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BIRMINGHAM CITY MISSION
A company limited by guarantee

Reg No - 3112321

FINANCIAL STATEMENTS

PERIOD ENDED 31 MARCH 2000

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COMPANIES HOUSE 28/09/00

BIRMINGHAM CITY MISSION
A company limited by guarantee

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31 MARCH 2000

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BIRMINGHAM CITY MISSION
A company limited by guarantee

COMPANY INFORMATION
31 MARCH 2000

COMPANY NUMBER:	3112321
CHARITY NUMBER:	1051023
DIRECTORS:	Mrs E M Burrows R Chapman J R Lanchbury G McIntyre Mrs R Mountford K R Mullis R F Price
COMPANY SECRETARY:	A Cutler
REGISTERED OFFICE:	75 Watery Lane Middleway Bordesley Birmingham B9 4HN
BANK:	HSBC Bank plc PO Box 66 33 Bennetts Hill Birmingham B2 5RJ
SOLICITORS:	Garner Canning & Co 301-303 Chester Road Castle Bromwich Birmingham B36 0JG
AUDITORS:	Mazars Neville Russell The Broadway Dudley West Midlands DY1 4PY

DIRECTORS' REPORT

The directors' present their report and the financial statements for the year ended 31 March 2000.

REVIEW OF THE OPERATIONS AND FUTURE DEVELOPMENTS

The principal object of the company is to promote the spread of the gospel of Jesus Christ throughout the City of Birmingham. In the pursuance of this object the company also provides relief for infirm, sick, aged or needy individuals and families within the area by various means, including the provision of lodgings and temporary accommodation of all kinds.

The company, a registered charity operating under charity number 1051023, was incorporated on 10 October 1995 and on 1 April 1996 took over the assets, liabilities and financial activities of Birmingham City Mission, a charity operating under charity number 258209.

The result for the year was satisfactory, and the directors anticipate that this situation will continue for the foreseeable future. The company's freehold properties were valued as at 31 March 2000 by Messrs Cross and Wilkin, Chartered Surveyors, of Solihull. The resultant surplus over net book value of £264,912 has been recognised in the statement of financial activities, giving a net movement in funds for the year of £235,116.

FIXED ASSETS

Details of changes in fixed assets are given in note 5 to the financial statements.

DIRECTORS

The directors set out below have held office during the whole of the period from 1 April 1999 to the date of this report, unless otherwise stated.

Mrs E M Burrows
R Chapman
J R Lanchbury
G McIntyre
Mrs R Mountford
K R Mullis
R F Price

RESPONSIBILITIES OF THE DIRECTORS

Company 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 charity and of its income and expenditure for that period. In preparing those financial statements, the directors are required to:

* select suitable accounting policies and then apply them consistently;

* make judgements and estimates that are reasonable and prudent;

* comply with applicable accounting standards subject to any material departures disclosed and explained in the financial statements; and

* prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for maintaining 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 recommended practice. They 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.

REPORT OF THE DIRECTORS - (continued)

YEAR 2000

The potential impact of the year 2000 issue has been identified and addressed by the company. A thorough review of the company's systems has been undertaken. All costs associated with this exercise, which comprise mainly internal salary costs, have been written off in the statement of financial activities.

AUDITORS

The auditors, Mazars Neville Russell, have signified their willingness to continue in office and a resolution proposing their re-appointment will be proposed at the forthcoming annual general meeting.

Approved by the directors on 18 September 2000
and signed on their behalf by:

K R N Mills.

~~Chairman~~
Director.

REPORT OF THE AUDITORS TO THE TRUSTEES OF BIRMINGHAM CITY MISSION

We have audited the financial statements on pages 5 to 13 which have been prepared following the accounting policies set out on page 8.

Respective responsibilities of directors and auditors

As described on page 2, the company's directors are responsible for the preparation of financial statements. Our responsibilities, as independent auditors, are established by statute, the Auditing Practices Board, and by our profession's ethical guidance.

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. We also report to you, if in our opinion, the directors' report is not consistent with the financial statements, if the company 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 directors' remuneration and transactions with the company is not disclosed.

