

Avenue House Estate Trust
(A charitable company limited by guarantee)

Group Annual Report and Accounts

For the Year ended 31 March 2016

Charity number: 1093908
Company number: 04099007

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Report of the Board of Directors and Trustees

The Trustees are pleased to present their report together with the financial statements of the charity for the year ending 31st March 2016. This report also contains the directors' report as required by company law.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charitable company's constitution, the Charities Act 2011, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) (effective 1st January 2015)

Reference and Administrative Information

Charity Name: Avenue House Estate Trust

Other name used by the Charity Stephens House & Gardens

Charity Number: 1093908

Company Number: 04099007

Registered Office and
Operational Address: Avenue House
17 East End Road
Finchley
London N3 3QE

Patron Henry Edmunds

President Michael Gerson

Vice-Presidents Janett Durrant
Martyn Gerrard
Bill Tyler

Sadly our longest serving Vice President, Martyn Gerrard, passed away on 30 March 2016.

Directors and Trustees

All Directors are members of the Company. The Company is a charity and its directors are the trustees of the charity. The Trustees serving during the year and since the year end were as follows:

Andrew Savage, Chair
Mike Conradi
John Lancaster
Julian Trevelyan
Alison Dean
Khalid Ghani
Alessandra Alonso
Stephen Brunning (co-opted 25 November 2015)

Officers

Malcolm Godfrey, General Manager (Key Management Personnel)
Paul Salman, Secretary

Audit and Accountancy Services Auditors

HW Fisher & Company, Chartered Accountants, Acre House, 11-15 William Road, London NW1 3ER

Banking Services

CCLA Investment Management Limited, COIF Charity Funds, 80 Cheapside, London EC2V 6DZ
HSBC Bank plc, 18 Ballards Lane, Church End, London, N3 2BH

Legal Services

Russell Cooke, 2 Putney Hill, London, SW15 6AB

Related Parties and other charities with which Avenue House Estate Trust co-operates

Avenue House Services Limited (AHSL) is a wholly owned subsidiary operating as the trading arm of the charity and established to service the non-charitable trading activities on the estate. The directors of AHSL for the year 2015/16 were John Lancaster, Julian Trevelyan and Malcolm Godfrey. AHSL has a licence to operate from the charity's premises and pays the majority of its profits to the charity by gift aid.

Avenue House Estate Trust co-operates regularly with other charities. The Stephens Museum, the Finchley Society and The Hendon and District Archaeological Society all use part of the premises and the Trust deliver education to parties of school children visiting the Estate.

The Trust has always sought to have charities as a high percentage of its tenant base. During this financial year we were delighted to host charities Grief Encounter, Barnet Homestart and Terapia as tenants. The Trust also encourages other charities to use Avenue House for their events and functions, and to join in public events that it, and the Friends of Stephens House & Gardens, organise.

Structure, Governance and Management

Governing Document

Avenue House Estate Trust (AHET) is a company limited by guarantee, registered with Companies House in England and Wales in October 2000, and governed by its Memorandum and Articles of Association last amended in November 2011. It is also a charity registered with the Charity Commission for England and Wales in September 2002. In the event of winding up the members (109, including the trustees, at 31 March 2016) are each required to contribute a sum not exceeding one pound.

Organisation

The Board of the Trust meets at least four times each year and focuses on strategic matters. The Board safeguards the values, promotes the mission and determines the strategy and broad structure of the charity. It also monitors performance to ensure that the charity operates effectively, efficiently and accountably.

During the year 2015/16 the Board delegated the management of the charity to its General Manager, Malcolm Godfrey, who has held that post since August 2012. The General Manager controls all routine matters, including all the staff and assets, and is answerable in this role to the Board.

Recruitment and Appointment of Trustees

Trustees are appointed in accordance with the Articles of Association and when complete the board consists of at least three and not more than nine individuals. Seven people are elected by the members at the AGM and trustees have the power to co-opt to these places if they are or become vacant. Two places are reserved for co-option by the trustees with one of these two Trustees nominated by the Friends of Stephens House & Gardens.

The members of the Board represent a wide range of interests and skills but, in order to ensure a suitable range of expertise is available, the Board has adopted the following policies:

- to review from time to time the skills within the Board and the skills it needs
- to actively recruit for those skills it needs, including open recruitment processes if necessary.

Induction and Training of Trustees

The Board has adopted the following policies:

- all new trustees have an induction process, normally by discussion with the Chair
- all trustees are offered, and encouraged to take up, opportunities for personal development in skills relevant to their trustee duties.

In addition there is usually an item relating to governance standards on each Board agenda.

Auditors

The Trustees appointed HW Fisher and Company as the company's auditors for 2015/16, and they have expressed their willingness to continue in that capacity. In accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put to the Annual General Meeting.

