

COMPANY REGISTRATION NUMBER 2880299

1061039

31-DEC-09

THE BRIX AT ST MATTHEWS

TRUSTEES' ANNUAL REPORT

AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2009

ACCOUNTS No 4
05 JUL 2010 P-1
MANAGEMENT TEAM
COURT HOUSE DIVISION

Charity Number 1061039

THE BRIX AT ST MATTHEWS
YEAR ENDED 31 DECEMBER 2009

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THE BRIX AT ST MATTHEWS
TRUSTEES' ANNUAL REPORT
YEAR ENDED 31 DECEMBER 2009

The trustees have pleasure in presenting their annual report and the financial statements of the charity for the year ended 31 December 2009.

The financial statements have been prepared in accordance with the Charities Act 1993, the Companies Act 2006, the Memorandum and Articles of Association and the Statement of Recommended Practice – Accounting and Reporting by Charities (SORP 2005).

THE TRUSTEES

The trustees, who are also the directors for the purpose of company law, and who served during the year were as follows:

C M L Clark (Chair)
M W Williams (Secretary)
P A C Blake
N Tate
O C Delahaye

Legal and Administrative Details

Registered charity name	The Brix at St Matthews
Status	Charity established as company limited by guarantee (Registered in England and Wales) No 2880299 Registered with the Charity Commission as Number 1061039
Registered office	St Matthew's Church, Brixton Hill, London SW2 1JF
Manager	M D Morrison
Auditors	Citroen Wells, Devonshire House, 1 Devonshire Street, London W1W 5DR
Bankers	Barclays Bank plc, Clapham Common Business Centre, 188 Clapham High Street, London SW4 7UF
Solicitors	Jeremy Simon & Co, 72a St Mary's Road, Watford, Herts, WD1 8EF

STRUCTURE, GOVERNANCE AND MANAGEMENT

The organisation is a 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. At the AGM in June 2009 new Memorandum and Articles of Association were formally adopted by resolution in order to comply with the 2006 Companies Act.

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The directors of the charitable company (the charity) are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees.

In the event of The Brix at St Matthew's dissolution, the liability of each member is limited to £1.

Governance, Membership and Trustees

The business of the charitable company is managed by the Council, which is more commonly referred to as the Board of trustees or directors. According to the Articles of Association, they may use all the powers of the company that are not required to be used by a general meeting of the members of the company.

The members of the charitable company consist of the original subscribers to the Memorandum of Association plus any other persons admitted to membership in accordance with the Articles. Under the Articles, no person will be admitted to the Board of directors without approval by the members of the board. In the event, the only existing member of the company is the Parish Church Council of St Matthews. The PCC has the right to appoint two members of the Council (Board). Were there any other members, they would be entitled to appoint one member of the Council (Board). Council / Board members can also appoint any person who is willing to join their number through co-option to a maximum of five extra persons.

Board members have used their own contacts and specialised and suitably experienced intermediary agencies to identify and recruit candidates who possess the necessary knowledge and skills to act as trustees of The Brix at St Matthews. At present, the charity has a complement of five trustees and is working actively to increase this to the maximum permitted seven.

Prospective trustees are asked to undertake an induction period of between three and six months before they are formally appointed as trustees. During this time, information is provided on the legal and financial status of the charity, its structure, its activities and the legal, financial and moral duties of charity trustees. Existing trustees are expected to identify their training needs and to take measures to ensure that these needs are met.

The Council or Board administers the charity. It has no sub-committees. It meets between six and twelve times a year to make decisions and supervise the overall governance and management of the charity.

Staffing

A manager of the charity is appointed by the trustees to manage day-to-day operations, reports to the Board at its regular meetings, but is line managed on a day-to-day basis by the Chair of trustees. To facilitate effective operations, the manager has delegated authority – within the terms laid down by the Board – for operational matters, including liaison with tenants, supervision of staff and contractors and the repair and maintenance of the building.

The charity also employs a qualified and experienced management accountant on a part-time basis, line managed by the Chair of trustees, but reporting to the Board at its regular meetings. Amongst the duties of the accountant is the preparation of management reports to the board, the administration of the charity's financial controls, the production of accounts and the conduct of day-to-day financial processes and procedures.

During 2009, other services were provided to the charity by various sub-contractors working on contract or on a tender basis, and by five additional volunteers working on special projects. Line

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management was provided by the manager of the charity in line with the organisation's strategies and agreed plans.

OBJECTIVES AND ACTIVITIES IN 2009

This is the sixteenth Annual Report of The Brix at St Matthews.

The charitable objects of The Brix at St Matthews are:

- a) To preserve for the public benefit of the people of Greater London and of the nation at large the historical, architectural and constructional heritage of the Church of St Matthew, Brixton
- b) To provide facilities for recreation with the objects of improving the conditions of life and social welfare of the inhabitants in the area of benefit and in particular by the provision and maintenance of a community centre
- c) To advance education for those living in the area of benefit
- d) To undertake any other charitable activity.

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charitable company's aims and objectives and in planning future activities.

The first stated purpose of The Brix at St Matthews is to look after the St Matthews building, and make sure it is preserved in 'historical, architectural and constructional terms'.

In 1994, shortly after its establishment as a company, The Brix at St Matthews was granted a 125 year head lease on St Matthew's Church by the Diocese of Southwark.

St Matthew's Church was constructed between 1822 and 1824, and is now classified as a Grade II* Listed Building, which puts it in the top 5% to 6% of buildings and structures of architectural note in the country. It is situated on a prominent town centre site at the heart of the Brixton Conservation Area in Lambeth, South London.

The advancement of heritage is one of the charitable purposes set out in the Charities Act of 2006 and the preservation of the fabric of this iconic building is the first way in which The Brix at St Matthews meets the Charity Commission's public benefit requirement.

