

REGISTERED No : 1756190

PALINGSWICK HOUSE LIMITED

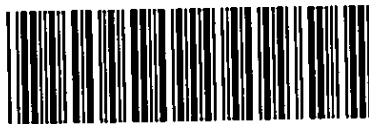
(Limited by Guarantee)

Company no 1756190

Charity no. 288230

REPORTS & FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

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PALINGSWICK HOUSE LIMITED
(Limited by Guarantee)

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for the year ended 31 March 2012

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PALINGSWICK HOUSE LIMITED
(Limited by Guarantee)

Contents of the Financial Statements
for the year ended 31 March 2012

DIRECTORS/TRUSTEES	Ms K D Savage Ms L Tranchell S Rowley W Weston T Judge (appointed 12 July 2011)
REGISTERED OFFICE	Office A Norland House Queensdale Crescent London W11 4TL
REGISTERED NUMBER	1756190 (England and Wales)
CHARITY NUMBER.	288230
ACCOUNTANTS	Wilshers & Co 1 Castle Row Horticultural Place Chiswick London W4 4JQ
INDEPENDENT EXAMINER	A L McCartney Flintham MacKenzie Audit Ltd Chartered Accountants 277-279 Chiswick High Road London W4 4PU

PALINGSWICK HOUSE LIMITED
(Limited by Guarantee)

Trustees' Report
for the year ended 31 March 2012

The Trustees present their report and Financial Statements for the year ended 31 March 2012

Governance Management and Objectives

Palingswick House Limited was established by a trust deed dated 6 September 1983 and is registered in England and Wales as charity number 288230 and as a company limited by guarantee

New trustees are appointed from time to time at the discretion of the existing trustees, the trustees are pleased to welcome Tim Judge who has recently become the fifth member of the Board

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error

The principal objectives and activities of the charity are the provision of a resource centre to promote the efficiency of Charities established in the London Borough of Hammersmith and Fulham and to maintain and manage the Centre for the activities promoted

Review of last year's activities

Palingswick House Limited (PHL), the company, was set up by a consortium of seven charities working with Hammersmith & Fulham residents and service users. PHL operates in community offices under CCEN, the Charity Community Enterprise Network, now located on the Edward Woods Estate. The previous location, the Palingswick House building was refurbished by PHL with the help of large grants from the GLC, as the building was designated to be used as a central resource, serviced office space, shared facilities and meeting spaces for the voluntary sector, and particularly for groups requiring a base to work with service users from the borough. During this accounting period there were 14 charitable groups operating from the building, actively serving the needs of the local area. Four part time organisations hired sessional offices & shared facilities. A number of local community organisations, NHS and Council departments regularly hired the meeting rooms, over 25,000 people came to PHL last year and accessed the services and activities delivered by Charities housed in Palingswick House.

The financial year 2011-12 has been very challenging, in particular the negotiations with LBHF council around the options for PHL following their decision to sell Palingswick House. The LBHF application to the Secretary of State for a Section 57 certificate (a little known or used section of the landlord and tenant act 1954) was strongly argued by PHL but despite those efforts, the Secretary of State issued the certificate to the council thus removing PHL's rights as a secure tenant. LBHF Proposal that PHL takes on a lease at the new community Hub on the Edward Woods Estate was considered by trustees to be the best option for continuing to offer space to charities. PHL negotiated favourable Heads of Terms for a lease under CCEN, on Edward Woods Estate and the surrender of Palingswick House at the end of January 2012.

In spite of having only part time staff managing the administration of the charity, all the submissions and negotiations, Trustees were able to work with other voluntary sector partners to ensure that PHL is able to continue to provide services, as well as an advice and support meeting with external agencies for all the community groups affected by the council's decision to sell off other buildings in the borough.

