

Company No. 5407996
Charity No. 1109363

Community Hub

Report & Financial Statements

31 March 2006



sayer vincent

consultants and auditors

Community Hub

Reference & administrative details

For the period ended 31 March 2006

Status	The organisation is a charitable company limited by guarantee, incorporated on 30 March 2005 and registered as a charity on 9 May 2005 governed by its memorandum and articles of association.	
	The organisation was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed by its Articles of Association. Under those Articles the members of the board of directors are elected at the Annual General Meeting. The number of members of the board is unlimited. The first board was made up of two individuals nominated by each member of the company and one person appointed by the board as an independent person who shall be the chair, and any such other individuals as the board shall co-opt to fill a vacancy who shall hold office until the next Annual General Meeting.	
Restrictions	The organisation may not undertake any permanent trading activities in raising funds for its charitable objects.	
Company number	5407996	
Charity number	1109363	
Registered and Operational address	33 Corsham Street London N1 6DR	
Honorary officers	Lawrie Simanowitz	Chair
Company Secretary	Tina Winders	
Bankers	Unity Trust Bank Nine Brindleyplace 4 Oozells Square Birmingham B1 2HB	
Solicitors	Russell-Cooke 2 Putney Hill London SW15 6AB	
Auditors	Sayer Vincent 8 Angel Gate City Road London EC1V 2SJ	

Community Hub

Report of the board of directors

For the period ended 31 March 2006

The board of directors presents its report and the audited financial statements for the period ended 31 March 2006.

Legal and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities (issued in March 2005).

Objectives, activities, achievements and performance

The Community Hub was set up to promote the efficiency and effectiveness of charities and the promotion of the effective use of resources for charitable purposes, in particular by the provision of training, administrative and support services. It was also set up for the promotion of the voluntary sector for the benefit of the public, in particular by the provision and maintenance of a resource centre to be used by the voluntary sector.

In order to achieve its objectives the Community Hub purchased the freehold to 33 Corsham Street, London in June 2005. The building was then leased on 999-year leases to the Development Trusts Association (DTA) and the British Association of Settlements and Social Action Centres (bassac). During the succeeding months professionals were contracted to advise on the potential use and configuration of the building. A major refurbishment programme was completed in May 2006 when staff from DTA and bassac moved in. DTA and bassac occupy the ground and first floor leaving the second floor to be rented to other charitable organisations on a serviced desk-space basis. The Community Alliance was the first organisation to rent space on the third floor starting in May 2006.

Financial review

The Community Hub has purchased and refurbished to a high standard 5,000 square feet of offices in central London all within a budget of £1.5 million. This was done through a combination of bank loans (Unity Trust Bank and Esmée Fairbairn foundation) and capital grants (Home Office, Monument Trust, Gatsby Charitable Foundation, City Parochial Fund).

An exercise is under way to quantify the value of transactions with DTA and bassac. On completion of this exercise the necessary disclosures will be shown in next year's accounts.

Reserves policy

At 31 March 2006, Community Hub's free reserves stood at negative £2,090. The deficit resulted from limited opportunities for generation of unrestricted income due to incomplete refurbishment of the building

Community Hub has a commitment to build two unrestricted reserves totalling £15,000. They are:

- A general reserve equal to three months of unrestricted expenditure, currently estimated at £5,000, to be available to cover running costs in the event of short-term periods of reduced income.
- A 'buildings' reserve of £10,000 for unplanned expenditure on building repairs and maintenance.

Refurbishment is now complete providing the opportunity to generate higher levels of unrestricted income to meet targeted levels of reserves.

Community Hub

Report of the board of directors

For the period ended 31 March 2006

The board of directors will review both the reserve policy and the level of reserves at least annually and take necessary steps to ensure that both are sufficient.

Related parties

There were no related party transactions, with the exception of those disclosed in note 13.

Risk review

The board has reviewed the risks of freehold ownership, including risk of loss of income, maintenance costs, and loss of asset. Each risk was considered with its impact, probability and how the board manages that risk.

Investment policy

The Memorandum and Articles of Association permit any excess funds to be held in any clearing bank, trust corporation or stockbroking company which is a member of the Stock Exchange.

Responsibilities of the board of directors

Company law requires the board of directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the period then ended.

In preparing those financial statements which give a true and fair view, the board of directors should follow best practice and:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue on that basis

The board of directors are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 1985.

The board of directors are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other

The board of directors confirm that to the best of their knowledge there is no information relevant to the audit of which the auditors are unaware. The board of directors also confirm that they have taken all necessary steps to ensure that they are aware of all relevant audit information and that this information has been communicated to the auditors.

