

HOGARTH CHARITABLE TRUST COMPANY LIMITED

(A Company limited by guarantee)

Company No. 4000559

A REGISTERED CHARITY No. 1084019

**Report and Financial Statements
For the 12-month period ended 31 December 2020**



HOGARTH CHARITABLE TRUST COMPANY LIMITED
REPORT AND ACCOUNTS
For the 12-month period ended 31 December 2020

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HOGARTH CHARITABLE TRUST COMPANY LIMITED

Report for the 12-month period ended 31 December 2020

INTRODUCTION

Charitable Status

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

Registered Office and Principal Address

Hogarth Community & Youth Centre (the "Centre")
Duke Road
London W4 2DR

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

Solicitor

Jonathan Walsh – Sutton-Mattocks & Co LLP
5 Castle Row
Horticultural Place
Chiswick
London W4 4JQ

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 four individuals served as Directors and Trustees during the period ending 31st December 2020:

Director & Trustee	Date of Appointment
Fred Lucas (Chairman)	30 th January 2012
Basil Fraser	26 th February 2012
Jonathan Walker	4 th February 2020
Pamela Morrow	24 th July 2020

During the period ending 31st December 2020, no Trustee received nor waived any remuneration, benefits or expenses (2018/19 - Nil).

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Report for the 12-month period ended 31 December 2020 (*continued*)

Trustee meetings occurred five times during this twelve month period on the following dates:

13th February 2020
19th May 2020
23rd July 2020
1st October 2020
8th December 2020

Due to Covid related restrictions, the meetings in May, July and October took place via Zoom. The other two meetings in February and December were held at the Centre.

During the year, the search for new trustees resulted in the appointment of a third Director and Trustee, Jonathan Walker, on 4th February 2020 and the appointment of a fourth Director and Trustee, Pamela Morrow, on 24th July 2020.

Jonathan Walker and Pam Morrow are the Company's ninth and tenth Directors respectively since its incorporation in May 2000. The names of all prior Directors of the Company are listed below.

- Tim Oakley was a Director from incorporation on 11th May 2000 until 5th December 2013.
- Kate Williams was a Director from incorporation on 11th May 2000 until 7th September 2011.
- Paul Clampin was a Director from 20th November 2006 to 7th September 2011.
- David Bentley was a Director from 1st September 2009 until 8th September 2011.
- Paul Clabburn was a Director from 27th September 2012 until 22nd November 2013.
- Patrick Brougham was a Director from 8th October 2012 until 30th September 2019.

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Report for the 12-month period ended 31 December 2020 (*continued*)

CHAIR PERSON'S STATEMENT

This is my second annual statement as Chair of the Board of Trustees. It is addressed to all stakeholders in the Charity. The period under review in this report marks the second full year of the Charity running the Youth Programme independently from the London Borough of Hounslow.

2020 strategic and operational priorities – progress report

I first report on the progress made on the eleven key strategic and operational priorities which I set out in my first statement in the 2019 Report & Accounts. A summary of progress made on each priority is given below.

1. **To maintain the highest standards of safeguarding throughout the year with zero breaches.**
The Youth Officer's monthly report documents any safeguarding incidents or confirms that none occurred. Incidents in 2020 which were reported involved licensee clients and members of St Mary's Roman Catholic Primary School ("SMS") entering safeguarded zones without permission. Appropriate follow up steps were taken with the licensees and senior members of staff at SMS. Safeguarding was established as a standing agenda item at Licensee Forum meetings which typically occur every three months, but only occurred three times in 2020 due to Covid related restrictions.
2. **To grow the population of young attendees with a particular focus on building the cohort of young people aged 13-18 whilst also raising the overall young person attendance frequency.** Unfortunately, Covid related restrictions enforced the suspension of the youth programme from 28th March until 22nd June and then obliged it to operate on a reduced capacity in order to remain Covid risk compliant until the year end. It was therefore neither practical nor possible to grow the cohort of young people attending the youth programme in 2020.
3. **To partner with more third party providers of diverse activities to develop, enrich and expand the youth programme.** Some local residents kindly offered both their time and expertise. Unfortunately, Covid related restrictions severely limited social interactions and the scope to expand the youth programme in 2020 and so we were unable to take up their offers to help.
4. **To elevate the youth program from Bronze to Silver status with the London Youth Award.** The entire Hogarth team was delighted to secure the Silver level of the London Youth Quality Mark early in just our second year of independence from LBH. This very important certification helps to motivate our staff and volunteers, secure external funding and also increases our influence with local stakeholders. When Covid restrictions ease, the Centre's finances are on a more secure footing and we have extended our lease with LBH, we have every ambition to apply for Gold status.

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Report for the 12-month period ended 31 December 2020 (*continued*)

