

COMPANY REGISTRATION NUMBER 2880299

# THE BRIX AT ST MATTHEWS

## FINANCIAL STATEMENTS

31 DECEMBER 2004

Charity Number 1061039



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**THE BRIX AT ST MATTHEWS**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2004**

<b>CONTENTS</b>	<b>PAGE</b>
Trustees annual report	1
Independent auditors' report	7
Statement of financial activities	9
Balance sheet	10
Notes to the financial statements	11
<b>The following pages do not form part of the financial statements</b>	
Detailed statement of financial activities	16

**THE BRIX AT ST MATTHEWS**  
**TRUSTEES ANNUAL REPORT**  
**YEAR ENDED 31 DECEMBER 2004**

The trustees, who are also Directors for the purposes of the Companies Act, have pleasure in presenting their report and the financial statements of the charity for the year ended 31 December 2004.

**LEGAL STATUS**

The organisation is a charitable company limited by guarantee, incorporated on 14th December 1993 and registered as a charity on 7th March 1997.

The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its articles of association. Under those Articles, no person will be admitted to the board of Directors without approval by the members of the board

**Objectives of The Brix at St Matthews**

To preserve for the public benefit of the people of greater London ("the area of benefit") and of the Nation at large the historical, architectural and constructional heritage of the Church of St Matthew, Brixton

To provide facilities for recreation with the objects of life and social welfare of the inhabitants in the area of the benefit and in particular by the provision and maintenance of a community centre

To advance education for those living in the area of benefit and to undertake any other charitable activity

**RESULTS**

The results for the year, and the charity's financial position at the end of the year are shown in the attached financial statements.

**THE TRUSTEES**

The trustees who served the charity during the period were as follows:

T L Blackner  
C M L Clarke  
Rev M Durran  
N T Parlett  
M W Williams  
P A C Blake  
T K Kinsella  
N Tate  
V A Berry

**THE BRIX AT ST MATTHEWS**  
**TRUSTEES ANNUAL REPORT**  
**YEAR ENDED 31 DECEMBER 2004**

**REVIEW OF DEVELOPMENTS, ACTIVITIES AND ACHIEVEMENTS**

**Chairman's Report for 2004**

**Legal and Administrative Details**

<u>Name</u>	The Brix At St Matthew's
<u>Status</u>	Charity established as company limited by guarantee (No 2880299). Registered with the Charity Commission as number 1061039.
<u>Address</u>	St Matthew's Church, Brixton Hill , London SW2 1JF
<u>Auditors</u>	West & Co, 325 City Road, London EC1V 1LJ
<u>Bankers</u>	National Westminster Bank, 504 Brixton Road, London SW9 8EB
<u>Solicitors</u>	Jeremy Simon & Co, 72a St Mary's Road, Watford, Herts, WD1 8EF.

Charity Objects      The Charity exists to enhance and preserve the building of St Matthew's Church, in the centre of Brixton, for the benefit of local people. It administers the building under a Head Lease from the Diocese of Southwark. The charity achieves its objects by letting out space within the building, and seeking special funding for particular projects to preserve or enhance the fabric

Charity Trustees      See above.

Structure              The Brix is an independent charity. The Trustees, who are also the Board of the company, are responsible for its administration. They employ a general manager and an events coordinator, and use the services of an accountant.

**Developments, Activities and Achievements in 2004**

This is the eleventh Annual Report of the Brix at St Matthew's.

The Brix has no assets of its own and depends entirely on the revenue it receives from its space to pay its way. Finding and keeping reliable tenants is critical.

**THE BRIX AT ST MATTHEWS**  
**TRUSTEES ANNUAL REPORT**  
**YEAR ENDED 31 DECEMBER 2004**

**Chairman's Report for 2004**

Tenants and usage

2004 saw preparations for changes that came to pass in 2005. The owners of **Bug** restaurant, in the crypt, and the **Bug Bar**, also in the building's crypt, decided to put their lease on the market in the autumn of 2004. This eventually led, in spring 2005, to the sale of the lease – with the Brix's consent, under the terms of the head lease - to the owners of **Mass**, the nightclub and multiuse space, which occupies much of our building.