We read the other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

Basis of opinion

We conducted our audit in accordance with 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 judgments made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company'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 company's affairs at 31 March 2000 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

Mazars Neville Russell

MAZARS NEVILLE RUSSELL
CHARTERED ACCOUNTANTS and
Registered Auditors

The Broadway
Dudley
West Midlands
DY1 4PY

18 September 2000

BIRMINGHAM CITY MISSION
A company limited by guarantee

STATEMENT OF FINANCIAL ACTIVITIES FOR THE PERIOD ENDED 31 MARCH 2000

	Notes	Unrestricted funds £	Restricted funds £	Total funds 2000 £	Total funds 1999 £
INCOME AND EXPENDITURE					
INCOMING RESOURCES					
Donations and gifts		320,296	68,742	389,038	346,526
Grants	2	-	25,100	25,100	22,500
Board and lodgings		-	516,374	516,374	489,796
Supported housing management grant		-	55,188	55,188	54,768
Charity shop income		27,784	-	27,784	21,909
Literature sales		17,171	-	17,171	21,091
Interest received		970	-	970	647
Rent receivable		2,300	-	2,300	12,189
Miscellaneous income		2,959	4,087	7,046	4,242
TOTAL INCOMING RESOURCES		371,480	669,491	1,040,971	973,668
RESOURCES EXPENDED					
Direct charitable expenditure	3	251,864	628,164	880,028	773,823
Management and administration	4	112,166	78,573	190,739	171,483
TOTAL RESOURCES EXPENDED		364,030	706,737	1,070,767	945,306
NET INCOMING/(OUTGOING) RESOURCES FOR THE YEAR		7,450	(37,246)	(29,796)	28,362
Surplus on revaluation of freehold properties	5	264,912	-	264,912	-
NET MOVEMENT IN FUNDS		272,362	(37,246)	235,116	28,362
FUND BALANCES AT BEGINNING OF YEAR		(1,088)	291,353	290,265	261,903
FUND BALANCES AT END OF YEAR	10	271,274	254,107	525,381	290,265

The company's income and expenditure all relate to continuing operations.

The company has no recognised gains or losses other than the net movement in funds for the year.

The net outgoing resources for the year have been calculated on the historical cost basis.

BIRMINGHAM CITY MISSION
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BALANCE SHEET AT 31 MARCH 2000

	Notes	2000 £	2000 £	1999 £	1999 £
FIXED ASSETS	5		471,669		206,214
CURRENT ASSETS					
Stocks	6	16,575		9,416	
Debtors and prepayments	7	137,809		162,694	
Bank and cash balances		15,372		52,220	
		169,756		224,330	
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	8	(72,565)		(88,684)	
NET CURRENT ASSETS			97,191		135,646
TOTAL ASSETS LESS CURRENT LIABILITIES			568,860		341,860
CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR	9		(43,479)		(51,595)
TOTAL NET ASSETS			525,381		290,265
FUNDS			525,381		290,265

Approved by the board of directors on 18 September 2000
and signed on its behalf

K R N Mills.
.....
~~Chairman~~ Director.

BIRMINGHAM CITY MISSION
A company limited by guarantee

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2000

	Note	£	2000 £	£	1999 £
NET CASH FLOW FROM OPERATING ACTIVITIES	11(a)		6,304		3,321
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE					
Interest received		970		647	
Interest paid		(4,790)		(6,276)	
			(3,820)		(5,629)
CAPITAL EXPENDITURE					
Purchase of tangible fixed assets		(25,607)		(49,245)	
Sale of tangible fixed assets		-		40,000	
			(25,607)		(9,245)
NET CASH FLOW BEFORE FINANCING			(23,123)		(11,553)
FINANCING					
Hire purchase payments	11(b)	(1,333)		(1,600)	
Mortgage (payments)/receipts	11(b)	(7,406)		16,172	
			(8,739)		14,572
(DECREASE)/INCREASE IN CASH	11(b)		(31,862)		3,019

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2000

1 ACCOUNTING POLICIES

Basis of accounting:

The financial statements are prepared under the historical cost convention (modified to include the revaluation of land and buildings), in accordance with the requirements of the Statement of Recommended Practice - Accounting by Charities.

Income:

Income represents amounts charged to hostel occupants in respect of accommodation provided, donations and gifts, net income from charity shop and literature sales and grants for revenue expenditure.

Depreciation:

Depreciation is calculated to write off the cost of fixed assets on a straight line basis over their estimated useful lives at the rates shown in note 5. No depreciation is charged on freehold land.

