

HOUSE OF HODGE  
REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2020

REGISTERED CHARITY NO. 1135243

HOUSE OF HODGE

INDEX TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2020

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Page No.

1 - 3	Trustees' Annual Report
4	Independent Examiner's Report
5	Statement of Financial Activities (including Income and Expenditure Account)
6	Balance Sheet
7 - 12	Notes to the Financial Statements

## HOUSE OF HODGE

### TRUSTEES' ANNUAL REPORT

#### FOR THE YEAR ENDED 31 JULY 2020

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The Trustees present their annual report and financial statements of the charity for the year ended 31 July 2020. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's Constitution, the Charities Act 2011 and 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 published in October 2019.

#### ***Objectives and Activities***

The objects of the charity are to promote humane behaviour towards animals by providing appropriate care, protection, treatment and security for animals which are in need of care and attention by reason of sickness, maltreatment, poor circumstances or ill usage.

We support cats and dogs by helping to fund their secure care and treatment, including helping pet owners to pay vet fees, and donating funds to pet sanctuaries. We do this primarily through selling books at the House of Hodge bookshop; and we sometimes have a bookstall at community events.

In shaping the objectives for the year and planning the charity's activities, the trustees referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

#### ***Achievements and Performance***

Income has increased by £6,437 compared to the previous year (2019 - increase of £741). Expenditure, including donations awarded has increased by £10,777 compared to the previous year (2019 - decrease of £2,985). The surplus for the year was £3,148 (2019 – surplus of £7,488).

The management of the retail operation has improved, resulting in a more consistent income stream and increased reserves. The trustees focused on how surplus funds would be distributed. Local vets and animal sanctuaries were contacted and visited and after due consideration the trustees distributed £10,500 as detailed in Note 6 (including £3,000 pledged in the previous financial year but paid in the current year).

In view of the uncertainty surrounding Covid-19, the trustees were minded to increase the operating reserves to 9 months.

With the Covid-19 national lockdown the shop was obliged to close for 13 weeks with an estimated loss of income of £6,000. The shop was awarded a central government grant of £10,000. A recruitment drive resulted in an influx of new volunteers and the shop was able to open from 4 to 7 days a week. Post lockdown, the shop saw increased donations and footfall levels and overall greater awareness and engagement from the local community for the charity and its cause.

#### ***Financial Review***

##### ***Reserves Policy***

The charity requires general reserves to fund its activities, the Trustees aim for three months operating expenses in reserves. However, in view of the uncertainty surrounding Covid-19, the trustees increased the operating reserves to 9 months.

## HOUSE OF HODGE

### TRUSTEES' ANNUAL REPORT (Continued)

FOR THE YEAR ENDED 31 JULY 2020

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#### *Principal Funding Sources*

The principal funding source for the charity is currently by way of shop sales.

#### ***Structure, Governance and Management***

##### *Governing Document*

House of Hodge is a charitable Association governed by a Constitution adopted 14 July 2009 and registered as a charity with the Charity Commission on 26 March 2010. In the event of dissolution, after making provision for all outstanding liabilities of the Association, the Committee must transfer remaining funds to another body with charitable purposes and similar objects, and submit a final report and statement of account to the Commission.

##### *Recruitment and Appointment of Trustees*

At the 2019 AGM there was no appointment made. Richard Dean Sutcliffe was appointed later on in the year.

#### ***Reference and Administrative Details***

*Charity registration number:* 1135243

*Principal office:* 174 Blackstock Road  
London  
N5 1HA

##### *Trustees*

The trustees serving during the year and since the year end were as follows:

Shetal Lakha (Chair)	
Frances Bradley	
Doreen Brenda Phoebe Rolph	(resigned 31 July 2020)
Sandra Virgo	(resigned 31 July 2020)
Cecile David	
Richard Dean Sutcliffe	(appointed 11 December 2019)

No trustee received any remuneration for services during the year, nor did they have any beneficial interest in any contract with the charity.

*Bankers:* Barclays Bank Plc  
403 Holloway Road  
London  
N7 6HL

*Independent Examiner:* Barcant Beardon Limited  
Chartered Accountants  
8 Blackstock Mews  
Islington  
London  
N4 2BT

HOUSE OF HODGE

TRUSTEES' ANNUAL REPORT (Continued)

FOR THE YEAR ENDED 31 JULY 2020

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***Trustees' responsibilities in relation to the financial statements***

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which show a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operational existence.

