

Registered number: 03912530

England and Wales

Charity Number: 1080735



# **hillside clubhouse**

**ANNUAL REPORT AND AUDITED ACCOUNTS**

**FOR THE YEAR ENDED 31 MARCH 2023**

**ANNUAL REPORT AND ACCOUNTS  
YEAR ENDED TO 31 MARCH 2023**

**Contents**

1	Legal & Administrative Information
2-11	Report of the Trustees
12-14	Auditors' report
	Accounts comprising:
15	Statement of financial activities
16	Balance sheet
17	Statement of cashflows
18-28	Notes to the accounts

## HILLSIDE CLUBHOUSE

### Legal & Administrative Information

<b>Company number</b>	-	03912530 (England and Wales)
<b>Charity number</b>	-	1080735
<b>Trustees/Directors</b>	-	D Barrett (Chairperson) A Christie S Rende C Morton J Cooke G Sanford K Wah Yip
<b>Company secretary</b>	-	C Pymar
<b>Registered office and Operational address</b>	-	Unit A 30 North Road London N7 9GJ
<b>Auditors</b>	-	Simpson Wreford LLP Chartered Accountants & Registered Auditors Wellesley House Duke of Wellington Avenue Royal Arsenal London SE18 6SS

## **HILLSIDE CLUBHOUSE**

### **REPORT OF THE TRUSTEES – 31 MARCH 2023**

The Trustees present their report and the audited financial statements for the year ended 31 March 2023 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements have been prepared in accordance with accounting policies set out in the notes to the accounts, the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and Accounting, and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard in the UK and Republic of Ireland (FRS 102).

### **OBJECTIVES AND ACTIVITIES**

The Objects of the Charity are to relieve the needs of individuals suffering from mental or physical illness or impairment of any description, in particular but not exclusively by providing, or assisting in the provision of, psycho-social rehabilitative services in order that those individuals may regain their confidence and skills.

There are three main services available to members through Hillside Clubhouse. These are:

**The Clubhouse:** a physical space where member can participate in the work-ordered day and recovery project. Members are integral to the running of the Clubhouse and get involved with admin, marketing, website design, social media, business development and creative sessions. We also run our catering arm from the Clubhouse where members and staff prepare food for the public and private catering events.

**Camden Work and Wellbeing (CWAU):** a commissioned service providing IPS employment support for secondary care and EA in iAPT employment support in primary care. The service is integrated within the community mental health teams in Camden and works rapidly with people to secure them employment. The service also offers retention support for people who are already in employment and are finding their mental ill health is impacting on their job.

**Mental Health Working Islington (MHWI):** a commissioned service providing IPS employment support for secondary care and IAG, training, active volunteering and employment support from the Clubhouse.

Through the services detailed above, Hillside Clubhouse supports and encourages people to develop and share skills, access training, gain paid employment and feel more confident and less isolated.

### **PUBLIC BENEFIT PROVIDED BY THE CHARITY**

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Commission in determining the activities undertaken by the Charity.

The company is a Charity and exists to provide rehabilitation and assistance to adults with a mental health condition.

## HILLSIDE CLUBHOUSE

### REPORT OF THE TRUSTEES – 31 MARCH 2023

Hillside Clubhouse is a collaborative, coproduced organisation that provides a service for people with mental health conditions in Camden and Islington who are unemployed or requiring support to retain employment. Staff within Hillside Clubhouse provide holistic, tailored support for people at their point of need. Members can access IPS support if they are within secondary care, EA in iCope support if within primary care or skills/training/volunteering opportunities from the Clubhouse.

### **SUMMARY OF MAIN DEVELOPMENTS AND ACHIEVEMENTS**

Outlined below are the key successes and achievements for the financial year:

- Over the financial year Hillside Clubhouse supported 135 people into employment, 32 people to retain employment through a crisis and 254 people within the Clubhouse. 81 members in the Clubhouse were signposted to other specialist support agencies and 70 were supported into mainstream external activities
- 1016 people were referred to Hillside and 608 received support from the organisation
- 89% of people reported that Hillside Clubhouse has helped them to stay mentally well
- In June 2022 we recruited a new Director of IPS and ES.
- We were successful in our tender for the Camden Work and Wellbeing contract
- The EA in iCope Camden service has continued to improve performance month on month, which has led to Islington commissioning a replicate EA in iCope service from July 2023.
- Additional investment has been provided for delivering the Islington IPS contract, available from April 2023
- With the cost-of-living crisis being felt across our membership and within the local community, we secured some funding to enable us to provide a free hot meal to those in food poverty once a week. We also partnered with a local community centre, Holloway Neighbourhood Group, to provide a soup for their weekly warm space
- We continued to work with The Big Alliance, and partnered with corporate volunteers who supported the implementation of a new database
- We had allocated £80,575 from reserves to support the implementation of the new staffing structure, however, due to securing additional funding, and cost-savings, we only needed to draw down £24,839
- We accessed new funding from London Catalyst, which allowed us to distribute small grants to Camden members and clients
- The new Clubhouse structure continued to flourish, with members having access to a range of wellbeing sessions such as art, gardening and social groups as well as the opportunity to support the operational delivery of the charity
- Staff and members participated in a range of markets across Islington throughout the year, selling baked goods and homemade cards
- Members and staff, with the support of corporate volunteers, redesigned and redeveloped Hillside's website and social media activity
- The Islington IPS team had their first Fidelity Review in August 2022 and scored fair. The team are developing the service based on recommendation and action planning from the Review
- A new business plan was put in place for 2022-2025 and progress has been made against all items in the plan. Key aspects include:
  - o A new treasurer was appointed to the board and a finance sub-committee was established

