



# refreshment



## ***Annual Report 2018-2019***

**TRUSTEE'S ANNUAL REPORT**  
**01/04/2018 – 31/03/2019**



<b>Charity Name:</b>	REFRESHMENT UK
<b>Registered Number:</b>	1153542
<b>Address:</b>	The Refresh Centre 156 Waterloo Road Blackpool FY4 2AF
<b>Date of Formation:</b>	February 2012
<b>Date of Registration:</b>	27 <sup>th</sup> August 2013
<b>Charitable Objects:</b>	a) TO ADVANCE THE CHRISTIAN RELIGION IN ENGLAND AND WALES, AND OVERSEAS, FOR THE BENEFIT OF THE PUBLIC THROUGH THE HOLDING OF PRAYER MEETINGS, LECTURES, AND EVENTS; AS WELL AS PRODUCING LITERATURE ON CHRISTIANITY TO ENLIGHTEN OTHERS ABOUT THE CHRISTIAN RELIGION; b) THE PREVENTION OR RELIEF OF POVERTY FOR CHILDREN IN INDIA BUT NOT EXCLUSIVELY BY PROVIDING GRANTS, ITEMS AND SERVICES TO INDIVIDUALS AND OTHER ORGANISATIONS WORKING TO PREVENT OR RELIEVE POVERTY.
<b>Trustees:</b>	Mrs S A Cooper (chair) Mrs R A Cobb Mrs L Cooper
<b>Governing Document:</b>	CONSTITUTION ADOPTED 16/04/2013 AS AMENDED ON 21/09/2014
<b>Activities:</b>	Refreshment UK exists to encourage and equip Christians in the UK, as well as provide mental health support in Blackpool and overseas aid in India. We do this through training courses in Blackpool, local community development, provision of a mental health drop in space, overseas mission trips and Christian discipleship courses, as well as providing mentoring and resources for individuals.

## WHAT REFRESHMENT DOES

Refreshment works in four separate areas:

- **RETREAT** – over the year, Refreshment organises days, residential weekends and holidays to help people take time out to meet God. These are held in the UK and overseas.
- **REJOICE** – worship is a powerful part of a Christian’s life. Refreshment uses their leaders to host worship nights, conferences and to produce Christ-centred heartfelt worship.
- **RESPOND** – discipleship and mission are a result of encountering God and Refreshment provides opportunities and studies to aid a life of both.
- **RESOURCE** – Refreshment both produces and provides books, music and other resources to give people the tools to maintain a daily walk with God.

We believe in our work, a process occurs:



First and foremost, we believe that it is important for Christians to **retreat** and spend dedicated time focused on God, allowing Him to speak to them. From that, they will find the importance of being able to **rejoice**. They worship Jesus and truly encounter him in new ways. After encountering Jesus, Christians will **respond** and discover the plans and purposes that God has for them. They will then move into further areas of ministry. As they do that, the need to regularly **resource** themselves will keep their ministries from going stale. Ultimately, if their ministry does go stale or the resources challenge them to renew their vision, it is time for them to retreat and begin the process again.

### **2018-2019 ACHIEVEMENTS**

In 2018 to 2019, we were able to make progress on the work of Refreshment UK and begin to recover from the difficult time we had in 2017-2018. During this time, we managed to restore some ministry in Blackpool and begin to see the Refresh Centre used more.

In this period, we managed to:

- Host various outreach students and a team for one three-month international ministry school at the Refresh Centre;
- Take part in the Festival of Hope with Franklin Graham at the Winter Gardens and hosted the evangelism team from partners in London;
- Release the first Refresh Worship CD recorded at a studio in Malvern;
- Took people into the Refresh Centre who needed 24-7 full-time care in rehab;
- Embarked on a national book tour based around the experience of the CEO and his struggles with mental health;
- Continued to organise regular prayer meetings at the top of Blackpool Tower;
- Performed a fundraising concert in Worcestershire;
- Organised a celebration dinner for Redeeming our Communities and Refreshment at Blackpool Pleasure Beach;
- Released a Bible-study Book in partnership with Christian Music Ministries;
- Hosted a Keys to Freedom Facilitator Training Day with Mercy UK.