Stocks:

Stocks are stated at lower of cost and net realisable value. Cost is calculated using the first-in, first-out method and consists of material costs only.

Fund accounting:

Costs which cannot be directly attributed to activities represented by restricted funds are charged against unrestricted income.

2 GRANTS

	2000 £	1999 £
Received from Birmingham City Council:		
Main programme - woman's hostel running costs	12,000	12,000
Main programme - men's hostel running costs	10,000	10,000
Main programme - rough sleepers/mental health project	3,100	-
	25,100	20,000

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2000

		Unrestricted funds £	Restricted funds £	Total 2000 £	Total 1999 £
3	DIRECT CHARITABLE EXPENDITURE				
	Evangelism and the provision of care	251,864	628,164	880,028	773,823
4	MANAGEMENT AND ADMINISTRATION				
	Salaries	77,082	14,948	92,030	83,766
	Office premises costs	31,010	515	31,525	22,521
	Other office costs	25,172	18,577	43,749	39,612
	Bank charges	2,828	3,215	6,043	5,743
	Mortgage interest	4,589	-	4,589	5,913
	Other interest	-	201	201	363
	Legal and professional fees	893	535	1,428	3,298
	Audit fee	2,250	2,250	4,500	4,500
	Irrecoverable VAT	3,842	2,832	6,674	5,767
	Inter-funds recharge	(35,500)	35,500	-	-
		112,166	78,573	190,739	171,483

5	FIXED ASSETS	Freehold property £	Leasehold land & property £	Motor vehicles £	Equipment & fittings £	Total £
	COST AND VALUATION					
	At 1 April 1999	158,438	37,656	35,863	211,058	443,015
	Additions	-	-	12,995	12,612	25,607
	Surplus on revaluation	264,912	-	-	-	264,912
	Disposals	-	-	-	-	-
	At 31 March 2000	423,350	37,656	48,858	223,670	733,534
	DEPRECIATION					
	At 1 April 1999	-	7,660	19,932	209,210	236,802
	Charge for the year	5,850	3,830	9,330	6,053	25,063
	Disposals	-	-	-	-	-
	At 31 March 2000	5,850	11,490	29,262	215,263	261,865
	NET BOOK VALUE					
	At 31 March 1999	158,438	29,996	15,931	1,848	206,213
	At 31 March 2000	417,500	26,166	19,596	8,407	471,669
	Depreciation rates	2%	Over remaining period of lease	25%	33%	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2000

5 FIXED ASSETS - continued	2000 Cost/ Valuation £	1999 Cost £
Freehold property comprises:		
1 Isbourne Way	75,000	60,700
The Eric Holt Centre	100,000	29,331
Pamela House	200,000	33,907
22 Frances Road	42,500	34,500
	417,500	158,438

The freehold properties were revalued as at 31 March 2000 on an open market basis by Messrs Cross and Wilkin, Chartered Surveyors, of Solihull, resulting in the following surpluses:

	No.1 Isbourne Way £	The Eric Holt Centre £	Flint Green Road £	22 Frances Road £	Total £
Valuation	75,000	100,000	200,000	42,500	417,500
Cost	60,700	29,331	33,907	34,500	158,438
Surplus	14,300	70,669	166,093	8,000	259,062

Leasehold land and property comprises:

The 66 year lease (which commenced on 29 September 1965) on the premises at Washington Street and subsequent refurbishment	37,656	37,656

During the coming year, the company will be moving its administration function to new premises. The directors consider that no costs will arise which might necessitate adjustment to the accounts for the year ended 31 March 2000.

Motor vehicles comprises:

Mercedes Minibus j386 mlk	12,995	-
Sherpa Van E718 SUK	3,000	3,000
Leyland DAF minibus J899 SOC	8,500	8,500
Leyland DAF van J751 NDH	4,000	4,000
Vauxhall Astra Estate M172 JOK	6,000	6,000
Ford Escort van M592 KFP	5,618	5,618
Leyland double decker bus ORA 446W	8,745	8,745
	48,858	35,863

Equipment & fittings comprises:

Furnishings and domestic equipment in the hostels	152,810	126,797
Office equipment and furnishings	65,966	79,367
Computer equipment	4,894	4,894
	223,670	211,058

