

**THE TEENAGE TRUST  
(TRADING) LIMITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED  
31 DECEMBER 2019**

Company no. 02691170

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**THE TEENAGE TRUST (TRADING) LIMITED**  
**FINANCIAL STATEMENTS**  
For the year ended 31 December 2019

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**THE TEENAGE TRUST (TRADING) LIMITED**  
**COMPANY INFORMATION**  
For the year ended 31 December 2019

Company registration number	02691170
Registered office	3rd Floor 93 Newman Street London W1T 3EZ
Directors	R Rosenberg R Harris P Spanswick
Bankers	Barclays Bank PLC 21 Hanover Square London W1S 1JW  The Royal Bank of Scotland PLC Commercial Banking Charing Cross Commercial Centre 3rd Floor, Cavell House 2a Charing Cross Road London WC2H 0NN
Auditors	BDO LLP 2 City Place Beehive Ring Road Gatwick West Sussex RH6 0PA

**THE TEENAGE TRUST (TRADING) LIMITED**  
**REPORT OF THE DIRECTORS – For the year ended 31 December 2019**

The directors present their report together with the audited financial statements for the year to 31 December 2019.

**Constitution**

The Teenage Trust (Trading) Ltd Company is a limited company having a share capital. It is the wholly owned subsidiary of Teenage Cancer Trust, which is a company limited by guarantee and a charity registered under the Charities Act 2011, having charity registration number 1062559.

**Principal Activity**

In the period under review the principal activity of the company was to raise monies by way of fundraising events organised in the name of Teenage Cancer Trust.

The company also received contractual income arising from license and commission agreements.

**Business Review**

A summary of the results of the year's activity is given on page 6 of the financial statements. The net profit of the fundraising activities amounted to £1,437k (2018: £59k). All surpluses after deduction of administrative overheads are gift aided to Teenage Cancer Trust in furtherance of its charitable objectives.

**The impact of coronavirus (COVID-19)**

At the time of writing this report (July 2020), the impact of coronavirus (COVID-19) is escalating every day. It is therefore too soon to assess the longer-term impact of this on the company and the charity sector. However, at this time we do not anticipate that we will be able to hold the shows at the Royal Albert Hall in 2021, or a return to challenge events before the autumn of 2021. Therefore, there will be far reaching consequences that we are unable to currently predict.

**Going Concern**

In preparing the financial statements, the directors are required to assess the company's ability to continue to trade as a going concern for the foreseeable future.

The various actions imposed by government to combat the pandemic have resulted in the cancellation of all fundraising events organized by the company, and are not anticipated to resume until Autumn 2021, which has eliminated the company's projected income for the next twelve months.

The company derives the majority of its income through hosting musical events annually and the directors have every intention to recommence trading as soon as performing arts ventures are able to re-open. Based on the company's current cash levels, financial support will not be required from the parent charity for the foreseeable future.

Given these measures, whilst the Directors acknowledge that these are uncertain times, they do not believe that at present there is material doubt as to the company's ability to continue as a going concern once social distancing restrictions are lifted sufficiently to enable events and challenges to resume. The Directors, therefore, consider it appropriate for the financial statements to be prepared on a going concern basis.

**Directors**

The following directors, who are also the Trustees of Teenage Cancer Trust, served during the year:

R Rosenberg  
R Harris  
P Spanswick

No director had any beneficial interest in the issued ordinary share capital of the company at any time during the year.

## **THE TEENAGE TRUST (TRADING) LIMITED**

### **REPORT OF THE DIRECTORS – For the year ended 31 December 2019**

#### **Statement of Directors' Responsibilities**

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Directors' Awareness Statement**

Each of the directors has confirmed that so far as he/she is aware, there is no relevant audit information of which the company's auditors are unaware, and that he/she has taken all the steps that he/she ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

#### **Auditors**

BDO LLP offer themselves for reappointment as auditors in accordance with section 487(2) of the Companies Act 2006.

A resolution for the reappointment of BDO LLP will be proposed at the forthcoming Annual General Meeting.

The Director's Report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

On Behalf of the Board:



.....  
Director

21 July 2020

# **INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF THE TEENAGE TRUST (TRADING) LIMITED**

## **Opinion**

We have audited the financial statements of The Teenage Trust (Trading) Limited ("the Company") for the year ended 31 December 2019 which comprise the Profit and Loss Account (including the Statement of Income and Retained Earnings), the 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 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 Company's affairs as at 31 December 2019 and of its profit 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 Company 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 Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a year of at least twelve months from the date when the financial statements are authorised for issue.

## **Other information**

The Directors are responsible for the other information. The other information comprises the information included in the report of the Directors', 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.

# **INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF THE TEENAGE TRUST (TRADING) LIMITED**

## **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 report of the Directors' for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the report of the Directors' has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the report of the Director's.