## **The Refresh Centre**

At the Refresh Centre, we began to host people regularly at the centre, through mission teams and inviting people to the centre on a bed & breakfast basis. Over the year, we hosted around 100 people at the centre for a variety of reasons.



In the Autumn, we hosted a mission school with Iris Global, which led to 11 people in the house for over three months. We provided full-time hospitality and pastoral support for the entire group, which was a demanding schedule for the hosts. For various reasons, it was decided that in future, the ministry of Refreshment UK would be central to the operation of the Refresh Centre and that we would decline future applications from external organisations for long-term programmes.

We also co-ordinated and hosted a team of 15 people from the Festival of Hope, who were able to complete ministry in Blackpool through evangelism. We provided 5 days of support and catering, which aided to the success of the whole festival.

Over the Christmas period, we were asked by some local ministers to provide more care for people in need at that time and for the last three months, we provided an in-depth programme of support for these people. At the end of March 2019, the Refresh Centre was providing that support to people.

## **Revelation**

At the start of the year, the centre was hosting a weekly drop-in for vulnerable adults and attracting up to 50 people each week. Unfortunately, due to our own financial restrictions, we were unable to continue with this and in August, we offered the space at Revelation to Redeeming Our Communities (Blackpool).

They took on the office, and extended into the shop space, which they were still using in on 31<sup>st</sup> March 2019.

## **Serious Incident Review from 2017-2018**

As part of our review into what happened in August 2017, the CEO was asked to look at the way that the finances were produced, how much that they were investing in the charity and whether the systems in place were appropriate to offer us oversight of the day-to-day running.

During this time, we made the following decisions:

- The use of Wix to run our events, resources and websites;
- The change from Quickbooks to Sage as our accounting software;
- The change of our manual gift aid records to Fund Filer Ltd, a comprehensive Gift Aid donor management software;
- The change to 12Pay for our payroll software;
- Updating our payment processing facilities to SumUp;

All these changes give us oversight of what we need to do to keep the charity going.

During this time period, we were contacted by HMRC with regards to the gift aid claims made and at our request, we conducted a complete reconciliation of our gift aid records for the past few years to check that these were all correct.

As the return was completed in April 2018, it became clear from this that the historical claims using the aggregated and sponsorship methods had been filed incorrectly. Prior to January 2018, we hadn't completed our own review of the Gift Aid records and have now committed to doing this on a monthly basis to understand fully the Gift Aid system. On review of this, and under the advice of HMRC, we were asked to go back over 4 years and produce a detailed reclaim for those periods. This was carried out and submitted to HMRC in July 2018. This highlighted the amounts donated and claimed by our CEO and have formally asked, that following this review, that they pay the necessary amount of taxation through tax returns that will cover the amount made in their donation. This was agreed in writing with the Trustees and signed as a commitment which is included as a liability in the accounts.

We have also recognised the significant contributions that the CEO has made to the charity, both in the work they have done as well as financially, and recognised the detrimental effect that this has had on their mental health. We have offered the necessary support that they need and are working with them to recognise when this may be repeated at all.

As a result of this review, we have also voluntarily withdrawn from using the GASDS system and have also committed to not making claims via aggregated donations or sponsorship systems. Instead, we will claim only on individual donations until we are happy that this system is producing accurate and correct gift aid claims.

Following on from this difficult period in August 2017, we desire as a charity that we are fully compliant in all areas.

On the recommendation of the Charity Commission with regards to conflict of interest, we are reviewing applications from potential Trustees who will be appointed on 5<sup>th</sup> April 2019 to look after the charity going forward.

### **Financial Information**

Refreshment UK operates an unrestricted fund for ongoing charitable activities and holds funding which is specifically for the Refresh Centre and its long-term plans.

A separate fund is held to support the work that we do in India and two further separate funds have been opened for restricted Refresh Centre funding.

