

COMPANY REGISTRATION NUMBER: 03802499
CHARITY REGISTRATION NUMBER: 1078799

The Hub, Hazelwell
Company Limited by Guarantee
Unaudited Financial Statements
31 July 2018

The Hub, Hazelwell
Company Limited by Guarantee
Financial Statements
Year ended 31 July 2018

	Page
Trustees' annual report (incorporating the director's report)	1
Independent examiner's report to the trustees	6
Statement of financial activities (including income and expenditure account)	7
Statement of financial position	8
Notes to the financial statements	9
The following pages do not form part of the financial statements	
Detailed statement of financial activities	18
Notes to the detailed statement of financial activities	20

The Hub, Hazelwell
Company Limited by Guarantee
Trustees' Annual Report (Incorporating the Director's Report)
Year ended 31 July 2018

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 July 2018.

Objectives and activities

To promote the benefit of the inhabitants of Kings Heath and Stirchley, Birmingham and neighbourhood thereof ("the area of benefit") without distinction of age, sex, sexual orientation, race or of political, religious or other opinions, by associating together the inhabitants and the local authorities, voluntary and other organisations in a common effort to advance education, relieve poverty and disadvantage arising therefrom and sickness, and to provide facilities in the interests of social welfare for recreation and other leisure-time occupation with the object of improving the conditions of life for the inhabitants of the area of benefit to establish or secure the establishment of a community centre ("The Hub, Hazelwell") and to maintain and manage the same, whether alone or in co-operation with any local authority or person or body.

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and when planning activities for the year. This has been reflected not only in the community work of the Hub but also through careful balancing of corporate groups using the building, which has enabled us to manage to subsidise the cost for its use by community groups.

Activities and use of The Hub

The Hub continues to operate within a tough and competitive environment with an increasing number of modern competing facilities now available within 1.5 miles of the Hub. This is particularly the case in respect of corporate and commercial bookings that enable us to offer reduced prices to the charities and smaller groups who use us regularly and to maintain our support for our community works through ACTS (formerly the Allenscroft Project) which is now a fully incorporated part of the Hub.

There has been a substantial improvement in that annual trading operating losses in recent years has this year been reversed with a general surplus of £17,624. In the past year rental income has held up well, with a number of new, regular users introduced. Credit is due to the hard work of staff.

Staffing

Currently we employ one full-time member of staff, 4 part-time staff and 4 occasional stewards. During the year Amy Watson joined the staff to job share and work closely with Chris Barr and help manage, sustain and extend ACTS.

Activity

The Hub continues to support and develop the use of the church for non-religious community use, particularly for music related users, to the benefit financially of both church and Hub.

The Hub, Hazelwell

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 July 2018

Achievements and performance

Activities for local people

The Trustees continue to give priority to expand use of the building by local and particularly older people through ACTS. We have secured funding through Thrive to help support it financially until at least September 2019. As a result we continue to host weekly extend-type exercise activities for housebound and semi-ambulant local residents, Tai Chi classes for the over sixties, and regular lunch and games afternoons for local people. We also now offer weekly seated Tai Chi classes for the less able members of our community, as well as craft groups. We aim to help local residents to stay physically and mentally fit. This forms part of our charitable activities and is a key part in our provision of benefit to the general public in our local community, by enabling friendships and promoting community adhesion.

Charitable Societies and Clubs

Some of our evening activities are registered charities, and benefit from subsidised room hire. Activities include fitness, slimming and healthy-eating groups, dance classes, pilates and yoga. Twice each year we sponsor and accommodate free Health and Security Days. Our conference facilities during the evenings are usually let to local charities for their meetings and sub-committees. Two community choirs have become regular users as have two orchestras.

The Hub is open on weekdays from 8.00am-10.30pm and at weekends from 9am-6pm.

Sustainability

The Trustees have been mindful to continue to make the premises sustainable, to minimise operating costs and make it attractive to users. Maintenance and improvement work in the past year including work completed by staff and Trustees and contractors has included ongoing decorating, re-upholstery to conference room chairs, repair of the car park surface and barrier. Jointly with the church, the Trustees have authorised removal of a small number of trees and pruning of others in the car park area making the Hub more visible from the road and improving public safety and the outlook of the vicarage. Two grant applications towards the cost of changing to LED lighting within the building were made this year and were not successful. Grant funding was obtained from the Edward Cadbury Trust towards replacement of the main front entrance doors.

