

Charity number: 1081204

THE LIVING STONES OF THE HOLY LAND TRUST

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2010

Chanter, Browne & Curry

Chartered Accountants

1 Plato Place

72-74 St Dionis Road

London SW6 4TU.

THE LIVING STONES OF THE HOLY LAND TRUST
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THE LIVING STONES OF THE HOLY LAND TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2010

The trustees present their annual report with the financial statements of the charity for the year ended 31 March 2010.

The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in 2005 in preparing the annual report and financial statements of the charity.

President	Rev Deacon Dr Duncan Macpherson (appointed on 21 November 2009)
Chairman	Mr Colin South (appointed on 21 November 2009, Acting Chairman from 15 July 2009)
Vice Chairman	Dr David Toorawa
Honorary Treasurer	Mr Jamil Y Bullata FCA
Trustees	Rev Deacon Dr Duncan Macpherson (resigned 21 November 2009) Dr David Toorawa Mr Jamil Y Bullata FCA Mr Gerard O'Donnell Mr Francis Khoo Mr Aziz Nour Mrs Josephine Simister Mr Len Harrow Mrs Felicity Young Mr Colin South
Charity number	1081204
Registered office	2 Castle Close Wimbledon London SW19 5NH.
Accountants	Chanter, Browne & Curry Chartered Accountants 1 Plato Place 72-74 St Dionis Road London SW6 4TU.
Bankers	Alliance & Leicester Commercial Bank plc Bridle Road Bootle Merseyside G1R 0AA CCLA Investment Management Ltd COIF Charity Funds 80 Cheapside London EC2V 6DZ

THE LIVING STONES OF THE HOLY LAND TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2010

Structure, Governance and Management

Governing document

The Living Stones Of The Holy Land Trust was formed in 1986, and became a registered charity in May 2000. Appointment of trustees is governed by the Trust Deed of the charity.

Recruitment and Appointment of Trustees

The Board of Trustees is authorised to appoint new trustees to fill vacancies arising through resignation or death of an existing trustee.

Trustee induction

The trustees receive documents relating to the rules and obligations of trustees as set out by the Charity Commission.

Risk management

The trustees actively review the major risks which the charity faces on a regular basis and believe that maintaining unrestricted reserves at current levels, combined with an annual review of the controls over key financial systems, will provide sufficient resources in the event of adverse conditions. The trustees have also examined other operational and business risks faced by the charity and confirm that they have established systems to mitigate the significant risks.

Organisational structure

The charity has a chairman, vice chairman and an honorary Treasurer. There is an elected Executive Committee, consisting of between nine and fifteen members.

Objectives and activities

Our aims

The objects of the charity are set out in the charity's trust deed and are summarised as follows:-

- to advance education about Christianity in the Holy Land and about other subjects; and
- to relieve persons who are in conditions of need in the Holy Land.

The Holy Land, for the purposes of the registration of the charity, comprises Israel, the Palestinian areas of the West Bank and Gaza, Jordan and the neighbouring countries which include Lebanon, Syria, Egypt, Turkey and Iraq.

Our objectives

The objectives of the charity are set to reflect its community aims. Each year the trustees review the charity's objectives and activities to ensure they continue to reflect the aims of the charity. In carrying out this review the trustees have considered the Charity Commission's general guidance on public benefit and in particular its supplementary public guidance on the advancement of religion for the public benefit.

Achievements and Performance

(1) Publications

There have been two editions of the Living Stones Magazine during the year; numbers 34 and 35. Some of the highlights included reports of the visit of Father Jamal of Bethlehem University to the United Kingdom in 2008/9; and Palestinian Christians living abroad were interviewed in the series 'From the Disapora'.

(2) Michael Prior Memorial Educational Fund (MPMEF)

Professor Jacqueline Rose gave the Michael Prior Memorial Lecture entitled 'Endgame: Beckett and Genet in the Middle East'. Professor Rose highlighted the silent complicity of those, in the writings of Beckett and Genet, who stood by during the Nazi Genocide and at the time of the Sabra and Chatilla massacres in 1982. We can draw our own conclusions about the complicity of the rest of the world in the present conflict in Israel/Palestine and what can be learned from these two other occasions.