5. **To continue to build local awareness of the youth service and the Centre's available space. Our second Open Evening on 14th May 2020 is a very important event.** Government Covid related restrictions on social gatherings meant that the May event had to be rescheduled to 12th November. Unfortunately, it was then cancelled a second time due to the second lockdown which ran from 5th November until 2nd December. During the Centre's closure from March to June, available resources were therefore diverted to design a new, more informative and more user friendly website which was launched on 2nd June.
6. **To secure more regular donations, fresh grants and corporate sponsorships. This will not only build the Charity's financial resilience and a sense of local partnership, but it is vital if we are to expand the youth programme and serve more young people.** Following the success of the Centre's first open evening on 14th November 2019 which was attended by 86 people including six local councillors and the MP for Brentford & Isleworth, plans for a second open evening in May 2020 had to be cancelled due to Covid restrictions. However, the network of Friends of the Hogarth which started to form following the first open evening nevertheless grew during 2020 and ended the year with a membership of more than 100 people, some of whom make regular donations to help fund the youth programme. In 2020, Trustees initiated a quarterly e-mail to the Friends of the Hogarth group to keep them informed on the youth programme, Centre developments and fund raising efforts. Trustees also wrote articles on the Centre which were posted on local social media platforms including Chiswick Calendar and ChiswickW4. The Charity has also built awareness and relationships with many partner organisations which have donated to the Centre. By year end 2020, there were more than twenty such partner organisations. The Youth Officer led the application for several grants during 2020. Three were unsuccessful (London Mayor's Office, Heathrow Community Fund, UK Youth Fund – Covid Relief), one was successful (LBH Thriving Communities Fund) and another application was successful, but deferred to 2021 (Reducing Violent and Serious Crime Grant Programme, LBH). During the first lockdown in 2020, the Centre Manager approached many local corporates for potential sponsorship, but without success, primarily because many corporates withdrew local funding opportunities due to Covid damage to their own businesses.
7. **To raise the Centre's overall revenue efficiency by maximizing space utilisation throughout the Centre, but particularly the lower and upper halls.** The Centre's space utilisation fell materially in 2020 due to the government imposed lockdowns and strict rules which effectively prevented group gatherings and activities from April onwards. When the Centre re-opened in early June, those licensees able to operate were given temporary license fee reductions to help to sustain their businesses. However, many licensees were either unable or chose not to return until July or September. Some licensees withdrew from the Centre altogether because their businesses became unviable. Unsurprisingly, the local demand to hire hall spaces for group activities remained very weak in the second half of 2020. These factors are reflected in the 54% year-on-year reduction in total license fees which represents a material, but unavoidable drop in overall revenue efficiency.

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Report for the 12-month period ended 31 December 2020 (*continued*)

8. **To maintain high standards of operating efficiency by continuing to minimise all wasteful expenditure.** A lower cost contract for the Centre's landline and broadband supply with Talk Talk and a lower cost, two year electricity supply contract with Npower both began in April 2020. During the first lockdown, the Centre was closed with all lighting and heating switched off. The Centre Manager's weekly hours were reduced to a minimum of 12 hours from April onwards. The Youth Officer and Senior Youth Worker graciously accepted a material reduction in their contracted monthly remuneration during the first lockdown. During this period, they assisted with the website construction, completed grant applications and prepared new Covid risk compliant procedures for when the youth programme restarted on 22nd June.
9. **To recruit a fourth Trustee with appropriate skills in order to strengthen our governance model and quality of oversight.** Pamela Morrow, a local Chiswick resident and one of the three founding members of the Friends of the Hogarth group, was appointed Trustee and Director of the Charity on 24th July 2020. The search then continued for a fifth Trustee and Director.
10. **To continue to improve organisational culture and transparency, relying on our key culture carriers to do so.** Covid tested the people, culture and values of the Charity. Judged by the constructive tone and open discussions held during Licensee Forum meetings, relationships amongst our cohort of licensees and between them and the Centre's staff remained positive during 2020. We were told by licensees that they very much appreciated license fee concessions to help their businesses to survive following the lockdowns. Licensees were not charged fees during the first lockdown. The interface between licensees and the youth programme is critical. Broad respect by licensees and their clients for our safeguarding rules may be evidenced by the few, relatively minor infringements recorded during 2020. The relationships between Trustees and the team of youth workers strengthened during 2020 as the two groups worked more closely together to overcome the unexpected challenges of two lockdowns and related restrictions on group gatherings.
11. **To discover and analyse relevant benchmarking data on comparable youth services in London.** This workstream was put on hold due to Covid.

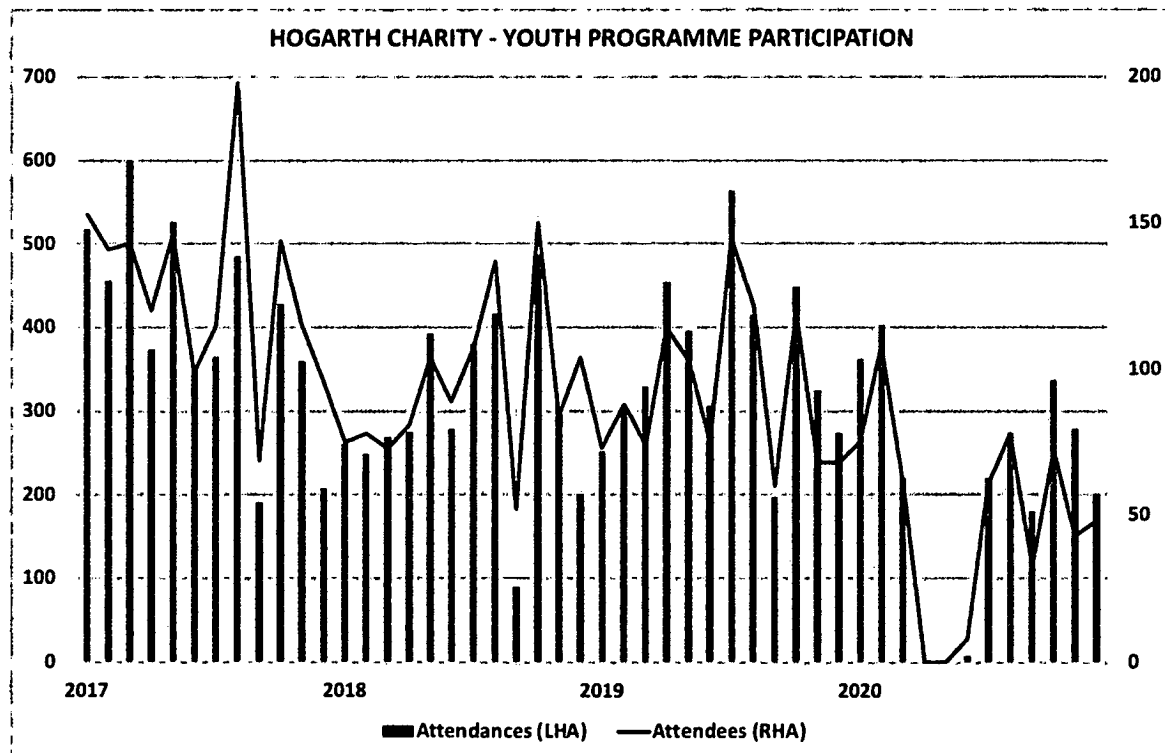
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Report for the 12-month period ended 31 December 2020 (continued)