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2000

		2000 £	1999 £
6	STOCKS		
	Goods for resale and hire	10,893	6,691
	Consumables	5,682	2,725
		16,575	9,416
7	DEBTORS		
	Due within one year:		
	Pre-paid re grant to Trident HA	12,000	12,000
	Other debtors	3,955	24,609
	Prepayments and accrued income	10,515	2,457
	Income tax on covenants	2,589	2,878
		29,059	41,944
	Due after one year:		
	Pre-paid re grant to Trident HA	108,750	120,750
	TOTAL DEBTORS	137,809	162,694

The Mission has entered into an agreement with Trident Housing Association for the use of their Washington Court premises. The initial period of the occupation is for fifteen years from 1 July 1995. As part of the agreement, the Mission made a grant of £180,000 to Trident. Under the terms of the agreement, a proportion of the grant is repayable, in the event of the Mission vacating the premises within the specified initial period, equivalent to the ratio of the unexpired term to the total term.

The grant is, therefore, being written off over the period of the initial agreement.

		2000 £	1999 £
8	CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR		
	Bank overdrafts	4,128	9,114
	Abbey National mortgages	7,928	7,218
	Trade creditors	17,331	16,282
	Other taxation and social security costs	12,304	12,842
	Other creditors	6,716	6,716
	Accruals and deferred income	24,158	35,179
	Hire purchase liability	-	1,333
		72,565	88,684

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2000

		2000 £	1999 £
9	CREDITORS - AMOUNTS FALLING DUE AFTER ONE YEAR		
	Abbey National mortgage loans	43,479	51,595
	Hire purchase	-	-
		43,479	51,595

The mortgage loans are secured by first charges over 1 Isbourne Way, Bordesley, Birmingham and 22 Frances Road, Handsworth, Birmingham.

10 RESTRICTED FUNDS

	Log Cabin	Care Division	Property	Bus project	Elder-link	Camp	Total
Balances at 1 April 1999	-	246,088	10,000	15,782	16,369	3,114	291,353
Net movement in year	3,000	(18,833)	(515)	(15,782)	(3,524)	(1,592)	(37,246)
Balance at 31 March 2000	3,000	227,255	9,485	-	12,845	1,522	254,107

11 NOTES TO CASH FLOW STATEMENT

		2000 £	1999 £
(a)	Reconciliation of net deficit/surplus to net cash inflow/(outflow) from operating activities		
	(Deficit)/surplus for the year	(29,796)	28,362
	Gifts in kind	26,663	46,552
	Direct use of gifts-in-kind	(26,663)	(46,552)
	Depreciation charges	25,064	13,263
	Profit on disposal of fixed assets	-	(5,000)
	Interest received	(970)	(647)
	Interest paid	4,790	6,276
	Decrease/(increase) in debtors	24,885	(10,013)
	(Increase)/decrease in stocks	(7,159)	12,494
	Decrease in creditors	(10,510)	(41,414)
	Net cash inflow from operating activities	6,304	3,321

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2000

11 NOTES TO CASH FLOW STATEMENT - Continued

	2000 £	1999 £
(b) Reconciliation of net cash flow to movement in net debt		
(Decrease)/Increase in cash in the year	(31,862)	3,019
Cash outflow from hire purchase payments	1,333	1,600
Cash outflow from mortgage payments	7,406	5,828
New mortgage	-	(22,000)
Movement in net debt in the year	(23,123)	(11,553)
Net debt brought forward	(17,040)	(5,487)
Net debt carried forward	(40,163)	(17,040)
(c) Analysis of net debt		
Cash at bank and in hand	15,372	52,220
Bank overdrafts	(4,128)	(9,114)
Hire purchase liability	-	(1,333)
Abbey National mortgage	(51,407)	(58,813)
	(40,163)	(17,040)

12 OTHER FINANCIAL COMMITMENTS

At 31 March 2000, the company was committed to making the following payments under non-cancellable operating leases in the year ending 31 March 2000:-

Operating leases which expire:	Land and buildings £	Other £	Total £
Within 1 year		808	808
Within 2 to 5 years	4,000	2,574	6,574
After 5 years	9,000	-	9,000
	13,000	3,382	16,382

During the year ended 31 March 2001, legal ownership of certain church properties, which are currently administered by the company, will pass to the company. They will be reflected in the accounts at the market value on date of transfer.