Responsibilities of the Board

The Trustees, who are also the directors of Avenue House Estate Trust for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the Board to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and the group as at the balance sheet date and of the charitable group's incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the Board should follow best practice and:

- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities' SORP,
- make judgements and estimates that are reasonable and prudent and
- state whether applicable UK Accounting Standards have been followed, subject to any material departures being disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue on that basis.

The Board is responsible for maintaining proper accounting records that are sufficient to show and explain the Trust's transactions and which disclose with reasonable accuracy at any time the financial position of the charitable company and the group and enables them to ensure that the financial statements comply with the Companies Act 2006, the Charities Act 2011 and regulations made thereunder. The Board is also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Members of the Board

Members of the Board, who are directors for the purpose of company law and trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on page 2.

In accordance with company law, as the company's directors, we certify that:

- so far as we are aware, there is no relevant audit information of which the company's auditors are unaware and

- as the directors of the company we have taken all steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Aims and Activities

Overall Charitable Aims

Avenue House Estate Trust was established to manage the Avenue House Estate in Finchley in running its grounds as a public garden and its buildings to provide meeting rooms for community purposes and accommodation for charities. The principal aims of the charity are:

- to promote the charitable objects of the charity "The Avenue House Estate" for the benefit of the public
- to promote the conservation of the grounds and buildings of the Avenue House Estate in Finchley for the benefit of the public
- to educate the public in the historic, architectural, landscape and cultural aspects of the grounds and buildings of the Avenue House Estate in Finchley
- to promote any other exclusively charitable object.

Further objects relate to preservation and enhancement of the environment, including land, buildings and open space.

Clause 3.1 in the Memorandum and Articles of Association refers to the charitable objects in a Scheme for the charity, The Avenue House Estate, issued by the Charity Commission on 2 October 2001 as follows:

- The object of the charity is the preservation and maintenance of the Mansion House, buildings and grounds of the Avenue House Estate for use by members of the public, including use for:
 - (a) meetings, lectures and classes, and
 - (b) other forms of recreation and leisure-time occupation with the object of improving the conditions of life for members of the public.

Main Activities undertaken

During 2014/15 the Trust's main activities were

1. Continuing to trade as a going concern by earning sufficient income from the letting of space in the House to enable it to both meet its financial commitments, and to meet its charitable aims as detailed in the 'Public Benefit' section of this report, below

2. Improving the condition of its built estate, both by the delivery of the externally-funded 'Parks for People' project, and by working with its tenants Terapia towards delivery of their project to restore the Bothy. Both these improvements help to meet the charity's objectives.

Public Benefit Statement (incorporating Activities, projects and services provided)

The Trustees confirm that they have complied with the duty in the Charities Act 2011 to have regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'. They have achieved this compliance by:

- The letting of over half of its permanent accommodation to charities,
- Room lettings on an hourly basis to other charities and to the public,
- The maintenance of the grounds and listed buildings for public enjoyment,
- The opening of the Gardens to the public free of charge every day of the year (subject to weather conditions such as high winds)
- Upgrading of the Gardens and the play facilities therein,
- The provision of space for the Stephens' Museum, and
- Provision for educational visits by the public and by schools, including free educational exhibitions

These activities have enabled the Trustees to meet the objectives of the charity for the benefit of the public.

Achievements and Performance

Achievements

2015/16 has continued the growth of the business. Overall we have seen our unrestricted gross operational revenue grow to £462,383, a 10.9% increase over 2014/15, which itself was far better than 2013/14. This reflects growth in both the rental (+10.6%) and events (+10.4%) sides of our business.

Inevitably our costs have risen as well, but by a controlled amount, and the total increase in unrestricted day-to-day costs is 7.9%, reflecting an improvement in our trading position.

I have reported for the last three years that we were seeing an increase in our profitability, and this has continued. In 2012/13 our unrestricted operations made a loss of some £23,000, in 2013/14 a nominal loss of £114, and in 2014/5 a surplus of £1,959. It is thus very satisfying to note that the unrestricted operational surplus this year was £14,261, a considerable improvement. We transferred £10,000 of this surplus to our restricted funds to support the 'Parks for People project', and the remainder has gone into our reserves, as reported later.

The restricted funding for our HLF scheme has continued to produce an increase in our turnover. We received grants and donations of £510,602 during 2015/16, an increase of 164% over 2014/15. However, our expenditure of these funds was £616,214, a massive increase, as the physical works of the 'Parks for People' project got under way. Despite this expenditure, the surplus built up in restricted funds in 2014/15, and the transfer of funds from the unrestricted operation to the restricted funds, means that we retained £9,335 in a restricted reserve at the end of the financial year. Our predictions indicate that we will be able to complete the project with the available funding, although cash flow is an issue that we have to watch very carefully. I cannot thank our consultants and contractors, Project Manager Jon Sheaff, and my colleagues on the Project Board enough for all their effort in taking this project forwards. I must also thank the many people and bodies who have donated to the match funding for this project, including in particular the London Borough of Barnet, Veolia and the Sainsbury Family Trusts

Because of delays in starting the final stage of the works on the 'Parks for People' project we were unable to offer a café service during 2016. Both the Stables Block café and the new kiosk at the playground will open early in 2017, and we are sure that they will be most successful. Both facilities will also have toilets, allowing us finally to offer the combination that is seen as essential for any gardens or park that is open to the public – a view, a brew and a loo.

