

Directors' Report (continued)

For the year ended 31 March 2012

Plans for the future

Future developments

Following the development of our strategic objectives five years ago the Board and staff publish their operational objectives on an annual basis. Once we are settled into the new Skainos building we will review our strategic objectives for the next three to five years.

In the next year the major focus will be relocating into the Skainos building, employing 30 new staff and implementing new programmes and services in the Skainos facility. This two-acre development on the lower Newtownards Road in Belfast began construction in October 2010 and is scheduled for completion in September 2012. East Belfast Mission will be the anchor tenant and will transfer all operations to the new Skainos development in 2012/13. The project was initiated by East Belfast Mission and is undertaken by Skainos Ltd – a special purpose company and charity, representative of the community and formed to own the buildings and operate the site.

East Belfast Mission presently operates a number of key community projects successfully in the inner East Belfast area – some in partnership with Government departments and bodies. It is also planned to open a new day nursery for 0-5 year olds in Skainos, take on new facilities staff to manage the new development and open one more social economy retail shop during the year.

Business Address

239 Newtownards Road
Belfast
BT4 1AF

Directors' responsibilities statement

The Directors are responsible for preparing the Directors' 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 Directors 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 Directors 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Directors 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.

Directors' Report (continued)

For the year ended 31 March 2012

Provision of information to auditor

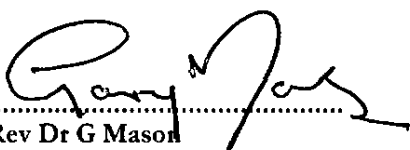
Each of the persons who are Directors at the time when this Directors' report is approved has confirmed that:

- so far as that Director is aware, there is no relevant audit information of which the charitable company's auditor is unaware, and
- that Director has taken all the steps that ought to have been taken as a Director in order to be aware of any information needed by the charitable company's auditor in connection with preparing its report and to establish that the charitable company's auditor is aware of that information.

Auditor

Grant Thornton UK LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

This report was approved by the Directors on 11 June 2012 and signed on their behalf, by:



Rev Dr G Mason
Superintendent

Company Registration Number: NI069097



Independent Auditor's Report to the Members of East Belfast Mission

We have audited the financial statements of East Belfast Mission for the year ended 31 March 2012 set out on pages 10 to 22. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of Directors and auditor

As explained more fully in the Directors' responsibilities statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Auditing Practices Board's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2012 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

(A company limited by guarantee)



Independent Auditor's Report to the Members of East Belfast Mission

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

A handwritten signature in black ink that reads "Robert Gibson".

Robert Gibson (Senior statutory auditor)
for and on behalf of

Grant Thornton UK LLP

Chartered Accountants

Statutory Auditor

Belfast

Date: 18 June 2012

Statement of Financial Activities

(Incorporating Income and Expenditure Account)

For the year ended 31 March 2012

	Note	Restricted funds 2012 £	Unrestricted funds 2012 £	Total funds 2012 £	Total funds 2011 £
Incoming resources					
Incoming resources from generated funds:					
Voluntary income	2	41,232	106,897	148,129	242,950
Activities for generating funds:					
Social economy income from shops	3	-	881,248	881,248	735,023
Investment income		-	8,094	8,094	11,418
Incoming resources from charitable activities	4	730,160	106,447	836,607	978,894
Total incoming resources		771,392	1,102,686	1,874,078	1,968,285
Resources expended					
Costs of generating funds:					
Costs of generating voluntary income	5	-	24,598	24,598	22,931
Charitable activities	8	781,478	416,357	1,197,835	1,223,973
Governance costs	6	-	5,828	5,828	4,800
Costs of social economy trading	7	-	637,872	637,872	558,415
Total resources expended		781,478	1,084,655	1,866,133	1,810,119
Net incoming resources / (resources expended) before transfers		(10,086)	18,031	7,945	158,166
Transfers between Funds	15	(457,178)	457,178	-	-
Net incoming resources / (resources expended) before revaluations		(467,264)	475,209	7,945	158,166
Gains and losses on revaluations of investment assets		-	2,670	2,670	1,369
Net movement in funds for the year		(467,264)	477,879	10,615	159,535
Total funds at 1 April 2011		1,085,299	1,634,406	2,719,705	2,560,170
Total funds at 31 March 2012		618,035	2,112,285	2,730,320	2,719,705

All activities relate to continuing operations.