The Youth Programme = Project 2020

Project 2020 began well and on schedule on 6th January. Per the chart that follows, programme attendee and attendance rates continued to increase year-on-year in both January and February. However, the programme was then severely disrupted by Covid related restrictions imposed by the UK Government which endured for the rest of 2020. These restrictions forced the youth programme to close when the Centre was closed on 28th March. The programme could not restart until 22nd June. As a result, both the Easter Holiday and May Half Term Holiday programmes were cancelled. During this 12-week period of closure, the Youth Team maintained steady contact with all parents and carers. They completed Covid compliant risk assessments and prepared new operating procedures to apply when the programme restarted. In order to control numbers of attendees, a booking system was activated on 22nd June and was used for the rest of the year. Both the Summer and October Holiday programmes were delivered, although the scope of both had to be changed to be Covid risk compliant. The youth programme continued to track all attendees using the Integrated Youth Support Services ("IYSS") database. During 2020, 201 young people (2019 274) attended the programme 2,485 times (2019 4,268 times).

The budgeted cost of Project 2020 was £92,500. A shortened programme (140 days vs. budgeted 187 days) was delivered at a total cost of £74,424. The lower costs were primarily due to the programme's 12-week closure in all of April, May and most of June. During this period, the youth workers, who were not eligible for the Government's furlough scheme, accepted reduced monthly payments from the Charity.



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Report for the 12-month period ended 31 December 2020 *(continued)*

Internal stakeholder engagement

A Licensee Forum meeting was established in 2019 order to strengthen communications amongst licensees, the youth workers and Trustees. During 2020, these meetings continued to be a very useful, open format for licensees to raise issues and to suggest improvements to the Centre's operations and to learn about developments and initiatives at the Centre. Due to Covid related restrictions in 2020, only three such meetings were held at the Centre on 17th March, 8th September and 3rd December which were attended by many licensees, Trustees, the Centre Manager and the Youth Officer.

Ad hoc e-mails were also sent to all licensees by the Centre Manager on behalf of the Board of Trustees updating licensees on key events including Covid related protocols, fund raising initiatives, Centre maintenance priorities, the appointment of new Trustees and reminding them about safeguarding protocols. The relationship between the Board of Trustees and the Centre's cohort of licensees remained constructive and professional throughout 2020.

Centre Operations

At the start of 2020, Jamilla Amra asked to relinquish her role as Centre Manager so that she could return to her original, sole role as Accounts Manager for the Charity. Following an advertisement for the role and interview process, a replacement Centre Manager (Eilis Devendra) started at the Centre just before the first national lockdown in March. The handover was completed in early June. Due to family related reasons, Eilis Devendra had to resign and then served her notice period until 3rd December. Following a second advertisement for the role and interview process, her replacement, Dani Karas, started as Centre Manager in mid-December 2020.

Eilis Devendra's 9-month period as Centre Manager coincided with a period of unprecedented disruption to the Charity due to Covid. Eilis Devendra very successfully shifted her priorities and adapted the Centre's operations to be fully Covid risk compliant from when it re-opened in early June. Necessary changes included the installation of 15 hand sanitising units, new Covid related signage on doorways and walls and floor markings showing 2-metre social distances. A Track & Trace QR Code was displayed outside and at various locations inside the Centre. All of these measures remain very relevant in 2021 and so have lasting benefits. Cleaning activities were also increased following the Centre's re-opening at the beginning of June and a deep clean of the entire Centre was conducted between 26th August and 6th September. All license agreements were also updated to incorporate prevailing Covid related operating protocols. Licensees were kept fully updated on the evolving rules from March onwards via e-mail and WhatsApp and in the three Licensee Forum meetings (17th March, 8th September and 3rd December).

Governance

How the organisation is structured and steered is ultimately the responsibility of the Board of Trustees. Since assuming responsibility for the youth service from the start of 2019, those responsibilities have increased and changed materially. Denny Anthony is the Youth Officer who leads the youth programme. The Board oversees all activities in the Centre and, in order to perform this oversight function in 2020, it relies on three key direct reports: Denny Anthony (Youth Services), Jamilla Amra, Eilis Devendra and then Dani Karas (Centre Operations) and Jamilla Amra (Accounts).

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Report for the 12-month period ended 31 December 2020 *(continued)*

As Chairman of the Board of Trustees, I am responsible for maintaining a fit-for-purpose Board of Trustees which comprises individuals with appropriately diverse backgrounds, a range of required skills, a natural empathy with the Charity's core purpose and sufficient time to contribute meaningfully to Board discussions and other responsibilities which they may be assigned. Finding appropriately skilled trustees with the right mindset for the role is challenging. As a result, the application process has been tightened and the induction process for potential new trustees has been improved and also extended to ensure candidates are best suited to the role.

I am therefore very pleased to report that a third Trustee (Jonathan Walker) joined the Board on 4th February 2020 and a fourth Trustee (Pamela Morrow) joined the board on 24th July 2020. Both individuals bring different, but relevant skills and experiences. The search for a fifth Trustee continued in H2 2020, although it proved more difficult due to Covid. I am particularly keen to build the board's diversity and address the Board's residual skills gap in property and contract law.

Given the expanded oversight of the Board of Trustees over the youth service, meetings of Trustees continued to be held almost every two months in 2020, either via Zoom or in person. Board meetings are fully informed with an agenda and board pack which is circulated to all attendees in good time before each meeting. Both the Centre Manager and Youth Officer are invited to meetings of Trustees when appropriate. Both individuals circulate a monthly report to Trustees. There were also more regular communications between meetings via e-mail, phone and informal face-to-face meetings. Minutes of each Board meeting are recorded, checked, circulated to all attendees of each meeting and stored securely.