Our **office spaces** remained filled, and many of our tenants have now been with us some years. These include **Caught in the Act**, a theatre company specialising in educational work with schools; **Pegasus Opera**, specialising in bringing grand opera to the inner city, **Rocket**, a PR marketing company for bands. **Motion**, handling design, print and publicity for the arts, moved out during 2004; they have since been replaced by **Disc computers**, an IT services company.

During 2004 the **Brix Community Room** was used frequently by our own office tenants as rehearsal space (Caught in the Act and Pegasus); by Christ's Apostolic church and Christ Pentecostal Church as a worship space; by courses organised with Lambeth College; by security and licensing companies as a training venue; by old people's dance groups, Capoiara dance classes, and women's self defence.

b) The Building

The fabric of the building remained in good condition. We finally closed the books on the Mowlem's contract for external refurbishment, and at the time of writing the church clock works for the first time for some while. We refurbished extra office space in the loft, which we use for small meetings.

c) Staffing

Ord Henry continued as the Brix's Manager - a job he has held since the building opened 10 years ago. Jean Bergin continued as the Brix's accountant; she has other clients, but spends a regular period each month handling Brix business. Janet Muhammad provided administrative support. As ever, Trustees would want to pay tribute to the loyalty and professionalism of our staff, and the way they enable the building to function.

d) Risk Review

The Board revisited its previous analysis of the major risks that could affect the charity's operations. We continued to work through our action plan to address the risks that seemed most serious and most likely.

**THE BRIX AT ST MATTHEWS**  
**TRUSTEES ANNUAL REPORT**  
**YEAR ENDED 31 DECEMBER 2004**

**Chairman's Report for 2004**

e) Financial position

The difficult trading conditions which contributed to the sale of the Bug businesses were reflected in Bug's being unable during 2004 to make progress in clearing its debts to the Brix. This shows up clearly in the 2004 accounts. However, the terms of the eventual sale led to all those debts being cleared satisfactorily in spring 2005. We were pleased that this vindicated our judgment that the Brix had adequate security for its debts, and that it was reasonable for us to present previous accounts on the assumption that monies owed to us would in due course be paid.

Comparing 2004 with 2003, the accounts show an increase in our income received from £213,000 to £235,000, and a decrease in expenditure by about £1,500. Income exceeds outgoing resources by £51,500.

f) Reserve Policy

The Brix Trustees seek to establish and maintain a "sinking fund" reserve, on which we could draw for major capital repairs, which are intrinsic to the maintenance of a building such as St Matthew's. We did not do so successfully in 2004, because of the Bug debts. However, since those debts were cleared, we have been seeking to set money aside for such a reserve in 2005, and the accounts should in due course reflect that.

**Outlook for 2005**

I write in October 2005. The clearing of the Brix's debts in the spring mark a watershed for us, giving us for the first time a reasonable financial cushion. It therefore marks the moment when we have been able to think more sustainably about our community mission, rather than constantly being diverted by cash flows. Trustees have discussed how they wanted our activity to develop, and for the first time we subsidised a fortnight-long music and performance workshop for young people during the summer holidays. On a personal level, having been chair of the Brix for more than 10 years since its creation, I felt it was time for a change, and stepped down in favour of Caroline Clark in May 2005.

**Future Strategy**

The Trustees intend to continue their basic strategy – to raise revenue to maintain the historic building of St Matthew's by letting out space to tenants at a commercial rent.

**THE BRIX AT ST MATTHEWS**  
**TRUSTEES ANNUAL REPORT**  
**YEAR ENDED 31 DECEMBER 2004**

**Chairman's Report for 2004**

**Thanks and acknowledgments**

I should like to thank all my fellow trustees, and the external organisations who have always worked constructively with us, especially Lambeth Council. The Diocese of Southwark have been understanding landlords, and we have worked well with Stephen Sichel and the PCC of St Matthew's.

