

COMPANY REGISTRATION NUMBER 1756190

PALINGSWICK HOUSE LIMITED

Company limited by guarantee

FINANCIAL STATEMENTS

31 MARCH 2014

Charity Number 288230

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PALINGSWICK HOUSE LIMITED

Company limited by guarantee

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2014

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PALINGSWICK HOUSE LIMITED

Company limited by guarantee

MEMBERS OF THE BOARD AND PROFESSIONAL ADVISERS

Registered charity name	Palingswick House Limited
Charity number	288230
Company registration number	1756190
Registered office	Office A Norland House Queensdale Crescent London W11 4TL
Trustees	William Byrne (Treasurer) Raymond Burnet (Chair) Robert Mello
Executive director	Teresa Meekings
Independent examiner	Hartley Jackson FCA DChA 33 Chingford Mount Road London E4 8LU
Bankers	National Westminster 22 King's Mall Hammersmith London W6 0GD Charity Bank 194 High Street Tonbridge Kent TN9 1BE

PALINGSWICK HOUSE LIMITED

Company limited by guarantee

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 MARCH 2014

The trustees, who are also directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 March 2014.

REFERENCE AND ADMINISTRATIVE DETAILS

Reference and administrative details are shown in the schedule of members of the board and professional advisers on page 1 of the financial statements.

THE TRUSTEES

The trustees who served the charity during the period were as follows:

Kissu Denton-Savage
William Byrne (Treasurer)
Simon Rowley
Raymond Burnet (Chair)
Robert Mello

Robert Mello was appointed as a trustee on 28 February 2014.

Simon Rowley retired as a trustee on 24 December 2013.

Kissu Denton-Savage retired as a trustee on 20 October 2014.

Governance and Management

Palingswick House Limited is a charitable company limited by guarantee, incorporated on 26 September 1983 and registered as a charity on 25 November 1983. The Company was established under a Memorandum of Association which established the objects and the powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £10.00

Directors may appoint a person who is willing to act to be a director either to fill vacancy or as an additional director provided that the appointment does not cause the number of directors to exceed any number fixed by or in accordance with the articles as the maximum number of directors (12). A director so appointed shall hold office only until the next following annual general meeting and shall not be taken into account in determining the directors who are to retire by rotation (if applicable) at the meeting. If not reappointed at such annual general meeting, he or she shall vacate office at the conclusion thereof.

During 2013-2014, Trustees were pleased to co-opt Rob Mello to the Board in the summer of 2013. Rob was formally elected at the AGM on 28th February 2014. Simon Rowley retired from the Board on 24th December 2013.

It is with great regret that trustees announce the death of Simon Rowley on 20th January 2014, his leadership and support and loyalty will be greatly missed.

From August 2013, trustees decided to rebrand the hub and Palingswick House Limited is now trading as Axis Community Hub. It remains a resource for voluntary and community organisations, maintaining a 30 year tradition of community support.

PALINGSWICK HOUSE LIMITED

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TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2014

Objectives and Activities

To promote the efficiency and effectiveness of Charities particularly but not exclusively in the area of the London borough of Hammersmith and Fulham and the promotion of the effective use of resources for charitable purposes by charitable and non charitable bodies in particular but not exclusively by the provision, or by procuring the provision, of training, administrative and support services

4.2 To promote the voluntary sector for the benefit of the inhabitants particularly but not exclusively in the area of the London borough of Hammersmith and Fulham, in particular by the provision and maintenance of a resource centre to be used by the voluntary sector. The 'Voluntary Sector' means charities, community social enterprises and voluntary organisations

4.3 To promote such other purposes that are charitable according to the laws of England and Wales for the benefit of the inhabitants particularly but not exclusively in the area of the London borough of Hammersmith and Fulham as may from time to time be determined

Public Benefit

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities.

Charitable Activities

The financial year 2013-2014 has once again been a challenging year. The remaining 5 offices on the site, which should have been available in June 2012, are still not complete and ready for occupation. This together with continuing problems around the lease and viability of managing the hub with just ¼ of the units available has made it virtually impossible to properly market the spaces to generate income.

Throughout this financial year Trustees heavily subsidised fees for the charities licenced on the site, in consideration of the disruption to their services from the works on site. This support has amounted to over £25,000 in fee subsidies.

The works on Norland House were completed by the autumn of 2013, however there are ongoing problems with the drains beneath the offices that have as yet to be resolved.