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the trustees on 26/11/20

and signed on their behalf.



Cecile David  
Trustee

# INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF

HOUSE OF HODGE

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I report to the charity Trustees on my examination of the accounts of the charity for the year ended 31 July 2020, which are set out on pages 5 to 12.

## ***Responsibilities and basis of report***

As the charity's Trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the charity's accounts carried out under section 145 of the 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.

## ***Independent examiner's statement***

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Shu Fen Chung FCCA ACA  
BARCANT BEARDON LIMITED  
Chartered Accountants

27 November 2020

8 Blackstock Mews  
Islington  
London N4 2BT

HOUSE OF HODGE

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 JULY 2020

	Notes	Restricted Funds 2020 £	Unrestricted Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
<i>Income and endowments from:</i>					
Donations and legacies	2	-	10,656	10,656	23
Other trading activities	3	-	14,806	14,806	19,002
Total income and endowments		-	25,462	25,462	19,025
<i>Expenditure on:</i>					
Charitable activities	4	-	22,314	22,314	11,537
Total expenditure		-	22,314	22,314	11,537
<i>Net income/(expenditure) for the year</i>	7	-	3,148	3,148	7,488
Total funds brought forward		-	13,734	13,734	6,246
Total funds carried forward		-	16,882	16,882	13,734

The statement of financial activities includes all gains and losses recognised during the year.

All income and expenditure derive from continuing activities.

HOUSE OF HODGE


BALANCE SHEET

AS AT 31 JULY 2020

	Notes	2020 £	2019 £
<i>Current Assets</i>			
Cash at bank and in hand		17,482	14,334
		<u>17,482</u>	<u>14,334</u>
<i>Creditors: amounts falling due within one year</i>	9	(600)	(600)
		<u>(600)</u>	<u>(600)</u>
<i>Net Current Assets</i>		16,882	13,734
		<u>16,882</u>	<u>13,734</u>
<i>Net Assets</i>		16,882	13,734
		<u>16,882</u>	<u>13,734</u>
<i>Funds</i>			
Unrestricted funds			
General funds	10	16,882	13,734
		<u>16,882</u>	<u>13,734</u>
		<u>16,882</u>	<u>13,734</u>

Approved by the trustees on 26/11/20

and signed on its behalf.

  
 .....  
 Cecile David  
 Trustee

The notes on pages 7 to 12 form part of these financial statements.



# HOUSE OF HODGE

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2020

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### **1.0 Accounting Policies**

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

#### **1.1 Basis of Preparation**

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 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 issued in October 2019, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011. Assets and liabilities are initially recognised at historical cost and transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements are prepared on a going concern basis under the historic cost convention. The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following 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) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

#### **1.2 Fund Accounting**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes. Designated funds are unrestricted funds earmarked by the trustees for particular purposes. Restricted funds are subject to restrictions on their expenditure imposed by the donor.

#### **1.3 Income Recognition**

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

HOUSE OF HODGE

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 JULY 2020

Interest income is recognised when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

*1.5 Expenditure recognition*

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

- Expenditure on charitable activities comprises those costs incurred by the charity in the delivery of its activities and services. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Donations payable to third parties are within the charitable objectives.

*1.6 Support costs allocation*

Support costs are those functions that assist the work of the charity but do not directly represent charitable activities and include premises overheads, office, finance and governance costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

*1.7 Debtors*

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

*1.8 Creditors and provisions*

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount.