THE LIVING STONES OF THE HOLY LAND TRUST
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2010

Achievements and Performance (continued)

(2) Michael Prior Memorial Educational Fund (MPMEF) (continued)

Our first Palestinian PhD student sponsored by MPMEF is completing his thesis on the issues surrounding the presence of Palestinians in Israel/Palestine and the identity of Palestinian Christians. We look forward in the coming year to reading some of his reflections arising from his work. Our second Palestinian scholarship student, sponsored by the MPMEF, graduated from Bethlehem Bible College. She came to the United Kingdom to complete her Masters Degree in Theology with the title of her thesis 'Transforming Revolution? A Study on Jesus' Interactions with Women in the Gospel of John and its Contemporary Application to a Christian Palestinian Context'. Again we look forward to reading some of her reflections on this theme in the coming year.

Living Stones has also helped support the visit of Archbishop Elias Chacour to the United Kingdom through the MPMEF to deliver the Friends of BibleLands lecture in Oxford on 'Educating for Peace in Israel and Palestine' in April 2010.

We continued to receive contributions/donations towards the Michael Prior Memorial Educational Fund during 2009/10 for which Trustees are very grateful. The demands on the use of this fund are expanding all the time and we are grateful for as much support as is possible.

(3) Charitable projects in the Holy Land

Our support for the Fund for the Bethlehem Home for Abandoned Children managed by the Daughters of Charity (Sisters of Saint Vincent de Paul) continues as does collection for the Mount of Olives Housing Project Fund. The full contribution received for both of these funds is passed on directly without any deduction for administration to the projects concerned. Both projects give vital support to Palestinian Christians seeking to remain in Palestine in service as Christians to their wider community.

(4) Pilgrimages

Living Stones had not organized any pilgrimages to the Holy Land but has been able to advise groups and individuals intending to visit Jordan and Israel/Palestine and is currently preparing two pilgrimage programmes for 2011/2012.

Our future plans for a pilgrimage in January 2011 during the Week of Prayer for Christian Unity has had to be postponed. The uncertainties of the economic recession and a further commitment to supporting a visit to Bethlehem University in February 2011 have put our plans on hold. We hope that January 2012 will provide a better occasion.

(5) Other Organisations

Relationships with Friends of BibleLands and with Fifth Gospel Retreats have been explored in the course of the year. It is the intention of Living Stones to work cooperatively, where they can, with other filial organisations sharing the same or similar aims and approaches to the Christian community in the Middle East.

(6) Conferences

At the Annual General Meeting in November 2009, we had an excellent conference entitled 'The Peace of Jerusalem and the Obama Initiative' with speakers from Jews for Justice for Palestine, the Council for Arab-British Understanding (CAABU) and the Palestinian General Delegation in the United Kingdom

THE LIVING STONES OF THE HOLY LAND TRUST
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2010

Financial review

The attached financial statements summarise the charity's transactions for the year ended 31 March 2010.

Total incoming resources for the year amounted to £12,076 (2009 - £20,173) a decrease of £8,097; total resources expended during the year were £9,828 (2009 - £13,344) a decrease of £3,516. This decrease in both incoming resources and in total resources expended has resulted in a surplus for the year of £2,248 (2009 - a surplus of £6,829). Accordingly, total funds at the year-end amounted £120,503 (2009 - £118,255), being Unrestricted Funds of £15,896 (2009 - £12,770) and Restricted Funds of £104,607 (2009 - £105,485).

During the year, The Michael Prior Memorial Educational Fund has been increased by further donations. The aim of the fund is to promote the study of Christian and Holy Land studies among Palestinian people.