The Hub, Hazelwell
Company Limited by Guarantee
Trustees' Annual Report (Incorporating the Director's Report) *(continued)*
Year ended 31 July 2018

Financial review

The majority of operational costs are met by revenues generated by the centre. Grants are received in respect of specific expenditure either capital or maintenance related or for activities such as our work with older people. Total incoming unrestricted resources increased over the year from £113,096 (2017) to £125,760. The unrestricted expenditure of the centre decreased, from £111,607 (2017) to £108,136. The net income was £17,624. (2017: £1,489 surplus).

In addition restricted grants for work with older people were £18,800. (2007: £18,000) Restricted grants in respect of property refurbishment and repairs were £1,500. These grants were all expended in the year.

As in previous years we provide for £18,590 of depreciation on the improvements to the property.

The net result is a balance carried forward on unrestricted reserves of £70,419 and restricted reserves of £652,171 made up of £650,671 capital grant and £1,500 for use in the future with the work with older people.

Reserves Policy

The Company aims to keep in reserve sufficient funds to ensure the business can run for a period of 6 months without further income. The reserves at the year end were in excess of this target. In light, however, of the current economic uncertainties the Trustees will continue to review the position.

Trustees and Staff

Despite all of the changes we have to weather I remain, as always, very grateful for the dedication and hard work of the Hub staff- Guy Morris, Chris Barr, Amy Watson and Tessa Taylor and our part-time stewards.

My thanks are also due to my fellow Trustees for their wisdom and practical help.

Fundraising

The trustees will continue to seek ways of raising additional funds in order to assist with the costs of Chris Barr and Amy Watson in their work for ACTS so that they can continue their invaluable work for older people.

The trustees are mindful to obtain external funding to modernise and update the kitchen and toilets.

Structure, governance and management

Structure

The Hub Hazelwell is a company limited by guarantee governed by its Memorandum and Articles of Association dated 8 July 1999 and as amended by special resolution dated 4 January 2000 and is registered as a charity with the Charity Commission.

The Hub, Hazelwell

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 July 2018

Structure, governance and management *(continued)*

Governance

The Company is administered by up to twelve Trustees, nine of whom were involved in setting up the Company originally. They are appointed for three years and three of the Trustees retire each year at the Annual General Meeting. They have no benefits.

Organisation

The Board of Trustees administers the charity. The board meets quarterly. There are three subcommittees of trustees responsible for;

1. staff recruitment and management,
2. building and works,
3. finance.

The Facilities Manager has delegated authority for day to day operational and business matters.

Reference and administrative details

Registered charity name	The Hub, Hazelwell
Charity registration number	1078799
Company registration number	03802499
Principal office and registered office	318 Vicarage Road Kings Heath Birmingham B14 7NH

The trustees

J Dunne	
C Gunning	
LJ Holmes	
G Mitchell	
S Moore	
J Page	
Y Swain	
P Thomas	
D Taylor	
T Chew	(Retired 8 January 2018)

The Hub, Hazelwell

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 July 2018

Company secretary

Ms C Gunning

Accountants

David Seeley FCA
Chartered accountant
Accuo Accounting Limited
Chartered Accountants
Alvechurch
Birmingham
B48 7JX

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 8 April 2019 and signed on behalf of the board of trustees by:



G Mitchell
Trustee


Ms C Gunning
Charity Secretary

The Hub, Hazelwell

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of The Hub, Hazelwell

Year ended 31 July 2018

I report to the trustees on my examination of the financial statements of The Hub, Hazelwell ('the charity') for the year ended 31 July 2018.

Responsibilities and basis of report

As the trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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.



DAVID SEELEY FCA
Chartered accountant

Accuo Accounting Limited
Chartered Accountants
Alvechurch
Birmingham
B48 7JX

8 April 2019

The Hub, Hazelwell

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

31 July 2018

		Unrestricted funds £	2018 Restricted funds £	Total funds £	2017 Total funds £
	Note				
Income and endowments					
Donations and legacies	5	3,353	20,300	23,653	21,538
Charitable activities	6	105,942	–	105,942	92,833
Other trading activities	7	16,359	–	16,359	16,605
Investment income	8	106	–	106	120
Total income		<u>125,760</u>	<u>20,300</u>	<u>146,060</u>	<u>131,096</u>
Expenditure					
Expenditure on raising funds:					
Costs of other trading activities	9	10,403	–	10,403	11,190
Expenditure on charitable activities	10,11	97,733	38,890	136,623	137,007
Total expenditure		<u>108,136</u>	<u>38,890</u>	<u>147,026</u>	<u>148,197</u>
Net expenditure and net movement in funds		<u>17,624</u>	<u>(18,590)</u>	<u>(966)</u>	<u>(17,101)</u>
Reconciliation of funds					
Total funds brought forward		52,795	670,761	723,556	740,657
Total funds carried forward		<u>70,419</u>	<u>652,171</u>	<u>722,590</u>	<u>723,556</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 9 to 16 form part of these financial statements.