Trust Objectives

Five years ago we set ourselves a series of tactical objectives by which we will achieve our charitable aims. We continue to make progress against these objectives, as listed below:

- Adopt a more open posture

In this year we took the decision to try to increase membership of the Trust, and have invited all those who make a regular financial contribution, or who regularly volunteer, to become members of the Trust. This has seen membership roughly triple in the year under review, and we hope will make the Trust even more part of the local community than it has been.

We have continued to publish monthly newsletters to our members and supporters, with positive response. We have met with our MP, with local councillors and with other opinion formers, all of whom are very supportive.

We have spoken about the Estate and the Trust to local bodies, and made sure that the Trustees are visible on the Estate so that the users can discuss matters with them. The local press continues to publish supportive articles, and general feedback is that the Estate is seen as a welcoming and open place.

- Start to develop conservation strategies for each building on the Estate

As I reported last year, this objective is complete for all of the Estate except for the House itself. We continue to develop a scheme to upgrade the House itself, which would include a conservation strategy for this building.

During the year we have seen many conservation works in the gardens as a result of these strategies, and restoration of much of Marnock's original landscaping vision. The overwhelming reaction to these works has been positive.

- Seek new grant opportunities to support the upkeep of our infrastructure

The physical works of the 'Parks for People' project are now (December 2016) substantially completed, and we anticipate all these works being done and the Estate fully re-opened in the Spring of 2017. This project will have cost some £3million by completion, and the funding for this deliver phase, which costs over £2.75 million, has come from the following sources:

Source of Funds	Amount raised / committed	Type of funding
HLF / Big Lottery	£2,154,700	Cash
London Borough of Barnet	£ 166,667	Cash
Volunteer time	£ 162,200	Non cash
Charitable Trusts	£ 111,889	Cash
AHET – 5 years increased cost of management / maintenance	£ 68,250	Non cash
AHET – fundraising & surpluses	£ 50,000	Cash
Use of AH Rooms	£ 34,125	Non cash
Private donations	£ 12,500	Cash
City Guilds donations	£ 11,250	Cash
Friends of SH&G	£ 2,000	Cash
TfL – cycle stands	£ 250	Non-cash
Total	£2,773,831.00	

Terapia's scheme for the restoration of the Bothy is also fully funded, and we hope that they will start on site in the autumn of 2016. They expect to take two years to fully deliver this project, at a cost of some £2million. Whilst from the point of view of the Trust this money has all come from Terapia, we note and congratulate them on raising £943,000 from the Heritage Lottery Fund, and a similar amount from the Elliott David Simmons Charitable Trust. With their own committed input, this project is fully funded, and we look forward to its completion, and the Bothy being removed from Historic England's 'Buildings at Risk' register.

We have now identified a package of works to upgrade the House, and are starting to look at possible funding for this. Given that we have two HLF-funded schemes already in progress on the Estate, with a total value of over £5 million, funding this work is going to be a challenge. Some of the work we have identified relates to the inherent condition of the building, and we are debating with our landlord, the London Borough of Barnet, to see if there is any way that they can assist with funding those works.

- Through the Friends, actively seek financial support from the people of Finchley

In the last financial year the amount of donations from standing orders has remained static at about £12,000 per annum. Other fundraising events, such as Quiz Nights, the Garden fete and hallowe'en have slightly increased our unrestricted donations income to just under £35,000 in the year. We are most grateful to all our supporters for this income, and particularly to the Friends of Stephens House & Gardens, who continue to actively lead fund-raising initiatives for us.

- Encourage the use of volunteers to increase our labour resource

Volunteering is a continuing major input into the work of the Trust, and in the financial year 2015/16 we recorded just over 3,500 hours, a figure that equates to 1.75 extra members of staff, or a 15% increase on top of our permanent staffing. Furthermore, we know this figure is understated: for example we do not have a record of most of the Trustee's voluntary work.

Our regular volunteers have kept up their efforts in the Bothy Garden, litter picking and assisting the paid staff in the rest of the Gardens. In addition we have continued to get regular support from the students at University College London, Imperial College and the Challenge Network. The volunteering effort in the Gardens is a major reason why we get regular comments about how good the Gardens now look.

We have also had voluntary help in both marketing and volunteer management, with volunteers working in the House to both develop events and recruit and administer our volunteers.

We are most grateful to all our volunteers, and would like to spread the activity. In particular, we would like to have a volunteer-run information point for visitors, and to encourage volunteers to lead guided tours on the Estate. Those we have run in the last year have proved most popular.