Trustees recorded an increase in interest from organisations looking to be based at the hub, however the continuing uncertainty of when the remaining units were to be completed meant that these groups will move elsewhere.

The recent acknowledgement from the council that the most significant unit in terms of viability of the whole venture would not be made good in the near future. Our Hot desk facility was slow to take off but attracted two organisations that use the hot desk by the day, one of which became a monthly hirer. one or two regular residents who come in to practice computing skills and to check emails or print e-tickets Over the period our meeting space has been used by a number of organisations to host engagement opportunities for residents as well as for training and as quiet worship space, and well-being events. However for the past ten months it has not been possible to let this space due to ongoing water ingress that has not been solved by the council repairs service in spite of countless visits.

The office was staffed by 1.2 full time equivalent staff in order to provide a point of contact and service that covers the 5 day week up to the end of June 2014, at which time Trustees decided to reduce staffing to 0.4 full time equivalent in order to cut costs...

PALINGSWICK HOUSE LIMITED

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TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2014

As part of our charitable objectives, the staff have worked over the past year with other organisations to provide wellness sessions and debt advice for residents.

The training sessions for charities and community groups in areas of Health and Safety, fire safety and emergency First Aid were put on hold this year due to the on-going negotiations with LBHF and staff changes.

Trustees may consider continuing to hold training workshops on areas not traditionally provided to the sector by other local organisation, and to work with other infrastructure groups on joint training sessions as part of the review of services.

The Charity participated in a community event staged by Rockwool on energy efficiency, this fitted well with our offer to recycle residents batteries, CD's, Toner and ink cartridges and our confidential shred offer.

Trustees successfully received a voucher from the Big Assist programme to provide for £4,000 of consultancy support. Through this consultancy trustees worked on negotiating the viable options for continuing to run the hub, however with the news that Boxmoor House will not be refurbished/repared, in the near future, to prevent persistent water ingress; trustees had to decide to pull out of the hub as without the prospective income from this unit the management is not viable under a lease, and would only be viable under a management contract that paid for the core costs.

Trustees would like to thank and acknowledge the work and support received from:

- Axis Hub staff team: Teresa Meekings
- Salema Khanum, assistant Facilities Manager, who left the organisation in June 2013
- Madara Brunava who left in June 2014
- Book Keeper Alexandra Lloyd Jones.
- IT Support: Eva Kandler
- Our cleaner Michele Johnson of C.D.J Homecare.
- Edward Woods Community Centre Staff, Jacqueline Boyce and Caesar President.
- Asif and Emanuel, Tunde and Paul from Poynter House Concierge for their ongoing support
- John from Breyers for allowing the his staff to help in moving furniture from office B
- Lawworks, for brokering the pro bono advice received from Matthew Freeman and Simona Heinonen from the solicitor firm Ashurst for advice on Landlord /Tenant issues.

PALINGSWICK HOUSE LIMITED

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TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2014

Risk Management

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 major risk Trustees became aware was that Boxmoor House would not be repaired to prevent water ingress for the foreseeable future, this had the following effect:

- Managing the hub is no longer financially viable without this unit
- The charity will need to pull out of the managing the hub
- the need to negotiate a mutual exit/takeover plan with LBHF to protect the reputation of the charity and to best support the charities currently in residence

In November 2014 following a lack of substantive response by LBHF to the Charity's proposal and the information that LBHF would not be repairing Boxmoor House in the foreseeable future trustees decided that the only option was to cease operations at the site from 31/12/2014.

Their decision was also taken in order to stem the deficit of the last two years and enable the charity to continue operating at some level.

Financial Review

Full details of the Charity's finances are given in the Statement of Financial Affairs.

It is anticipated that the Reserves of the Charity will need continue to be applied to fixed costs whilst increasing income. Lack of readiness of the site and legal costs of negotiating the lease have depleted significant amount of this reserve, since the charity has been unable to market the space, nor generate adequate income from existing licensees.