The Hub, Hazelwell
Company Limited by Guarantee
Statement of Financial Position
31 July 2018

		2018	2017
		£	£
Fixed assets			
Tangible fixed assets	17	653,964	673,961
Current assets			
Debtors	18	17,742	17,768
Cash at bank and in hand		65,693	42,034
		<u>83,435</u>	<u>59,802</u>
Creditors: amounts falling due within one year	19	<u>14,809</u>	<u>10,207</u>
Net current assets		<u>68,626</u>	<u>49,595</u>
Total assets less current liabilities		<u>722,590</u>	<u>723,556</u>
Net assets		<u>722,590</u>	<u>723,556</u>
Funds of the charity			
Restricted funds		652,171	670,761
Unrestricted funds		70,419	52,795
Total charity funds	21	<u>722,590</u>	<u>723,556</u>

For the year ending 31 July 2018 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of trustees and authorised for issue on 8 April 2019, and are signed on behalf of the board by:



G Mitchell
Trustee

The notes on pages 9 to 16 form part of these financial statements.

The Hub, Hazelwell
Company Limited by Guarantee
Notes to the Financial Statements
Year ended 31 July 2018

1. General information

The charity is a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 318 Vicarage Road, Kings Heath, Birmingham, B14 7NH.

The charity is a public benefit entity as defined in the Charities Act.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis.

Going concern

There are no material uncertainties about the charity's ability to continue.

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102 by reason of being small. As such the charity has taken advantage of the following disclosure exemptions available under FRS 102:

- (a) No cash flow statement has been presented for the company.
- (b) Disclosures in respect of financial instruments have not been presented.

The Hub, Hazelwell

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 July 2018

3. Accounting policies *(continued)*

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant judgements

The judgement (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that has the most significant effect on the amounts recognised in the financial statements is that it will continue to operate for the foreseeable future. At present the Trustees believe this to be the case.

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumption and other sources of estimation uncertainty that has a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

(a) the property carrying value in the accounts of £669,261 is not materially overstated.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes. Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal. At present all are classified as restricted income funds.

Incoming resources

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- income from lettings is recognised when the letting has taken place.

The Hub, Hazelwell

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 July 2018

3. Accounting policies *(continued)*

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes VAT as this cannot be recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities and events.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.
- All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Tangible assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Leasehold property	-	2% straight line
Furniture and fittings	-	20% straight line
Computer equipment	-	25% straight line

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided.

4. Limited by guarantee

The charity is a company limited by guarantee and as such has no share capital.

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £
Donations			
Donations	3,353	—	3,353

The Hub, Hazelwell
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 31 July 2018

5. Donations and legacies *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £
Grants			
Grants for operational expenditure	—	20,300	20,300
	<u>3,353</u>	<u>20,300</u>	<u>23,653</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £
Donations			
Donations	3,538	—	3,538
Grants			
Grants for operational expenditure	—	18,000	18,000
	<u>3,538</u>	<u>18,000</u>	<u>21,538</u>

6. Charitable activities

	Unrestricted Funds £	Total Funds 2018 £	Unrestricted Funds £	Total Funds 2017 £
Room hire	<u>105,942</u>	<u>105,942</u>	<u>92,833</u>	<u>92,833</u>

7. Other trading activities

	Unrestricted Funds £	Total Funds 2018 £	Unrestricted Funds £	Total Funds 2017 £
Catering income	9,152	9,152	8,359	8,359
Equipment hire	1,060	1,060	829	829
Vending machine income	642	642	1,768	1,768
Lettings commission	5,400	5,400	5,400	5,400
Feed in tariff	105	105	249	249
	<u>16,359</u>	<u>16,359</u>	<u>16,605</u>	<u>16,605</u>

8. Investment income

	Unrestricted Funds £	Total Funds 2018 £	Unrestricted Funds £	Total Funds 2017 £
Bank interest receivable	<u>106</u>	<u>106</u>	<u>120</u>	<u>120</u>

The Hub, Hazelwell

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 July 2018

9. Costs of other trading activities

	Unrestricted Funds	Total Funds 2018	Unrestricted Funds	Total Funds 2017
	£	£	£	£
Catering purchases	7,513	7,513	8,315	8,315
Telephone	2,115	2,115	2,028	2,028
Office costs	775	775	847	847
	<u>10,403</u>	<u>10,403</u>	<u>11,190</u>	<u>11,190</u>

