

HOGARTH CHARITABLE TRUST COMPANY LIMITED

**(A Company limited by guarantee)
Company No. 4000559**

A REGISTERED CHARITY No 1084019

**Report and Financial Statements
For the year ended 31 October 2017**



HOGARTH CHARITABLE TRUST COMPANY LIMITED

REPORT AND ACCOUNTS 2016/17

CONTENTS

	Page(s)
Annual Report and Directors Report	3 - 7
Report of the Independent Examiner	8
Statement of Financial Activities	9
Balance Sheet	10
Notes to the Accounts	11 - 16

HOGARTH CHARITABLE TRUST COMPANY LIMITED

Annual Report for the year ended 31 October 2017

The Directors and Trustees present their report together with the accounts for the year ended 31 October 2017.

Charitable Status

The Hogarth Charitable Trust Company Limited is a company limited by guarantee, number 4000559 and a registered charity, number 1084019.

Registered Office and Principal Address

Hogarth Community & Youth Centre
Duke Road
London W4 2DR
United Kingdom

Governing Documents

The provisions regulating the purposes and administration of the charity are governed by the Memorandum and Articles of Association of the limited company.

Directors and Trustees

The following five individuals served as Directors and Trustees ("Trustees") during the financial year ending 31 October 2017 (* Trustees only):

Director & Trustee	Date of Appointment
Fred Lucas	1 February 2012
Patrick Brougham	8 October 2012
Basil Fraser	12 May 2013
Jakub Romanowski *	-
Fabio Carpene *	12 March 2016

During the financial year ending 31 October 2017, these five trustees worked pro bono for the company. Trustee meetings occurred three times during the financial year (9 February, 27 April and 5 October 2017). Note that a meeting of trustees also occurred just before the start of the 2016/17 financial year (8 October 2016).

A public consultation evening was held at the centre on 16 January 2017 to enable users of the centre and local community representatives to express their concerns and opposition to LBH's proposed cuts to Youth Services.

In addition, various trustees met with representatives of the London Borough of Hounslow ("LBH") at the Hogarth and at the Civic Centre six times (6 December 2016, 21 February, 19 April, 7 June, 13 and 18 September 2017) to discuss LBH's plans for youth services.

HOGARTH CHARITABLE TRUST COMPANY LIMITED

Annual Report for the year ended 31 October 2017 (*continued*)

Aside from their fiduciary duties, during the financial year the trustees had the following additional priorities:

1. **To ensure the centre's financial viability following the proposed LBH budget cuts for the borough's Youth Services** – The Board of Trustees maintained close control of the centre's operating costs and increased short and long term license fees by licensing more space, licensing space more frequently and by raising license fees.
2. **To continue to raise local awareness of the centre's community activities using more proactive media programmes** – Measured progress was made, this remains an ongoing priority. A public consultation evening was held at the centre on 16 January 2017 to enable users of the centre to express their concerns and opposition to LBH's proposed cuts to Youth Services. Over 150 people attended this event. This event and other events to oppose the cuts were reported in the local media including www.Chiswickw4.com.
3. **To recruit more independent to expand the skill set and life experience of the board of trustees** – Three potential new trustees were interviewed during the financial year. One candidate (Darren Hutchinson) was subsequently accepted as a new trustee following the year end.
4. **To increase further the centre's space utilisation by securing new third party license fees** – The 31% increase in license fees achieved during 2016/17 reflects the combined impact of: (i) the 5% fee increase which was applied in October 2016 (ii) new license fee streams, notably from short term licensees.
5. **To continue to monitor all licensee activities to ensure full license compliance and so protect the centre's reputation and integrity** – Aside from some late payers (debtors), no significant license infringements were reported to the Board of Trustees.
6. **To continue to enhance the centre's health and safety protocols and controls to protect the young people** – No adverse operational incidents were reported to the Board of Trustees.
7. **To build better working relationships with the centre's neighbours, notably St. Mary's School** – This has been achieved following the appointment of a new Acting Head of the school.