## HILLSIDE CLUBHOUSE

### REPORT OF THE TRUSTEES – 31 MARCH 2023

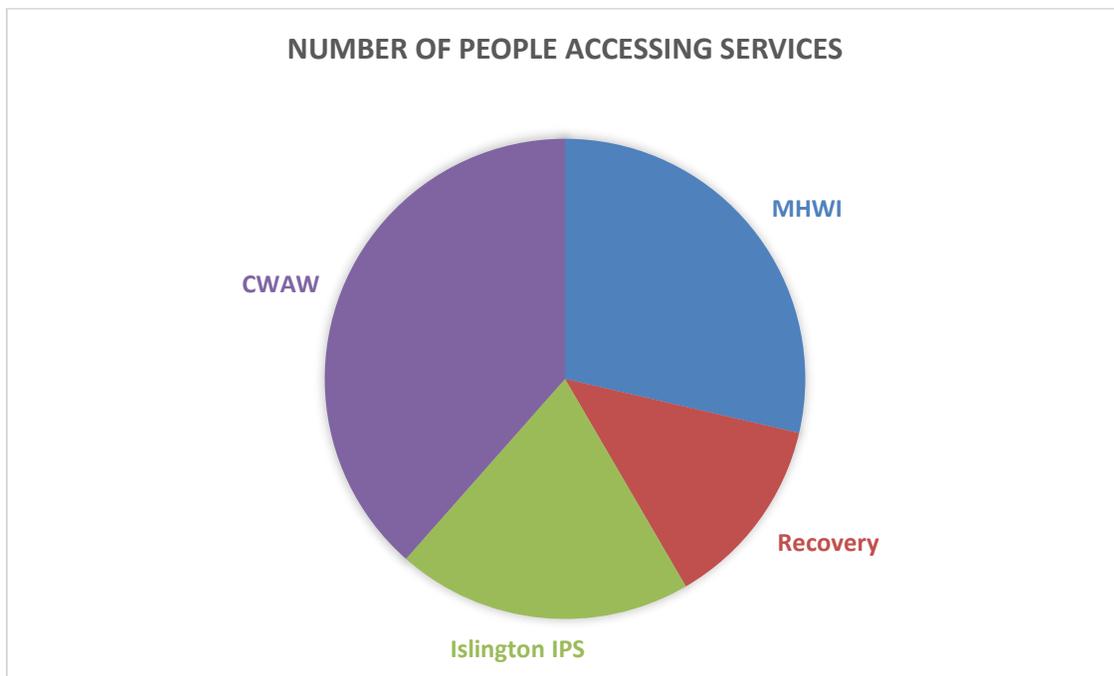
- We started work on reviewing our branding with the aspiration to update it to better reflect the depth and breadth of services on offer
- Our website and social media has all been updated by members, with support from staff
- Staff support has increased, with all teams being offered both peer and clinical support; whole organisational training; appraisals and access to occupational health
- A new admin role was created to provide support across the organisation
- We implemented a new HR system, migrated from the server to Sharepoint, hired a new IT company and set up Quickbooks online

There have also been a number of challenges throughout the year:

- There have been a number of staff changes and the secondary care teams in particular have been impacted by staff leaving and the lead-in time for new starters to have a full caseload
- The Director of IPS and ES went on maternity leave in October 2022 and we were unable to find a suitable maternity cover. In her absence, the Executive Director has been covering key elements of the role
- The clinical system used by the secondary care team went down in June and a new system wasn't in place until September. This has impacted on the accuracy of data being pulled by the NHS team for MHSDS reporting
- The organisation has been through a period of change, which has included some staff turnover and presented some recruitment challenges

### **OUTCOMES**

Throughout the course of the year Hillside Clubhouse had 608 different people engage in its services. The chart below outlines the number of people supported by each service:



# HILLSIDE CLUBHOUSE

## REPORT OF THE TRUSTEES – 31 MARCH 2023

### IMPACT

Every year we do an annual evaluation of our services and ask members to feedback anonymously on their experiences at Hillside Clubhouse. A selection of the feedback is below:

“Everyone is kind. You are appreciated for who you are not just your illness.”

“Everyone is treated with equal respect and I am always given room to be authentically me without judgment.”

“Staff so kind and thoughtful, all of them”

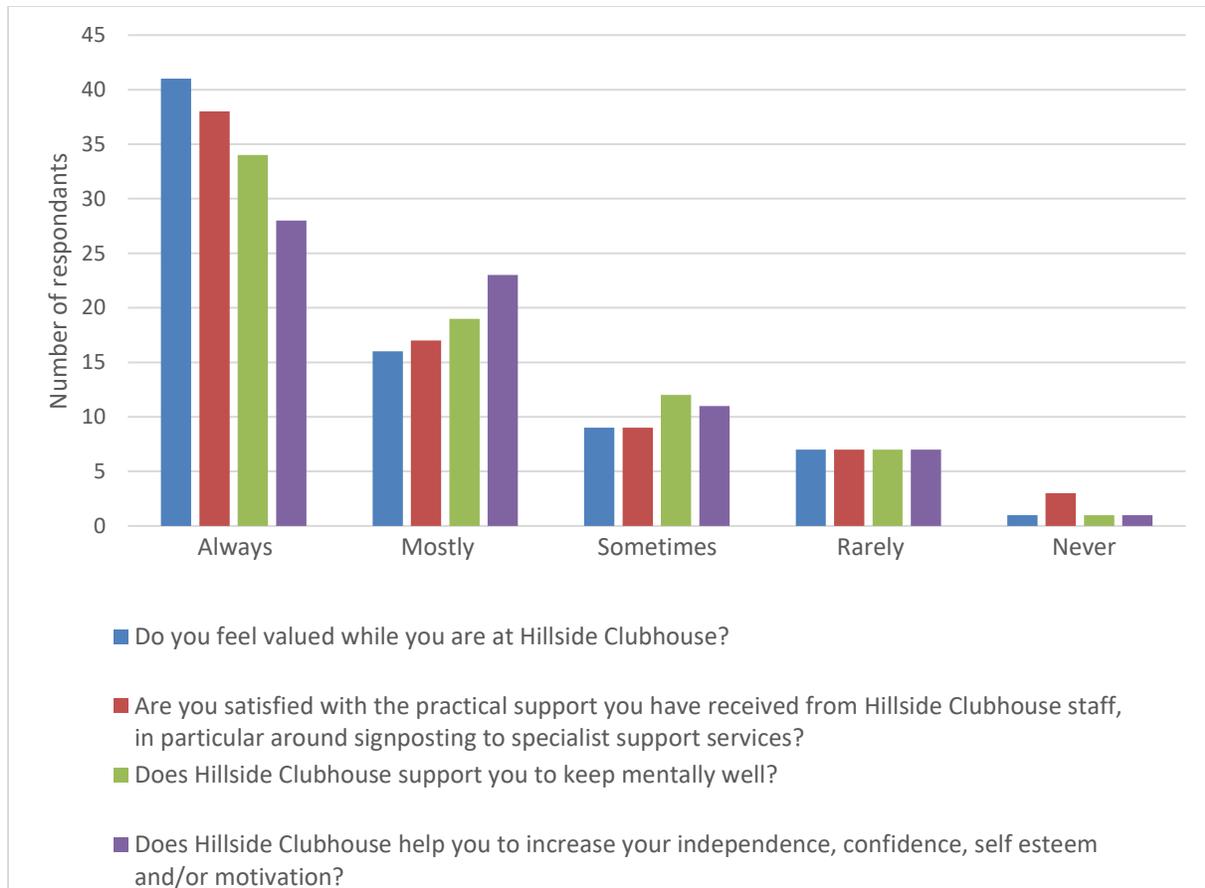
“They have helped me though some difficult times, they have always been there”

“Giving me an opportunity to feel valuable again. It can be so depressing feeling like you aren't progressing.”