The preservation of the St Matthew's church building is a costly and expert task, which has to be done in compliance with detailed specifications and standards set down by English Heritage and the Conservation Department of Lambeth Council.

Apart from the building itself, The Brix has no assets of its own, and to pay its way depends entirely on the revenue it receives from leasing, licensing and hiring spaces in the building to tenants and occasional users. The Brix at St Matthews could be described as a 'community business' or 'social enterprise' in that its running costs are funded exclusively by income generated as a result of the activities it pursues. The only grants received by The Brix to date have been for the physical refurbishment of the St Matthew's building.

During 2009, the St Matthew's building continued to be occupied by between nine and eleven tenants and licence holders.

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YEAR ENDED 31 DECEMBER 2009

Long-term tenants in the building include Mass Nightclub, which has held a lease on the fourth floor of the building since September 2002, and the Babalou bar, which has occupied the crypt since 2005, both businesses owned by a company called Chicks Ltd. The stable and substantial revenue streams from these two commercial tenancies under formal lease arrangements provide long-term financial viability to the charity and enable us to cross-subsidise a variety of community and charity orientated uses by other tenants and periodic users.

The office spaces on the sixth floor of the building remained in occupation by a variety of small charities and small businesses which occupy the spaces on licence and pay affordable licence fees. These licence holders include Pegasus Opera, specialising in bringing grand opera to the inner city; GroundUp, a small charity specialising in working with disaffected local youth; Rocket, a PR and marketing company for musicians; a sole practitioner providing accountancy services; Engage Publishing, a owner-managed design and print company; and Corporate Security, a small private company providing a range of security services.

The Brix itself occupies two offices on the sixth floor, one of which can be used to generate additional income from its hire as a small meeting room for both internal and external users.

The other major tenant in the building is the Parish Church Council and the congregation of St Matthew's Church. The church occupies half the ground floor and has exclusive use as an entrance of the original 1820s doors on to the magnificent portico on the western end of the building. One of the reasons that the building was originally put into the care of a charitable company was so that what had once been a 'redundant' Church of England church would not have to be closed down or sold because of its huge running costs, in the process making the St Matthews congregation homeless. This tenancy is governed by a 125 year lease at a peppercorn rent.

The management of relationships with and between tenants and other users is critical to the success of our organisation. This includes balancing the claims and interests of all the stakeholders in the building, whilst preserving and maintaining its fabric for the future use and enjoyment of all.

The second and third charitable objectives of The Brix are 'To provide facilities for recreation with the objects of improving the conditions of life and social welfare of the inhabitants in the area of benefit and in particular by the provision and maintenance of a community centre' and 'To advance education for those living in the area of benefit'.

These objectives meet three or more of the Charity Commission's designated charitable purposes and provide identifiable benefits in particular to the local community in Lambeth but also to the wider public in surrounding Inner London boroughs and in Greater London as a whole.

The Brix meets these objectives by maintaining and making available a large hall 15m x 9m in size which can be hired at affordable rates for a variety of charitable, community, artistic, cultural, educational, recreational and religious purposes. Rates are set on a sliding scale, dependent on the status of the hirer.

The Brix sets out to be an active participant in the local community by offering a facility that can be used for a range of educational, recreational, social and charitable purposes by local people and groups and the wider London community. St Matthews is one of hundreds of London buildings available for use by arts and community groups, charities and commercial or private users. During the early months of 2009, extensive market research was done to establish the prices charged by other venues offering similar facilities in Inner London, and the hire rates for our facilities were revised upwards, but kept in line with those offered by other comparable voluntary and public sector providers of spaces for hire. Discounts are provided for charities, small local groups and other non-profit-making organisations.

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TRUSTEES' ANNUAL REPORT (CONTINUED)
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During the year, the community hall was used by our tenant Pegasus as a rehearsal space, and also by other arts and cultural groups. The Samba Club continued to hire the hall on Thursday and Sunday evenings for classes. Pegasus continued to hold weekly choir sessions. Christ's Apostolic Church continued to hold services in the hall on Sundays, as it has for many years, and St Matthew's Sunday School also continued to meet in the space. There were regular evening bookings from various local societies, community and political groups. The hall was also extensively used for castings, auditions and rehearsals for several casting agencies, including those who were looking for local, unknown talent within the local community.

In the summer, trustees made the decision to invest in the refurbishment of the community hall. We decided to restrict the types of users who would be permitted to use the hall in order to reduce the level of wear and tear on the fabric of the room: private and commercial functions would henceforward be severely restricted. We resolved that, as a matter of general practice, the hall would not be hired to individuals for personal use. During the autumn, plans were drawn up for the refurbishment of the hall, and the builders finally moved in to undertake the works early in 2009.

In 2009, The Brix advanced education by working in collaboration with Lambeth College, a further education college providing full and part-time vocational and recreational courses for adults aged 18 and over, and by establishing an internship arrangement with a further education college in France.

ACHIEVEMENTS AND PERFORMANCE

Refurbishments in 2009

As referred to above, one of the first activities undertaken in 2009 was an in-depth piece of market research into the facilities and prices offered by other Central London organisations for the hire of their venues and facilities. An internet and phone based search was undertaken into over 100 other venues across six Inner London boroughs owned by voluntary, community, public and private sector providers. This had two major findings. Firstly, The Brix was substantially undercharging users, having not actually put its hire rates up for over ten years. Secondly, the facilities offered by the majority of other venues were better than those we were offering. For example, other venues were offering changing facilities, dance equipment, use of pianos and refreshments as adjuncts to their basic offer.