HOGARTH CHARITABLE TRUST COMPANY LIMITED

Annual Report for the year ended 31 October 2017 (*continued*)

Bankers

HSBC Bank plc
281 Chiswick High Road
London W4 4HJ

Independent Examiner

Peter Torino – Aims Accountants for Business
25 Leith Mansions
Grantully Road
London W9 1LQ

Aims

The objectives of the Company shall be to promote the benefit of young people of the LBH without distinction of gender, sexual orientation, nationality or race, or of religious or other opinions. This shall be achieved by the provision of facilities in the interests of social welfare for recreation and leisure time occupation with the aim of improving the quality of life for young people and to provide an alternative to residential care and custody for young people in trouble.

The Company has worked in partnership with the LBH which has (i) partly funded its operations (ii) provided input regarding the centre's child protection measures. This partnership is very likely to end in the financial year 2018/19 following LBH's decision to terminate all sustaining funding for centre base youth services towards the end of the current 2017/18 financial year.

Organisation

The Company operates from the Hogarth Community and Youth Centre. During the financial year 2016/17 the main office was staffed by a Centre Manager (Tony Heap, part-time consultant) and Senior Youth Officer (Denny Anthony, full-time employee of LBH), Social Care Worker (Akikun Nessa, part-time employee of LBH) and other part-time voluntary workers. The centre's part-time book-keeper (Jamilla Amra) worked remotely and in the centre.

Main Activities

The Company's activities include:

1. Onsite youth programmes for young people aged 8-21.
2. Onsite and offsite holiday activities and schemes for the young people.
3. Licensing the centre's space to appropriate licensees to partly fund the centre's youth activities.

Review of Progress

The Company's incoming resources in the year ended 31 October 2017 amounted to **£72,638** (2015/16 £56,620). The 28% increase is primarily due to increased third party license fees arising from (1) two sequential license fee increases of 5% during 2016/17 (2) more short term hall license activity (3) new licensees.

HOGARTH CHARITABLE TRUST COMPANY LIMITED

Annual Report for the year ended 31 October 2017 *(continued)*

Review of financial activities and affairs

The attached financial statements show the current state of finances, which the trustees consider to be sound. The operations this year resulted in a deficit of £ (6,746) (2015/16 £ (23,146)). The reserves at year end were £78,905 (2015/16 £85,651) and included cash of £63,532 (2015/16 £67,765). All cash is held with HSBC in a current and a deposit account.

Directors' Annual Report for the year ended 31 October 2017

The Directors present the annual report and the unaudited financial statements for the year to 31 October 2017.

Principal Activity

The principal activity of the Company is to promote the benefit of young people of the LBH without distinction of gender, sexual orientation, nationality or race, or of religious or other opinions. This is achieved by the provision of facilities in the interests of social welfare for recreation and leisure time occupation with the aim of improving the quality of life for young people and to provide an alternative to residential care and custody for young people in trouble.

Review of the Business and Future Prospects

The Company anticipates continuing in the same activity for the next financial year 2017/18. Funding remains the Company's key challenge given LBH's decision to end funding for all centre based youth services, currently scheduled to occur by end Q3 2018. In the current financial year 2017/18, the Board of Trustees has established the following key priorities:

1. ***To ensure the Company's long term financial viability following LBH's decision to end funding for centre based youth services*** – The Board of Trustees is taking multiple actions including: (i) initiating a programme of fund-raising events, the first occurred at the centre on 15 March 2018; (ii) modifying rooms in the centre to increase available space which may be licensed; (iii) raising license fees following an external review of market rates in the area; (iv) looking to hire a part-time, experienced grant-finder to work on a success only basis; and (v) reducing the hours and hourly rate of the centre manager.
2. ***To continue to enhance the centre's health & safety protocols and controls to protect all users of the centre*** – To this end, a new wireless fire alarm system was successfully installed in the centre in February 2018. Training courses are provided to licensees to ensure they know how to respond to a fire in the building.
3. ***To continue to monitor all licensee activities to ensure full license compliance, safe operations and so protect the centre's reputation and integrity*** – During 2017/18 monetary fines have been imposed on some non-compliant licensees e.g. for failing to clean up or failing to lock up the premises.

HOGARTH CHARITABLE TRUST COMPANY LIMITED

Annual Report for the year ended 31 October 2017 (*continued*)

4. ***To continue to raise local awareness of the centre's purpose and community activities –***
The trustees have asked the centre manager to help with this initiative. Once appointed, a grant-finder will also help to promote the centre. The first fund raising event was reported on www.Chiswickw4.com. The centre's website has also been enhanced to enable on-line donations.
5. ***To recruit more independent trustees to expand the network, skill set and life experience of the board of trustees –*** The Board of Trustees recognizes that its role and responsibilities will expand once LBH withdraws all support for the centre and its operations. During 2017/18 a new trustee has agreed to join the Board of Trustees which continues to consider other potential candidates.