MARTIN WILLIAMS  
October 2005

**RISK MANAGEMENT**

The trustees have examined the major strategic, business and operational risks that the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

**THE BRIX AT ST MATTHEWS**  
**TRUSTEES ANNUAL REPORT** *(continued)*  
**YEAR ENDED 31 DECEMBER 2004**

**TRUSTEES' RESPONSIBILITIES**

Company 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 charity at the end of the year and of the incoming and outgoing resources for the year then ended.

In preparing those financial statements, the trustees are required to select suitable accounting policies and then apply them consistently, making judgements and estimates that are reasonable and prudent. The trustees must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue its activities.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 1985. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**AUDITORS**

A resolution to re-appoint West & Co as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Registered office:  
St Matthews Church  
Brixton Hill  
London  
E11 1BN

Signed by order of the trustees



Reverend M Durran  
Company Secretary

Approved by the trustees on 18 October 2005



**THE BRIX AT ST MATTHEWS**  
**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE**  
**BRIX AT ST MATTHEWS**  
**YEAR ENDED 31 DECEMBER 2004**

We have audited the financial statements on pages 9 to 14 which have been prepared under the historical cost convention and the accounting policies set out on page 11.

This report is made solely to the charity's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditors' 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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

**RESPECTIVE RESPONSIBILITIES OF THE TRUSTEES AND THE AUDITORS**

The trustees' (who also act as Directors for the charitable activities of the company) responsibilities for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Trustees' Responsibilities on pages 2 to 6.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Trustees Annual Report is not consistent with the financial statements, if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the charity is not disclosed.

We read the Trustees Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it. Our responsibilities do not extend to any other information.

**BASIS OF AUDIT OPINION**

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**THE BRIX AT ST MATTHEWS**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE  
BRIX AT ST MATTHEWS *(continued)***

**YEAR ENDED 31 DECEMBER 2004**

**OPINION**

In our opinion the financial statements give a true and fair view of the charity's state of affairs as at 31 December 2004 and of its incoming resources and application of resources in the year then ended and have been properly prepared in accordance with the Companies Act 1985.



WEST & CO  
Chartered Accountants  
& Registered Auditors

325 City Road  
London  
EC1V 1LJ

18 October 2005

**THE BRIX AT ST MATTHEWS**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**(INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)**  
**YEAR ENDED 31 DECEMBER 2004**

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2004 £	Total Funds 2003 £
<b>INCOMING RESOURCES</b>					
<b>Incoming resources</b>					
Rent receivable	2	233,959	-	233,959	212,310
Interest receivable	3	756	-	756	513
<b>TOTAL INCOMING RESOURCES</b>		<u>234,715</u>	<u>-</u>	<u>234,715</u>	<u>212,823</u>
<b>RESOURCES EXPENDED</b>					
Management and administration	4	172,460	10,993	183,453	184,797
<b>TOTAL RESOURCES EXPENDED</b>	5	<u>172,460</u>	<u>10,993</u>	<u>183,453</u>	<u>184,797</u>
<b>NET INCOME/(EXPENDITURE) FOR THE YEAR</b>	7	62,255	(10,993)	51,262	28,026
Balances brought forward		75,088	1,235,807	1,310,895	1,282,869
Balances carried forward		<u>137,343</u>	<u>1,224,814</u>	<u>1,362,157</u>	<u>1,310,895</u>

The charity has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the charity are classed as continuing.

The notes on page 9 form part of these financial statements.

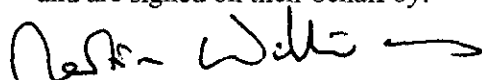
# THE BRIX AT ST MATTHEWS

## BALANCE SHEET

31 DECEMBER 2004

	Note	2004 £	£	2003 £
<b>FIXED ASSETS</b>				
Tangible assets	8		1,275,310	1,268,708
<b>CURRENT ASSETS</b>				
Debtors	9	102,511		51,039
Cash at bank and in hand		40,070		31,061
			<u>142,581</u>	<u>82,100</u>
<b>CREDITORS: Amounts falling due within one year</b>	10	<u>(55,734)</u>		<u>(39,914)</u>
<b>NET CURRENT ASSETS</b>			<b>86,847</b>	<b>42,186</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u><b>1,362,157</b></u>	<u><b>1,310,894</b></u>
<b>NET ASSETS</b>			<u><b>1,362,157</b></u>	<u><b>1,310,894</b></u>
<b>FUNDS</b>				
Restricted	11		1,224,814	1,235,806
Unrestricted	12		137,343	75,088
<b>TOTAL FUNDS</b>			<u><b>1,362,157</b></u>	<u><b>1,310,894</b></u>