The notes on pages 13 to 22 form part of these financial statements.

Statement of Total Recognised Gains and Losses

For the year ended 31 March 2012

	Note	Restricted funds 2012 £	Unrestricted funds 2012 £	Total funds 2012 £	Total funds 2011 £
Net income for the year		(467,264)	475,209	7,945	158,166
Gains and losses on revaluations of investment assets		-	2,670	2,670	1,369
Total gains and losses recognised since 1 April 2011		(467,264)	477,879	10,615	159,535

There is no difference between the (expenditure)/income on ordinary activities for the year stated above and its historical cost equivalent.

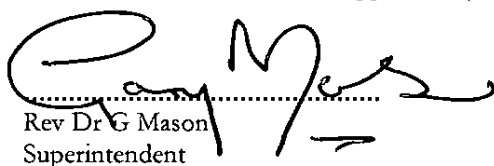
The notes on pages 13 to 22 form part of these financial statements.

Balance Sheet

As at 31 March 2012

	Note	£	2012 £	£	2011 £
Fixed assets					
Tangible assets	11		1,545,879		1,088,046
Investments	12		48,466		45,796
			<u>1,594,345</u>		<u>1,133,842</u>
Current assets					
Debtors	13	727,602		117,022	
Cash at bank and in hand		644,314		1,654,693	
		<u>1,371,916</u>		<u>1,771,715</u>	
Creditors: amounts falling due within one year	14	(235,941)		(185,852)	
Net current assets			<u>1,135,975</u>		<u>1,585,863</u>
Total assets less current liabilities			<u>2,730,320</u>		<u>2,719,705</u>
Charity Funds					
Restricted funds	15		618,035		1,085,299
Unrestricted funds	15		2,112,285		1,634,406
			<u>2,730,320</u>		<u>2,719,705</u>

The financial statements were approved by the Directors on 11 June 2012 and signed on their behalf, by:


 Rev Dr G Mason
 Superintendent

The notes on pages 13 to 22 form part of these financial statements.

Notes to the Financial Statements

For the year ended 31 March 2012

1. Accounting Policies

1.1 Basis of preparation of financial statements

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

1.2 Cash flow

The company has taken advantage of the exemption in Financial Reporting Standard No.1 from the requirement to produce a cash flow statement on the grounds that it is a small charitable company.

1.3 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. Legacy income is accounted for when received. Voluntary donations and shop takings are accounted for on a receipts basis. Grant income is accounted for on an accruals basis.

1.4 Resources expended

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs related to that category.

Costs of generating voluntary income include the cost of fundraising, PR and marketing and staff costs in this area.

Costs of social economy trading include expenditure related to the social economy shops and staff costs in this area.

Costs of charitable activities include costs incurred through operational activities.

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

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is not charged on freehold land or on the new church development. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold buildings	-	2% straight line
Refurbishment of buildings	-	10% straight line
Computer equipment	-	33.33% straight line
Motor vehicles	-	20% straight line

Notes to the Financial Statements

For the year ended 31 March 2012

1. Accounting Policies (continued)

1.6 Investments

Investments are stated at market value at the balance sheet date. The Statement of financial activities includes the net gains and losses arising on revaluations and disposals throughout the year.

1.7 Reserves policy

Unrestricted funds are needed to provide funds which can be applied to specific projects to enable these projects to be undertaken at short notice and to cover the running costs of the Charity for a limited period, should there be a significant shortfall in projected income.

The reserves policy adopted by the Board of Directors is set out in the Directors' Report.

1.8 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

1.9 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Directors 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 Directors for particular purposes.

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.

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

1.10 Company status

The company is a company limited by guarantee. The members of the company are the Directors named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company. At 31 March 2012 there were 11 members.