We also discovered that prices and terms and conditions varied wildly between venues, with those at the top of the range charging in excess of £1200 per day, and those at the bottom £125 per day. As the result of the survey, we set our hire out rates at the average charged for voluntary sector and / or public sector venues, with a sliding scale of discounts for local charities.

The first quarter of 2009 was dominated by the extensive refurbishment of the community hall. The hall is subject to substantial amounts of wear and tear by its users and periodically has to have a face lift. Moreover, as discovered in our survey, the majority of other community facilities had started to offer more amenities within their spaces for hire.

Ultimately, we spent £25,000 + VAT on the refurbishment of the hall. This included the construction of a new toilet block, comprising two 'ordinary' cubicles and one disabled toilet, a changing area, and a baby changing facility, and the installation of a kitchenette and serving area, with electrical supplies and running water. The old air conditioning and ventilation systems were removed, and the windows restored so that they could be opened again. The floor was renovated and the room was comprehensively redecorated. A large mirror was installed on one wall, and a piano was obtained for dance and exercise users.

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The Brix applied for, and successfully gained a Premises Licence for the hall, a necessary measure for even routine gatherings and events.

Fabric repairs

The clock at St Matthews is the original one installed in the early nineteenth century and its repair and maintenance is an obligation laid down in our headlease. The essential repairs to the clock scheduled for 2008 ultimately had to be put off because of the damaged platforms and stairs inside the bell tower and the severe pigeon infestation, which had led to the build up of a great deal of guano. Quotes were obtained for the clearance of the latter, and the work was finally done in the early summer of 2009. We obtained quotations from Smith and Derby, specialist clock restorers, and having consulted St Matthews PCC and English Heritage on their preferences, decided not to have the clock mechanism replaced but to go for the less intrusive, more authentic restoration option. The repair of the clock was done as soon as the environment around the clock was deemed safe and hygienic. After several adjustments and an educational programme for our own staff on how to adjust the manual mechanism, the clock finally started to keep accurate time in the second half of the year.

There were several structural investigations during the year as the result of complaints by tenants in the building about water ingress. These were inconclusive and probably related to local and minor repair issues, such as the maintenance of the drains. However, the bad weather at the end of 2009 and start of 2010 has led to serious damage being done to the stonework at the corner of the building which bears the brunt of the weather, and repairs done to the external fabric in 2000 – 2002 are being picked off as a result of water getting underneath the render and then freezing and expanding. The inspections commissioned have also revealed that the south side of the roof has now deteriorated to the point that a total replacement of the roof within the next year or so looks highly possible. The cost of this will obviously be significant, and will not be covered by insurance as it is caused by wear and tear.

During the year, repeated problems with the gas-fired boilers led to them being completely decommissioned and replaced by electrical hot water heaters serving localised parts of the building.

Rental income

Professional advisers Fleurets were engaged in February to undertake a rent review for the space occupied by the Mass Nightclub. The lease for this space has not allowed us to increase the rent or service charges on an annual basis since it was signed: instead, the first rent review was allowed at the tenth anniversary. Fleurets reported in the autumn, basing its recommendations on a comparison of rents at The Brix with comparable premises in Lambeth and across wider London. As the result of their findings, Fleurets were then asked to negotiate a higher rent with Chicks Ltd, the tenants of the space. These negotiations are on-going.

Licence holders on the sixth floor were asked to pay increased licence fees from spring 2009. The increase was just under 5%, and was only the second increase since the offices were first occupied by licence holders in the mid 1990s.

The Brix earned only about 50% of its budgeted income from the community hall in 2009. This was because the refurbishment works prevented its use for the first few months of the year, and the number of bookings in the second half of the year fell significantly, most probably as the result of the external operating environment.

THE BRIX AT ST MATTHEWS

TRUSTEES' ANNUAL REPORT (CONTINUED)

YEAR ENDED 31 DECEMBER 2009

External issues

During 2009, there were extended conversations with London Borough of Lambeth about their plans to revitalise the Peace Garden around the building. Lambeth had commissioned landscape architects to produce concepts and plans to remodel the space so that it is of a piece with the re-landscaped areas in front of the Library and Ritzy Cinema. These accompanied major road works in central Brixton paid for by TFL. The proposals put forward are problematic for us, as they would involve digging up the old St Matthew's graveyard and changing its boundaries, and excavating the north flank of the church building. During the year, we also contributed to a public consultation about public drinking, the culmination of which was the introduction of a widespread No Drinking Zone in Brixton in December.

The Brix's own architect spent much of 2009 working on a Listed Building Application for essential and desirable improvements to the building's exterior and surrounds. This included getting permission to remodel the main entrance, following criticisms by London Borough of Lambeth's health and safety consultant that people could fall over the small walls around the well in front of the entrance.

Recreation and education

The main way in which The Brix provides recreation and education is by the maintenance of a community hall in which community activities can take place, including cultural, charitable, artistic, social and educational activities provided by other bodies who hire the hall. During 2009, The Brix also began to run its own activities to provide recreation and educational opportunities in the hall.

A collaboration with Lambeth College between April and July 2009 led to the hall being used for an exhibition of works of art by adult students studying art at part-time classes at the College, including mature students preparing to make applications to art school. 34 paintings were submitted for display by students who would not normally have the opportunity to exhibit their work for viewing by the general public. The Brix made the hall available free of charge, and organised an 'opening night' for the students. This was followed by a two week exhibition, again free of charge to our partner, the College. The benefits for The Brix were the promotion of the hall and its facilities to the local community, and the acquisition of three works of art for display in the hall in the long-term. The art competition also provided the opportunity for The Brix to provide a two-month internship to a student from a college in Bordeaux.