PALINGSWICK HOUSE LIMITED

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Trustees' Report
for the year ended 31 March 2012

The transformation in PHL finances, over the last 4 years, has enabled the charity to weather the restrictions on trade imposed by LBHF in 2009 to 2011 of not permitting taking on new licensees, and has done much towards proving to LBHF that PHL could successfully take on the lease of Edward Woods Community Hub

Meeting Room/space hire for the year was up in 2011 - 2012 by £4,632 despite 3 months, January to March 2012 of no trade whilst effecting the move of premises

During the year, PHL received support of £2,000 from the Community Builders fund, through Community Matters, paid towards applied costs of consultancy advice at the new location
LBHF supported the charity through its move with management project support, rent relief as well as servicing and maintenance of PHL boilers, fire alarm, fire equipment, PAT, and emergency lighting

As part of the successful negotiations for taking on a lease at Edward Woods estate and surrender of the Lease at Palingswick House, trustees agreed an ex-gratia sum of £330,000 from LBHF towards the set up of the new hub

After considering the costs of setting up and continuing to support licence fees for charities at the hub, the Trustees decided to divide £ 72,150 of the funds to the community groups licenced at Palingswick House to assist them with the costs of moving This represented just under a third of the total ex gratia payment from the council to the community groups holding licences at PHL at the time of the council decision to sell the site based on the size of their office rental

Restructuring of the charity was necessary due to the smaller size of the new site, initially just three offices, one shared and two individual offices, meant that there will not be sufficient work or structure to keep the current support staff on

Reduced income from organisations downsizing in preparation for the move also meant that there were fewer offices to clean at PHL so at the end of August, Tiblez Yohannes, our long standing cleaner went part time, and sadly we had to say good bye to our other cleaner Karolina Walewska In January it was the turn of Wilfred Roach, Greg Walsh, PHL caretakers, and Tiblez Yohannes our remaining cleaner as they took redundancy

On the 31 January 2012 all staff shared a farewell lunch and presentation of gifts on the very last day at Palingswick House, later that day the keys to the site were handed over to the Council Trustees wish Wilfred, Greg and Tiblez well and would like to thank them for their combined years of loyal support

The move to the new site and restructuring of the organisation provided a much needed opportunity to amend our outdated Memorandum & Articles Amending the Articles meant that trustees could look at the broadening objects to enable the charity to take on new ways of generating income to support the costs to groups licensed at Edward Woods Community Hub At the EGM on 10 January 2012 the new Articles were unanimously adopted by members

Trustees would also like to acknowledge the support and assistance received from

PHL management staff Teresa Meekings and Salema Khanum
IT Support Eva Kandler and from Book Keeping Etc Alexandra Lloyd Jones

Community Matters consultants Jenny Harris, Jobeda Khanum, and Sarah Bishton, for their successful community builders application on behalf of PHL and their support and advice throughout the year

Lawworks, Liz Adebajo for brokering the pro bono solicitors

PALINGSWICK HOUSE LIMITED

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Trustees' Report for the year ended 31 March 2012

BWB Solicitor, William Scott for advice on the old lease, assistance with the Section 57 submissions, and negotiations work around the successful agreement of Heads of Terms

Dorsey and Whitney LLP, solicitor Caroline Dyer, Latham and Watkins solicitors Gretchen Lennon and Kathryn Donovan and Edwards Angwell & Palmer, solicitors Rhys Davies and Mark Everiss for their advice on landlord and tenant issues.

Ethical Property Foundation, Community Matters and Locality for their support of our premises advice event

CaVSA for their support in providing Organisational Development Staff time to support the move

Open City Dominic O'Neill and Richard Crutchley & Suzie Zuber for their past support and ongoing work on applications for funding for a route and signage project at EWE

Major achievements include:

- Continued improvement in payments have resulted in improved ability to maintain the PHL site, in the last year there
- Continued greater income generation from room hire and hot office hire at Palingswick House enabled trustees keep costs to licenced organisations down
- Updating the charity's Memorandum and articles to reflect the new circumstances and bring them in line with current company and charity legislation
- Successful negotiations on Heads of Terms for a lease at the Edward Woods Estate site
- Management of successful and timely move in accord with the tight LBHF deadline

Risks Policy Future Plans

The Council negotiation of Heads of Terms with Palingswick House Trustees, on the acquisition of a lease at the Community hub at Edward Woods Estate and the surrender of the lease at Palingswick House is completed