Principal Funding Sources

The charity's principal sources of funding are:-

- (1) Membership subscriptions;
- (2) Donations;
- (3) Contributions to The Michael Prior Memorial Educational Fund.

Investment Policy

The Trust Deed authorises the trustees to make and hold investments using general funds of the charity. The trustees consider the holding of excess funds on bank deposit to be the most appropriate policy for the charity. The returns on investment are considered to be satisfactory.

Reserves policy

It is the policy of the charity to maintain unrestricted funds at a level which equates to approximately twelve months unrestricted expenditure. This provides sufficient funds to cover management and administration and support costs.

This report was approved by the trustees on 2 November 2010 and is signed on their behalf.

.....
Mr Colin South
Chairman

THE LIVING STONES OF THE HOLY LAND TRUST

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

I report on the accounts of the charity for the year ended 31 March 2010, which comprise the Statement of Financial Activities, the Balance Sheet and the related notes on pages 8 to 10.

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 43(2) of the Charities Act 1993 (the 1993 Act) and that an independent examination is needed.

It is my responsibility to :-

- to examine the accounts under section 43(3)(a) of the 1993 Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 43(7)(b) of the 1993 Act, 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

In connection with my examination, no matters have come to my attention:

- 1) which give me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with section 41 of the 1993 Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 1993 Acthave not been met; or
- 2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

.....
P.G. Browne FCA CTA

Chanter, Browne & Curry

Chartered Accountants
1 Plato Place
72-74 St Dionis Road
London SW6 4TU.

Date: 2 November 2010

THE LIVING STONES OF THE HOLY LAND TRUST

STATEMENT OF FINANCIAL ACTIVITIES **FOR THE YEAR ENDED 31 MARCH 2010**

		2010			2009
	Notes	Unrestricted funds	Restricted funds	Total	Total
		£	£	£	£
Incoming resources	1.2				
Voluntary income	2	6,877	1,095	7,972	14,096
Income from activities for generating funds	3	110	2,575	2,685	150
Investment income	4	-	1,419	1,419	5,927
Total incoming resources		6,987	5,089	12,076	20,173
Resources expended	1.3				
Costs of generating funds		-	-	-	-
Charitable expenditure					
Charitable activities	5	3,144	5,300	8,444	8,855
Governance costs	6	717	667	1,384	4,489
Total resources expended		3,861	5,967	9,828	13,344
Net movement in funds for the year		3,126	(878)	2,248	6,829
Total funds brought forward		12,770	105,485	118,255	111,426
Total funds carried forward		15,896	104,607	120,503	118,255

The Statement of Financial Activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

The notes on pages 8 to 10 form an integral part of these financial statements.

THE LIVING STONES OF THE HOLY LAND TRUST

BALANCE SHEET **AT 31 MARCH 2010**

	Notes	2010			2009
		<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>	<u>Total</u>
		<u>funds</u>	<u>funds</u>		
		£	£	£	£
Current assets					
Debtors	7	2,200	-	2,200	1,721
Cash at bank		14,513	104,607	119,120	120,540
		<u>16,713</u>	<u>104,607</u>	<u>121,320</u>	<u>122,261</u>
Creditors: amounts falling due within one year	8	817	-	817	4,006
		<u>15,896</u>	<u>104,607</u>	<u>120,503</u>	<u>118,255</u>
Net assets					
		<u>15,896</u>	<u>104,607</u>	<u>120,503</u>	<u>118,255</u>
Funds of the charity					
Income funds	9	<u>15,896</u>	<u>104,607</u>	<u>120,503</u>	<u>118,255</u>

Approved by the trustees and signed on their behalf:-

.....
Jamil Y. Bullata FCA
Hon. Treasurer

Date: 2 November 2010.

The notes on pages 8 to 10 form an integral part of these financial statements.

THE LIVING STONES OF THE HOLY LAND TRUST

NOTES TO THE FINANCIAL STATEMENTS

AT 31 MARCH 2010

1 Accounting policies

1.1 Basis of accounting

The financial statements have been prepared in accordance with:-

- the Financial Reporting Standard for Smaller Entities (effective April 2008)
- the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005), and
- the Charities Act 1993 (as amended by the Charities Act 2006).