“It helps to build confidence by learning and find new skills that you have not tried before”

“Through work they have given me confidence and independence. Through work I feel better about myself and motivated to continue.”

The below chart outlines the impact coming to Hillside has had on people's wellbeing:

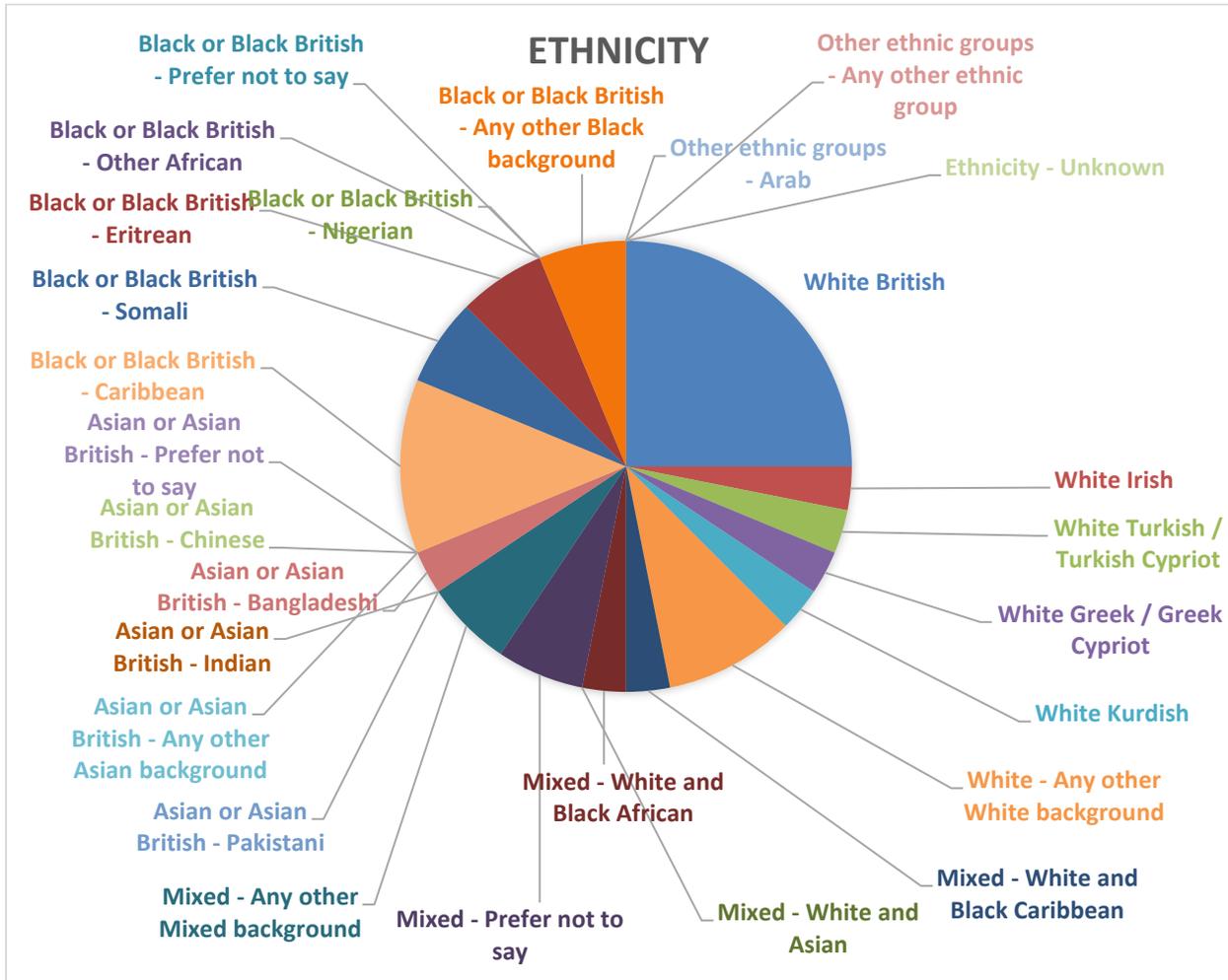


# HILLSIDE CLUBHOUSE

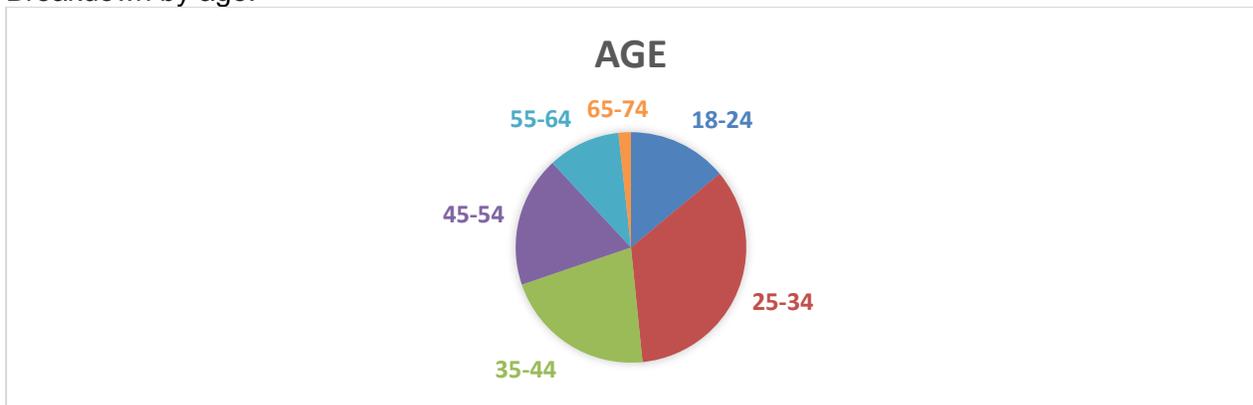
## REPORT OF THE TRUSTEES – 31 MARCH 2023