Community Hub

Report of the board of directors

For the period ended 31 March 2006

Members of the board of directors

Members of the board of directors, who are also trustees under charity law, who served during the year and up to the date of this report were as follows:

		Date appointed	Date Resigned
Dave Clarson	Director	30/03/2005	18/04/2005
Paul Gibson	Director	18/04/2005	
Ben Hughes	Director	30/03/2005	
Susan Spencer	Director	30/03/2005	
Steve Wyler	Director	30/03/2005	
Lawrie Simanowitz	Chairman	25/05/2006	

Membership of the board is open to the independent trustee and any organisation which the members unanimously decide to admit to membership being lessees of the premises.

Members of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up. The total number of such guarantees at 31 March 2006 was 4. Members of the board of directors have no beneficial interest in the charitable company.

Auditors

Sayer Vincent were appointed as the charitable company's auditors during the period and have expressed their willingness to continue in that capacity.

Approved by the board of directors on 8/1/07 and signed on their behalf by



Tina Winders
Secretary

Independent auditors' report

To the members of

Community Hub

We have audited the financial statements of Community Hub for the period ended 31 March 2006 which comprise the statement of financial activities, balance sheet and related notes. These financial statements have been prepared in accordance with the accounting policies set out therein and the requirements of Statement of Recommended Practice: Accounting and Reporting by Charities (issued in March 2005).

This report is made solely to the charitable company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the board of directors and auditors

The board of directors (who are also trustees of Community Hub for the purposes of charity law) are responsible for preparing the annual report and the financial statements in accordance with applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in March 2005). The responsibilities of the board of directors are set out in the statement of responsibilities of the board of directors.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We report to you whether, in our opinion, the information given in the the annual report of the board of directors is consistent with the financial statements. We also report to you if the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding the board of directors' remuneration and other transactions is not disclosed.

We read other information contained in the annual report, and consider whether it is consistent with the audited financial statements. This other information comprises only the report of the board of directors. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the board of directors in the preparation of financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

Independent auditors' report

To the members of

Community Hub

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice as modified by the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in March 2005), of the charitable company's state of affairs as at 31 March 2006 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended; and
- have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the board of directors report is consistent with the financial statements.

23 January 2007

Roger Vincent

SAYER VINCENT
Chartered accountants & registered auditors
London

Community Hub

Statement of financial activities (incorporating an income and expenditure account)

For the period ended 31 March 2006

	Note	Restricted £	Unrestricted £	2006 Total £
Incoming resources				
<i>Incoming resources from generated funds:</i>	2			
Voluntary income		-	1,000	1,000
Activities for generating funds		-	8,375	8,375
		-	9,375	9,375
<i>Incoming resources from charitable activities:</i>				
Community asset development	3	12,000	-	12,000
Total incoming resources		12,000	9,375	21,375
Resources expended				
<i>Costs of generating funds</i>		-	946	946
<i>Charitable expenditure</i>				
Community asset development		7,200	5,849	13,049
<i>Governance costs</i>		-	4,670	4,670
Total resources expended	4	7,200	11,465	18,665
Net incoming resources for the period and net movement in funds	5	4,800	(2,090)	2,710
Funds at the start of the period		-	-	-
Funds at the end of the period	12	4,800	(2,090)	2,710

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 13 to the financial statements.

Community Hub (Limited by Guarantee)

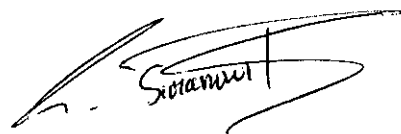
Balance sheet

As at 31 March 2006

	Note	£	2006 £
Tangible fixed assets	8		-
Current assets			
Debtors	9	928	
Cash at bank and in hand		<u>14,035</u>	
		14,963	
Current liabilities: amounts falling due within one year			
	10	<u>12,253</u>	
Net current assets			<u>2,710</u>
Net assets	11		<u>2,710</u>
Funds	12		
Restricted funds			4,800
Unrestricted funds			<u>(2,090)</u>
Total funds			<u>2,710</u>

Approved by the board of directors on 8/1/07

and signed on their behalf by



Lawrie Simanowitz - Chair

Community Hub

Notes to the financial statements

For the period ended 31 March 2006

1. Accounting policies

- a) The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards and follow the recommendations in Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2005) and the Companies Act 1985.
- b) Voluntary income is received by way of donations and gifts and is included in full in the Statement of Financial Activities when receivable.
- c) Rental income is received through the lease of excess space of the freehold property and is included in full in the Statement of Financial Activities when receivable.
- d) Revenue grants are credited to the Statement of Financial Activities when received or receivable whichever is earlier, unless they relate to a specific future period, in which case they are deferred. Grants are credited to "Incoming resources from generated funds" on the SOFA except for general and core grants which are allocated to voluntary income.
- e) Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.
- f) Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.
- g) Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT which cannot be recovered. Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the basis of an estimate, based on staff time, of the amount attributable to each of the organisation's projects and activities.