Organizational culture and conduct

Leading by example at all times, the Board of Trustees must work to ensure that the Charity's culture is both healthy and fit-for-purpose. Our culture refers to our patterns of behaviours, our rituals, the values that we share and the accepted norms and standards of behaviour. The right culture underpins our success by helping to motivate staff and reducing key staff turnover. It also helps to grow licensee revenues and to attract external funding. The right culture is therefore absolutely critical for the Charity's long term success.

In 2020, the integration of the youth service with the Centre's other operations continued. I believe that measured progress has been made moulding the culture of the enlarged organization to create the lasting foundations of a harmonious and unified working environment. Much effort has also been incurred to increase organisational transparency which is increasingly important as we partner with and receive funding from more external stakeholders e.g., local residents and companies. I recognise that our culture is not perfect and there is never any room for complacency. This remains a priority work in progress in 2021 and beyond for all stakeholders, but especially for the Charity's leadership team.

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Report for the 12-month period ended 31 December 2020 *(continued)*

Conclusion

We ended 2019 with much positive momentum in the youth service and across the Centre's broader licensed activities. This momentum carried well into early 2020 with license fees and the youth programme participation rates both continuing to grow year on year in January and February. It is not an exaggeration that the onset of Covid then changed our world completely, causing the Centre's first ever temporary closure and stressing the Charity's financial position.

Having improved the Centre's operational efficiency and controlled maintenance expenditures during 2019, the Charity entered 2020 in a relatively strong financial position. Fortunately, this enabled the Charity to continue to operate during what turned out to be the most challenging year in its history. Although the Charity starts 2021 in a weakened financial position, it is sufficiently robust to sustain its dual operations as a Youth Centre and as a Community Centre. In December 2020, £11,000 was transferred from our Current Account which serves the Centre's licensed activities and operating costs to our ring-fenced Youth Service Account which serves the youth programme. This reduced the forecast remaining funding deficit for Project 2021 to approximately £75,000.

If ever the importance of maintaining financial resilience was in doubt, the Covid experience must dispel permanently any such doubts. Our financial priority therefore remains to preserve an appropriate level of financial resilience at all times. Inevitably, this means slowing the pace of some non-essential Centre refurbishment.

Covid presented Trustees, the youth team, the Centre staff and its licensees with many unexpected work related and personal challenges. The Board of Trustees wholeheartedly thanks the Youth Officer, his entire team of youth workers and volunteers, the Centre Manager and all of the Centre's support staff for their professional diligence throughout a most challenging year. It is a result of their commitment, flexibility and hard work in 2020 that we can continue to serve our local community in 2021.

We started 2021 with a fresh set of Covid challenges as a third national lockdown closed schools in England and with that the youth programme from the beginning of January until 8th March. However, as I conclude this message in April 2021, I am pleased to report that the youth programme restarted on 8th March and, as restrictions ease, existing and new licensees are gradually returning to the Centre.

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Report for the 12-month period ended 31 December 2020 (*continued*)

2021 strategic and operational priorities

Unprecedented and totally unexpected Covid related restrictions prevented or slowed progress on many of our targeted development priorities in 2020. We had to adapt and that required a different set of more urgent priorities. Some of 2020's priorities therefore roll into 2021 and others, such as safeguarding excellence and building Trustee diversity, remain a constant priority.

1. To maintain the highest standards of safeguarding throughout the year.
2. To continue to improve organisational culture and transparency, relying on our key culture carriers to do so.
3. To grow the population of young attendees with a particular focus on building the cohort of young people aged 13 to 18 whilst also rebuilding the overall young person attendance frequency following the material dislocations caused by Covid in 2020 and early 2021.
4. To continue to build local awareness of the Centre's available space and activities through more effective use of social media platforms and search engines in order to rebuild the Centre's space utilisation and revenue efficiency.
5. To host at least two successful virtual fund raising events which avoid the need for physical group gatherings at the Centre, but build our network of Friends of the Hogarth and extend our list and deepen our relationships with local partner organisations.
6. To continue to apply for multiple grants, but shifting our focus to apply for grants offered locally rather than nationally in order to maximise our chances of success.
7. To recruit more Trustees with diverse backgrounds that creates a mix of Trustees which better reflects the profile of our key stakeholders.
8. To initiate and progress negotiations with our landlord, the London Borough of Hounslow, for a new long term lease which does not in any way compromise our ability to sustain a vibrant youth service and valued community centre over the full duration of our new lease.
9. To perform all essential maintenance and as much other work as funds permit to ensure a fit-for-purpose Centre can operate effectively and safely at all times in accordance with all regulations whilst complying with all Covid related restrictions at all times.
10. To discover and analyse relevant benchmarking data on comparable youth services in London.

Fred Lucas
Trustee, Chair



Date: 11th June 2021

HOGARTH CHARITABLE TRUST COMPANY LIMITED

Report for the 12-month period ended 31 December 2020 (continued)

CHARITY'S RISK REGISTER

The Board of Trustees constantly scans the horizon for risks which may disrupt operations or threaten the Charity's existence. The Board of Trustees has long adopted a very prudent approach to risk management. This remains entirely appropriate given the heightened funding risks associated with the youth service. Risk mitigation is therefore a key priority and is discussed regularly. The following table summarises the key risks, both internal and external, and the risk mitigations undertaken.

INTERNAL				
Key risk	Likelihood	Potential impact	Mitigations	Who owns the risk
Safeguarding breach	Rare (< 5%)	<i>Catastrophic</i> – a material breach of safeguarding rules involving a young person(s) on site could severely damage the Charity's good reputation and ultimately result in the Centre's permanent closure.	<p>The Board of Trustees works closely with the Youth Officer who authors our safeguarding policies and ensures their full implementation.</p> <p>The Youth Officer provides a monthly report to the Board of Trustees which starts with a review of safeguarding.</p> <p>Photographs of the two Safeguarding Officers (Denny Anthony and Naomi Alleyne) are now displayed around the Centre and on our website.</p> <p>Regular reminders are sent to all licensees reiterating the protocols and the importance of compliance with all safeguarding controls.</p> <p>New and clearer safeguarding signage has been displayed throughout the Centre.</p> <p>A penalty system for minor infringements has been established e.g., if a licensee client enters a safeguarded zone without supervision.</p> <p>Maintenance contractors are asked to work outside of safeguarding hours if possible.</p> <p>CCTV cameras monitor all safeguarded zones 24-7.</p> <p>Recordings are used as evidence of safeguarding breaches and to learn.</p>	<p>The Board of Trustees.</p> <p>The Youth Workers.</p> <p>The Centre Manager.</p> <p>All licensees and their clients.</p> <p>All Centre users including contractors and suppliers.</p>