### BENEFICIARIES

Breakdown by ethnicity within the Clubhouse:



Breakdown by age:



## **HILLSIDE CLUBHOUSE**

### **REPORT OF THE TRUSTEES – 31 MARCH 2023**

#### **LOOKING AHEAD**

Hillside Clubhouse's plans for 2023/24 and beyond include:

- Growing our catering operations to expand our external catering offer. This includes exploring a partnership with Somers Town Community Association with Hillside providing a community café at their community centre in Kings Cross; developing a partnership with St Giles Trust and Southern Housing to offer a community pantry from the kiosk; developing a programme of training and practical support around food, sustainability and budgeting.
- Expansion of Islington IPS offer to enable Hillside to better meet the requirements of the national and local mental health long-term plan.
- Replication of the successful EA in iCope Camden service into Islington to provide an employment support offer for Islington residents within the Talking Therapies service.
- Migration to a new database to bring together the different services within the organisation, for a better understanding of support, impact and member/client journey through Hillside.
- Reviewing our branding and marketing materials to ensure they are dynamic and inspiring, there is consistency across services and we are future proofing the organisation

#### **GOVERNING DOCUMENT**

Hillside Clubhouse Limited is a company limited by guarantee governed by its Memorandum and Articles of Association dated 6 December 1999 (as amended from time to time). It is registered as a charity with the Charity Commission (number: 1080735).

#### **RECRUITMENT AND APPOINTMENT OF TRUSTEES**

The Directors of the Company are also charity trustees for the purposes of charity law and under the company's Articles are known as members of the Management Committee.

There is a trustee recruitment policy and new trustees are appointed on the basis of skills needed by the Board. Recruitment takes place through word of mouth, advertising through local bulletins and newsletters, through networking events, in newspapers and by mailouts as and when new trustees are needed.

There is an induction and training policy for trustees and all board members have role descriptions. New trustees receive a thorough induction which includes a visit to the Clubhouse, meeting with the Executive Director, attendance at a board meeting as an observer and notes of the last three board meetings. All trustees are required to sign a declaration of commitment and qualification for trusteeship and a signed declaration of any interest in the Charity. Trustees have access to training and development opportunities with local voluntary action councils.

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

The Trustees delegate day-to-day management of the Charity to Catherine Pymar, Executive Director.

## **HILLSIDE CLUBHOUSE**

### **REPORT OF THE TRUSTEES – 31 MARCH 2023**

#### **TRUSTEE INDUCTION AND TRAINING**

There is an induction and training policy and all trustees have role descriptions. New trustees receive a thorough induction and comprehensive handbook (which sets out the obligations of trustees, contains the main documents relating to the Charity's operation, contains up to date financial information including audited accounts and contains business plans).

Induction further consists of a visit to the Clubhouse and a meeting with the Executive Director, a written induction manual, attendance at two meetings as an observer prior to joining the Board of Directors, a named trustee as a 'buddy', notes of the last three Board meetings at least. All trustees are required to sign a declaration of commitment and qualification for trusteeship form and a signed declaration of any interest in the Charity.

All trustees receive the Charity Commission newsletters. Trustees have access to governance and management committee training provided by the local voluntary action council as well as attendance at any other relevant training.

#### **RISK MANAGEMENT**

The trustees maintain a comprehensive risk register and action plan to minimise risks. This is reviewed on an annual basis.

Where appropriate, systems of procedures have been established to mitigate and minimise identified risks the charity faces by implementation of procedures such as the authorisation of transactions and projects, levels of authorisation etc. Procedures are in place to ensure compliance with all statutory requirements including employment law and the health and safety of staff at work. A risk assessment is carried out for all members and beneficiaries. A safeguarding policy is in place and staff have regular safeguarding training. Disclosure and Barring Service checks are carried out on all staff and volunteers who are likely to come into contact with vulnerable adults.

#### **ORGANISATIONAL STRUCTURE**

Hillside Clubhouse has a trustee board of no more than 12 person and not less than four persons. The trustees, as directors are responsible for the overall policy and meet on average every six-eight weeks. Other ad hoc committees are convened as and when required. The board of trustees are responsible for overall policy but much of the day-to-day activity is conducted by individuals to whom it delegates authority.

Day to day responsibility is delegated to the Executive Director who has responsibility for the overall strategy and direction of the organisation and associated operational Directors who have responsibility for day to day operational matters. There is a Director of Clubhouse Operations and a Director of IPS and ES. There are four operational managers, two for Camden Work and Wellbeing, and two for Mental Health Working Islington.

There were a maximum of 24 other members of staff who were responsible for delivery of Hillside services to members in this year.

## HILLSIDE CLUBHOUSE

### REPORT OF THE TRUSTEES – 31 MARCH 2023

#### **EQUALITY AND DIVERSITY AND SERVICE USER INVOLVEMENT**

The trustees also apply a thorough and robust approach to equality and diversity. In addition to operating a general equal opportunities policy, equal opportunities and diversity run through all strands of Hillside Clubhouse's policies, procedures, activities and monitoring and evaluation. This is further enhanced by member (service user) involvement running through all aspects of the Clubhouse's activities, delivery, management and planning. As a result of this Hillside Clubhouse's current demographic makeup in terms of ethnicity and culture continues to be higher than the local demographic averages both in terms of staffing and membership.

#### **FINANCIAL REVIEW**

Going forward the Charity has planned prudently to ensure that financial risks ahead are mitigated.

We have reviewed our fundraising strategy and have five areas of focus; diversification of income; expansion of the catering; developing our consultancy and training offer; securing future IPS contracts and developing our impact measurement and evaluation techniques.

The principal sources of funding are explained in Note 14 to the accounts and all of these funds contribute towards the Charity's aim of enabling Hillside Clubhouse members to lead more fulfilling lives, develop skills, gain employment and become more socially included in their communities.