- Lease Negotiations continued for the site since trustees were still hoping to be able to take on the final five offices by June 2014, but this has not happened.
- The end-stop date for completion of the works negotiated by PHL Solicitor and General Manager with LBHF, in return for an agreement for lease and a Licence to Occupy, passed with works still not completed.
- Trustees met with LBHF officers to follow up on the negotiations with the solicitor, since the proposed licence terms were based on the lease terms and Trustees could not sign up to the more arduous terms, and because proposed works to the remaining units was not being done.
- Trustees commissioned a report on the viability of the Hub through a voucher from the Big Assist funding programme.
- Trustees met with Council officers 20th Aug 2014, following receipt of the report from the viability study and were asked to put forward proposals on viable options.
- The proposals were sent to the council on 28th August 2014 trustees are still awaiting a response.
- Trustees have sought advice of an IP from Hayes Macintyre and have discussed options
- Following the advice sought and viability report, council delays and two years of deficit; trustees decided that the Hub was no longer a viable option
- Trustees plan to stem the deficit of the last two years by withdrawing and ceasing operations at the hub from 31/12/2014

PALINGSWICK HOUSE LIMITED

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TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2014

Reserves Policy

The Directors would wish to have reserves to cover at least six months of expenditure. Current reserves are sufficient for this at present.

Plans For Future Periods

In order to do this and to preserve the reputation of the charity, they will

- Restructure the organisation to enable the charity to continue operating at a reduced level
- Recruit further skilled Trustees to the Board to take the charity forward sustainably whilst continuing the traditional support the charities in the Hammersmith and Fulham locality;
- Develop and strengthen links with external organisations, residents and, where appropriate, actively encourage their assistance with PHL's long term future;
- Finalise and implement an appropriate business strategy to ensure sustainability;
- Contact the charity commission early in 2015 should their restructuring and strategy planning suggest a change in direction for the charity, so that they can amend the objects and update their governing document.

INDEPENDENT EXAMINER

Hartley Jackson FCA DChA has been re-appointed as independent examiner for the ensuing year.

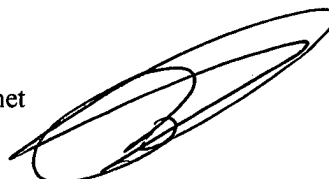
SMALL COMPANY PROVISIONS

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

Registered office:
Office A Norland House
Queensdale Crescent
London
W11 4TL

Signed on behalf of the trustees

Ray Burnet
Chair



3 December 2014

PALINGSWICK HOUSE LIMITED

Company limited by guarantee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF PALINGSWICK HOUSE LIMITED

YEAR ENDED 31 MARCH 2014

I report on the accounts of the charity for the year ended 31 March 2014 which are set out on pages 9 to 17.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND EXAMINER

The trustees (who are also the directors of Palingswick House Limited for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 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 386 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

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.

PALINGSWICK HOUSE LIMITED

Company limited by guarantee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
PALINGSWICK HOUSE LIMITED *(continued)***

YEAR ENDED 31 MARCH 2014

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

**Hartley Jackson FCA DChA
Independent Examiner
Jackson & Jackson Accountants Limited
Chartered Accountants
33 Chingford Mount Road
London E4 8LU**

8 December 2014

PALINGSWICK HOUSE LIMITED

Company limited by guarantee

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)

YEAR ENDED 31 MARCH 2014

	Note	Total Funds 2014 £	Total Funds 2013 £
INCOMING RESOURCES			
Incoming resources from generating funds:			
Voluntary income	2	1,590	6
Investment income	3	434	130
Incoming resources from charitable activities	4	31,020	19,143
TOTAL INCOMING RESOURCES		33,044	19,279
RESOURCES EXPENDED			
Charitable activities	5/6	(115,898)	(86,072)
Governance costs	7	(10,557)	(18,158)
Other resources expended	8	—	(200)
TOTAL RESOURCES EXPENDED		(126,455)	(104,430)
NET OUTGOING RESOURCES FOR THE YEAR/NET EXPENDITURE FOR THE YEAR	9	(93,411)	(85,151)
RECONCILIATION OF FUNDS			
Total funds brought forward		142,489	227,640
TOTAL FUNDS CARRIED FORWARD		49,078	142,489

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The notes on pages 11 to 17 form part of these financial statements.

PALINGSWICK HOUSE LIMITED

Company limited by guarantee

BALANCE SHEET

31 MARCH 2014

	Note	2014 £	2013 £
FIXED ASSETS			
Tangible assets	12	30,864	42,934
CURRENT ASSETS			
Stocks	13	164	—
Debtors	14	2,658	1,746
Cash at bank		50,487	122,370
		<u>53,309</u>	<u>124,116</u>
CREDITORS: Amounts falling due within one year	15	<u>(35,095)</u>	<u>(24,561)</u>
NET CURRENT ASSETS		18,214	99,555
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>49,078</u>	<u>142,489</u>
FUNDS			
Unrestricted income funds	16	<u>49,078</u>	<u>142,489</u>
TOTAL FUNDS		<u>49,078</u>	<u>142,489</u>