We have appointed a volunteer learning and outreach officer, who joined us after the end of the 2015/16 financial year, funded from our 'Parks for People' project, and we hope that her input will greatly increase volunteer activity in all parts of the House & Gardens.

Apart from the physical work on the Estate, I would also like to thank my fellow Trustees, and the Committee of the Friends, all of whom put in a vast amount of unsung work for us.

-
- Encourage the Friends to run events that both raise cash for the Estate and raise its profile for the people of Finchley

The Friends of Stephens House & Gardens reviewed their strategy during the financial year, and have decided to disband as a formal separate organisation, with all the Friends being invited to become members of the Trust. This simplification of the formal structure makes it much easier to market the Trust for fundraising, and we are seeing a considerable improvement in the Friends' focus on this in their new format, for which we are most grateful.

The Trustees reviewed the strategic objectives in the current financial year, but felt that the headings remain valid, although the actions being carried out under them have developed and changed considerably.

Risk Management

The trustees have a risk management strategy which comprises:

- an annual review of the principal risks and uncertainties that the charity and its subsidiary HTC Ltd face;
- the establishment of policies, systems and procedures to mitigate those risks identified in the annual review; and
- the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

This work has identified that financial sustainability is the major financial risk for both the charity and its subsidiary. A key element in the management of financial risk is an up-dated strategic plan including budgetary control and a regular review of performance and appropriate actions including available liquid funds to settle debts as they fall due and active management of trade debtors and creditors balances to ensure sufficient working capital by the Trust and its subsidiary company.

The Board is aware of the dangers of over-reliance on a limited number of clients and has taken steps to attract a wider range of users through recommendations and advertising. The Board also has a list of potential replacement tenants in case any current tenant serves notice.

A key concern is key man risk and the Board has identified steps required to minimise any disruption to business operations. The Boards reviews the trustee representation and generally keeps open a trustee position to ensure flexibility if additional skills are required.

Attention has also been focussed on non-financial risks arising from fire, health and safety of customers and staff (including food hygiene). These risks are managed by ensuring accreditation is up to date, having robust policies and procedures in place, and regular awareness training for staff working in these operational areas.

The Trustees submit an annual 'conflict of interest' declaration to ensure that they do not put themselves or the Trust at risk by personal activities. Currently no Trustee receives any payment or recompense of

expenses incurred from the Trust. I am most grateful to my colleagues for the activities they undertake for us, and that they cover all the costs of these themselves.

Pensions

The Trust is about to offer its staff a Defined Contribution pension scheme, in line with current legislation. This scheme is independently managed by NEST, the government's workplace pension scheme, so there is no risk to the Trust of a material deficit arising.

Health and Safety

The 1974 Health and Safety at Work Act lays a requirement on employers to ensure that the public and employees (including volunteers) return home in the same state of health in which they came to our premises; we remain conscious of this obligation at all times.

The health and safety of the public, and of our staff, is of paramount importance and systems and precautionary measures in place throughout the estate are consistently upgraded to meet changing regulations. Health and Safety remains the first item on our Board meeting agenda.

A particular improvement in Health and Safety terms has been the work on the paths in the Gardens under the 'Parks for People' project. On completion of this work the risk to park users from tripping will be greatly reduced.

We had no reportable accidents to staff or public during the financial year.

Pay and Remuneration of key management personnel

The pay of the General Manager, and any bonus payment, are decided by the Board of Trustees, usually following a recommendation from the Chairman of the Trustees.

Financial Review

Financial Position at the end of the Reporting Period

As reported above the Trust made a surplus of £14,261 in 2015/6 on its unrestricted activities, of which £4,261 was transferred to the reserves. On its restricted funds the Trust spent £105,612 more on the Parks for People project than it received in grants and donations, but a planned £10,000 transfer from the unrestricted funds, and releasing monies from the previous year's reserve, meant that there remained a balance of £9,335 in the restricted reserve.

The Trust held a healthy cash balance at the end of the 2015/6 year, with £104,268 in hand, plus further debtors of £63,106. Total current assets were thus £167,374. Creditors falling due within a year total £168,335, mainly trade creditors, leaving a small net current liabilities of £961.

Reserves Policy

The Trustees remain of the opinion that the maintenance of a number of historic buildings requires an unrestricted reserve that can accommodate an unexpected major structural failure, or the unexpected absence of a key member of staff by sickness or accident.

The Board's current target for an unrestricted reserve remains at £40,000. At the start of the 2015/16 financial year the unrestricted reserves stood at £4,124, itself only a small improvement on the previous year. Even after transferring £10,000 to restricted funds the Trustees were able to transfer £4,261 to the unrestricted reserves this year. However, the Trustees remain of the opinion that they should build up the reserves to £40,000 as soon as the trading position of the Trust allows, and will continue to use any surplus the Trust generates, after operating and maintaining the House and Gardens, to work to this end. Completion of the 'Parks for People' project, and the subsequent end of the need to transfer monies to the restricted reserve, should allow the unrestricted funds to grow more rapidly after 2016/17.