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; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the report of the Directors' and from the requirement to prepare a Strategic report.

## **Responsibilities of Directors**

As explained more fully in the statement of Directors' responsibilities, the Directors 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 the Directors determines 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 Directors are responsible for assessing the Company'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 Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

## **Auditor's 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 at the Financial Reporting Council's website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**INDEPENDENT AUDITOR'S REPORT  
TO MEMBERS OF THE TEENAGE TRUST (TRADING) LIMITED**

**Use of our report**

This report is made solely to the Company'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 Company'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 Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*BDO LLP*

Fiona Condrón (Senior Statutory Auditor)  
For and on behalf of BDO LLP, statutory auditor  
Gatwick, West Sussex  
Date 27 July 2020

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).



**THE TEENAGE TRUST (TRADING) LIMITED****PROFIT AND LOSS ACCOUNT (INCLUDING THE STATEMENT OF INCOME AND RETAINED EARNINGS)**

For the year ended 31 December 2019

	Note	2019 12 months £'000	2019 12 months £'000	2018 18 months £'000	2018 18 months £'000
<b>Income</b>					
Fundraising events	2		3,595		2,526
<b>Expenditure</b>					
Direct fundraising		1,672		2,026	
General overheads		9		9	
Management charge	3	477		432	
	2		(2,158)		(2,467)
Profit on ordinary activities before tax			1,437		59
Tax on profit on ordinary activities			-		-
Profit on ordinary activities after tax			1,437		59
<b>Retained Earnings</b>					
At 1 January / 1 July			3		3
Result for the year / period			1,437		59
Qualifying charitable donation	4		(1,437)		(59)
At 31 December			3		3

All transactions arise from continuing operations.

There were no recognised gains or losses other than the surplus for the financial year.

The accompanying accounting policies and notes form an integral part of these financial statements.

**THE TEENAGE TRUST (TRADING) LIMITED**  
**BALANCE SHEET (Company number: 02691170)**  
As at 31 December 2019

	Note	2019 £'000	2018 £'000
<b>Current assets</b>			
Stock	5	13	15
Debtors	6	580	705
Cash at bank and in hand		<u>1,238</u>	<u>273</u>
		<b>1,831</b>	<b>993</b>
<b>Creditors: amounts falling due within one year</b>	7	<u>(1,828)</u>	<u>(990)</u>
<b>Total assets less current liabilities</b>		<b>3</b>	<b>3</b>
<b>Total net assets</b>		<u><b>3</b></u>	<u><b>3</b></u>
<b>Capital and reserves</b>			
Equity interests:			
Called up share capital	8	-	-
Profit and loss account		<u>3</u>	<u>3</u>
<b>Shareholders' funds</b>		<u><b>3</b></u>	<u><b>3</b></u>

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within part 15 of the Companies Act 2006.

These financial statements were approved and authorised for issue by the Board of Directors on



.....  
Director

21 July 2020

The accompanying accounting policies and notes form an integral part of these financial statements.

**THE TEENAGE TRUST (TRADING) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31 December 2019

**1 PRINCIPAL ACCOUNTING POLICIES**

The Teenage Trust (Trading) Limited is a private company, limited by shares and domiciled in the United Kingdom and registered in England and Wales, Company Registration Number 02691170. The registered office address is 3rd Floor, 93 Newman Street, London, W1T 3EZ.

These financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102').

The principal accounting policies have been consistently applied together with reporting requirement of the Companies Act 2006.

**Statement of compliance**

The company has taken advantage of the following disclosure exemptions available in FRS 102 to subsidiary undertakings:

- Requirement to publish a cash flow statement;
- Financial instrument disclosures;
- Key management personnel compensation (but company law disclosures for directors' remuneration still apply); and
- Related party transactions entered into between two or more members of the group.

**Income**

Income from fundraising events organised by third parties on behalf of the company, where only the net proceeds are transferred to the company, is accounted for net and on an accruals basis. General donations and the sale of merchandise are accounted for on a receipts basis. Other income, including income from events organised and run by the company is accounted for gross and on an accruals basis.

**Expenditure**

Expenditure has been classified under the company's principal categories of fundraising and general overheads. It comprises the direct costs of fundraising activities and the share of central overheads recharged by the parent company, Teenage Cancer Trust. Expenditure is accounted for on an accruals basis.

**Stock**

Stock is stated at the lower of costs and net realisable value after making due allowance for obsolete and slow moving items.

**Financial instruments**

Basic financial instruments are recognised at amortised cost with changes recognised in the profit and loss.

**Director's Remuneration**

The directors listed on page 1 did not receive any remuneration or other benefits for their services as directors of the company.

**Employees**

The company does not employ staff directly but utilises staff time and other resources from Teenage Cancer Trust for which it is charged a management fee.