These financial statements were approved by the members of the committee on the 18 October 2005 and are signed on their behalf by:



M W Williams  
Director/ Trustee

The notes on page 10 form part of these financial statements.

**THE BRIX AT ST MATTHEWS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2004**

**1. ACCOUNTING POLICIES**

**Basis of accounting**

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2000) and the Companies Act 1985.

**Cash flow statement**

The trustees have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the charity is small.

**Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Premises -Equal amounts over the remainder of the lease which expires in 2120  
 Fixtures & Fittings -25 % pa on a reducing basis

**2. CHARITABLE TRADING INCOME**

	2004 £	2003 £
Rent receivables	<u>233,959</u>	<u>212,310</u>
Income from charitable trading		

**3. INTEREST RECEIVABLE**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2004 £	Total Funds 2003 £
Bank interest receivable	<u>756</u>	<u>-</u>	<u>756</u>	<u>513</u>

**4. MANAGEMENT AND ADMINISTRATION**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2004 £	Total Funds 2003 £
Salaries	42,099	-	42,099	40,162
Office costs	124,819	10,993	135,812	135,253
Accountancy fees	3,271	-	3,271	4,013
Audit fees	1,545	-	1,545	1,750
Legal and professional	726	-	726	3,619
	<u>172,460</u>	<u>10,993</u>	<u>183,453</u>	<u>184,797</u>

**THE BRIX AT ST MATTHEWS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2004**

**5. TOTAL RESOURCES EXPENDED**

	Staff costs £	Depreciation £	Other costs £	Total Funds 2004 £	Total Funds 2003 £
Management and administration	<u>42,099</u>	<u>14,713</u>	<u>126,641</u>	<u>183,453</u>	<u>184,797</u>

**The aggregate payroll costs were:**

	2004 £	2003 £
Wages and salaries	36,629	36,752
Social security costs	<u>5,470</u>	<u>3,410</u>
	<u>42,099</u>	<u>40,162</u>

**Particulars of employees:**

The average number of staff employed by the charity during the financial year amounted to:

	2004 No	2003 No
Number of administrative staff	2	2
Number of management staff	<u>1</u>	<u>1</u>
	<u>3</u>	<u>3</u>

	2004 £	2003 £
<b>Other costs:</b>		
Premises	62,816	56,460
Legal and professional	5,542	9,382
Other	<u>58,283</u>	<u>63,023</u>
	<u>126,641</u>	<u>128,865</u>

**6. SALARIES**

No employee received emoluments of more than £50,000.

**7. OPERATING PROFIT**

Operating profit is stated after charging:

	2004 £	2003 £
Depreciation	14,713	15,770
Auditors' remuneration - as auditors	1,545	1,750
Operating lease costs: Land and buildings	<u>6,025</u>	<u>3,444</u>

**THE BRIX AT ST MATTHEWS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2004**

**8. TANGIBLE FIXED ASSETS**

	Refurbish- ment of premises £	Fixtures & fittings £	Total £
<b>COST</b>			
At 1 January 2004	1,327,406	50,822	1,378,228
Additions	21,315	-	21,315
<b>At 31 December 2004</b>	<u>1,348,721</u>	<u>50,822</u>	<u>1,399,543</u>
<b>DEPRECIATION</b>			
At 1 January 2004	73,582	35,938	109,520
Charge for the year	10,992	3,721	14,713
<b>At 31 December 2004</b>	<u>84,574</u>	<u>39,659</u>	<u>124,233</u>
<b>NET BOOK VALUE</b>			
<b>At 31 December 2004</b>	<u>1,264,147</u>	<u>11,163</u>	<u>1,275,310</u>
At 31 December 2003	<u>1,253,824</u>	<u>14,884</u>	<u>1,268,708</u>