At the end of the 2015/16 financial year, the Trust also held a restricted reserve for the 'Parks for People' project of £9,335. This reserve should all be used towards the project during 2016/17, and we expect the restricted reserve to be exhausted by the end of the financial year 2016/17.

Going concern

The Trustees have no concerns about the ability of the Trust to continue to operate as a going concern. They are aware of no issues that are not covered in this report that could affect the financial position going forward.

The Future

The Trustees have considered the future direction of the Trust, and intend to continue to follow the present strategy of improving the profitability of the business so as to ensure the on going maintenance of its infrastructure in a fit state to deliver its charitable objectives. Key to this is building up the Trust's unrestricted reserves, and ensuring that the condition of the main House building is improved to a state that is similar to the rest of the Estate, now that all the other buildings and the Gardens have been or are being upgraded.

Conclusion

In closing this report, I want to thank those people without whom the Trust and the Estate would not survive. Top of my list remains our General Manager, Malcolm Godfrey. He continues to work massively hard to develop our business, whether in his paid role, in the kitchen, stewarding a display because of a lack of staff, or moving timber round the gardens. His commitment to us is amazing, and well beyond the call of his contract. I am most grateful to Malcolm for all his work for us.

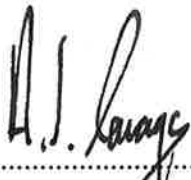
Secondly, we have our staff. They all put in massive efforts, again often above and beyond the call of duty, and we are so fortunate to have them helping us.

I cannot overstate the contribution of our supporters, and particularly the Friends of Stephens House & Gardens, and the Bothy Gardeners. The dedication and support of both groups to the Estate has been wonderful. The Friends' fund-raising and events have made another major contribution - we would be over £120,000 worse off without their efforts over the last five years. The Bothy Gardeners continue to deliver a wonderful resource, which is increasingly open to public visits, at no cost to the Trust. The enthusiasm and professionalism of both voluntary groups has been superb, and we all owe them a debt of gratitude.

Lastly, I would thank my fellow Trustees for their support. Being a Trustee is a duty to society for which one cannot be paid, but which involves taking on significant legal responsibilities. We are fortunate to have Trustees who not only do this, but also help in the day-to-day running of the Estate, whether in financial management and book-keeping, legal advice, picking up litter, making contacts or in representing us to the people of Finchley. I am fortunate to have such a fine set of colleagues and they all help in keeping our Estate open and attractive.

As I have previously said, I shall retire as a Trustee by the 2017 AGM at the latest: we are already looking for a new chairman, and it is my intention to stand down from that post after the completion of the 'Parks for People' project, and hence well before the presentation of the 2016/17 accounts. In the hope that I can do so, may I close by saying how much I have enjoyed my time as your chairman, and by thanking everyone who has given me their support over the last five and a half years.

Approved by the Board on 2nd November 2016, and signed on its behalf by:



.....
Andy Savage, Chair

Independent Auditors' Report to the Members of Avenue House Estate Trust

We have audited the group and charity financial statements of Avenue House Estate Trust for the year ended 31 March 2016 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102.

This report is made solely to the charitable 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 charitable company's members those matters we are required to state to them in an auditors' 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 charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and auditor

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of Avenue House Estate Trust for the purposes of company law are responsible for the preparation of the consolidated accounts and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the accounts

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the group and charitable company's circumstances and have been consistently applied and adequately disclosed
- the reasonableness of significant accounting estimates made by the Trustees; and
- the overall presentation of the accounts.

In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited accounts and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on accounts

In our opinion the accounts:

- give a true and fair view of the state of the group and charitable company's affairs as at 31 March 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

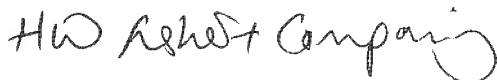
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Report for the financial year for which the accounts are prepared is consistent with the accounts.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the parent charity, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charity's accounts are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Andrew Rich (Senior Statutory Auditor)
for and on behalf of H W Fisher &
Company

Chartered Accountants

Statutory Auditor

Acre House

11-15 William Road

NW1 3ER

United Kingdom

2/11/16

Consolidated Statement of Financial Activities (including Income and Expenditure Account)
for the year ending 31 March 2016