Results

The Company recorded a deficit of £ (6,746) in the financial year 31 October 2017.

Directors and their interests

The Directors during the financial year 2016/17 are shown on page 3.

Auditors

The accounts are not required to be audited because the turnover of the company is below £1,000,000.

Company Exemption

For the year ended 31 October 2017, the Company was entitled to exemption under section 477 of the Companies Act 2006. No members have required the Company to obtain an audit of its accounts for the year in question in accordance with section 476. The Directors and Trustees acknowledge their responsibility to:

1. Ensure the Company keeps accounting records which comply with the act.
2. Prepare accounts which give a true and fair view of the state of affairs of the Company as at the end of its financial year in accordance with sections 394 and 395, and which otherwise comply with the applicable requirements of the Companies Act relating to the accounts.

Approved by the Board of Directors and signed on its behalf.



F.G. Lucas
Director

Date: 24th MAY 2018

HOGARTH CHARITABLE TRUST COMPANY LIMITED

Annual Report for the year ended 31 October 2017 (*continued*)

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

I report on the financial statements annexed.

Respective responsibilities of Trustee and Examiner

The accounts (financial statements) have been prepared under the historical cost convention with items recognized at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (FRS 102) and the Charities Act 2011. The trustees consider that there are no material uncertainties about the Charities's ability to continue as a going concern.

Basis of Independent Examiner's Report

My examination was carried out in accordance with the General Directions given by Charity Commissioners. 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 you as Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

INDEPENDENT EXAMINER'S STATEMENT

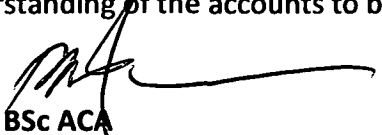
In connection with my examination, no matter has come to my attention:

A) Which gives me reasonable cause to believe that in any material respects the requirements:

- to keep accounting records in accordance with Section 41 of the Act; and
- to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the Act

have been met; or

B) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Peter Torino BSc ACA
AIMS Accountants for Business
25 Leith Mansions
Grantully Road
London W9 1LQ

Date:

24/5/18

HOGARTH CHARITABLE TRUST COMPANY LIMITED

STATEMENT OF FINANCIAL ACTIVITIES PERIOD 1st November 2016 – 31st October 2017

INCOME AND EXPENDITURE

	Notes	2017 General Funds £	2017 Restricted Funds £	2017 Total £	2016 £
Incoming Resources					
Grants from LBH & London Youth	11		2,180	2,180	7,387
<i>Internally generated</i>					
Licence Fees	12	62,773		62,773	47,892
Canteen & Other Sales		2,235		2,235	1,298
Grants and Donations	11	5,430		5,430	0
Bank interest		20		20	43
Total Incoming Resources		70,458	2,180	72,638	56,620
EXPENSES					
Youth Projects			654	654	437
Easter/Half Term/Summer Projects			3,580	3,580	4,626
Youth Sessions			1,251	1,251	1,396
Grants & Other Projects		1,591		1,591	2,150
Utilities	13	20,998		20,998	17,507
Canteen Supplies		3,147		3,147	4,937
Building maintenance & cleaning	14	18,306		18,306	19,816
Depreciation		8,659		8,659	8,659
Bad debtors		0		0	144
Building security		1,614		1,614	1,095
Sub Total		54,315	5,485	59,800	60,767
MANAGEMENT & ADMIN					
Contractor services	3	14,400		14,400	14,400
Administrative costs	15	2,374		2,374	1,392
Audit & Bookkeeping		1,223		1,223	1,508
Review of accounts	4	810		810	810
Clubs for young people insurance		480		480	603
Trustee public liability insurance		297		297	286
Sub Total		19,584	5,485	19,584	18,999
Total Expenditure		73,899	5,485	79,384	79,766
Net incoming resources in year		(3,441)	(3,305)	(6,746)	(23,146)
Balances b/f 31 Oct 16		(28,487)	114,138	85,651	108,797
Balances c/f 31 Oct 17		(31,928)	110,833	78,905	85,651