This event was followed up by a Christmas Arts and Crafts Fair held at the end of November 2009 at which 15 stall holders selling a wide range of arts and crafts were able to sell their goods to the local community. 13 of the 15 stall holders were themselves the creators of the arts and crafts sold at the fair. Based on the success of the event, The Brix plans to hold further events of this type in 2010, aimed at the local community. These are seen as a practical and cost-effective way of marketing the hall and its facilities to potential future users. Again, the Fair enabled The Brix to offer two internships to students, lasting two months each.

The Brix acquired a website in 2009. This was designed on our behalf by volunteers from Glaxo Smith Kline who were undertaking a corporate social responsibility project, and the superb photos on the site and of the art event were also supplied free of charge by a GSK volunteer. The connection with GSK was made by REACH, an organisation which matches volunteers with VCCs.

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TRUSTEES' ANNUAL REPORT (CONTINUED)

YEAR ENDED 31 DECEMBER 2009

Public benefit

The first aim and objective of The Brix is to protect and preserve the St Matthew's building, which is one of the Charity Commission's defined charitable purposes. The Brix also exists to provide recreational and educational facilities, which it does by maintaining a community centre on the premises and making it available at affordable rates to charities, community groups, public agencies and other users. The community centre does not provide facilities to individuals, but is pitched mostly at local VCOs, other non-profit making organisations and small providers of educational and recreational activities.

Although The Brix survives by charging fees, it provides public benefit by cross-subsidising the price of its community facilities and the cost of its preservation duties through raising income from renting spaces within the building, both via long-term commercial leases and via short-time licensing and hiring arrangements. It can do this because there is very little of architectural merit left inside the building after an extremely unsympathetic conversion in the 1980s when the interior was divided up into separate, extensively modernised spaces. Thus the "historical, architectural and constructional heritage" of the building consists of its exteriors and selected features, such as the clock, clock tower, portico and stained glass window. The earlier conversion enables us to use the interior of the building for a variety of purposes including those which cross-subsidise community and charitable uses at affordable rates.

FINANCIAL POSITION

The 2007 annual report and accounts highlighted the longer-term refurbishment and restoration needs of the building, as revealed by the various surveys and inspections undertaken by our professional property advisers. The trustees' aim is to maintain and add to a fund to finance major capital repairs and the on-going maintenance needs of a historic building that is subjected to heavy usage.

In 2006, we said that the Board had to attempt to increase its income in order to provide for its longer-term needs. Since then The Brix has set out to achieve this, but it has been held back in two important respects during 2009. Firstly, the organisation has been obliged to spend substantial amounts investing in some long-overdue upgrades of the facilities. Secondly, during 2009, The Brix was obliged to take legal action to recover monies owed to it by tenants of three spaces within the building.

In one instance, a claim for unpaid licence fees was pursued through Lambeth County Court. However, the action was dismissed when the owner dissolved his company prior to the court case being heard. Although it is illegal to wind-up a company which has outstanding business to transact, the level of the debt was such that Companies House refused to take action against the owner. In the other instance, The Brix was forced to issue legal proceedings against Chicks Ltd, the tenant of both the nightclub and restaurant / bar premises for non payment of rent, service charges and other bills. This action lasted over 12 months and culminated in a partial repayment of the debts in January 2010. The Brix continues to pursue the outstanding amounts.

2009 saw welcome increases in income from service charges on one internal space, that which is leased to the restaurant / bar. In due course, we hope to agree a rent rise for the other commercial space, which would be back-dated if and when it is finally negotiated. In other respects, our income levels in 2009 were disappointing. We earned about £4,100 less than expected from licence fees on small office spaces on the sixth floor, partly because of the bad debt mentioned above. Whereas we anticipated earning £50,000 from hire of the community hall, which previous years had led us to believe was possible, ultimately we earned only £24,000 over the year.

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Meanwhile as usual, our running costs rose again in 2009, with gradual upward shifts in the prices of services, such as security and cleaning. Utility bills continue to be a major item of expenditure. As usual, we have had to pay the local authority to clean up the graffiti on and around the building, an unwelcome but necessary expense, as we have to put such damages right immediately for the sake of the appearance of the building.

Financial review

The statement of financial activities set out on page 16 of the financial statements shows how the charity's incoming resources have been expended in the year ended 31 December 2009.

Total incoming resources amounted to £304,456, which comprised rental income of £302,437 and bank interest received of £2,019

Resources expended amounted to £323,176, with £299,662 defrayed on direct charitable expenditure and £23,514 on governance costs. An analysis of the resources expended is provided in notes 4 to 9 of the financial statements.

The operating surplus for the year would have been £31,851 but for the impact of our new depreciation policy, which is explained below. The inclusion in our expenditure of an additional depreciation charge of £50,571 under the new policy means that we made a loss of £18,720 in 2009.

The balance sheet set out on page 18 of the financial statements shows the financial position of the charity at 31 December 2009.

The trustees committed £28,255 to leasehold improvements and £944 to fixtures and fittings during the year. After deducting the charge for depreciation, the net book value of fixed assets amounted to £110,276.

The current assets and current liabilities amounted to £220,689 and £101,059 respectively.

The resulting net assets amounted to £229,906, which is represented by the closing balance on the unrestricted and restricted funds of £201,851 and £28,055 respectively. As explained below, the net assets are significantly less than before due to the effect of the new depreciation rate.

Of the unrestricted fund, £58,253 has been transferred to a designated fixed asset reserve fund, which has been established at the discretion of the trustees in recognition of the unrestricted funds used to defray the cost of leasehold improvements.

DEPRECIATION POLICY

The building was extensively refurbished in 1994 – 1995 and 2000 – 2003 with the assistance of grants from English Heritage, the local City Challenge Partnership in Brixton and several charitable trusts and donations.