BIRMINGHAM CITY MISSION
A company limited by guarantee

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2000

	2000		1999	
	£	£	£	£
INCOME				
Board and lodging	516,374		489,796	
Donations	296,816		244,080	
Covenanted gifts	65,559		55,894	
Gifts in kind	26,663		46,552	
Supported housing management grant	55,188		54,768	
Grants	25,100		22,500	
Sales - charity shops	27,784		21,909	
Sales - literature	17,171		21,091	
Interest received	970		647	
Rent receivable	2,300		12,189	
Miscellaneous income	7,046		4,242	
		1,040,971		973,668
EXPENDITURE				
Home care project	170		227	
Purchase for resale	12,298		17,390	
Salaries	629,828		560,927	
Training and student accommodation	9,140		10,856	
Trident management charges	59,039		57,801	
Repair and maintenance of premises	14,841		1,007	
Heating and lighting	26,779		26,468	
Rent and rates	46,986		40,366	
Cleaning and domestic supplies	7,837		9,058	
Transport	28,680		10,710	
Food	67,710		85,441	
Outreach	10,550		6,198	
Welfare	14,001		10,874	
Office expenses, supplies equipment	69,424		53,476	
Professional fees	5,928		10,498	
Bank and other charges	6,043		5,743	
Insurance	6,404		5,215	
Depreciation	25,064		13,263	
Irrecoverable VAT	6,674		5,767	
Grant to Trident HA	12,000		12,000	
Profit on disposal of fixed assets	-		(5,000)	
Loan interest	4,589		5,913	
Hire purchase interest	201		363	
Other sundry expenses	6,581		745	
		1,070,767		945,306
(DEFICIT)/SURPLUS FOR THE YEAR		(29,796)		28,362

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2000

	2000		1999	
	£	£	£	£
INCOME				
Donations	286,805		226,738	
Covenanted gifts	65,559		55,894	
Gifts in kind	286		5,550	
Grants	-		2,500	
Sales - charity shops	27,784		21,909	
Sales - literature	17,171		21,091	
Interest received	970		647	
Rent receivable	2,300		12,189	
Other income	2,959		824	
		403,834		347,342
EXPENDITURE				
Salaries	246,212		197,646	
Training and student accommodation	6,984		9,862	
Repair and maintenance of premises	7,252		(1,936)	
Heating and lighting	7,078		6,675	
Rent and rates	37,569		36,710	
Transport	24,204		5,931	
Purchases for resale	12,298		17,390	
Supplies and equipment	9,760		8,759	
Outreach	10,550		6,198	
Postage and telephone	41,087		35,433	
Professional fees	3,143		7,798	
Bank and other charges	2,828		2,897	
Insurance	5,077		4,039	
Depreciation	21,243		10,267	
Irrecoverable VAT	3,842		3,408	
Mortgage interest	4,589		5,913	
Other sundry expenses	6,581		745	
Profit on disposal of fixed assets	-		(5,000)	
	450,297		352,735	
Less: Recharged to Care Division	(35,500)		(20,741)	
		414,797		331,994
(DEFICIT)/SURPLUS FOR THE YEAR		(10,963)		15,348

INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2000

	2000		1999	
	£	£	£	£
INCOME				
Board and lodgings	516,374		489,796	
Supported housing management grant	55,188		54,768	
Grants	25,100		20,000	
Donations and gifts	10,011		17,342	
Gifts in kind	26,377		41,002	
Other fees and charges	4,087		3,418	
Bank interest	-		-	
		637,137		626,326
EXPENDITURE				
Salaries	383,616		363,281	
Training	2,156		994	
Repair and maintenance of premises	7,589		2,943	
Heating and lighting	19,701		19,793	
Rent and rates	9,417		3,656	
Cleaning and domestic supplies	7,837		9,058	
Transport	4,476		4,779	
Food	67,710		85,441	
Printing, stationary and general office expenses	18,577		9,284	
Welfare	14,001		10,874	
Management charges	35,500		20,741	
Management charge from Trident	59,039		57,801	
Insurance	1,327		1,176	
Depreciation	3,821		2,996	
Bank charges	3,215		2,846	
Hire purchase interest	201		363	
Professional fees	2,785		2,700	
Irrecoverable VAT	2,832		2,359	
Grant - Trident HA	12,000		12,000	
Home care	170		227	
		655,970		613,312
(DEFICIT)/SURPLUS FOR THE YEAR		(18,833)		13,014