At year end a deficit on general funds of £24,839 was held. This was due to the restructure within the senior leadership team and funds had been designated from reserves for this purpose.

The main sources of income during this period were: service level agreements and contracts with local authorities and grants. Smaller amounts of income were self generated including some external catering income.

The financial position is sound at year end and the organisation planned its budget for the next financial year during this period.

Designated reserves are held and are explained below.

#### **RESERVES POLICY**

The trustees have examined the charity's requirements for reserves in light of the main risks to the charity. £548,271 is held in designated reserves. This is made up of £25,000 in a property refurbishment fund, £24,000 in a redundancy reserve fund and the remaining £499,271 is contingency funds. At year end, £539,148 was held in a restricted capital fund and £8,359 in restricted funds.

#### **Unrestricted reserves**

While the current financial picture is healthy the Charity continues to be mindful of the current financial climate.

## HILLSIDE CLUBHOUSE

### REPORT OF THE TRUSTEES – 31 MARCH 2023

Trustees have carefully and prudently planned for contingencies with the aim of building up the unrestricted reserve to equate to a readily realisable amount equivalent to six months current turnover.

This reserve currently stands at £548,271 which equates to 6 months running costs at current levels.

The Trustees continue to plan to mitigate any potential risks which include:

- less income from catering and retail outlets
- short term nature of contracts and less margin for full cost recovery on contracts
- given the nature of our work with vulnerable people the Trustees feel that if funding was lost and the organisation needed to refigure or wind down services that we would need to allow enough time to prepare people to move on and support and that period would therefore entail at least six months.
- Risks on payment by results contracts
- The difficulties of securing core funding for the Clubhouse.

#### **Capital asset (property reserve)**

While this is presented as part of the Charity's reserves it is in practice money tied up in the new building (which we purchased). The funds could only be realised on sale of the building. It is therefore not money which is readily accessible or available to the Charity.

#### **TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS**

The Trustees (who are also the directors of Hillside Clubhouse for the purposes of company law) 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).

Company law requires the Trustees to prepare financial statements for each financial year that 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 financial year. In preparing those 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;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK 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 assume that the charity will continue on that basis.

The Trustees are responsible for maintaining proper accounting records that 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 Companies Act 2006. They are also responsible for

## HILLSIDE CLUBHOUSE

### REPORT OF THE TRUSTEES – 31 MARCH 2023

safeguarding the assets of the charitable company and hence for taking reasonable steps for prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions

#### STATEMENT OF DISCLOSURE TO OUR AUDITORS

In so far as the trustees are aware at the time of approving our trustees' annual report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the auditor is unaware, and
- the trustees, having made enquiries of fellow directors and the auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

#### AUDITORS

Simpson Wreford LLP were appointed as Independent auditors during the year and have expressed their willingness to continue in that capacity.

This report has been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by charities and with the small company regime (section 419 (2)) of the Companies Act 2006.

The Trustees have complied with their duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission.

Signed on behalf of the board of Trustees/directors on \_\_\_\_\_.

.....D Barrett - Chairperson

## HILLSIDE CLUBHOUSE

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HILLSIDE CLUBHOUSE FOR THE YEAR ENDED 31 MARCH 2023

#### Opinion

We have audited the financial statements of Hillside Clubhouse ('the charity') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, Statement of Cashflows, Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom accounting standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report (incorporating the strategic report and the directors' report) have been prepared in accordance with applicable legal requirements.

## HILLSIDE CLUBHOUSE

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HILLSIDE CLUBHOUSE FOR THE YEAR ENDED 31 MARCH 2023

#### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

#### Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement set out on page 24, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

#### Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [[www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities)]. This description forms part of our auditor's report.

#### Extent to which the audit was considered capable of detecting irregularities, including fraud

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the computer software and support sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, data protection and FCA regulation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained

## HILLSIDE CLUBHOUSE

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HILLSIDE CLUBHOUSE FOR THE YEAR ENDED 31 MARCH 2023

- alert to instances of non-compliance throughout the audit.

#### **Audit response to risks identified**

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 1 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation and;
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

#### **Use of our report**

This report is made solely to the Charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charity's members those matters we are required to state to them in an auditor's 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 Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Kate Taylor FCA (Senior Statutory Auditor)**  
**for and on behalf of Simpson Wreford LLP, Statutory Auditor**  
Wellesley House  
Duke of Wellington Avenue  
Royal Arsenal  
London SE18 6SS

Dated:

## HILLSIDE CLUBHOUSE

### STATEMENT OF FINANCIAL ACTIVITIES (Including Income and Expenditure Account) FOR THE YEAR ENDED 31 MARCH 2023

		Unrestricted Funds	Designated Funds	Restricted Funds	Capital Restricted Funds (Stone Family & Tudor Trust)	Total Funds	Total Funds
	Notes	2023 £	2023 £	2023 £	2023 £	2023 £	2022 £
<b>Income and Endowments from:</b>							
Donations and legacies	2	216,755	-	19,167	-	235,921	255,196
Investments		2,281	-	-	-	2,281	813
Charitable activities	3	848,377	-	-	-	848,377	890,385
<b>Total</b>		<u>1,067,413</u>	<u>-</u>	<u>19,167</u>	<u>-</u>	<u>1,086,580</u>	<u>1,146,394</u>
<b>Expenditure on:</b>							
Raising funds		12,944	-	-	-	12,944	12,241
Charitable Activities		1,066,888	-	24,109	1,958	1,092,954	1,104,074
Other		5,520	-	-	-	5,520	5,280
<b>Total</b>	4	<u>1,085,352</u>	<u>-</u>	<u>24,109</u>	<u>1,958</u>	<u>1,111,418</u>	<u>1,121,595</u>
<b>Net income / (expenditure)</b>		(17,939)	-	(4,942)	(1,958)	(24,839)	24,799
Transfers between funds		(100,038)	(243,490)	-	343,528	-	-
Net movement in funds	13	<u>(117,977)</u>	<u>(243,490)</u>	<u>(4,942)</u>	<u>341,570</u>	<u>(24,839)</u>	<u>24,799</u>
<b>Reconciliation of Funds</b>							
Total Funds brought forward		117,977	791,761	13,301	197,578	1,120,617	1,095,818
<b>Total Funds carried forward</b>		<u>-</u>	<u>548,271</u>	<u>8,359</u>	<u>539,148</u>	<u>1,095,778</u>	<u>1,120,617</u>

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

The notes on pages 19 to 29 form part of these financial statements.