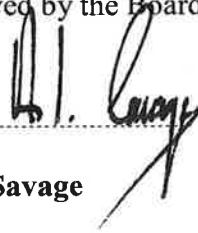
	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £	Total Funds 2015 £
<u>Incoming and endowments from</u>					
Donations and legacies:					
Grants received	2,17	-	504,352	504,352	193,729
Donations	3	34,751	6,250	41,001	29,906
		<u>34,751</u>	<u>510,602</u>	<u>545,353</u>	<u>223,635</u>
Other trading activities:					
Commercial trading activities	5	313,877	-	313,877	284,306
Income from charitable activities:					
Rents and service charge		113,602	-	113,602	102,674
Other income:					
Interest income	4	53	-	53	41
Total income and endowments		<u>462,283</u>	<u>510,602</u>	<u>972,885</u>	<u>610,656</u>
Expenditure on raising funds					
Cost of commercial trading operations	5	218,125	-	218,125	198,753
Expenditure on charitable activities					
Maintenance and use of the estate	6	229,897	616,214	846,111	304,997
Total expenditure		<u>448,022</u>	<u>616,214</u>	<u>1,064,236</u>	<u>503,750</u>
Net income/(expenditure)		<u>14,261</u>	<u>(105,612)</u>	<u>(91,351)</u>	<u>106,906</u>
Transfers between funds		(10,000)	10,000	-	-
Net movement of funds in the year	9	4,261	(95,612)	(91,351)	106,906
Total funds at 1 April		4,124	104,947	109,071	2,165
Total funds at 31 March		<u>8,385</u>	<u>9,335</u>	<u>17,720</u>	<u>109,071</u>

Consolidated Balance Sheet as at 31 March 2016

	Notes	Group 2016 £	Group 2015 £	Trust 2016 £	Trust 2015 £
Fixed Assets					
Investment in Subsidiary	19	-	-	1	1
Tangible assets	20	29,230	28,286	18,680	20,504
Total Fixed Assets		29,230	28,286	18,681	20,505
Current Assets					
Stocks of food and beverages		9,400	6,400	-	2,500
Debtors	11	67,644	17,263	63,106	19,288
Cash at bank and in hand		119,438	125,097	104,268	117,749
Total Current Assets		196,482	148,760	167,374	139,537
Creditors:					
Amounts falling due within one year	12,13	207,992	67,975	168,335	50,971
Net Current Assets/(Liabilities)		(11,510)	80,785	(961)	88,566
Total Net Assets	15	17,720	109,071	17,720	109,071
Unrestricted funds					
Designated Funds	15,16	-	-	-	-
General Funds	15	8,385	4,124	8,385	4,124
		8,385	4,124	8,385	4,124
Restricted Funds					
	16,17	9,335	104,947	9,335	104,947
Total Funds		17,720	109,071	17,720	109,071

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities. The notes on pages 19 to 27 form part of these accounts.

Approved by the Board of Directors on 2nd November 2016 and signed on its behalf by:


 Andy Savage
 Chair

Company Registration Number 04099007 England and Wales

Consolidated Statement of Cash Flows for the year ending 31 March 2016

	Group 2016 £	Group 2015 £
Cash flows from operating activities		
Net movement in funds	(91,351)	106,906
Adjustment for:		
Depreciation charge	5,869	5,718
(Increase)/decrease in stocks	(3,000)	(3,700)
(Increase)/decrease in debtors	(50,381)	51,303
Increase/(decrease) in creditors	140,017	(49,099)
Net cash provided by operating activities	1,154	111,128
Cash flows from investing activities		
Purchase of tangible fixed assets	(6,813)	(10,697)
Net cash used in investing activities	(6,813)	(10,697)
Change in cash and cash equivalents	(5,659)	100,431
Cash and cash equivalents at start of year	125,097	24,666
Cash and cash equivalents at end of year	119,438	125,097

All cash and cash equivalents are held in the groups current accounts and are accessible on demand

**Notes forming part of the Consolidated Financial Statements
for the year ended 31 March 2016**

1. Accounting Policies

- a) The financial statements have been prepared under the historical cost convention in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Consolidated accounts have been prepared for the charity and its trading subsidiary, Avenue House Services Limited. The results of the subsidiary have been consolidated on a line by line basis. The charity has taken advantage of S.270 Companies Act 2006 and has not prepared a separate Statement of Financial Activities for the charity. The unconsolidated net outgoing resources for the year for the charity were £91,351. (2015: net incoming resources of £106,906)

- b) Voluntary income is received by way of donations, gifts and the related gift aid and is included in full in the Statement of Financial Activities when receivable. The value of services provided by volunteers has not been included.
- c) Donations of items for display within Avenue House are brought into account at a reasonable estimate of their gross value to the charity where this value can be reasonably ascertained. Where the value of the item cannot be reasonably ascertained, and a valuation is not considered to be appropriate by the Trustees, a general description of such items is provided.
- d) Grants, including grants for the purchase of fixed assets, are recognized in full in the Statement of Financial Activities in the year in which they are receivable.
- e) Incoming resources from room hire and catering are included at the time the service is provided. Rental income and service charges are included in the period to which they relate.
- f) Resources expended are recognised in the period in which they are incurred. Resources expended by the Trust include attributable VAT which cannot be recovered. Resources expended by AHSL are net of VAT, which the company sets off against the VAT it receives in the course of its business. Resources expended in applying for a charitable grant are included in legal and professional fees.
- g) Resources expended are allocated to the particular activity and expenditure heading to which they relate. Costs incurred centrally are allocated to the expenditure categories on the basis consistent with the use of the resources. Governance costs include those costs incurred in the governance of the assets and associated constitutional and statutory requirements.