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Report for the 12-month period ended 31 December 2020 (continued)

INTERNAL				
Key risk	Likelihood	Potential impact	Mitigations	Who owns the risk
Loss of near term liquidity	Unlikely (5% - 20%)	<i>Manageable</i> – barring a very material unforeseen expense, the impact of a licensee default on the charity's liquidity is generally manageable, albeit unwelcome and to be avoided. The closure of the Centre, as occurred for almost three months in 2020, and further operating restrictions in Q1 2021 have depleted the Charity's financial reserves.	Licensees are monitored and as necessary pursued by the Centre Manager to ensure prompt and full payment of monthly license fees. The Charity has a small financial reserve which is a protective buffer should license fees stop for whatever reason. All of the Charity's cash is deposited with a high quality, global financial institution (HSBC) in multiple accounts with immediate access and zero capital risk. Our bank accounts are checked online regularly by two Trustees and the Accounts Manager.	The Board of Trustees. The Centre Manager.
Licensee churn	Probable (20% - 50%)	<i>Manageable</i> – a temporary loss of license fees is manageable provided the vacated space is filled within 1-2 months.	License agreements for long-term licensees include a three-month notice period which gives the Centre Manager time to look for alternative licensees. New licensees are partly selected based on the duration that they will license the space.	The Centre Manager.
Licensee default	Unlikely (5% - 20%)	<i>Material</i> – loss of revenue if a licensee fails to pay their monthly license fee can reduce funding available for the youth service.	The Centre Manager monitors all licensee activities, checking that their franchise is working. Before being offered a space, all new licensees must complete a KYC form which requires two references and full information on the business's ownership and funding. Preference is given to proven businesses rather than start ups. The Centre Manager regularly updates the Board of Trustees with a debtor's report. Failure to pay monthly license fees represents a breach of contract and notice may be served on the defaulting licensee, requiring them to vacate their space. All licensees pay a deposit of at least one month which may be withheld. An annual license fee revenue forecast is provided by the Centre Manager who updates it monthly.	The Board of Trustees. The Centre Manager. All licensees.

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Report for the 12-month period ended 31 December 2020 (continued)

INTERNAL				
Key risk	Likelihood	Potential impact	Mitigations	Who owns the risk
Loss of key personnel	Unlikely (5% - 20%)	<i>Material</i> – although subject to a notice period, if either the Youth Officer or Senior Youth Worker were to leave or become unavailable to work due to poor health or other reasons, delivery of the youth programme would be at risk as would its local franchise and standing. Unwanted staff turnover loses valuable Centre specific knowledge and expertise. It also consumes time finding and training replacement staff.	Working closely with the youth team and promoting full transparency across the entire organization, the Board of Trustees looks to build staff loyalty. By continuing to improve organisational culture and imposing a zero tolerance for unacceptable behaviours, we intend to create an environment where people are fully respected and empowered and want to work long term for the Charity. Remuneration is as competitive as the Charity can afford.	The Board of Trustees. The Youth Officer. The Centre Manager.
Unexpected Centre maintenance expenses	Probable (20% - 50%)	<i>Manageable</i> – the building which we lease from LBH is old and historically has been quite poorly maintained. Unexpected essential maintenance with a material cost can reduce the funding that is available for the youth service.	A maintenance review of the Centre was completed in 2019 which resulted in a comprehensive list of maintenance priorities. Due to funding constraints, only essential maintenance was carried out in 2020. Licensees are responsible for maintaining their spaces in a safe and secure state and, upon vacating, ensuring that their space is not in a worse condition than when they signed their license. Under its obligation, LBH is responsible for the Centre's roofing and external masonry and performed repairs in 2020.	The Board of Trustees. The Centre Manager. Licensees. LBH.
Theft of assets	Unlikely (5% - 20%)	<i>Manageable</i> – the Charity does not own any high value, mission critical physical assets. Staff are responsible for the security of their work mobile phones and laptop computers.	CCTV cameras monitor all points of access and corridors 24-7. The Charity has a rolling contract with Securitas for a call alert and rapid response intervention if the building's alarm system is activated. The last licensee leaving the building is responsible for locking the front door and initiating the alarm system. Licensees are responsible for the security of their assets and must keep their spaces locked when not in the building.	The Centre Manager. All licensees.

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Report for the 12-month period ended 31 December 2020 (continued)

EXTERNAL				
Key risk	Likelihood	Potential impact	Mitigations	Who owns the risk
Lease expiry	Unlikely (5% - 20%)	<i>Catastrophic</i> – our lease agreement with LBH is currently scheduled to expire on 31 st October 2024. If the lease is not renewed and extended beforehand, the Centre may be forced to close. Donors and sponsors are increasingly wary about funding a programme which may be terminated if the lease is not renewed. Key staff are also becoming more concerned about their long term career development.	The Board of Trustees works to ensure that the Centre is maintained to ensure safe operations at all times. By building a successful track record of an independent, dynamic and valued youth service which is as securely funded as it can be, the Board of Trustees hopes to agree a meaningful lease extension with LBH in advance of the lease expiry date. Trustees held their first meeting with Christian Carlisle, Director of Property and Building Services, on 11 th December 2020 to initiate the process of renewing our lease with LBH.	The Board of Trustees.
Cyber fraud	Rare (< 5%)	<i>Material</i> – if the Charity's Bank accounts were hacked and money stolen, this would threaten both its liquidity and solvency.	Online banking login details are confidential and restricted to two Trustees and the Accounts Manager via their personal security devices. Both Trustees log in regularly to review all accounts and check for any suspicious transactions. Our bank account details are only shared with bona fide donors, grant providers and sponsors. The Chair participated in an on-line Cyber fraud prevention tutorial and promptly shared all key learnings with all Trustees and staff. Deposits held in a bank (HSBC) that is authorised by the Prudent Regulation Authority are protected up to £85,000. The deposit protection limit applies to the total eligible deposits of each person, per PRA-authorized firm.	Board of Trustees. The Centre Manager. The Accounts Manager.