## HILLSIDE CLUBHOUSE

### BALANCE SHEET AT 31 MARCH 2023

	Notes	2023		2022	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	9		539,148		547,274
<b>CURRENT ASSETS</b>					
Stock		1,000		1,000	
Debtors	10	308,609		352,226	
Cash at bank and in hand		<u>433,308</u>		<u>464,594</u>	
		742,917		817,820	
<b>CREDITORS</b>					
Amounts falling due within one year	11	<u>30,121</u>		<u>80,573</u>	
<b>NET CURRENT ASSETS</b>			712,796		737,247
<b>CREDITORS</b>					
Amounts falling due beyond one year	12		156,166		163,904
<b>NET ASSETS</b>			<u><u>1,095,778</u></u>		<u><u>1,120,617</u></u>
<b>FUNDS</b>					
Unrestricted			-		117,977
Unrestricted - designated			548,271		791,761
Restricted- capital			539,148		197,578
Restricted			8,359		13,301
<b>TOTAL FUNDS</b>	13		<u><u>1,095,778</u></u>		<u><u>1,120,617</u></u>

The accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and in accordance with the Financial Reporting Standard in the UK and Republic of Ireland (FRS 102).

The financial statements on pages 16 to 29 were approved by the Trustees on \_\_\_\_\_ and signed on their behalf by:

D Barrett (Chairperson) .....  
 Company number -03912530 (England & Wales)

**HILLSIDE CLUBHOUSE**  
**STATEMENT OF CASHFLOWS**  
**FOR THE YEAR ENDING 31 MARCH 2023**

	Notes	2023 £	2022 £
<b>Cash used in operating activities</b>	<b>19</b>	<b><u>(33,568)</u></b>	<b><u>(92,310)</u></b>
<b>Cash flows from investing activities</b>			
Interest income		2,281	813
Purchase of tangible fixed assets		-	-
<b>Cash used in investing activities</b>		<b><u>2,281</u></b>	<b><u>813</u></b>
(Decrease)/ increase in cash and cash equivalents in the year		(31,287)	(91,497)
Cash and cash equivalents at the beginning of the year		464,594	556,091
<b>Total cash and cash equivalents at the end of the year</b>		<b><u>433,307</u></b>	<b><u>464,594</u></b>

## HILLSIDE CLUBHOUSE

### NOTES TO THE ACCOUNTS – 31 MARCH 2023

#### 1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

##### **Company information**

Hillside Clubhouse is a company limited by guarantee, incorporated in England and Wales and registered as a charity with the Charity Commission. The registered office is Unit A, 30 North Road, London, N7 9GJ, which is also the principal place of business.

##### **(a) Basis of preparation**

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 (FRS102) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

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

The effects of events relating to the year ended 31 March 2023 which occurred before the date of approval of the financial statements by the Trustees has been included in the financial statements to the extent required to show a true and fair view of the state of affairs at 31 March 2023 and the results for the year ended on that date.

Hillside Clubhouse meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

##### **(b) Preparation of the accounts on a going concern basis**

The charity is considered a going concern. Adequate funding has been achieved to facilitate the charities objectives and activities for the next 12 months. There are no material uncertainties about the charity's ability to continue as a going concern.

##### **(c) Incoming resources**

Income represents grants, donations receivable and other sundry income receivable in the year ended 31 March 2023. All income is recognised over the period in which it relates to, following the accruals method. Grants for the purchase of fixed assets are credited to restricted incoming resources on the earlier date of when received or when they are receivable. Depreciation on the leasehold property is charged against the appropriate capital fund.

## HILLSIDE CLUBHOUSE

### NOTES TO THE ACCOUNTS – 31 MARCH 2023

#### **(d) Resources expended**

Resources expended are recognised in the year in which they are incurred. Resources expended include attributable VAT which cannot be recovered.

Certain expenditure is directly attributable to specific activities and has been included in those cost categories. Certain other costs, which are attributable to more than one activity, are apportioned across cost categories on the basis of an estimate of the proportion of time spent by staff on those activities.

Charitable activities costs include the direct cost of providing services, as well as a share of overheads.

Other costs include the cost of compliance with the charity's constitutional and statutory requirements.

The cost of generating funds relate to the costs incurred by the charity in raising funds for charitable work.

Depreciation on capital items is charged to the appropriate capital fund.

#### **(e) Tangible fixed assets**

Fixed assets are valued at cost, with impairment reviews performed annually. It is the policy of the company to provide depreciation at the following annual rate in order to write off each asset over its estimated useful economic life.

Leasehold property	-	Straight line over the 125-year duration of the lease
Integral features	-	Straight line over 50 years
Fixtures and equipment	-	20% on cost
Computer equipment	-	33.33% on cost

The Trustees have decided not to capitalise any item of equipment costing less than £500.

#### **(f) Restricted funds**

Restricted funds are to be used for specific purposes as lay down by the donor. Expenditure which meets these criteria is charged to the fund.

#### **(g) Capital funds**

Capital funds are restricted funds used to purchase capital items. Depreciation on the capital items is charged against the appropriate capital fund.

#### **(h) Designated funds**

Designated funds are unrestricted funds earmarked by the Management Committee for particular purposes.

#### **(i) Unrestricted funds**

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

## HILLSIDE CLUBHOUSE

### NOTES TO THE ACCOUNTS – 31 MARCH 2023

#### **(j) 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 after allowing for any trade discounts due.

#### **(k) Pension contributions**

The charity provides a defined contribution pension scheme for employees, the assets of which are held separately from those of the company in an independently administered fund. Contributions to this scheme are charged to the income and expenditure account as they become payable.