By 1991, the sole inhabitant of the building was St Matthews PCC and congregation, the charity which ran the rest of the building having folded due to insolvency. It was clear that the building could not be brought back into use unless it was extensively refurbished, so key individuals worked on a rescue plan which culminated in a large bid for funding to Brixton City Challenge. The Brix at St Matthews was created initially as a company in 1993 partly in order to receive the funding which was granted by the City Challenge Partnership. (It acquired charitable status just over three years later.)

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The Brix spent just under £600,000 in 1994 and just under £65,000 in 1995. In year one, the crypt was stripped out and equipped as a large, zoned, functional space, with toilets and catering area, and the worship area on the ground floor was redesigned and upgraded. The theatre and rehearsal spaces on the fourth floor were also upgraded, including the addition of fire escapes, and a suite of 12 offices was constructed in the loft. In 1995, works continued, with expenditure on electrics, lighting, ventilation, ironworks, drainage, joinery and security items. In 1997, further significant sums were spent on air handling and air conditioning and air cooling systems. The capital budget for that year was about £76,500.

In 2000, a further period of major capital works commenced, funded by a large award from English Heritage of £595,000. This time, the works were to the exterior of the building. Nearly £290,000 was spent in 2000, a further £191,600 in 2002 and just over £58,000 in 2003. The works consisted of repairs to the stonework, render, pointing and windows; the treatment of damp and infestations; repairs to the entrances and replacements of the external doors to the building; the provision of disabled access; restoration of the bell tower and clock; an upgrade of the lift; and the design and commissioning of decorative ironworks on the entrances and exits. The roof was also patched up, along with flashings, the surrounds of the skylights and the parapets. In 2004, The Brix spent a further £18,000 creating a new office space in a disused part of the loft, and in 2005 and 2006, a further £25,000 was expended on major lift repairs.

All of these items were capitalised, and from 1993, the policy decision of The Brix was to depreciate all of them over the entire lifetime of its head lease from the Diocese of Southwark. As a result, since 1993, all the sums spent on renovations were added up and have been gradually depreciated at a rate of 1/125 each year. When Citroen Wells took over as our auditors in 2009, they recommended that the Board reconsider this policy, as it had assumed that the works would last the full duration of the lease of 125 years.

The board of The Brix therefore undertook a major review of its depreciation policy in 2009 with a view to recalculating and re-presenting a new analysis in its 2009 accounts. The impact of depreciating over 50, 30 and 20 year periods was examined in the first instance, and the board agreed that the organisation should look at the nature of the works involved to determine the realistic life span of each set of items. This examination revealed that many of the works involved have either been superseded in subsequent renovation works (for example by tenants of the two commercial spaces in the building), or have needed updating since. The recent weather-related damage to the stonework, pointing and render, and the surveys which indicate that the roof will need replacing in the next two to three years (with major repairs needed imminently to certain patches) demonstrates that even the external capital works in 2000 to 2003 have not lasted as long as was anticipated.

The board therefore reconsidered the period over which to depreciate these capital items, and looked at whether 10 to 15 years might not be a more realistic timescale to adopt. Ultimately, because of the factors above, the board has decided on a policy of depreciating capital works over ten years, at the uniform rate of 1/10 each year. Whilst this change in depreciation policy has no impact on the Charity's cash flows, it has dramatically altered the way in which we report our results.

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In overview:-

- (1) The depreciation charge of the leasehold improvements for 2009 is significantly greater this year at £62,000, around £51,000 more than would have been charged under the old policy.
- (2) The carrying value of the leasehold improvements (as shown in the balance sheet) is now much reduced, having been depreciated right down to £86,308 by 31 December 2009, compared to £1,244,641 at the end of 2008.
- (3) The restricted fund (being the grant monies received to assist with the funding of the works), has been reduced to £28,055 at 31 December 2009 compared to £1,180,112 in 2008, and the opening balance on the unrestricted reserves is around £24,000 lower than reported last year.
- (4) The comparative (2008) figures have been amended to adopt the "new" rate of depreciation, as though it had applied from the very outset. Our auditors have confirmed that this treatment is standard accounting practice and which is referred to as a prior year adjustment. The effect of this prior year adjustment is set out in Note 13.

RISK MANAGEMENT

Trustees are aware of their responsibility to ensure that the major risks to which the charity is exposed are identified and to establish systems to mitigate those risks. They believe that adequate controls and systems are in place to mitigate any external and internal risks that the charity may face.

In 2009, the trustees assessed the internal business, operational and reputational risks for The Brix in the light of the financial disputes with two major tenants. It was thought prudent to make financial projections which hypothesised about our continued survival as an organisation should our major tenants default on their legal and financial responsibilities to us, as their landlords. Detailed cashflow forecasts were prepared, and trustees considered how they might best secure the future of the organisation if one or both of these tenants defaulted. Contingency plans were put in place, and the trustees are confident that in the event of a sudden loss of one or more major sources of income, The Brix would be able to survive for at least 12 months whilst it sought other tenants to take on the major spaces within the building.

Reserves Policy

The trustees' policy is to keep available funds in an interest-bearing deposit account with easy access in order to bridge any funding gaps caused by defaulting or late-paying tenants and licence holders and the loss of any other sources of income through variations in business conditions. The agreed policy of trustees is to aim to hold sufficient funds to help mitigate the risks outlined in this paragraph. The trustees consider that the ideal sum to hold as reserves for these purposes is around £130,000, being about 50% of the charity's current annual turnover. The actual sum on deposit at the end of 2009 was £34,077, the trustees having been forced to take around £40,000 off deposit in 2009 to cover underpayments by tenants. These underpayments are currently being pursued, and the trustees will soon be in the position to restore the deposit account to its previous levels. Attention will have to be paid in 2010 and beyond to increasing the level of funds placed on deposit, not only to cover possible vagaries in income, but also in order to build up funds to cover the identified refurbishment costs of the building over the coming five to ten years.