HOGARTH CHARITABLE TRUST COMPANY LIMITED

Report for the 12-month period ended 31 December 2020 *(continued)*

EXTERNAL				
Key risk	Likelihood	Potential impact	Mitigations	Who owns the risk
Personal data loss or theft	Rare (< 5%)	<i>Material</i> – our reputation would be damaged and confidence in our youth service would be reduced if the personal details of the young people attending the Centre or the Friends of the Hogarth group were either lost or stolen.	The confidential data on young people is saved on a laptop which is password protected. This laptop is stored securely at the Centre. Confidential data on licensees, suppliers and Trustees is saved on another computer which is password protected. Key statistics on youth user ages, gender, backgrounds, addresses and participation frequency are maintained by the youth team in the secure IYSS database under a contract with LBH. Personal information on the Friends of the Hogarth group is securely stored and only shared by Trustees on a need to know basis.	Board of Trustees. The Youth Team. The Centre Manager.
Cost inflation	Very likely (50% - 100%)	<i>Manageable</i> – typical annual cost inflation of 2-3% is expected.	License fees are typically increased by 2-3% every year. Every effort is made to ensure competitive tendering for all maintenance and supply contracts.	The Centre Manager.

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Report for the 12-month period ended 31 December 2020 (*continued*)

Report of the Directors and Trustees for the 12-month period ended 31st December 2020

The Directors and Trustees present the report and the unaudited financial statements for the 12-month period ended 31st December 2020.

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.

Organisation

The Company operates from the Hogarth Community and Youth Centre. During the 12-month period ending 31st December 2020 the front office was initially staffed by Jamilla Amra who acted as both Centre Manager and Accounts Manager. In early January 2020, Jamilla Amra asked to return to her sole role of Accounts Manager and cease to be the Centre Manager. On 17th March 2020, Jamilla's replacement, Mrs Eilis Devendra, was hired as the new Centre Manager. Due to family commitments, Mrs Devendra served her notice in early October and then worked her full notice period to 3rd December. A new Centre Manager was hired in mid-December. Dani Karas is a local resident. For the twelve months to 31st December 2020, the youth service was delivered by the Youth Officer (Denny Anthony, contractor), Senior Youth Worker (Naomi Alleyne, contractor) and other part-time junior youth workers as well as voluntary workers.

Main Activities

The Company's main activities include:

1. Onsite youth programmes for young people aged 8 to 21.
2. Onsite and offsite half term and holiday activities and schemes for the young people.
3. Licensing the Centre's space to a diverse set of appropriate licensees in order to fund building operations and maintenance and partly fund the youth service.

Review of financial activities and affairs

The attached financial statements show the current state of finances, which the Trustees consider to be sound. The Company's total license fees in the 12-month period ended 31st December 2020 amounted to £59,668 (2018/19 £129,489). The 54% decrease is primarily due to (i) the decrease in license fees due to the two national lockdowns imposed by the Government; (ii) demand for hall space to enable group gatherings remained very weak after the first lockdown was ended; and (iii) the prior reference period being 14 months. The operations for the 12 months to 31st December 2020 resulted in a net loss of £(36,050) compared to a net profit of £67,784 for the 14 months ending 31st December 2019. As at 31st December 2020 the Company had cash balances with the bank and on hand of £108,811 (2018/19 £148,327). Cash is held with HSBC in two current accounts, a deposit account and with PayPal. Some donations are paid into the PayPal account although, as at 31st December 2020, there was a zero balance on this account. A small amount of petty cash is securely stored at the Centre.

HOGARTH CHARITABLE TRUST COMPANY LIMITED

Report for the 12-month period ended 31 December 2020 *(continued)*

Review of the Business and Future Prospects

The Company anticipates continuing in the same activity for the next financial year 2021. Funding remains the Company's key challenge. In March 2020 the UK, along with many other parts of the world, was hit with the Corona virus. As a result, the Centre was obliged to close as from 28th March until the beginning of June 2020. This seriously affected the finances of the Company such that licence fees fell to £59,668 for the year to 31st December 2020, a decline of 54% from the level of £129,489 for the 14 months to 31st December 2019. This was partially offset by an increase in grants and donations to £20,685 (£11,812 for the previous period) and the award of LBH Grants and a London Youth Silver Award totalling £14,537. Against this, the transitional funding of £68,700 that the Company received in 2019 from LBH was fully spent in 2019.

Total expenses of £134,869 were 10% lower than the previous period.

Directors and their interests

The Directors during the 12-month period ended 31st December 2020 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 12-month period ended 31st December 2020, 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.



Fred Lucas
Director

Date: 11th June 2021

HOGARTH CHARITABLE TRUST COMPANY LIMITED

Report for the 12-month period ended 31 December 2020 (*continued*)

Report of the Independent Examiner

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 requirements of the Charities Act 2011 ("the Act").

The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

Basis of Independent Examiner's Report

I report in respect of my examination of the Hogarth Charitable Trust Company Limited accounts carried out under Section 145 of the 2011 Act and in carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under Section 145(5)(b) of the Act. 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 not 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.