HOGARTH CHARITABLE TRUST COMPANY LIMITED

Company No. 4000559
BALANCE SHEET AT 31 OCTOBER 2017

	Note	2017 £	2016 £
FIXED ASSETS			
Net tangible assets	5	19,214	27,873
CURRENT ASSETS			
Debtors	6	970	(1,737)
Cash at bank and in hand		63,532	67,765
		<u>64,502</u>	<u>66,028</u>
CREDITORS: Amounts falling due within one year	7	(4,811)	(8,250)
NET CURRENT ASSETS		<u>59,691</u>	<u>57,778</u>
NET ASSETS	8	<u>78,905</u>	<u>85,651</u>
FUNDS			
Unrestricted	9	(31,928)	(28,488)
Restricted	10	110,833	114,139
TOTAL FUNDS		<u>78,905</u>	<u>85,651</u>

In approving these financial statements as Directors of the Company we hereby confirm the following:

For the year in question the company was entitled to exemption under 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

1. The members have not required the Company to obtain an audit for its accounts for the year in question in accordance with Section 476.
2. The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provision applicable to companies' subject to the small companies' regime.

The accounts were approved by the Trustees and Directors on



F.G. Lucas
Director

24th MAY 2018

HOGARTH CHARITABLE TRUST COMPANY LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 OCTOBER 2017

1. ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards and Accounting and Reporting by Charities and The Statement of Recommended Practice (SORP), published by the Charity Commissioners in March 2005. There have been no changes to the accounting policies.

Income

Donations and other income are accounted for when they are received, with the exception of restricted funds. Interest from deposit accounts is disclosed on a cash basis, where the effect is not materially different from using the accruals basis.

Expenses

Expenses are accounted for on the accruals basis.

Fund Accounting

The General Fund represents funds for use at the Company's discretion. The Restricted Funds represent funds given by the donors for specific projects.

Tangible Fixed Assets

Fixed assets are shown at historical cost and depreciation is provided, after taking account of any grants receivable, at the following rates in order to write-off each asset over its estimated useful life. The reducing balance is used for motor vehicles and equipment whilst original cost is used for property improvements.

	2016/17 and 2015/16
Motor vehicles	25%
Equipment	25%
Property improvements	10%

2. TRUSTEE / DIRECTOR EMOLUMENTS

The Trustees of the Company did not receive any emoluments or any expenses during the year.

3. CONTRACTOR SERVICES

Contractor service costs amounted to £14,400 and were paid to Mr Heap, Centre Manager who provided his services to the centre as a contractor. The prior year costs for the centre manager were also £14,400.

4. REVIEW OF ACCOUNTS

The amount payable to the Independent Examiner for 2016/17 is £675 plus VAT at 20%. The cost of the independent examination was £200 and the cost of preparing the accounts was £475 excluding VAT.

HOGARTH CHARITABLE TRUST COMPANY LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 OCTOBER 2017 (continued)

5. TANGIBLE FIXED ASSETS

	Other Tangible Assets £	Total £
Cost		
At 1 November 2016	73,463	73,463
Additions		
At 31 October 2017	73,463	73,463
Depreciation		
At 1 November 2016	45,590	45,590
For the year	8,659	8,659
At 31 October 2017	54,249	54,249
Net Book Amounts		
At 31 October 2016	27,873	27,873
At 31 October 2017	19,214	19,214

There were no fixed assets additions in 2016/17.

HOGARTH CHARITABLE TRUST COMPANY LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 OCTOBER 2017 *(continued)*

6. DEBTORS

	2017	2016
	£	£
Debtors	970	(1,737)

The trade debtor position at 31/10/2017 ended at £970 in comparison to the prior year trade debtor balance of £(1,737). In the current financial year 2017/18, the debtor balance is matched to invoices issued. The Dojo debtor is being gradually reduced in 2017/18.

	31/10/2017	31/10/2016
	£	£
Chinese Medicine	8	2
Dojo	884	339
Others	48	(2,088)
Little Forrest	<u>30</u>	<u>10</u>
	<u>970</u>	<u>(1,737)</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Trade creditors	1,411	7,091
Accruals	809	1,159
Licensee Deposit	380	0
Other Creditors	<u>2,212</u>	<u>0</u>
	<u>4,811</u>	<u>8,250</u>

Trade creditors is made up of Kent County Council £780 and 5 smaller value creditors. Accruals comprise the accountant's fee. The licensee deposit is £380 from Little Forest Folk.