THE BRIX AT ST MATTHEWS
TRUSTEES' ANNUAL REPORT (CONTINUED)
YEAR ENDED 31 DECEMBER 2009

OUTLOOK FOR 2010

The Trustees will continue with their basic strategy – which is to continue to raise income to maintain the historic building of St Matthews and to provide a recreational, cultural and educational facility for local people – by letting out space to tenants and to regular, occasional and one-off users.

The surveys we commissioned in 2007 set out the challenges ahead. We must continue to think about how to raise in the region of £600,000 for our longer-term restoration and renovation needs, but the adverse weather at the end of 2009 and start of 2010 suggest that up to £250,000 may need to be raised for repairs to the stonework and the roof over the coming few months. A potential for a bid to English Heritage is currently being explored.

In the meantime, we must continue to keep the building up to a standard which makes it attractive to users, particularly the groups that might use our community hall. Our manager has expended considerable amounts of effort to ensure that all policies and procedures, risk assessments, certificates and statutory / regulatory requirements have been thoroughly addressed so that the building can be safe and pleasant for its users.

We must also ensure that The Brix is recognised in its own right as a contributor to the Brixton arts, cultural and educational scene. Our local profile is not high enough, and our diversification depends on raising awareness of the facilities we could offer now and in the future. The Brix will be expending more effort on marketing and events organisation in order to publicise the building and its facilities to potential users, both commercial and charitable / community-based. The commercial uses help us to offer more affordable rates to the latter.

THANKS AND ACKNOWLEDGEMENTS

The AGM in June 2009 voted on the appointment of Citroen Wells as permanent replacements for West & Co as our auditors. Citroen Wells had given us excellent advice and guidance since being appointed. Jeremy Simon & Co have assisted us ably through some difficult legal minefields.

REACH worked to find us new trustees throughout the year, and was responsible for putting us in touch with Glaxo Smith Kline, two of whose Corporate Communications employees provided us with superb assistance during the year – Karen Ayers, for the design and implementation of our website, and Phillipa Proctor for the provision of fantastic photographs for all our publicity. Bettina Dix provided dedicated volunteering support over four months and helped us branch out in new directions.

Warmest thanks go to fellow trustees and the PCC and vicar of St Matthews, Stephen Sichel, for their continued commitment, solidarity and support. They and Mark Morrison, our manager, have been brave stalwarts through a very difficult period in our history.

The Diocese of Southwark have been understanding landlords, and our professional advisers have contributed a great deal and have greatly helped us to deal with our challenges. Brixton Police have also been of great assistance this year in helping us tackle crime around the building, and we are benefiting from closer relationships with Lambeth councillors and officers.

THE BRIX AT ST MATTHEWS
TRUSTEES' ANNUAL REPORT (CONTINUED)
YEAR ENDED 31 DECEMBER 2009

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees, who are also the directors of The Brix at St Matthews for the purpose of company law, are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year 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 year.

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; and
- 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.

DISCLOSURE OF INFORMATION TO AUDITORS

In so far as the trustees are aware:

- there is no relevant audit information of which the charity's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

A resolution to appoint Citroen Wells as auditors for the ensuing year will be proposed at the AGM.

This report has been prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies.

Signed by order of the trustees
M W WILLIAMS
Charity Secretary

28 June 2010

THE BRIX AT ST MATTHEWS
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE
BRIX AT ST MATTHEWS
YEAR ENDED 31 DECEMBER 2009

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BRIX AT ST MATTHEWS

We have audited the financial statements of The Brix at St Matthews for the year ended 31 December 2009, which comprise the Statement of Financial Activities, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

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 charity's trustees 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 charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The trustees' (who are also the directors of The Brix at St Matthews for the purposes of company law) responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and have been prepared in accordance with the Companies Act 2006. We also report to you whether, in our opinion, the information given in the Trustees' Annual Report is consistent with those financial statements.

In addition we report to you if, in our opinion, the charity has not kept adequate accounting records, if the charity's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of trustees' remuneration specified by law are not made.

We read the Trustees' Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

THE BRIX AT ST MATTHEWS
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE
BRIX AT ST MATTHEWS (CONTINUED)
YEAR ENDED 31 DECEMBER 2009

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 by the trustees 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.

Opinion

In our opinion

- the financial statements give a true and fair view of the state of the charity's affairs as at 31 December 2009 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- the financial statements have been prepared in accordance with the Companies Act 2006; and
- the information given in the Trustees' Annual Report is consistent with the financial statements

David Marks ACA (Senior Statutory Auditor)

28 June 2010

for and on behalf of Citroen Wells
Chartered Accountants
Statutory Auditor

Devonshire House
1 Devonshire Street
London W1W 5DR

THE BRIX AT ST MATTHEWS
STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2009

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2009 £	Total Funds 2008 as restated £
INCOMING RESOURCES					
Incoming resources from generated funds:					
Activities for generating funds	2	302,437	—	302,437	263,111
Investment income	3	2,019	—	2,019	4,116
TOTAL INCOMING RESOURCES		<u>304,456</u>	<u>—</u>	<u>304,456</u>	<u>267,227</u>
RESOURCES EXPENDED					
Charitable activities		(248,426)	(51,236)	(299,662)	(297,561)
Governance costs		(23,514)	—	(23,514)	(17,247)
TOTAL RESOURCES EXPENDED	4	<u>(271,940)</u>	<u>(51,236)</u>	<u>(323,176)</u>	<u>(314,808)</u>
NET INCOMING /(OUTGOING) RESOURCES FOR THE YEAR/NET MOVEMENT IN FUNDS					
	7	32,516	(51,236)	(18,720)	(47,581)
RECONCILIATION OF FUNDS					
Total funds brought forward as restated	13	<u>169,335</u>	<u>79,291</u>	<u>248,626</u>	<u>296,207</u>
TOTAL FUNDS CARRIED FORWARD		<u>201,851</u>	<u>28,055</u>	<u>229,906</u>	<u>248,626</u>

All of the above amounts relate to continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under Companies Act 2006.