PA Torino



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

Date: 11 June 21

HOGARTH CHARITABLE TRUST COMPANY LIMITED

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2020

INCOME & EXPENDITURE

		2020	2020	2020	2018/19
		Unrestricted	Restricted	Total	14 Months
		Centre	Youth		
	Notes	Operations	Service		
		£	£	£	£
INCOME					
London Youth	3		5,400	5,400	700
LBH Transitional Funding	3			0	68,700
LBH Grants			9,137	9,137	0
<i>Internally generated</i>					
Grants and Donations	3		20,685	20,685	11,812
Licence Fees	4	51,866		51,866	124,585
Halls & Other	4	7,802		7,802	4,904
Canteen			2,268	2,268	3,337
Youth Service			1,579	1,579	3,582
Bank interest		83		83	171
Total Incoming Resources		59,750	39,069	98,819	217,791
EXPENDITURE					
Bad Debtors		135		135	5,565
Canteen Supplies			2,079	2,079	3,452
Depreciation		4,302		4,302	2,933
Holiday Projects			1,886	1,886	4,948
Youth Sessions			1,303	1,303	279
Grants & Other Projects			2,894	2,894	489
Building Security		1,052		1,052	2,071
Utilities	5	13,567		13,567	16,684
Electricity Rebate	5			0	-8,215
Building Maintenance & Cleaning	6	24,284		24,284	22,966
Sub Total		43,339	8,162	51,501	51,172
MANAGEMENT & ADMINISTRATION					
Contractors & Volunteers	7	10,456	65,238	75,693	89,264
Accounts review	8	810		810	810
Administrative costs	9	3,233	313	3,545	5,426
Bookkeeping & Legal Fees		2,200		2,200	2,479
Clubs for young people insurance			712	712	414
Trustee public liability insurance		408		408	442
Sub Total		17,107	66,262	83,368	98,835
Total Expenditure		60,446	74,424	134,869	150,007
Net incoming resources in year		-695	-35,355	-36,050	67,784
Balances b/fwd 31 Dec 19		36,665	109,331	145,996	78,212
Transfer of Funds				0	0
Balances c/fwd 31 Dec 2020		35,970	73,976	109,946	145,996

HOGARTH CHARITABLE TRUST COMPANY LIMITED

Company No. 4000559

BALANCE SHEET AT 31 DECEMBER 2020

	Note	2020 £	2018/19 £
FIXED ASSETS			
Net tangible assets	10	14,086	17,021
CURRENT ASSETS			
Debtors	11	-23	964
Other debtors		2,675	1,868
Cash at bank and in hand		<u>108,811</u>	<u>148,327</u>
		<u>111,464</u>	<u>151,159</u>
CREDITORS: Amounts falling due within one year	12	-15,603	-22,183
NET CURRENT ASSETS		95,860	128,976
NET ASSETS	13	<u>109,946</u>	<u>145,996</u>
FUNDS			
Unrestricted	14	35,970	36,665
Restricted	15	<u>73,976</u>	<u>109,331</u>
TOTAL FUNDS		<u>109,946</u>	<u>145,996</u>

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

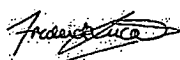
For the year in question the company was entitled to exemption under Section 477 of the Companies Act 2006 relating to small companies.

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 11th June 2021.



Fred Lucas
Director

HOGARTH CHARITABLE TRUST COMPANY LIMITED

NOTES TO THE ACCOUNTS FOR THE 12-MONTH PERIOD ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the Charities Act 2011 and in accordance with the Accounting and Reporting by Charities; Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include financial instruments at fair value. The principal accounting policies adopted are set out below.

The accounts have been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - Charities SORP (FRS 102) the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) Section 1A and the Charities Act 2011.

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.

	2019/20 and 2018/19
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.

HOGARTH CHARITABLE TRUST COMPANY LIMITED

NOTES TO THE ACCOUNTS FOR THE 12-MONTH PERIOD ENDED 31 DECEMBER 2020

3. GRANTS AND DONATIONS

During the year the Charity received £5,400 from London Youth of which £5,000 was for successfully achieving the Silver Award. LBH awarded the Charity a £9,137 grant. This was a Covid grant to support the Summer Programme. The £20,685 Grants & Donations comprised the following:

Waitrose	425
Glebe Estate Residents Association	500
Helicon Health Ltd	500
Whitman & Co Ltd	500
The John Casson Foundation	1,000
Killik & Co	1,000
Good Luck Charitable Trust	1,000
Paypal Gift Aided Donations	1,679
Ledger Mouldsdales Charitable Trust	2,000
HMRC Gift Aid	2,483
Gift Aided Donations	4,675
Anon Donations	4,923
	<u>20,685</u>

4. LICENSE FEES

The 54% Y-o-Y decrease detailed below was primarily due to Covid lockdown restrictions. Licensees were not charged when the Centre was closed and when it was re-opened concessions were given to licensees able to operate. The license held by Acola Kids Ltd in 2018/19 was terminated due to their failure to pay license fees owed.

	2020	2018/19
	£	£
Acola Kids Ltd	0	35,492
Chinese Medicine	7,239	12,744
Dojo	8,773	19,622
Fitnessology	13,281	25,053
Little Forest Folk	13,654	19,686
Little Kickers	3,753	10,009
Maternally Fit	416	1,979
RCCG	4,750	0
Halls & Other	7,802	4,904
	<u>59,668</u>	<u>129,489</u>

HOGARTH CHARITABLE TRUST COMPANY LIMITED

NOTES TO THE ACCOUNTS FOR THE 12-MONTH PERIOD ENDED 31 DECEMBER 2020

5. UTILITIES

	2020	2018/19
	£	£
Electricity	5,675	5,278
Gas	6,556	9,784
Water	1,336	1,622
	<u>13,567</u>	<u>16,684</u>

The Y-o-Y decrease in charges for gas and water is due to the Covid related lockdowns. The increase in electricity expenses is due to the December invoice being higher than previous months as it was based on an estimated reading.

6. BUILDING MAINTENANCE & CLEANING

	2020	2018/19
	£	£
Building Maintenance	15,419	10,469
Cleaning	8,864	12,497
	<u>24,284</u>	<u>22,966</u>

Although cleaning activity increased once the first national lockdown ended, total cleaning expenses fell because the Centre was closed for 12 weeks. Total building maintenance expenditure in 2020 comprised of the following items:

Fire Risk Assessment	330
Washroom redecoration	705
Annual equipment and system maintenance	1,184
Electrical	1,386
LBH Service Contract	1,619
New Flooring in washrooms	1,677
PPL	1,799
Various repairs	2,398
Plumbing & Heating	4,320
	<u>15,419</u>

7. CONTRACTORS & VOLUNTEERS

Contractor service costs amounted to £75,087 and were paid to Jamilla Amra and Eilis Devendra as Accounts Manager and Centre Manager (£10,456) and to the Youth Service Team (£64,632).