For the year ended 31 March 2014 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Trustees' responsibilities:

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

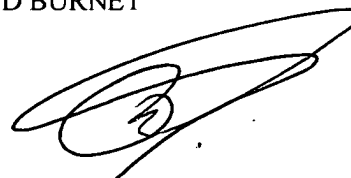
These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

These financial statements were approved by the members of the committee and authorised for issue on the 3 December 2014 and are signed on their behalf by:


WILLIAM BYRNE

RAYMOND BURNET

Company Registration Number: 1756190



The notes on pages 11 to 17 form part of these financial statements.

PALINGSWICK HOUSE LIMITED

Company limited by guarantee

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2014

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards and the requirements of the Statement of Recommended Practice 'Accounting and Reporting by Charities' issued in March 2005 (SORP 2005).

Cash flow statement

The trustees have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the charity is small.

Fund accounting

- Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Unrestricted funds include a revaluation reserve representing the restatement of investment assets at market values.

Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.
- Investment income is included when receivable.
- Incoming resources from charitable trading activity are accounted for when earned.
- Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

PALINGSWICK HOUSE LIMITED

Company limited by guarantee

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2014

1. ACCOUNTING POLICIES *(continued)*

Resources expended

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

- Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit or examination costs, and costs linked to the strategic management of the charity.
- All costs are allocated between the expenditure categories of the SoFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis e.g. floor areas, per capita or estimated usage as set out in the notes to the accounts.

Fixed assets

Fixed assets (excluding investments) are stated at cost less accumulated depreciation. The costs of minor additions or those costing below £1,500 are not capitalised.

Depreciation

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

IT Network & Equipment - 25% on straight line basis
Fixtures & Fittings - 25% on straight line basis
Leasehold Improvements - 25% on straight line basis

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

PALINGSWICK HOUSE LIMITED

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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2014

1. ACCOUNTING POLICIES *(continued)*

Going concern

The charity made a deficit in the year to 31 March 2013 of £85,151 and a further deficit in the year to 31 March 2014 of £95,851. In a two period, the reserves of the charity have reduced from £227,640 to £46,678.

Accordingly, there are concerns as to whether the charity is able to continue as a going concern. As set out in the Post Balance Sheet events note below, the Trustees have started to implement a plan of action to safeguard the charity's future. The Board considers that these plans will enable the charity to continue in a new direction on a smaller scale as a going concern.

2. VOLUNTARY INCOME

	Unrestricted Funds £	Total Funds 2014 £	Total Funds 2013 £
Donations			
Donations and subscriptions	<u>1,590</u>	<u>1,590</u>	<u>6</u>

3. INVESTMENT INCOME

	Unrestricted Funds £	Total Funds 2014 £	Total Funds 2013 £
Bank interest receivable	<u>434</u>	<u>434</u>	<u>130</u>

4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	Total Funds 2014 £	Total Funds 2013 £
Rents and service charges receivable	25,284	25,284	6,003
Room lettings	1,008	1,008	13,140
Charges for internet, stationery, etc.	4,728	4,728	—
	<u>31,020</u>	<u>31,020</u>	<u>19,143</u>

5. COSTS OF CHARITABLE ACTIVITIES BY FUND TYPE

	Unrestricted Funds £	Total Funds 2014 £	Total Funds 2013 £
Support of local community and voluntary sector	<u>115,898</u>	<u>115,898</u>	<u>86,072</u>

PALINGSWICK HOUSE LIMITED

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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2014

6. COSTS OF CHARITABLE ACTIVITIES BY ACTIVITY TYPE

	Activities undertaken directly £	Total Funds 2014 £	Total Funds 2013 £
Support of local community and voluntary sector	<u>115,898</u>	<u>115,898</u>	<u>86,072</u>

7. GOVERNANCE COSTS

	Unrestricted Funds £	Total Funds 2014 £	Total Funds 2013 £
Accountancy fees	2,905	2,905	808
Financial advice	–	–	1,675
Legal fees	7,450	7,450	15,675
Costs of trustees' meetings and expenses	<u>202</u>	<u>202</u>	<u>–</u>
	<u>10,557</u>	<u>10,557</u>	<u>18,158</u>

8. OTHER RESOURCES EXPENDED

	Total Funds 2014 £	Total Funds 2013 £
Grant to residents re relocation	<u>–</u>	<u>200</u>