The notes on pages 19 to 23 form an integral part of these financial statements.

THE BRIX AT ST MATTHEWS
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 DECEMBER 2009

	2009	2008
	£	as restated £
Deficit for the year	<u>(18,720)</u>	<u>(47,581)</u>
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	(18,720)	(47,581)
Prior year adjustment (as explained in Note 13)	<u>(1,124,550)</u>	
TOTAL GAINS AND LOSSES RECOGNISED SINCE LAST ANNUAL REPORT	<u>(1,143,270)</u>	

The notes on pages 19 to 23 form an integral part of these financial statements.

THE BRIX AT ST MATTHEWS

BALANCE SHEET

AS AT 31 DECEMBER 2009

	Note	2009 £	2008 as restated £
FIXED ASSETS			
Tangible assets	10	110,276	150,790
CURRENT ASSETS			
Debtors	11	172,437	43,520
Cash at bank		48,252	96,626
		<u>220,689</u>	<u>140,146</u>
CREDITORS: Amounts falling due within one year	12	<u>(101,059)</u>	<u>(42,310)</u>
NET CURRENT ASSETS		119,630	97,836
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>229,906</u>	<u>248,626</u>
NET ASSETS		<u>229,906</u>	<u>248,626</u>
FUNDS			
Unrestricted income funds			
General funds	13	143,598	169,335
Fixed Asset reserve	13	58,253	-
Total unrestricted income funds		<u>201,851</u>	<u>169,335</u>
Restricted income funds	13	28,055	79,291
TOTAL FUNDS	13	<u>229,906</u>	<u>248,626</u>

These financial statements were approved by the members of the committee on the 28 June 2010 and are signed on their behalf by:

C M L Clark
Trustee

Company Registration Number: 2880299

The notes on pages 19 to 23 form an integral part of these financial statements.

THE BRIX AT ST MATTHEWS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards, the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 (SORP 2005) and the Companies Act 2006. The financial statements include a prior year adjustment, full details of which are set out in Note 13 and the Trustees' Annual Report.

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 it is a small charitable company.

Incoming resources

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

Rent receivable is stated net of VAT.

Investment income is recognised on a receivable basis.

Resources expended

Resources expended are included in the statement of financial activities on an accruals basis, inclusive of any VAT which cannot be recovered.

Direct charitable expenditure comprises expenses incurred in pursuance of the charity's principal activity.

Governance costs are those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Fixed assets

Tangible fixed assets are stated at cost less 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:

Leasehold improvements: 10 years on a straight line basis.

Fixtures, fittings & equipment: 25 % per annum on a reducing basis

Corporation tax

No liability arises as the company's charitable activities are exempt from corporation tax.

Fund Accounting

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

The Fixed Asset reserve is a designated fund established at the discretion of the trustees in recognition of the unrestricted funds used to defray the cost of leasehold improvements.

Restricted funds are funds which have been given for particular purposes and projects.

THE BRIX AT ST MATTHEWS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2009

2. INCOMING RESOURCES FROM ACTIVITIES FOR GENERATING FUNDS

	2009 £	2008 £
Rent and service charges receivable	<u>302,437</u>	<u>263,111</u>

3. INVESTMENT INCOME

	2009 £	2008 £
Interest receivable	<u>2,019</u>	<u>4,116</u>

4. TOTAL RESOURCES EXPENDED

	Staff Costs £	Depreciation £	Other Costs £	Total 2009 £	Total 2008 £ as restated
Direct charitable expenditure:					
Activities undertaken directly	47,007	69,713	182,942	299,662	297,561
Governance costs	5,223	-	18,291	23,514	17,247
Total	<u>52,230</u>	<u>69,713</u>	<u>201,233</u>	<u>323,176</u>	<u>314,808</u>

5. ACTIVITIES UNDERTAKEN DIRECTLY

Other costs relating to direct charitable expenditure comprise:

	2009 £	2008 £
Rent	4,808	4,988
Rates and water	9,217	12,975
Light and heat	34,477	35,606
Repairs and maintenance	14,142	34,922
Insurance	20,564	16,810
Other	1,870	585
Telephone	1,538	1,965
Postage and stationery	2,794	1,004
Cleaning and refuse	20,421	23,939
Security	45,318	45,018
Bad and doubtful debts and irrecoverable VAT	17,433	-
Marketing, advertising and events	10,230	-
Accountancy fees	-	9,867
Staff recruitment	-	2,234
Staff training	130	1,196
	<u>182,942</u>	<u>191,109</u>

THE BRIX AT ST MATTHEWS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2009

6. GOVERNANCE COSTS

Other governance costs comprise:	2009	2008
	£	£
Accountancy fees	-	3,154
Audit fees	4,450	2,750
Legal and professional	13,335	7,254
Bank charges	506	487
	<u>18,291</u>	<u>13,645</u>

7. NET INCOMING/(OUTGOING) RESOURCES FOR THE YEAR

This is stated after charging:

	2009	2008
	£	£
		as restated
Depreciation	69,713	74,041
Auditors' remuneration:		
- audit of the financial statements	<u>4,450</u>	<u>2,750</u>

8. TRUSTEES

None of the trustees (or any persons connected with them) received any remuneration during the year. Expenses for board meetings amounting to £162 (2008 £163) were reimbursed to 1 trustee.