#### **(l) Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

#### **(m) Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered.

#### **(n) Financial instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

## HILLSIDE CLUBHOUSE

### NOTES TO THE ACCOUNTS – 31 MARCH 2023

#### 2. VOLUNTARY INCOME

	Unrestricted 2023	Restricted 2023	Capital 2023	Total 2023	Total 2022
	£	£	£	£	£
<b>Grant income</b>					
Anonymous Donation	15,000	-	-	15,000	10,000
Cripplegate Catalyst	-	5,000	-	5,000	5,000
Henry Smith	-	11,500	-	11,500	46,000
Arnold Clark Community Fund	750	-	-	750	
Stone Family Trust	134,000	-	-	134,000	134,000
Islington Food Fund	-	2,667	-	2,667	-
Camden Social Services	1,575	-	-	1,575	-
Garfield Weston	10,000	-	-	10,000	-
City Bridge Trust	48,460	-	-	48,460	43,200
Donations	1,892	-	-	1,892	895
Fundraising	1,610	-	-	1,610	-
HMRC - Job Retention Scheme	-	-	-	-	710
Other	3,468	-	-	3,468	15,391
	216,755	19,167	-	235,921	255,197

#### 3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted 2023	Restricted 2023	Capital 2023	Total 2023	Total 2022
	£	£	£	£	£
<b>Local authority service contracts</b>					
Camden	-	-	-	-	1,260
<b>Other Service Contracts</b>					
Islington	260,704	-	-	260,704	255,287
Camden Work and Wellbeing	563,176	-	-	563,176	570,818
Camden Work and Wellbeing Wave 2	-	-	-	-	40,000
Islington ICF	500	-	-	500	4,226
Islington Giving	7,500	-	-	7,500	7,500
London Catalyst	-	-	-	-	1,500
Kiosk income	1,510	-	-	1,510	5,113
Canteen income	-	-	-	-	192
External catering	14,988	-	-	14,988	4,480
Food income	-	-	-	-	9
	848,377	-	-	848,377	890,385

## HILLSIDE CLUBHOUSE

### NOTES TO THE ACCOUNTS – 31 MARCH 2023

#### 4. TOTAL RESOURCES EXPENDED

	Fundraising 2023 £	Other 2023 £	Charitable activities: <i>Employment and support</i> 2023 £	Total 2023 £	Total 2022 £
<i>Operational costs</i>					
Personnel costs	-	-	897,488	897,488	909,916
Premises costs	-	-	20,615	20,615	21,912
Direct operational costs	-	-	34,786	34,786	46,157
Grants payable	-	-	-	-	-
Depreciation	-	-	8,125	8,125	8,125
	-	-	961,015	961,015	986,110
<i>Support costs</i>					
Management costs	12,944	-	90,234	103,178	78,562
Accountancy and audit	-	5,520	-	5,520	8,359
Finance charges	-	-	8,740	8,740	5,813
IT expenses	-	-	13,048	13,048	22,013
Administrative costs	-	-	19,917	19,917	20,739
	12,944	5,520	131,940	150,404	135,485
	12,944	5,520	1,092,954	1,111,418	1,121,595

Fundraising costs are composed of 20% of management costs on the basis of estimated time spent by staff on grant applications.

#### 5. STAFF COSTS

	2023 £	2022 £
Staff costs were as follows:		
Salaries and wages	883,667	886,948
Social security costs	89,815	74,136
Pension	<u>27,184</u>	<u>26,324</u>
	<u>1,000,666</u>	<u>987,408</u>

The average number of staff employed during the year, based on a full time equivalent, was as follows: -

	2023	2022
Management	6	5
Clubhouse workers/ employment support workers	22	20
Reablement	2	2
Kiosk workers	<u>3</u>	<u>3</u>
	<u>33</u>	<u>30</u>

There were no employees with emoluments above £60,000.

## HILLSIDE CLUBHOUSE

### NOTES TO THE ACCOUNTS – 31 MARCH 2023

#### 6. RELATED PARTY TRANSACTIONS

No Trustees' expenses were reimbursed for during the year. There are no other related party transactions.

#### 7. NET INCOME FOR THE YEAR

This is stated after charging:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Auditors' remuneration - audit fee	5,520	5,280
Depreciation of owned assets	<u>8,125</u>	<u>8,125</u>

#### 8. TAXATION

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

#### 9. TANGIBLE FIXED ASSETS

	Leasehold property	Computer equipment	Fixtures and equipment	Total
<b>Cost</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
At 1 April 2022	604,605	22,678	17,609	644,892
Additions	-	-	-	-
At 31 March 2023	<u>604,605</u>	<u>22,678</u>	<u>17,609</u>	<u>644,892</u>
<b>Depreciation</b>				
At 1 April 2022	60,286	19,724	17,609	97,619
Charges	5,171	2,954	-	8,125
At 31 March 2023	<u>65,457</u>	<u>22,678</u>	<u>17,609</u>	<u>105,744</u>
<b>Net book value</b>				
<b>At 31 March 2023</b>	<u><b>539,148</b></u>	<u><b>-</b></u>	<u><b>-</b></u>	<u><b>539,148</b></u>
At 31 March 2022	<u>544,319</u>	<u>2,954</u>	<u>-</u>	<u>547,273</u>

The leasehold property has been pledged as security for the bank loan, further details provided in note 12.

## HILLSIDE CLUBHOUSE

### NOTES TO THE ACCOUNTS – 31 MARCH 2023

#### 10. DEBTORS

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Trade debtors	295,087	347,257
Prepayments and accrued income	10,476	4,969
Other debtors	3,046	-
Total	<u>308,609</u>	<u>352,226</u>

#### 11. CREDITORS: amounts falling due within one year

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Trade creditors	4,507	9,648
Accruals and deferred income	12,584	57,085
Other creditors	4,966	4,382
Bank loans	8,064	9,458
Total	<u>30,121</u>	<u>80,573</u>

#### 12. CREDITORS: amounts falling due after one year

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Bank loans 2<5 years	38,739	41,333
Bank loans >5 years	<u>117,427</u>	<u>122,571</u>
	<u>156,166</u>	<u>163,904</u>

The bank loan is secured on the leasehold property. The total value secured as at 31 March 2023 is £164,230 (2022 £173,362). £156,166 is included in creditors due after 1 year. £9,458 is included within creditors due within 1 year. Interest of 5.95% per annum is charged on the loan, which is payable by instalments.