Future plans are being focused on the following

- Negotiating the final lease of the Edward Woods Community Hub for detail in connection with the terms of space hire for our charity clients,
- Restructuring the organisation of the charity to update the Articles and expand the objects,
- Recruiting new Trustees to the Board to extend the experience and knowledge needed to support the charities in the Hammersmith and Fulham locality,
- Developing and marketing Edward Wood Community Hub as a professional and commercial entity,
- Developing and strengthening links with external organisations, residents and, where appropriate, actively encourage their assistance with PHL's long term future,
- Finalising and implementing an appropriate business strategy to ensure sustainability
- Applying for grants to better support the charities in the hub and develop way finding and signage solutions

PALINGSWICK HOUSE LIMITED
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Trustees' Report
for the year ended 31 March 2012

Transactions and financial position

The relocation of office facilities and compensation received for loss of services has significantly increased the Cash Reserves of the Charity. It is to be anticipated that these Reserves will need to be applied to fixed costs whilst increasing income.

Funds available

Steps have been taken to increase license fee income at the new site in incremental stages with new charges and parking charges being introduced from 1 June 2012. If the new staged rates prove viable and new licensees can be found, it will be possible to cover the increasing operational costs and commence building up a reserve fund.

Inherent Risks

The delay over agreement on Heads of Terms and PHL's future meant that the trustees were unable to bid for grants for the current or new site and, in addition, was not possible to find licensees to replace existing licensees which had to either downsize or to move out of PH, due to the LBHF restrictions. As a result this impacted on the number of organisations transferring/starting up at Edward Woods Community Hub in 2012.

Operating Risks

With the anticipated move to Edward Woods Estate, financial planning exercises were completed to consider licensee charges against anticipated operating costs. The Trustees are confident of the outcome of these plans and that the organisation will have sufficient funds to maintain operations in the year to come.

Statement of Trustees Responsibilities

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed require the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. 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 Charity SORP,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper 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 also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PALINGSWICK HOUSE LIMITED
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Directors Report
for the year ended 31 March 2012

Reserve Policy

The Directors would wish to have reserves to cover at least six months of expenditure. Current reserves are sufficient for this but the increased room hire and ex gratia payment in return for the surrender of the current lease are intended to contribute to building up such a reserve.

Approval

This report was approved by the Board of Directors on 20/11/12 and signed on its behalf by

A handwritten signature in black ink, appearing to be 'S Rowley', written over the text 'This report was approved by the Board of Directors on'.

Simon Rowley, Chairman of the Trustees

PALINGSWICK HOUSE LIMITED
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Independent Examiner's Report to the Trustees of Palingswick House Limited

I report on the accounts of the charity for the year ended 31 March 2012, which are set out on pages 8 to 12

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to.

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145 (5)(b) of the Charities Act), and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention

- (1) which gives me reasonable cause to believe that in, any material respect, the requirements
 - to keep accounting records in accordance with section 130 of the Charities Act,
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act have not been met, or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



A L McCartney F C A
Institute of Chartered Accountants in England & Wales
Flintham MacKenzie Audit Ltd
277-279 Chiswick High Road
London W4 4PU

18 December 2012

PALINGSWICK HOUSE LIMITED

(Limited by Guarantee)