9. STAFF COSTS AND EMOLUMENTS

Total staff costs were as follows:

	2009	2008
	£	£
Wages and salaries	46,153	33,136
Social security costs	4,427	2,877
Pensions	1,650	-
	<u>52,230</u>	<u>36,013</u>

Particulars of employees:

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows:

	2009	2008
	No	No
Number of administrative staff	1	-
Number of management staff	1	1
	<u>2</u>	<u>1</u>

No employee received emoluments of more than £60,000 during the year (2008 - Nil).

THE BRIX AT ST MATTHEWS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2009

10. TANGIBLE FIXED ASSETS

	Leasehold improvements £	Fixtures & Fittings £	Total £
COST			
At 1 January 2009	1,373,917	106,859	1,480,776
Additions	28,255	944	29,199
At 31 December 2009	<u><u>1,402,172</u></u>	<u><u>107,803</u></u>	<u><u>1,509,975</u></u>
DEPRECIATION			
At 1 January 2009 (as restated)	1,253,826	76,160	1,329,986
Charge for the year	62,038	7,675	69,713
At 31 December 2009	<u><u>1,315,864</u></u>	<u><u>83,835</u></u>	<u><u>1,399,699</u></u>
NET BOOK VALUE			
At 31 December 2009	<u><u>86,308</u></u>	<u><u>23,968</u></u>	<u><u>110,276</u></u>
At 31 December 2008 (as restated)	<u><u>120,091</u></u>	<u><u>30,699</u></u>	<u><u>150,790</u></u>

11. DEBTORS

	2009 £	2008 £
Trade debtors	85,490	35,381
Other debtors	45,320	4,975
Prepayments and accrued income	41,627	3,164
	<u><u>172,437</u></u>	<u><u>43,520</u></u>

12. CREDITORS: Amounts falling due within one year

	2009 £	2008 £
Trade creditors	1,768	4,597
Taxation and social security	24,377	7,330
Other creditors	17,180	17,180
Accruals and deferred income	57,734	13,203
	<u><u>101,059</u></u>	<u><u>42,310</u></u>

THE BRIX AT ST MATTHEWS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2009

13. ANALYSIS OF TOTAL FUNDS

	Unrestricted funds			Total funds
	General funds	Fixed Asset reserve	Restricted funds	
	£	£	£	£
At 1 January 2009 as previously stated	193,064	-	1,180,112	1,373,176
Prior year adjustment	(23,729)	-	(1,100,821)	(1,124,550)
At 1 January 2009 as restated	169,335	-	79,291	248,626
Incoming resources	304,456	-	-	304,456
Resources expended	(271,940)	-	(51,236)	(323,176)
Transfers between funds	(58,253)	58,253	-	-
At 31 December 2009	143,598	58,253	28,055	229,906

Prior Year Adjustment:

In 2009, the trustees carried out a detailed review of the depreciation policy in respect of the leasehold improvements. Previously, the policy was to depreciate such expenditure over the currency of the lease of 125 years. Following this review, the trustees are now of the opinion that the improvements have a useful life of 10 years and should therefore be depreciated at the uniform rate of 1/10 each year. The prior year adjustment reflects this fundamental change in accounting treatment. Further details are set out in the Trustees' Annual Report.

Purpose of Fixed Asset reserve:

The Fixed Asset Reserve is a designated fund established at the discretion of the trustees in recognition of the unrestricted funds used to defray the cost of leasehold improvements.

Purpose of restricted funds:

The restricted funds represent the residue of grants and donations specifically received for the major refurbishment works carried out in 1993 – 1994 and 2001 – 2002, which were used to defray the cost of the leasehold improvements, which fell to be capitalised in the accounts as fixed assets and are being depreciated over 10 years on a straight line basis.

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	General Unrestricted funds	Designated Funds	Restricted Funds	Total 2009
	£	£	£	£
Tangible fixed assets	23,968	58,253	28,055	110,276
Net current assets	119,630	-	-	119,630
Net Assets	143,598	58,253	28,055	229,906

THE BRIX AT ST MATTHEWS
DETAILED STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 DECEMBER 2009

This page does not form part of the statutory financial statements that are the subject of the independent auditors' report on pages 14 to 15

	2009	2008 as restated
	£	£
INCOMING RESOURCES		
ACTIVITIES FOR GENERATING FUNDS		
Rent receivable	302,437	263,111
INVESTMENT INCOME		
Bank interest receivable	2,019	4,116
TOTAL INCOMING RESOURCES	<u>304,456</u>	<u>267,227</u>
RESOURCES EXPENDED		
Rent	4,808	4,988
Rates & Water	9,217	12,975
Light & heat	34,477	35,606
Repairs & maintenance	14,142	34,922
Insurance	20,564	16,810
Other	1,870	585
Telephone	1,538	1,965
Post and stationery	2,794	1,004
Cleaning and refuse	20,421	23,939
Security	45,318	45,018
Bad and doubtful debts and irrecoverable VAT	17,433	-
Marketing, advertising and events	10,230	-
Salaries and wages	46,153	33,136
Employer's NIC	4,427	2,877
Pensions	1,650	-
Accountancy fees	-	13,021
Audit fees	4,450	2,750
Legal and professional	13,335	7,254
Depreciation	69,713	74,041
Staff recruitment	-	2,234
Bank charges	506	487
Staff training	130	1,196
TOTAL OUTGOING RESOURCES FOR THE YEAR	<u>323,176</u>	<u>314,808</u>