**Distributions**

Taxable profits transferred to the parent entity, a registered charity, are recognised as distributions from equity when the company has made an irrevocable commitment to the parent to pay the taxable profits. The comparative results have been restated to present taxable profits distributed in line with the above policy instead of as an expense in the profit and loss account (including the statement of income and retained earnings).

**THE TEENAGE TRUST (TRADING) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
For the year ended 31 December 2019

**Going Concern**

In preparing the financial statements, the directors are required to assess the company's ability to continue to trade as a going concern for the foreseeable future.

The various actions imposed by government to combat the pandemic have resulted in the cancellation of all fundraising events organized by the company, and are not anticipated to resume until Autumn 2021, which has eliminated the company's projected income for the next twelve months.

The company derives the majority of its income through hosting musical events annually and all surpluses are transferred to the parent charity, Teenage Cancer Trust, as a gift aid donation. Whilst the directors do not believe financial support will be required from the parent charity, the impact of COVID-19 on the Company is not yet known. Therefore, in the event that funding is required to recommence trading, the parent charity, has committed to provide such financial support as necessary to enable the company to meet any liabilities as they fall due for a minimum period of 12 months from the date of approval of these financial statements.

Given these measures, whilst the Directors acknowledge that these are uncertain times, they do not believe that at present there is material doubt as to the company's ability to continue as a going concern once social distancing restrictions are lifted sufficiently to enable events and challenges to resume. Accordingly, the directors, having considered the letter of financial support received from Teenage Cancer Trust and the ability of Teenage Cancer Trust to provide the financial support, consider it appropriate for the financial statements to be prepared on a going concern basis.

**Significant Management Judgements and Key Sources of Estimation Uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Management do not consider there to be any critical judgements or sources of estimation uncertainty requiring disclosure.

**2 FUNDRAISING EVENTS**

This includes income and expenditure arising on fundraising activities accounted for through the trading company. Income amounted to £3,595k (2018: £2,526k (18 months)) and expenditure amounted to £2,158k (2018: £2,467k (18 months)).

**3 PROFIT ON ORDINARY ACTIVITIES BEFORE TAX**

The profit on ordinary activities before tax is stated after charging:

	<b>2019</b>	<b>2018</b>
	<b>12 months</b>	<b>18 months</b>
	<b>£'000</b>	<b>£'000</b>
Management charge and audit fee of £5,000 (2018: £5,000 (18 months))	<b>482</b>	<b>437</b>
Credit card and bank charges	<b>1</b>	<b>1</b>

**4 PAYMENT UNDER GIFT AID**

All of the fundraising activities of the company are organised in the name of Teenage Cancer Trust. Any surpluses are transferred to Teenage Cancer Trust where they are held until donated to various teenage cancer projects. In respect of the period ended 31 December 2019 the donation £1,437k (2018: £59k (18 months)) will be made under gift aid within 9 months of the year end. No corporation tax liability arises in the accounts.

In accordance with the company's articles of association, any surpluses are transferred to Teenage Cancer Trust as a gift aid donation on an annual basis.

**THE TEENAGE TRUST (TRADING) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
For the year ended 31 December 2019

**5 STOCK**

	2019	2018
	£'000	£'000
Goods for resale	13	15

**6 DEBTORS**

	2019	2018
	£'000	£'000
Trade debtors	157	25
Other debtors and prepayments	423	680
	<u>580</u>	<u>705</u>

**7 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2019	2018
	£'000	£'000
Amount due to Teenage Cancer Trust	1,721	764
Trade creditors and other creditors	29	7
Accruals and deferred income	78	219
	<u>1,828</u>	<u>990</u>

**8 SHARE CAPITAL**

	2019	2018
	£	£
Authorised 100 ordinary shares of £1 each	100	100
Allotted, called up and fully paid 2 ordinary shares of £1 each	2	2

**9 ULTIMATE PARENT COMPANY**

The company is a wholly owned direct subsidiary of Teenage Cancer Trust as stated in the report of the directors.

In accordance with paragraph 33.1A of FRS102, the company has taken the exemption not to disclose balances with or transactions between itself and its parent, Teenage Cancer Trust, on the basis that it is a wholly owned subsidiary.

The registered office of the company and the Teenage Cancer Trust is 3rd Floor, 93 Newman Street, London, W1T 3EZ. The consolidated accounts of the Teenage Cancer Trust are available to the public and may be obtained from this address.

**10 SUBSEQUENT EVENTS**

The World Health Organization announced the coronavirus as a global health emergency on 31 January 2020, therefore the impact of COVID-19 on the company are a post balance sheet event. The Directors' have continued to evaluate the impact of COVID-19 on its operations and financial condition through the completion of these financial statements and have determined there are no adjustments required to the carrying value of items in the Balance Sheet as at 31 December 2019.