8. ACCOUNTS REVIEW

The amount payable to the Independent Examiner for 2020 is £675 plus VAT at 20%.

HOGARTH CHARITABLE TRUST COMPANY LIMITED

NOTES TO THE ACCOUNTS FOR THE 12-MONTH PERIOD ENDED 31 DECEMBER 2020

9. ADMINISTRATIVE COSTS

	2020	2018/19
	£	£
IT	917	552
Office Supplies	172	490
Telephone	953	1,104
Sundry	1,503	3,280
	<u>3,545</u>	<u>5,426</u>

In 2020 the increased IT spend was on a digital display board, the website refurbishment and website domain renewals and updates. Sundry expenses of £1,503 includes an advisory contract for Health & Safety with LBH £525, licenses & memberships £313, DBS checks and recruitment advertisements £412 and other items £253.

10. TANGIBLE FIXED ASSETS

		Assets	Total
		£	£
Cost	At 1 January 2020	20,801	20,801
	<i>Additions</i>	<u>1,367</u>	<u>1,367</u>
	At 31 December 2020	<u>22,168</u>	<u>22,168</u>
Depreciation	At 1 January 2020	3,780	3,780
	<i>For the year</i>	<u>4,302</u>	<u>4,302</u>
	At 31 December 2020	<u>8,082</u>	<u>8,082</u>
Net Book Value	At 31 December 2019	17,021	17,021
	<i>At 31 December 2020</i>	<u>14,086</u>	<u>14,086</u>

The 2020 tangible fixed addition was a Defibrillator £1,367. Depreciation for the year totalled £4,302.

HOGARTH CHARITABLE TRUST COMPANY LIMITED

NOTES TO THE ACCOUNTS FOR THE 12-MONTH PERIOD ENDED 31 DECEMBER 2020

11. DEBTORS

	2020	2018/19
	£	£
Debtors	-23	964
Other Debtors	2,675	1,868
	<u>2,652</u>	<u>2,832</u>

Other debtors and prepayments are detailed as follows.

2021 ICO annual fee	40
2021 Jan Securitas	79
2021 Water & waste charge	228
2021 PI & Trustee annual insurance	340
2021 Q1 LBH service contracts	407
2020 Q4 GA accrual	498
2021 PPL PRS music license	1,083
	<u>2,675</u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2018/19
	£	£
Trade Creditors	5,968	12,547
Accruals	810	2,243
Licensee Deposits	8,650	6,858
Other Creditors	175	535
	<u>15,603</u>	<u>22,183</u>

Trade creditors of £5,968 comprised E.ON Electricity (£916), LBH (£3,223), Schools Office Services (£639) and Total Gas & Power (£1,191).

The licensee deposits of £8,650 comprise the following: Little Forest Folk (£2,380), Reformed Christian Church of God (£1,050), Martial Arts Studio users (£433), Halls (£1,520), Chinese Medicine (£813), Fitnessology (£1,674) and Little Kickers (£780). Other creditors are LBH (£175).

HOGARTH CHARITABLE TRUST COMPANY LIMITED

NOTES TO THE ACCOUNTS FOR THE 12-MONTH PERIOD ENDED 31 DECEMBER 2020

13. NET ASSETS: ANALYSIS BY FUNDS

	Unrestricted Fund	Restricted Fund	Total
	£	£	£
Fixed Assets	0	14,086	14,086
Net Current Assets	35,970	59,890	95,861
Net Assets	<u>35,970</u>	<u>73,976</u>	<u>109,946</u>

14. UNRESTRICTED FUND: ANALYSIS

General Reserve Maintenance	General Reserve Expenses	Balance	Total
£	£	£	£
<u>4,125</u>	<u>4,125</u>	<u>31,845</u>	<u>35,970</u>

15. RESTRICTED FUND: ANALYSIS

At 1st January 2020	109,331
Net Incoming Resources	<u>-35,355</u>
Total	<u>73,976</u>
Transfer of Funds	
At 31st December 2020	<u><u>73,976</u></u>

HOGARTH CHARITABLE TRUST COMPANY LIMITED

NOTES TO THE ACCOUNTS FOR THE 12-MONTH PERIOD ENDED 31 DECEMBER 2020

16. CASH FLOW RECONCILIATION

	<u>Dec 20</u>	<u>Nov '18 - Dec 19</u>
OPERATING ACTIVITIES		
Profit for the Year	-36,050	67,784
Adjustments to reconcile Net Income to net cash provided by operations:		
Accounts Receivable	987	-1,009
Depreciation - Equipment	4,302	2,933
Other debtors	-498	1,758
Prepayments	-316	-1,868
Youth Worker Petty Cash	7	
Accounts Payable	-6,578	9,055
Accruals	-1,433	-14,066
Licensee Deposit	1,792	-1,079
Other Creditors	-360	-1,504
Net cash provided by Operating Activities	-38,148	62,004
INVESTING ACTIVITIES		
Fix Asset (F&F and Equipment)	-1,367	-14,567
Net cash provided by Investing Activities	-1,367	-14,567
Net cash increase for period	-39,515	47,438
Cash at beginning of period	148,327	100,889
Cash at end of period	108,811	148,327

The decrease in period end cash of £39,516, reflects the 54% reduction in license fees partly offset by some cost savings, an increase in donations and licensee deposits, a less negative change in working capital and a material reduction in fixed asset investments during the year.

As per Note 12, £8,650 of the period end cash is licensee deposits which may be returned to individual licensees if they choose to vacate the Centre without breach of contract.

Excluding licensee deposits, total free cash declined by £41,308 from £141,469 to £100,161.