Notes to the Financial Statements

For the year ended 31 March 2012

2. Voluntary income

	Restricted funds 2012 £	Unrestricted funds 2012 £	Total funds 2012 £	Total funds 2011 £
Donations and grants	39,528	23,632	63,160	63,438
Legacies	-	29,087	29,087	115,364
Hostel Residents Fund	1,704	-	1,704	1,572
Skainos Development Donations	-	10,210	10,210	11,816
Newtownards Road Church Income	-	42,807	42,807	49,359
Newtownards Road Church Property Income	-	1,161	1,161	1,401
Voluntary income	41,232	106,897	148,129	242,950

3. Activities for generating funds

	Restricted funds 2012 £	Unrestricted funds 2012 £	Total funds 2012 £	Total funds 2011 £
Social economy income from shops	-	881,248	881,248	735,023

4. Incoming resources from charitable activities

	Restricted funds 2012 £	Unrestricted funds 2012 £	Total funds 2012 £	Total funds 2011 £
Mission Cafe Income	-	91,697	91,697	81,641
Project Overhead Contribution	-	4,920	4,920	6,000
Board of Global Ministries	18,681	-	18,681	15,936
Belfast Trust	27,975	-	27,975	31,990
Hostel Residents Cover Charge	-	5,680	5,680	5,285
Hostel Accommodation Charges	45,857	-	45,857	43,352
Hostel Supporting People Grant	293,081	-	293,081	293,081
Capital Grants	-	-	-	100,000
Stepping Stone Employability Grants	310,037	-	310,037	340,150
Youth Works Grants	21,283	-	21,283	13,673
Rental Income	-	4,150	4,150	4,031
Community Work Grants	13,246	-	13,246	43,755
	730,160	106,447	836,607	978,894

Notes to the Financial Statements

For the year ended 31 March 2012

5. Costs of generating voluntary income

	Restricted funds 2012 £	Unrestricted funds 2012 £	Total funds 2012 £	Total funds 2011 £
Salaries	-	11,105	11,105	12,316
Fundraising expenses	-	1,640	1,640	5,623
PR and marketing	-	11,853	11,853	4,992
	<u>-</u>	<u>24,598</u>	<u>24,598</u>	<u>22,931</u>

6. Governance costs

	Restricted funds 2012 £	Unrestricted funds 2012 £	Total funds 2012 £	Total funds 2011 £
Audit fees	-	5,828	5,828	4,800
	<u>-</u>	<u>5,828</u>	<u>5,828</u>	<u>4,800</u>

7. Costs of social economy trading

	Restricted funds 2012 £	Unrestricted funds 2012 £	Total funds 2012 £	Total funds 2011 £
Costs of shop salaries	-	300,297	300,297	272,016
Costs of selling goods	-	318,893	318,893	271,551
Depreciation	-	18,682	18,682	14,848
	<u>-</u>	<u>637,872</u>	<u>637,872</u>	<u>558,415</u>

Notes to the Financial Statements

For the year ended 31 March 2012

8. Charitable activities

	Restricted funds 2012 £	Unrestricted funds 2012 £	Total funds 2012 £	Total funds 2011 £
Support staff salary costs	-	102,132	102,132	150,861
Youth worker's salary	23,199	-	23,199	22,450
Hostel staff salaries	296,202	-	296,202	330,757
Cafe staff salaries	-	36,214	36,214	33,802
Stepping Stone salaries	201,798	-	201,798	194,273
Community Work Programme salaries	26,268	-	26,268	30,205
Church salary and expenses	-	31,672	31,672	34,199
Stepping Stone Programme	93,595	-	93,595	77,617
Community Work Programme	49,196	14,606	63,802	44,191
Counselling and staff support	300	16,505	16,805	13,330
Personnel support	-	427	427	4,878
Rates and water rates	242	1,995	2,237	2,011
Telephone	3,846	7,510	11,356	12,580
Bank charges	92	1,172	1,264	1,264
Advertising	1,285	-	1,285	1,517
Insurance	823	1,978	2,801	2,919
Repairs and renewals	5,060	28,837	33,897	34,438
Cycle to work scheme	-	-	-	(989)
Social support costs	-	17,191	17,191	16,848
Postage	177	2,755	2,932	1,847
Cleaning	1,564	7,356	8,920	9,274
Legal expenses	-	-	-	245
Rent	-	5,700	5,700	6,400
Residents holiday	1,928	-	1,928	911
Professional fees	2,545	1,495	4,040	77
Stationery	560	6,660	7,220	7,735
Heat and light	12,291	11,074	23,365	16,801
Miscellaneous	950	3,818	4,768	2,724
Associate Minister's salary	-	7,132	7,132	9,250
Staff expenses	824	15,437	16,261	5,401
Oaklee management charge and repairs	15,495	-	15,495	14,935
Food	3,517	42,128	45,645	43,278
Skainos development costs	12,383	-	12,383	11,843
Bus and van expenses	-	5,198	5,198	4,916
Depreciation	-	3,744	3,744	5,448
Staff training	2,573	6,830	9,403	11,952
Hospitality	-	2,950	2,950	3,667
Volunteer expenses	-	4,730	4,730	9,561
Youth work expenses	19,965	-	19,965	14,025
Project overheads	4,800	-	4,800	6,000
Newtownards Road Church expenses	-	24,298	24,298	28,741
Newtownards Road Church property expenses	-	875	875	1,791
Cafe packaging	-	3,938	3,938	-
	<u>781,478</u>	<u>416,357</u>	<u>1,197,835</u>	<u>1,223,973</u>