10. Expenditure on charitable activities by fund type

	Unrestricted Funds	Restricted Funds	Total Funds 2018
	£	£	£
Community lettings	89,475	1,500	90,975
Community development	—	18,800	18,800
Support costs	8,258	18,590	26,848
	<u>97,733</u>	<u>38,890</u>	<u>136,623</u>

	Unrestricted Funds	Restricted Funds	Total Funds 2017
	£	£	£
Community lettings	91,645	—	91,645
Community development	—	18,000	18,000
Support costs	8,772	18,590	27,362
	<u>100,417</u>	<u>36,590</u>	<u>137,007</u>

11. Expenditure on charitable activities by activity type

	Activities undertaken directly	Support costs	Total funds 2018	Total fund 2017
	£	£	£	£
Community lettings	90,975	24,711	115,686	116,764
Community development	18,800	—	18,800	18,000
Governance costs	—	2,137	2,137	2,243
	<u>109,775</u>	<u>26,848</u>	<u>136,623</u>	<u>137,007</u>

The Hub, Hazelwell

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 July 2018

12. Analysis of support costs

	Analysis of support costs Community lettings £	Total 2018 £	Total 2017 £
Staff costs	3,827	3,827	3,839
Premises	18,590	18,590	18,590
General office	2,294	2,294	2,690
Governance costs	2,137	2,137	2,243
	<u>26,848</u>	<u>26,848</u>	<u>27,362</u>

13. Net expenditure

Net expenditure is stated after charging/(crediting):

	2018 £	2017 £
Depreciation of tangible fixed assets	<u>20,651</u>	<u>21,044</u>

14. Independent examination fees

	2018 £	2017 £
Fees payable to the independent examiner for:		
Independent examination of the financial statements	600	600
Other financial services	<u>1,200</u>	<u>1,200</u>
	<u>1,800</u>	<u>1,800</u>

15. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2018 £	2017 £
Wages and salaries	61,109	66,682
Social security costs	3,405	3,631
Employer contributions to pension plans	720	766
	<u>65,234</u>	<u>71,079</u>

The average head count of employees during the year was 5 (2017: 5). The average number of full-time equivalent employees during the year is analysed as follows:

	2018 No.	2017 No.
Office staff	2	2
Working with older people	1	1
	<u>3</u>	<u>3</u>

No employee received employee benefits of more than £60,000 during the year (2017: Nil).

The Hub, Hazelwell

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 July 2018

15. Staff costs *(continued)*

Key Management Personnel

The trustees consider themselves to be the key management personnel of the charity and they received no remuneration or reimbursement of expenses in either year.

16. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees

17. Tangible fixed assets

	Land and buildings £	Fixtures and fittings £	Equipment £	Total £
Cost				
At 1 August 2017	929,525	87,824	41,344	1,058,693
Additions	—	354	300	654
At 31 July 2018	929,525	88,178	41,644	1,059,347
Depreciation				
At 1 August 2017	260,264	83,396	41,072	384,732
Charge for the year	18,590	1,714	347	20,651
At 31 July 2018	278,854	85,110	41,419	405,383
Carrying amount				
At 31 July 2018	650,671	3,068	225	653,964
At 31 July 2017	669,261	4,428	272	673,961

18. Debtors

	2018 £	2017 £
Trade debtors	12,558	11,673
Other debtors	5,184	6,095
	17,742	17,768

19. Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	6,856	4,863
Other creditors	7,953	5,344
	14,809	10,207

The Hub, Hazelwell

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 July 2018

20. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £720 (2017: £766).

21. Analysis of charitable funds

Unrestricted funds

	At 1 August 2017	Income	Expenditure	At 31 July 2018
	£	£	£	£
General funds	52,795	125,760	(108,136)	70,419

Restricted funds

	At 1 August 2017	Income	Expenditure	At 31 July 2018
	£	£	£	£
Capital Grant	669,261	–	(18,590)	650,671
Thrive-Working With Older People	1,500	18,000	(18,000)	1,500
Heart of England-Harry Payne-Working With Older People	–	800	(800)	–
Edward Cadbury-Property Refurbishment and Repairs	–	1,500	(1,500)	–
	670,761	20,300	(38,890)	652,171

22. Analysis of net assets between funds

	Unrestricted Funds	Restricted Funds	Total Funds 2018	Total Funds 2017
	£	£	£	£
Tangible fixed assets	3,293	650,671	653,964	673,961
Current assets	81,935	1,500	83,435	49,595
Creditors less than 1 year	(14,809)	–	(14,809)	–
Net assets	70,419	652,171	722,590	723,556

23. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2018	2017
	£	£
Later than 1 year and not later than 5 years	1,178	2,124