Governance costs include the management of the charitable company's assets, organisational management and compliance with constitutional and statutory requirements.

- h) Costs of generating funds relate to the costs incurred by the charitable company in inducing others to make voluntary contributions to it.
- i) Tangible fixed assets costing more than £500 are capitalised and included at cost. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset over its expected useful life. The depreciation rates in use are as follows:

Computer equipment : 33%
Office furniture and equipment : 20%

Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities.

Community Hub

Notes to the financial statements

For the period ended 31 March 2006

2. Incoming resources from generated funds:

	Restricted £	Unrestricted £	2006 Total £
Voluntary income			
Donations	-	1,000	1,000
Activities for generating funds			
Rental and service charges	-	8,375	8,375
Total	-	9,375	9,375

3. Incoming resources from charitable activities:

	Restricted £	Unrestricted £	2006 Total £
Community asset development			
The Baring Foundation	12,000	-	12,000
	12,000	-	12,000

4. Total resources expended

	Costs of generating funds £	Community asset development £	Governance £	2006 Total £
Consultants	-	7,200	-	7,200
Premises				
Repairs and maintenance	163	1,005	-	1,168
Utilities	323	2,007	-	2,330
Insurance	432	2,667	-	3,099
Communications	28	170	-	198
Audit and accountancy	-	-	4,670	4,670
Total resources expended	946	13,049	4,670	18,665

Community Hub

Notes to the financial statements

For the period ended 31 March 2006

5. Net incoming resources for the year

This is stated after charging:

	2006 £
Depreciation	nil
Board members' remuneration	nil
Board members' reimbursed expenses	nil
Auditors' remuneration:	
▪ Current year audit	<u>4,406</u>

6. Staff costs and numbers

No staff were employed by Community Hub in the period and no staff costs were incurred.

7. Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

8. Tangible fixed assets

	Freehold land and buildings £
COST	
At 30 March 2005	-
Additions in period	1,198,500
Disposals in period	<u>(1,198,500)</u>
At 31 March 2006	<u>-</u>
DEPRECIATION	
At 30 March 2005 and at 31 March	<u>-</u>
NET BOOK VALUE	
At 31 March 2006	<u>-</u>

During 2005 Community Hub purchased the freehold property: 33 Corsham Street for a VAT inclusive price of £1,198,500 and subsequently leased 40% of the floorspace to bassac, and 60% of the floorspace to DTA on 999-year leases. The leases were made at cost. Community Hub continues to manage the property on their behalf, but as the risks and rewards of ownership now lie with bassac and DTA, the asset has been removed from the financial statements of Community Hub.

Community Hub

Notes to the financial statements

For the period ended 31 March 2006

9. Debtors

	2006 £
Trade debtors	365
Prepayments	563
	<u>928</u>

10. Creditors : amounts falling due within one year

	2006 £
Trade creditors	383
Accruals	11,870
	<u>12,253</u>

11. Analysis of net assets between funds

	Restricted funds £	Unrestricted funds £	Total funds 2006 £
Current assets	12,000	2,963	14,963
Current liabilities	(7,200)	(5,053)	(12,253)
Net assets at 31 March 2006	<u>4,800</u>	<u>(2,090)</u>	<u>2,710</u>

12. Movements in funds

	At 30 March 2005 £	Incoming resources £	Outgoing resources £	At 31 March 2006 £
Restricted funds:				
Co-location evaluation	-	12,000	(7,200)	4,800
Total restricted funds	<u>-</u>	<u>12,000</u>	<u>(7,200)</u>	<u>4,800</u>
Unrestricted funds:				
General funds	-	9,375	(11,465)	(2,090)
Total unrestricted funds	<u>-</u>	<u>9,375</u>	<u>(8,599)</u>	<u>(2,090)</u>
Total funds	<u>-</u>	<u>21,375</u>	<u>(15,799)</u>	<u>2,710</u>

Community Hub

Notes to the financial statements

For the period ended 31 March 2006

12. Movements in funds (cont.)

Purpose of restricted funds

Co-location evaluation

Funding received for a written evaluation of the process resulting in co-location between bassac and DTA at 33 Corsham Street

13. Related party transaction

In the period the freehold property owned by Community Hub was leased 40% to bassac, and 60% to DTA on a 999-year lease. Community Hub is an associate of both bassac and DTA, with two common board members from each entity. Paul Gibson is a director of DTA and Community Hub and Steve Wyler is the chief executive at DTA and a director of Community Hub. Susan Spencer is a director of bassac and Community Hub. Ben Hughes is the chief executive at bassac and is a director of Community Hub.