# HILLSIDE CLUBHOUSE

## NOTES TO THE ACCOUNTS – 31 MARCH 2023

### 13. ANALYSIS OF INCOME AND EXPENDITURE BY FUND

	At 1 April 2022	Incoming Resources	Outgoing Resources	Transfers	At 31 March 2023
	£	£	£	£	£
<b>Restricted Funds</b>					
Cripplegate Catalyst	4,281	5,000	4,396	-	4,885
Henry Smith	-	11,500	11,500	-	-
Islington Food Fund	-	2,667	-	-	2,667
Islington Giving	7,500	-	7,500	-	-
London Catalyst	1,500	-	693	-	807
Tesco Bags of Help 2021	20	-	20	-	-
<b>Total Restricted Funds</b>	<b>13,301</b>	<b>19,167</b>	<b>24,109</b>	<b>-</b>	<b>8,359</b>
<b>Capital</b>					
Tudor Trust Building fund	180,800	-	1,600	-	179,200
Stone Family	8,389	-	179	-	8,210
Awards for All	8,389	-	179	-	8,210
Property fund	-	-	-	343,528	343,528
<b>Total Capital Funds</b>	<b>197,578</b>	<b>-</b>	<b>1,958</b>	<b>343,528</b>	<b>539,148</b>
<b>Total Restricted Funds</b>	<b>210,879</b>	<b>19,167</b>	<b>26,067</b>	<b>343,528</b>	<b>547,507</b>
<b>Unrestricted Funds</b>					
General fund	117,977	1,067,413	1,085,352	(100,038)	-
<b>Designated Funds</b>					
Property fund	120,000	-	-	(120,000)	-
Property refurbishment fund	45,382	-	-	(20,382)	25,000
New Business Development	74,062	-	-	(74,062)	-
Contingency fund	415,000	-	-	84,271	499,271
Redundancy reserve fund	20,449	-	-	3,551	24,000
Running costs - 2020 - 2022	52,000	-	-	(52,000)	-
Stone Family Foundation	44,667	-	-	(44,667)	-
Camden IPS	20,201	-	-	(20,201)	-
<b>Total Designated Funds</b>	<b>791,761</b>	<b>-</b>	<b>-</b>	<b>(243,490)</b>	<b>548,271</b>
<b>Total Unrestricted Funds</b>	<b>909,738</b>	<b>1,067,413</b>	<b>1,085,352</b>	<b>(343,528)</b>	<b>548,271</b>
<b>Total Funds</b>	<b>1,120,617</b>	<b>1,086,580</b>	<b>1,111,418</b>	<b>-</b>	<b>1,095,778</b>

## HILLSIDE CLUBHOUSE

### NOTES TO THE ACCOUNTS – 31 MARCH 2023

#### 14. ANALYSIS OF UNRESTRICTED AND RESTRICTED FUNDS

##### **Purposes of capital restricted funds**

The Tudor Trust grant of £200,000 was given specifically for the purpose of purchasing the leasehold building which Hillside Clubhouse moved into in 2011. Depreciation is charged against this fund on a straight-line basis over 125 years.

The Awards for All grant and Stone Family grant were both given for the purpose of purchasing partitions.

Hillside elected to transfer £343,528 from free reserves to Capital Designated funds, in order to reflect the valuation of the property as a fund pot. This is to provide clarity over the level of available funds the organization currently has access to.

##### **Purposes of designated funds**

The property refurbishment fund is held separately for general future property repairs. The property reserve fund is shown separately to general reserves as this is the approximate amount of unrestricted reserves used in purchasing the new building and hence the fund has been set up for future depreciation charges. The redundancy reserve fund is held separately to general funds in case of the possibility of redundancies in the future. The New Business Development will fund the Director of Clubhouse Operations for two years. The Contingency fund contains approximately six months of income based on current levels in order to meet an unexpected call on funds, or to seize opportunities that may present themselves. The Camden IPS fund is for the 22/23 project costs, and will be repurposed into general funds if not required after 2023.

##### **Purposes of revenue restricted funds**

Balances on restricted funds represent unspent funds given specifically for individual projects. These balances will be carried forward and spent on each project in the following year. The purpose of each fund is as follows:-

- Cripplegate catalyst fund – small grants for members' personal development
- Islington Food Fund – grant for the provision of weekly free hot meals
- London Catalyst – grant provided for members' personal development

Sufficient resources are held in each fund to enable the funds to be applied in accordance with any restrictions.

## HILLSIDE CLUBHOUSE

### NOTES TO THE ACCOUNTS – 31 MARCH 2023

#### 15. NET ASSETS

	<b>Capital Restricted Funds 2023 £</b>	<b>Revenue Restricted Funds 2023 £</b>	<b>Designated Funds 2023 £</b>	<b>General Funds 2023 £</b>	<b>Total Funds 2023 £</b>
Tangible fixed assets	539,148	-	25,000	(25,000)	539,148
Net current assets	-	8,359	523,271	181,166	712,796
Long term liability	-	-	-	(156,166)	(156,166)
	<u>539,148</u>	<u>8,359</u>	<u>548,271</u>	<u>-</u>	<u>1,095,778</u>

#### 16. OTHER PROFESSIONAL SERVICES PROVIDED BY AUDITORS

In common with many other entities of our size and nature we use our auditors to assist with the preparation of the financial statements.

#### 17. PENSION COMMITMENTS

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost and charge in the accounts represents contributions payable by the company to the fund and amounted to £27,183 (2022 £26,324). At 31 March 2023 £4,966 (2022 £4,382) was payable to the fund. Pension costs are allocated to funds based on the staff that are assigned to the specific fund.

#### 18. DEFERRED INCOME

Deferred income relates to grants received for which the charity has deferred into 2022/23. The deferred income of £10,000 relates to the grant from Garfield Weston for £20,000, of which £10,000 has been deferred for the period 1 April 2023 – 30 September 2023.

	<b>Grants £</b>
Balance as at 1 April 2022	11,500
Amount released to income earned from charitable activities	(11,500)
Amount deferred in the year	<u>10,000</u>
Balance as at 31 March 2023	<u>10,000</u>

## HILLSIDE CLUBHOUSE

### NOTES TO THE ACCOUNTS – 31 MARCH 2023

#### 19. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Net movements in funds	(24,839)	24,799
Add back: Depreciation	8,125	8,125
Deduct: Interest shown in investing activities	(2,281)	(813)
Decrease / (increase) in debtors	43,617	(118,710)
(Decrease) in creditors	(58,190)	(5,711)
	<u>(33,568)</u>	<u>(92,310)</u>

#### 20. LIMITED LIABILITY

The Trustees of the company guarantee to contribute an amount not exceeding £1 each to the assets of the charity in the event of winding up.