1.2 Incoming resources

These are included in the Statement of Financial Activities when:-

- the charity becomes entitled to the resources;
- the trustees are virtually certain they will receive the resources; and
- the monetary value can be measured with sufficient reliability.

Subscriptions, donations and legacies are recorded as income in the accounting period in which they are received, except where the donor specifies that they should be used for a specific period.

Investment income is included in the accounts when receivable.

1.3 Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered.

Costs of generating funds comprise costs directly related to the charity's activities during the year.

Governance costs include the costs of the preparation and examination of statutory accounts, the costs of trustee meetings and the cost of any legal advice to trustees on governance or constitutional matters. All other expenditure is included under charitable expenditure.

2 Voluntary income

	2010			2009
	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>	<u>Total</u>
	<u>funds</u>	<u>funds</u>		
	£	£	£	£
Subscriptions and donations	4,677	895	5,572	11,883
Michael Prior Memorial Educational Fund	-	200	200	450
Gift Aid receivable	2,200	-	2,200	1,721
Interest received on Gift Aid	-	-	-	42
	6,877	1,095	7,972	14,096

The Michael Prior Memorial Educational Fund was set up with an initial legacy of £100,000. The fund has since been increased by various donations. The aim of the fund is to promote the study of Christian and Holy Land studies among Palestinian people.

3 Income from activities for generating funds

	2010			2009
	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>	<u>Total</u>
	<u>funds</u>	<u>income funds</u>		
	£	£	£	£
Conferences and lectures	110	-	110	150
Other fundraising events	-	2,575	2,575	-
Sale of books	-	-	-	-
	110	2,575	2,685	150

THE LIVING STONES OF THE HOLY LAND TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

AT 31 MARCH 2010

4 Investment income

	2010			2009
	<u>Unrestricted funds</u>	<u>Restricted funds</u>	<u>Total</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Bank interest received	-	1,419	1,419	5,927

5 Charitable activities

	2010			2009
	<u>Unrestricted funds</u>	<u>Restricted funds</u>	<u>Total</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Printing, postage and stationery	2,194	-	2,194	2,644
Subscriptions	225	-	225	250
Travel costs	-	-	-	76
Secretarial expenses	444	-	444	248
Donations paid	-	5,300	5,300	5,482
Other costs	281	-	281	155
	3,144	5,300	8,444	8,855

No staff were employed by the charity during the two years ended 31 March 2010.

No remuneration was paid to trustees in the two years ended 31 March 2010, nor were any trustees' expenses reimbursed.

6 Governance costs

	2010			2009
	<u>Unrestricted funds</u>	<u>Restricted funds</u>	<u>Total</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Accountancy fees	617	-	617	604
Conference and lecture expenses	100	667	767	3,885
	717	667	1,384	4,489

7 Debtors

	2010			2009
	<u>Unrestricted funds</u>	<u>Restricted funds</u>	<u>Total</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Gift Aid receivable	2,200	-	2,200	1,721

THE LIVING STONES OF THE HOLY LAND TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

AT 31 MARCH 2010

8 **Creditors:** amounts falling due within one year

	2010			2009
	<u>Unrestricted funds</u>	<u>Restricted funds</u>	<u>Total</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Trade creditors	-	-	-	902
Accruals	617	-	617	604
Other creditors	200	-	200	2,500
	817	-	817	4,006

9 **Statement of income funds**

	<u>Unrestricted funds</u>	<u>Restricted funds</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>
At 1 April 2009	12,770	105,485	118,255
Incoming resources	<u>6,987</u>	<u>5,089</u>	<u>12,076</u>
	19,757	110,574	130,331
Resources expended	3,861	5,967	9,828
At 31 March 2010	<u>15,896</u>	<u>104,607</u>	<u>120,503</u>