8. NET ASSETS: ANALYSIS BY FUNDS

	Unrestricted Fund £	Restricted Fund £	Total £
Fixed Assets	0	19,214	19,214
Net Current Assets	<u>(31,928)</u>	<u>91,619</u>	<u>59,691</u>
Net Assets	<u>(31,928)</u>	<u>110,833</u>	<u>78,905</u>

HOGARTH CHARITABLE TRUST COMPANY LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 OCTOBER 2017 (continued)

9. UNRESTRICTED FUND: ANALYSIS

General Reserve Maintenance £	General Reserve Expenses £	Balance £	Total £
<u>4,125</u>	<u>4,125</u>	<u>(36,053)</u>	<u>(31,928)</u>

10. RESTRICTED FUND: ANALYSIS

At 1 November 2016	114,138
Net incoming resources	<u>(3,305)</u>
Sub Total	110,833
Transfer of Funds	<u>0</u>
At 31 October 2017	<u>110,833</u>

11. GRANTS AND DONATIONS

During the year the Charity received £50 from the LBH for the community investment fund. Part-time youth worker, Danielle Hutchinson, successfully applied for £6,650 in grants which was banked during the year.

12. LICENSE FEES (SELF-GENERATED FUNDS)

Self-generated funds comprise fees from third party licensees as below. The 31% Y-o-Y increase reflects the staged increase in license fees during 2016/17, new long term licensees and new short term licensees.

	31/10/2017 £	31/10/2016 £
Licensee		
Chinese Medicine	8,600	8,029
Church	1,760	0
Dojo	4,234	3,953
Fitnessology	13,273	12,720
Little Forrest Folk	3,420	0
Maternally Fit	1,081	1,070
Piccolo	21,477	19,551
Other	<u>8,928</u>	<u>2,569</u>
	<u>62,773</u>	<u>47,892</u>

Other license fees of £8,928 comprise £7,800 for hall hire, £488 for parties and £640 for gym hire.

HOGARTH CHARITABLE TRUST COMPANY LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 OCTOBER 2017 (continued)

13. UTILITIES

	31/10/2017	31/10/2016
	£	£
Electricity	11,711	10,627
Gas	5,911	6,779
Water	<u>3,376</u>	<u>101</u>
	<u>20,998</u>	<u>17,507</u>

In 2015/16 the trust received a credit of £1,169 from Thames water due to a prior period over payment. Water costs increased in 2016/17 due to increased water consumption, by 560 cubic metres per quarter from February 2017. This increase is in query with our supplier, Castle Water.

14. BUILDING MAINTENANCE & CLEANING

	31/10/2017	31/10/2016
	£	£
Building repairs	6,948	10,510
Cleaning	<u>11,358</u>	<u>9,306</u>
	<u>18,306</u>	<u>19,816</u>

Of the total building and repairs expenditure in 2016/17, plumbing costs of £3,165 included costs for the boiler repair and £1,257 was the cost of installing two new fire doors. Cleaning costs include cleaning supplies £1,590 (which was not included in 2015/16) with the balance of £9,768 (2015/16 £9,306) paid to the cleaner.

15. ADMINISTRATIVE COSTS

Administrative costs increased during the year as payments to voluntary workers are included in the sundry items.

	31/10/2017	31/10/2016
	£	£
Computer costs	0	72
Stationery	703	106
Telephone	1,049	946
Sundry items	<u>622</u>	<u>268</u>
	<u>2,374</u>	<u>1,392</u>

HOGARTH CHARITABLE TRUST COMPANY LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 OCTOBER 2017 (continued)

16. CASH FLOW RECONCILIATION

	2016/17	2015/16
	£	£
Net cash used in operating activities		
Net movement in funds	(6,746)	(23,146)
Add: Depreciation	8,659	8,659
(Increase) in Debtors	(2,707)	3,777
Bad Debtors	0	144
(Decrease) in Creditors	(3,439)	6,512
Net cash used in operating activities	(4,233)	(3,928)
Cash and cash equivalents brought forward	67,765	71,693
Change in cash and cash equivalents in the year	(4,233)	(3,928)
Cash and cash equivalents carried forward	63,532	67,765