**9. DEBTORS**

	2004 £	2003 £
Trade debtors	102,011	50,781
Other debtors	500	258
	<u>102,511</u>	<u>51,039</u>

**10. CREDITORS: Amounts falling due within one year**

	2004 £	2003 £
Taxation and social security	8,033	325
Accruals	47,701	39,589
	<u>55,734</u>	<u>39,914</u>

**11. RESTRICTED FUNDS**

	Movement in resources:		
	Balance at 1 Jan 2004 £	Outgoing & Transfers £	Balance at 31 Dec 2004 £
Restricted Fund	<u>1,235,807</u>	<u>(10,993)</u>	<u>1,224,814</u>

**THE BRIX AT ST MATTHEWS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2004**

**12. ANALYSIS OF NET ASSETS (between restricted and unrestricted funds)**

	<b>Tangible fixed assets Outgoing &amp; Transfers £</b>	<b>Total  Total £</b>
Restricted Fund	1,224,814	1,224,814
Unrestricted funds	—	137,343
	<u>1,224,814</u>	<u>1,362,157</u>

**13. TRUE AND FAIR OVERRIDE**

In preparing the financial statements, the trustees have complied with the Statement of Recommended Practice: Accounting and Reporting by Charities, issued by the Charity Commission for England and Wales in October 2000. In consequence, they have departed from the requirements of the Companies Act 1985 as regards the format of the income and expenditure account, which is presented within the Statement of Financial Activities, and have done so in order that the financial statements may give a true and fair view.

**14. FUNDS**

Unrestricted funds comprise those funds which the trustees are free to use in accordance with the charitable objects

Restricted funds are funds which have been given for particular purposes and projects. The restricted fund must be used to maintain the building The Church at St Matthew's.

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

	<b>General Fund</b>	<b>Restricted Fund</b>	<b>Total</b>
Tangible fixed assets	50,496	1,224,814	1,275,310
Debtors	102,511	-	102,511
Cash at bank	40,070	-	40,070
Creditors	(55,734)	-	(55,734)
	<u>137,343</u>	<u>1,224,814</u>	<u>1,362,157</u>



**THE BRIX AT ST MATTHEWS  
MANAGEMENT INFORMATION  
YEAR ENDED 31 DECEMBER 2004**

**The following pages do not form part of the statutory financial statements which are the subject of the independent auditors' report on pages 7 to 8.**

**THE BRIX AT ST MATTHEWS**  
**DETAILED STATEMENT OF FINANCIAL ACTIVITIES**  
**YEAR ENDED 31 DECEMBER 2004**

	2004	2003
	£	£
<b>INCOME</b>		
Bank interest receivable	756	513
Rent receivables	<u>233,959</u>	<u>212,310</u>
<b>TOTAL INCOME</b>	<u><b>234,715</b></u>	<u><b>212,823</b></u>
<b>MANAGEMENT AND ADMINISTRATION</b>		
Wages and salaries	42,099	40,162
Operating lease: rent of buildings	6,025	3,444
Rates & water	7,731	6,566
Light & heat	37,627	30,158
Insurance	14,436	13,094
Repairs & maintenance	3,022	6,642
Telephone	1,433	1,779
Post and stationery	1,127	495
Service contracts	29,287	38,595
Cleaning	13,174	11,712
Freelance	3,643	2,559
Accountancy fees	3,271	4,013
Audit fees	1,545	1,750
Other legal fees	-	3,202
Bank Charges	726	417
Other costs	3,594	4,439
Depreciation of fixed assets	<u>14,713</u>	<u>15,770</u>
	<b>183,453</b>	<b>184,797</b>
<b>TOTAL EXPENDITURE</b>	<u><b>183,453</b></u>	<u><b>184,797</b></u>
<b>NET INCOMING RESOURCES FOR THE YEAR</b>	<u><b>51,262</b></u>	<u><b>28,026</b></u>