- h) The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the becomes party to the contractual provisions of the instrument

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

- i) Any fixed assets purchased for more than £500 are capitalised and recognised at cost.
- j) Depreciation is calculated so as to write off the cost of the asset, less its estimated residual value, over the useful economic life as follows:
- i. Plant and equipment- 5 years straight line
 - ii. Fixtures and fittings- 10 years straight line
 - iii. Computer equipment- 3 years straight line
 - iv. Office equipment- 5 years straight line
 - v. Land and Buildings are depreciated over the term of the Trust's lease.
- k) Stocks of food and beverages are stated at the lower of cost and net realisable value
- l) Trade debtors and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments and accruals are valued at the amount prepaid net of any trade discounts due.
- m) Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.
- n) Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.
- o) Deferred income comprises amounts received in advance in respect of rental and room hire.
- p) Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds.
- q) Designated funds are unrestricted funds earmarked by the management committee for particular purposes. Transfers to designated funds from unrestricted funds are recognized after Board approval.

- r) Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the restricted fund.
- s) Accrued income comprises amounts due during the year but received after the year end in respect of grants receivable and recoverable gift aid related to donations.
- t) Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.
- u) The Trustees have no concerns about the ability of the Trust to continue to operate as a going concern. They are aware of no issues that are not covered in this report that could affect the financial position going forward

2. Grants received

	Unrestricted	Restricted	2016 Total	2015 Total
	£	£	£	£
Heritage Lottery Funding	-	369,644	369,644	47,348
London Borough of Barnet	-	104,167	104,167	62,500
Monument Trust	-	-	-	70,000
Veolia Environment Trust	-	25,000	25,000	-
Others	-	5,541	5,541	13,881
Total Grants	-	504,352	504,352	193,729

All of the 2015 grants received were restricted funds

3. Donations and legacies

	Unrestricted	Restricted	2016 Total	2015 Total
	£	£	£	£
General donations	31,281	5,000	36,281	27,083
Gift Aid recoverable	3,470	1,250	4,720	2,823
Total Donations and legacies	34,751	6,250	41,001	29,906

4. Other Income

Other income of £53 (2015: £41) is unrestricted funds.

5. Commercial Trading Operations

Avenue House Services Limited, the wholly owned trading subsidiary of the Trust, commenced operations on 1 June 2006. It is responsible for facilitating the charity's objective of encouraging community use of the estate by providing meeting rooms and catered events in the house. It pays all but a small proportion of its profits to the Trust under gift aid.

Summary of Trading Results	2016	2015
	£	£
Turnover	313,877	284,306
Cost of sales and administration expenses	(218,125)	(198,753)
Rent paid to the Trust	(55,000)	(54,000)
Net Profit	40,752	31,553
Amount gift aided to the Trust	40,752	31,553
Retained earnings	-	-
The assets and liabilities at 31 March were:		
Fixed assets	10,550	7,782
Current assets	41,892	18,066
Current liabilities	(52,441)	(25,847)
Total Net Assets/(Liabilities)	1	1
Aggregate share capital and reserves	1	1

6. Expenditure on Charitable Activities

	Unrestricted Funds	Restricted Funds	2016 Total	2015 Total
	£	£	£	£
HLF park project	-	616,214	616,214	88,782
Maintenance and repairs	19,229	-	19,229	18,069
Staff costs	76,445	-	76,445	63,023
Fund raising and advertising	10,282	-	10,282	5,729
Utilities, water and rates	25,684	-	25,684	26,999
Cleaning	3,802	-	3,802	3,525
Insurance	19,849	-	19,849	19,449
Support Costs (see note 7)	70,256	-	70,256	76,264
Depreciation	3,485	-	3,485	2,922
Communications and printing	865	-	865	150
Other	-	-	-	85
Total	229,897	616,214	846,111	304,997

Expenditure on charitable activities was £846,111 (2015: £313,461) of which £229,897 was unrestricted (2015: £228,734) and £616,214 was restricted (2015: £88,782).

7. Support Costs

The Trust initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Refer to the table below for the basis for apportionment and the analysis of support and governance costs.

	General support £	Governance £	Total £	Basis of apportionment
Auditors' remuneration	-	5,400	5,400	Invoice
Accounting	-	2,186	2,186	Invoice
Allocated staff costs	41,541	16,755	58,296	Time spent
Other	3,474	900	4,374	Invoice and usage
Total	45,015	25,241	70,256	

All support cost are from unrestricted funds. Auditors' remuneration is solely audit fees for both years.