**2.0 Income from Donations and Legacies**

	Unrestricted funds 2020 £	Unrestricted funds 2019 £
Donations	656	23
Grants	10,000	-
	<u>10,656</u>	<u>23</u>

HOUSE OF HODGE

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 JULY 2020

**3.0 Income from Other Trading Activities**

	Unrestricted Funds 2020 £	Unrestricted Funds 2019 £
Shop income	14,326	18,118
Festival income	-	110
Internet sales	480	153
Other income	-	621
	<u>14,806</u>	<u>19,002</u>

**4.0 Analysis of Expenditure on Charitable Activities**

*Charitable Activities 2020*

	Activities undertaken directly 2020 £	Donation funded activities 2020 £	Support costs 2020 £	Total 2020 £
Donations awarded	-	10,777	-	10,777
Bookshop	30	-	11,507	11,537
	<u>30</u>	<u>10,777</u>	<u>11,507</u>	<u>22,314</u>

*Charitable Activities 2019*

	Activities undertaken directly 2019 £	Donation funded activities 2019 £	Support costs 2019 £	Total 2019 £
Donations awarded	-	1,000	-	1,000
Bookshop	408	-	10,129	10,537
	<u>408</u>	<u>1,000</u>	<u>10,129</u>	<u>11,537</u>

- 4.1 Of the £22,314 expenditure in 2020 (2019 – £11,537), £nil (2019 - £nil) was attributable to restricted funds and £22,314 (2019 - £11,537) was attributable to unrestricted funds.

HOUSE OF HODGE

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 JULY 2020

**5.0 Analysis of Support Costs**

*Support costs 2020*

	Donations awarded 2020 £	Bookshop 2020 £	Total 2020 £
Premises	-	8,941	8,941
Office running	-	1,792	1,792
Finance	-	119	119
Governance	-	655	655
	<u>-</u>	<u>11,507</u>	<u>11,507</u>

*Support costs 2019*

	Donations awarded 2019 £	Bookshop 2019 £	Total 2019 £
Premises	-	7,489	7,489
Office running	-	2,040	2,040
Governance	-	600	600
	<u>-</u>	<u>10,129</u>	<u>10,129</u>

**6.0 Analysis of Donations Awarded**

Recipients of donations during the year:

	2020 £	2019 £
Rhodes Minnis Cat Sanctuary	750	1,000
Hearing Dogs for Deaf People	3,000	-
Blue Cross for Pets	3,500	-
Royal Society for the Prevention of Cruelty to Animals	3,000	-
Hill's Veterinary Practice	527	-
	<u>10,777</u>	<u>1,000</u>

**7.0 Net Income/(Expenditure) for the Year**

	2020 £	2019 £
<i>This is stated after charging</i>		
Independent examiner's fee	600	600
	<u>600</u>	<u>600</u>

HOUSE OF HODGE

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 JULY 2020

**8.0 Trustees Remuneration and Expenses**

No members of the Board of Trustees received any remuneration during the year (2019 – none). Shop and office running expenses amounting to £889 (2019 - £383) were reimbursed to three (2019 – one) trustees.

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year (2019 – nil).

**9.0 Creditors: Amounts Falling Due Within One Year**

	2020 £	2019 £
Accruals	600	600

**10.0 Analysis of Charitable Funds**

*Analysis of movements in unrestricted funds – current year*

	Balance 1 Aug 19 £	Incoming Resources £	Outgoing Resources £	Transfers £	Balance 31 Jul 20 £
General funds	13,734	25,462	(22,314)	-	16,882

*Analysis of movements in unrestricted funds – previous year*

	Balance 1 Aug 18 £	Incoming Resources £	Outgoing Resources £	Transfers £	Balance 31 Jul 19 £
General funds	6,246	19,025	(11,537)	-	13,734

*Name of unrestricted fund*

*Description, nature and purposes of the fund*

General funds

The “free reserves” after allowing for any designated funds.

**11.0 Analysis of Net Assets Between Funds**

*Current year*

	Restricted Funds 2020 £	Unrestricted Funds 2020 £	Total 2020 £
Cash at bank and in hand	-	17,482	17,482
Other net current assets/(liabilities)	-	(600)	(600)
	-	16,882	16,882

HOUSE OF HODGE

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 JULY 2020

<i>Previous year</i>	Restricted Funds 2019 £	Unrestricted Funds 2019 £	Total 2019 £
Cash at bank and in hand	-	14,334	14,334
Other net current assets/(liabilities)	-	(600)	(600)
	<u>-</u>	<u>13,734</u>	<u>13,734</u>

**12.0 Related Party Transactions**

Aside from trustee remuneration and expenses disclosed in note 8, there were no related party transactions during the year (2019 - none).