Notes to the Financial Statements

For the year ended 31 March 2012

9. Net incoming resources / (resources expended)

This is stated after charging:

	2012 £	2011 £
Depreciation of tangible fixed assets:		
- owned by the charity	22,427	20,296
Governance Auditors' remuneration	5,828	4,800
	<u>28,255</u>	<u>25,100</u>

During the year, no Board Members received any remuneration (2011 - £NIL), apart from the Superintendent in his capacity as Superintendent.

During the year, no Board Members received any benefits in kind (2011 - £NIL), apart from the Superintendent in his capacity as Superintendent.

During the year, no Board Members received any reimbursement of expenses (2011 - £NIL), apart from the Superintendent in his capacity as Superintendent.

10. Staff costs

The average monthly number of employees during the year (excluding members of the Mission Board) was as follows:

	2012 No.	2011 No.
Number of employees	64	64
	<u>64</u>	<u>64</u>

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

Staff costs during the year were as follows:

	2012 £	2011 £
Wages and salaries	941,459	995,821
Social security costs	74,238	74,343
Other pension costs	13,076	12,279
Total	<u>1,028,773</u>	<u>1,082,443</u>

Notes to the Financial Statements

For the year ended 31 March 2012

11. Tangible fixed assets

	New Church Develop- ment £	Freehold Land and Buildings £	Computer equipment £	Motor vehicles £	Total £
Cost					
At 1 April 2011	130,148	1,007,070	31,739	-	1,168,957
Additions	457,178	3,914	-	19,168	480,260
At 31 March 2012	<u>587,326</u>	<u>1,010,984</u>	<u>31,739</u>	<u>19,168</u>	<u>1,649,217</u>
Depreciation					
At 1 April 2011	-	49,172	31,739	-	80,911
Charge for the year	-	18,593	-	3,834	22,427
At 31 March 2012	<u>-</u>	<u>67,765</u>	<u>31,739</u>	<u>3,834</u>	<u>103,338</u>
Net book value					
At 31 March 2012	<u>587,326</u>	<u>943,219</u>	<u>-</u>	<u>15,334</u>	<u>1,545,879</u>
At 31 March 2011	<u>130,148</u>	<u>957,898</u>	<u>-</u>	<u>-</u>	<u>1,088,046</u>

Included in land and buildings is freehold land at a cost of £415,034 (2011 - £415,034) which is not depreciated.

The new church development is not depreciated being an asset under construction.

12. Fixed asset investments

	Other investments £
Market value	
At 1 April 2011	45,796
Revaluations	<u>2,670</u>
At 31 March 2012	<u>48,466</u>

Notes to the Financial Statements

For the year ended 31 March 2012

12. Fixed asset investments (continued)

Investments at market value comprise:

	2012 £	2011 £
Other fixed asset investments		
East Belfast Mission and Newtownards Road Methodist Church		
Investment Fund of Trustees of the Methodist Church in Ireland		
Income Fund - 22,438 units @ £2.160		
(2011: 22,438 income fund units at £2.041)	48,466	45,796

All the fixed asset investments are held in the UK.