The trustees declare that they have approved the trustees' report above:

Signed:

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Mrs S A Cooper (Chair)  
5<sup>th</sup> April 2019

**REFRESHMENT UK**  
**Balance Sheet – As at 31<sup>st</sup> March 2019**

	<b>2019 (£)</b>	<b>2018 (£)</b>
<b>Fixed Assets</b>		
Tangible Assets	69901	75885
<b>Current Assets</b>		
Stock	-	3450
Cash	1625	121
Unrestricted	1625	121
Restricted	-	-
Debtors (Note 1)	48765	729
Liability for GA (Note 1)	112190	-
<b>Liabilities</b>		
Creditors	3352	15267
Long Term Liabilities (See Notes 1 & 2)	227209	63786
<b>TOTAL ASSETS LESS LIABILITIES</b>	<b>788</b>	<b>1132</b>
<b>Represented By</b>		
Carried Forward Balance	1132	303
Surplus/Deficit for Year	788	829
<b>TOTAL FUNDS</b>	<b>1920</b>	<b>1132</b>

**REFRESHMENT UK**  
**Income and Expenditure Account – Financial Year 2018/19**

	<b>2018/9 (£)</b>	<b>2017/8 (£)</b>
<b>Incoming Resources</b>		
Fundraising	124140	212065
Charitable Activities	22501	12217
FIM Giving	4432	11175
Unrestricted Grants (See note 5)	4293	-
Resource & Miscellaneous	2013	1301
<b>TOTAL INCOME</b>	<b>157379</b>	<b>236758</b>
<b>Expenditure</b>		
Cost of Fundraising	1079	536
Charitable Activities	97163	171703
Events & Promotion	-	12648
Resource Production	1106	98
FIM Donations (See note 3)	4641	11362
Rent and Rates (See note 6)	28338	24881
Operating Expenses	8478	14701
Depreciation	7055	-
Liability Claims (See Note 4)	8731	-
<b>TOTAL EXPENDITURE</b>	<b>156591</b>	<b>235929</b>
<b>Income over Expenditure</b>	<b>788</b>	<b>829</b>
Brought Forward	1132	303
<b>TOTAL INCOME OVER EXPENDITURE</b>	<b>1920</b>	<b>1132</b>

Notes:

1. Following the review of the accounts and payments incurred by the CEO during the serious incident, the accounts include amounts awaiting confirmation from a review. These amounts are included in our accounts for 2018-2019 until we have a definite response from these reviews. As of March 2019, these were awaiting confirmation and expected to be rectified in the next financial year.
2. We have also been awaiting a credit for work not done during the refurbishment of the Refresh Centre and an agreement of the balance due.
3. Our overseas spending for this financial period is as follows: *India* £4641
4. This is a figure in the accounts which represents the difference in GA claims made over the last 4 years. This was represented and rectified by GA claims made in 2018-2019.
5. The grant was from a discount in business rates offered by the council on our Deansgate property.
6. During this period, we are accounting for two properties which are reported below:  
*The Refresh Centre, 156 Waterloo Road, Blackpool (Apr 18 to Mar 19)*  
*Revelation, 16 Deansgate, Blackpool (Apr 18 to Mar 19)*

**Independent Examiner's Report on the accounts of Refreshment UK - 1153542**  
**Report to the Trustees of Refreshment UK for the accounts - year ending 31<sup>st</sup> March 2019**

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

- Examine the accounts under section 145 of the Charities Act;
- To follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5) (b) of the Charities Acts, and;
- To state whether particular matters have come to my attention.

Basis of Independent Examiner's Statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent Examiner's Statement

Initially, I followed advice from HMRC with the Charity's Gift Aid returns. I also was able to review the new systems now put in place by the charity. This included oversight of the new accounting system with Sage, and the new Fund-Filer system. I recognise the accruals-based accounting system used by the charity and am satisfied that as of March 2019, the systems are now in place.

In connection with my examination, matter has now come to my attention:

- 1) Which gives me reasonable cause to believe that in, any material respect, the requirements:
  - To keep accounting records in accordance with section 130 of the Charities Act; and
  - To prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act;
- 2) To which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed:

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**S N ACCOUNTING**  
**c/o 156 Waterloo Rd, Blackpool FY4 2AF**

Date: 5<sup>th</sup> April 2019