9. NET OUTGOING RESOURCES FOR THE YEAR

This is stated after charging:

	2014 £	2013 £
Depreciation	15,262	15,390
Independent Examiner's remuneration	<u>2,443</u>	<u>1,675</u>

10. STAFF COSTS AND EMOLUMENTS

Total staff costs were as follows:

	2014 £	2013 £
Wages and salaries	37,171	35,034
Social security costs	<u>2,899</u>	<u>2,768</u>
	<u>40,070</u>	<u>37,802</u>

PALINGSWICK HOUSE LIMITED

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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2014

10. STAFF COSTS AND EMOLUMENTS *(continued)*

Particulars of employees:

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows:

	2014	2013
	No	No
Number of staff	<u>1</u>	<u>1</u>

No employee received remuneration of more than £60,000 during the year (2013 - Nil).

11. TRUSTEE REMUNERATION & RELATED PARTY TRANSACTIONS

No members of the management committee received any remuneration or expenses during the year or the previous year.

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year or the previous year.

12. TANGIBLE FIXED ASSETS

	IT Network & Equipment £	Fixtures & Fittings £	Leasehold Improvements £	Total £
COST				
At 1 April 2013	53,075	7,672	–	60,747
Additions	–	–	3,192	3,192
At 31 March 2014	<u>53,075</u>	<u>7,672</u>	<u>3,192</u>	<u>63,939</u>
DEPRECIATION				
At 1 April 2013	15,442	2,371	–	17,813
Charge for the year	12,546	1,918	798	15,262
At 31 March 2014	<u>27,988</u>	<u>4,289</u>	<u>798</u>	<u>33,075</u>
NET BOOK VALUE				
At 31 March 2014	<u>25,087</u>	<u>3,383</u>	<u>2,394</u>	<u>30,864</u>
At 31 March 2013	<u>37,633</u>	<u>5,301</u>	<u>–</u>	<u>42,934</u>

13. STOCKS

	2014	2013
	£	£
Stock	<u>164</u>	<u>–</u>

PALINGSWICK HOUSE LIMITED

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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2014

14. DEBTORS

	2014	2013
	£	£
Trade debtors	218	1,746
Other debtors	2,440	—
	<u>2,658</u>	<u>1,746</u>

15. CREDITORS: Amounts falling due within one year

	2014	2013
	£	£
Trade creditors	29,707	5,284
PAYE and social security	1,882	974
Other creditors	3,506	18,303
	<u>35,095</u>	<u>24,561</u>

16. UNRESTRICTED INCOME FUNDS

	Balance at 1 April 2013	Incoming resources	Outgoing resources	Balance at 31 March 2014
	£	£	£	£
General Funds	<u>142,489</u>	<u>33,044</u>	<u>(126,455)</u>	<u>49,078</u>

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets	Net current assets	Total
	£	£	£
Unrestricted Income Funds	<u>30,864</u>	<u>18,214</u>	<u>49,078</u>
Total Funds	<u>30,864</u>	<u>18,214</u>	<u>49,078</u>

18. TAXATION

The charity is provisionally exempt from tax on income and gains to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity.

19. COMPANY LIMITED BY GUARANTEE

Palingswick House Limited is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £10 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

PALINGSWICK HOUSE LIMITED

Company limited by guarantee

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2014

20. POST BALANCE SHEET EVENTS

In October 2014, the Board of Trustees approved a plan of action to safeguard the charity's future. These plans were:

- 1 To vacate the premises,
- 2 To make the General Manager redundant,
- 3 To change the charitable activities of the charity to better serve the community.

At the time of printing these financial statements the following had been effected:

- 1 A date had been proposed by the Local Authority to vacate on 18 December 2014. This has yet to be agreed by the Trustees.

In October 2014, one trustee, Kissu Denton Savage resigned from the Board having dissented with the majority vote outlined above.

Between April and October 2014, talks had taken place with solicitors concerning the lack of a proper agreement with the Local Authority, and also with an insolvency practitioner concerning the large deficit for the last two years, and depletion of funds. Both these discussions have now been suspended as a result of the Board's decisions as outlined above. The Board considers that the charity may continue as a going concern, with these new objectives and plans.

No provision has been made in the accounts in respect of any loss on disposal of assets, or additional costs which may occur during the vacation of the premises or the subsequent downsizing of the charity. Negotiations are taking place with the Local Authority in respect of assets to be transferred to them, including the IT infrastructure.