13. Debtors

	2012 £	2011 £
Amounts owed by related undertakings	631,278	-
Other debtors	18,012	12,481
Prepayments and accrued income	78,312	104,541
	727,602	117,022

14. Creditors:

Amounts falling due within one year

	2012 £	2011 £
Other creditors	52,197	59,202
Accruals and deferred income	183,744	126,650
	235,941	185,852

15. Statement of funds

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/(Losses) £	Carried Forward £
Designated funds						
Redundancy Reserve	60,948	-	-	-	-	60,948
Equipment Fund	135,000	-	-	-	-	135,000
	195,948	-	-	-	-	195,948

Notes to the Financial Statements

For the year ended 31 March 2012

15. Statement of funds (continued)

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
General funds						
Fixed Assets	1,088,046	480,260	(22,427)	-	-	1,545,879
General Funds	350,412	622,426	(1,062,228)	457,178	2,670	370,458
	<u>1,438,458</u>	<u>1,102,686</u>	<u>(1,084,655)</u>	<u>457,178</u>	<u>2,670</u>	<u>1,916,337</u>
Total Unrestricted funds	<u>1,634,406</u>	<u>1,102,686</u>	<u>(1,084,655)</u>	<u>457,178</u>	<u>2,670</u>	<u>2,112,285</u>
Restricted funds						
Church Development	988,699	-	-	(371,083)	-	617,616
Other Income Funds	96,600	771,392	(781,478)	(86,095)	-	419
	<u>1,085,299</u>	<u>771,392</u>	<u>(781,478)</u>	<u>(457,178)</u>	<u>-</u>	<u>618,035</u>
Total of funds	<u>2,719,705</u>	<u>1,874,078</u>	<u>(1,866,133)</u>	<u>-</u>	<u>2,670</u>	<u>2,730,320</u>
Summary of funds						
	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Designated funds	195,948	-	-	-	-	195,948
Unrestricted funds	1,438,458	1,102,686	(1,084,655)	457,178	2,670	1,916,337
	<u>1,634,406</u>	<u>1,102,686</u>	<u>(1,084,655)</u>	<u>457,178</u>	<u>2,670</u>	<u>2,112,285</u>
Restricted funds	1,085,299	771,392	(781,478)	(457,178)	-	618,035
	<u>2,719,705</u>	<u>1,874,078</u>	<u>(1,866,133)</u>	<u>-</u>	<u>2,670</u>	<u>2,730,320</u>

Church Development Restricted Funds of £617,616 represent the remaining commitment by East Belfast Mission to the new church within Skainos from the original sales proceeds of the church site to Skainos.

The transfer of £86,095 from Other Income Funds to Church Development Funds is to adjust the Church Development restricted fund position at the end of the previous financial year to the correct position.

The transfer of £457,178 between Restricted and Unrestricted Reserves represents the reduction in the commitment by East Belfast Mission based on the capital expended on the church in the year.

Notes to the Financial Statements

For the year ended 31 March 2012

16. Analysis of net assets between funds

	Restricted funds 2012 £	Unrestricted funds 2012 £	Total funds 2012 £	Total funds 2011 £
Tangible fixed assets	-	1,545,879	1,545,879	1,088,046
Fixed asset investments	-	48,466	48,466	45,796
Net current assets	618,035	517,940	1,135,975	1,585,863
Total	618,035	2,112,285	2,730,320	2,719,705

17. Capital commitments

Two years ago, the directors approved expenditure on the construction of the new church development in the region of £1.2m. Capital expenditure still to be incurred of approximately £618K (2011: approximately £1.07m was still to be incurred).

18. Related party transactions

At 31 March 2012 there was an outstanding loan amount due from Skainos Limited, a company in which some of the board members are directors, of £631,278 (2011: £NIL). This is disclosed within the debtors note as amounts owed by related undertakings.

19. Liability Limitation Agreement with the auditor

East Belfast Mission has entered into a liability limitation agreement with Grant Thornton UK LLP, the statutory auditor, in respect of the statutory audit for the year ended 31 March 2012. The proportionate liability agreement follows the standard terms in Appendix B to the Financial Reporting Council's June 2008 Guidance on Auditor Liability Agreements, and was approved by the directors on the same date as the financial statements were approved.