Statement of the Financial Activities
for the year ended 31 March 2012

		<u>2012</u>	<u>2012</u>	<u>2012</u>	<u>2011</u>
	<u>Notes</u>	<u>Restricted</u>	<u>Unrestricted</u>	<u>£</u> <u>Total</u>	<u>£</u> <u>Total</u>
INCOMING RESOURCES					
Incoming Resources from Charitable Activities					
Donations & Subscriptions		-	58	58	-
Rent and Services Charges	6		103,644	103,644	137,018
Room Lettings		-	44,487	44,487	39,855
Grants	7	<u>2,000</u>	<u>330,000</u>	<u>332,000</u>	<u>-</u>
TOTAL INCOMING RESOURCES		<u>2,000</u>	<u>478,189</u>	<u>480,189</u>	<u>176,873</u>
RESOURCES EXPENDED					
Costs of Incoming Resources from Charitable Activities	2	2,000	93,416	95,416	94,910
Governance Costs	3	-	112,575	112,575	92,021
Grant Sharing	7	<u>-</u>	<u>72,150</u>	<u>72,150</u>	<u>-</u>
TOTAL RESOURCES EXPENDED		<u>2,000</u>	<u>278,141</u>	<u>280,141</u>	<u>186,931</u>
Net Incoming (Outgoing) Resources		<u>-</u>	<u>200,048</u>	<u>200,048</u>	<u>(10,058)</u>
NET MOVEMENT OF FUNDS IN YEAR					
Net Incoming (Outgoing) Resources		-	200,048	200,048	(10,058)
Total Funds Brought Forward		<u>-</u>	<u>27,592</u>	<u>27,592</u>	<u>37,650</u>
TOTAL FUNDS CARRIED FORWARD		<u>-</u>	<u>227,640</u>	<u>227,640</u>	<u>27,592</u>

The Notes on pages 10 to 12 form part of these Accounts

PALINGSWICK HOUSE LIMITED
(Limited by Guarantee)

Balance Sheet as at 31 March 2012

	<u>Notes</u>	<u>31 March 2012</u>	<u>31 March 2011</u>
		<u>£</u>	<u>£</u>
FIXED ASSETS			
Tangible Assets	5	39,264	2,124
CURRENT ASSETS			
Stock		380	240
Debtors		1,781	13,693
Cash at Bank and in Hand		211,923	13,376
		<u>214,084</u>	<u>27,309</u>
CREDITORS Amounts falling due within one year	8	<u>(25,708)</u>	<u>(1,841)</u>
NET CURRENT ASSETS		<u>188,376</u>	<u>25,468</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>227,640</u>	<u>27,592</u>
RESERVES			
Unrestricted Funds Brought Forward		27,592	37,650
Net Surplus (Deficit) for the year		<u>200,048</u>	<u>(10,058)</u>
		<u>227,640</u>	<u>27,592</u>

The Notes on pages 10 to 12 form part of these financial statements

The Directors have not required the Company to obtain an audit of its financial statements for the year ended 31 March 2012 in accordance with Section 476 of the Companies Act 2006

The Directors acknowledge their responsibility for

- (a) ensuring that the Company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the Company at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the Company

Approved by the Board of Directors and Trustees on 20th November 2012 and signed on its behalf



Trustee Treasurer K Denton - Savage

PALINGSWICK HOUSE LIMITED

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Notes to the Financial Statements
for the year ended 31 March 2012

1 ACCOUNTING POLICIES

1 1 Basis of Preparation of Accounts

The Accounts are prepared under the historical cost convention and include the results of the Charity's operations which are described in the Trustees' Report and all of which are continuing. The continued operation of the Charity is only possible with the continued support of the London Borough of Hammersmith & Fulham and the Revenue & Customs Charitable Tax policy. The Accounts have been prepared on a going concern basis, relying on this support, as noted in the Trustees' Report.

The Accounts have been prepared in compliance with the Statement of Recommended Practice on Charity Accounts.

The Charity has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cashflow statement.

1 2 Tangible Fixed Assets and Depreciation

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Fixtures & Fittings - 25% straight line basis

IT Network & Equipment - 25% straight line basis

1 3 Income

Income arises from licences to occupy rooms and temporary space use facilities at the Edward Woods Community Centre and is accounted for on an accruals basis, and from donations, subscriptions and grants received.

1 4 Value Added Tax

Value Added Tax is not recoverable by the Charity and as such is included in the relevant costs in the Statement of Financial Activities.

1 5 Operating Leases

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are reflected in the Statement of Financial Activities as incurred.

1 6 Expenditure on Management and Administration of the Charity

Administration expenditure includes all expenditure not directly related to the charitable activity. This includes salaries, general expenses and professional fees.

1 7 Fundraising

Funds were raised in the year by fundraising activities, and fundraising costs were incurred, these are shown as Restricted Funds.

PALINGSWICK HOUSE LIMITED
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Notes to the Financial Statements
for the year ended 31 March 2012
(continued)

	<u>2012</u> <u>£</u> <u>Restricted</u>	<u>2012</u> <u>£</u> <u>Unrestricted</u>	<u>2011</u> <u>£</u>
2	COSTS OF INCOMING RESOURCES FROM CHARITABLE ACTIVITIES		
Light		2,230	6,976
Heat		13,178	11,668
Rent		20,833	25,000
Rates		34,038	30,656
Insurance		409	884
Repairs and Maintenance of Premises		3,014	9,545
Cleaning		1,165	2,540
Refuse Collection		1,283	2,276
Garden Expenses		712	909
Consumables		824	282
Bad Debts		3,821	2,062
Accountancy		1,471	2,112
Relocation costs	2,000	10,438	-
	<u>2,000</u>	<u>93,416</u>	<u>94,910</u>
3	GOVERNANCE COSTS		
Administration and Bookkeeping Services		12,879	16,518
Salaries and National Insurance		72,598	66,465
Statutory Redundancy		17,417	-
Telephone, fax, internet, Stationery		2,090	4,722
IT Services, maintenance		2,266	-
Independent Examination Costs		1,100	1,100
Consultancy		1,200	-
Bank and Payroll Charges		844	624
Depreciation		-	708
Legal, Secretarial Fees & Meetings		2,181	1,884
		<u>112,575</u>	<u>92,021</u>
4	SURPLUS(DEFICIT) FOR THE YEAR		
The Surplus (Deficit) of Income over Expenditure is stated after charging			
Depreciation of Tangible Fixed Assets		-	708
Operating Lease Rentals		20,833	25,000
Independent Examination Costs		1,100	1,100

PALINGSWICK HOUSE LIMITED
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Notes to the Financial Statements
for the year ended 31 March 2012
(continued)

5	TANGIBLE FIXED ASSETS	<u>IT Network & Equipment</u>	<u>Fixtures & Fittings</u> £	<u>Total</u> £
	COST			
	At 1 April 2011	2,896	57,650	60,546
	Additions	31,119	21	21,140
	Disposals	-	(50,000)	(50,000)
	At 31 March 2012	<u>34,015</u>	<u>7,671</u>	<u>41,686</u>
	DEPRECIATION			
	At 1 April 2011	1,819	56,603	58,422
	Charge for the year	-	-	-
		<u>-</u>	<u>(56,000)</u>	<u>(56,000)</u>
	At 31 March 2012	<u>1,819</u>	<u>603</u>	<u>2,422</u>
	NET BOOK VALUE			
	At 31 March 2012	<u>32,196</u>	<u>7,068</u>	<u>39,264</u>
	At 31 March 2011	<u>1,077</u>	<u>1,047</u>	<u>2,124</u>
		<u>31 3 12</u>		<u>31 3 11</u>
		£		£
		<u>Restricted</u>	<u>Total</u>	<u>Unrestricted</u>
6	RENT AND SERVICES CHARGES	<u>20,833</u>	<u>20,833</u>	<u>25,000</u>

Under the Terms of Continuing Licence for occupation, extended to January 2012, but effective at 31 December 2011, Hammersmith and Fulham Council invoiced £20,833 in the period ended 31 January 2012, covering the financial rental year end 31 March 2012. Subsequently the Council agreed to waive collection on this sum invoiced, treating it as a contribution to mitigate the effects of the restriction on letting of vacant space during the same period. Unearned Rent for £20,833 has been accounted for until appropriate documentation for the Rent expense to be discharged is received so as to give effect to this agreement.

- 7 GRANTS
- Under the terms of the compulsory vacation of the building, Hammersmith and Fulham Council paid an ex gratia sum agreed at £330,000 to secure vacant possession by 31st January 2012 and assist the company start-up costs at a new site. The company reassigned £72,150 of the ex gratia sum to the resident clients.

The ex gratia payment is unrestricted use, the Charities Commission were consulted on the arrangement.

8	CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR		
	Creditors	23,381	(1,054)
	Social Security & Other Taxes	1,227	1,795
	Accrued Expenses	<u>1,100</u>	<u>1,100</u>
		<u>25,708</u>	<u>1,841</u>