8. Staff costs and numbers

	Group 2016 £	Group 2015 £	Trust 2016 £	Trust 2015 £
Salaries and Wages	239,285	220,456	126,366	116,513
Social Security Costs	15,811	13,302	8,375	7,750
Total Staff Costs	255,096	233,758	134,741	124,263

None of the Trustees received any emoluments in the current financial year.

No employee received emoluments of more than £60,000 from this employment. No members of staff have yet joined the stakeholder pension scheme of the charity. The key management personnel of the parent charity and the trading company is the general manager and the total employee benefits of the key management personnel was £40,261 (2015: £35,656)

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

	Group 2016	Group 2015	Trust 2016	Trust 2015
Trading subsidiary employees	8	7	-	-
Trust employees	5	5	5	5
Total Employees	13	12	5	5

9. Movement in total funds for the year

	Group 2016	Group 2015	Trust 2016	Trust 2015
	£	£	£	£
This is stated after charging:				
Auditors' remuneration:-				
External audit	9,100	9,100	5,400	5,400
Operating leases for equipment	1,775	1,775	1,775	1,775
Depreciation	5,869	5,718	3,485	4,082

10. Taxation

The Trust, as a charitable company, is exempt from corporation tax on its charitable activities. Profits generated by AHSL and donated to the Trust are also exempt from corporation tax under Gift Aid rules.

11. Debtors

	Group 2016	Group 2015	Trust 2016	Trust 2015
	£	£	£	£
Trade debtors	58,348	10,408	43,469	4,197
Prepayments and accrued income	9,296	6,855	6,854	6,248
Receivable from Trading Company	-	-	12,783	8,843
Total Debtors	67,644	17,263	63,106	19,288

12. Creditors

	Group 2016	Group 2015	Trust 2016	Trust 2015
	£	£	£	£
Trade creditors	133,712	14,438	124,614	12,131
Accruals	18,054	13,226	13,169	8,426
Taxation and social security	4,074	3,946	4,074	3,946
VAT Payable	5,188	8,017	-	-
Deferred Income (note 13)	46,964	28,348	26,478	26,468
Total Creditors	207,992	67,975	168,335	50,971

13. Deferred Income

	Group 2016 £	Group 2015 £	Trust 2016 £	Trust 2015 £
Balance at 1 April	28,348	20,647	26,468	18,847
Recognised as income during the year	(28,348)	(20,647)	(26,468)	(18,847)
Amount deferred during the year	46,964	28,348	26,478	26,468
Balance at 31 March	46,964	28,348	26,478	26,468

Deferred income comprises amounts received in advance for room bookings and tenants' leases in respect of expenditure to be incurred after 31 March 2016.

14. Operating Lease Commitments

The Group has commitments under the terms of operating lease for a photocopier. Payments for the year are shown in Note 9. The annual commitments payable in future years are shown below, analysed according to the expiry of the leases.

	2016 £	2015 £
One year	1,775	1,775
Between two and five years	4,438	6,213
Total commitments	6,213	7,988

15. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Fund balances as 31 March 2016 are represented by:			
Tangible Fixed Assets	29,230	-	29,230
Current Assets	68,107	128,375	196,482
Creditors: amounts falling due within one year	(88,952)	(119,040)	(207,992)
	8,385	9,335	17,720

16. Purposes of designated funds and restricted funds

The Board aims to have designated funds set aside for future repair work required on the building. The Trustees aim to build up a financial reserve of at least £40,000 as soon as performance allows. There are no monies in designated funds at 31 March 2016

Restricted funds arise when grants or donations are received to be expended on specific items or projects defined by the grantee or donor.

17. Restricted funds

The Trust received grants during the year of £504,352 (2015: £193,729) with details of the main donors shown in note 2. The total amount expended during the year was £616,214 (2015: £88,782). All the grants are restricted funding and allowed the Trust to continue work on the redevelopment of the gardens, stables, playground, kiosk and amenities which will be completed in 2017. In addition £10,000 was transferred from unrestricted funds being a contribution to the redevelopment works. The amount carried forward at 31 March 2016 is £9,335.

18. Related parties

No Trustees received reimbursement for expenses incurred, either during 2016 or 2015.

19. Investment in Subsidiary

On 28 March 2006 Avenue House Estate Trust acquired the one issued share, at par value, in Avenue House Services Limited, company registration number 05754424. This private limited company has been set up with an authorised capital of £10,000 to operate those of the Trust's charitable activities which attract Value Added Tax. Any surplus which the company makes is transferred to the Trust under gift-aid. The financial statements relating to its activities are consolidated with those of the Trust in this Group Annual Report and Accounts. A summary of the subsidiary's financial position is shown in Note 5.

20. Tangible assets

Inalienable and historic assets

On 1 November 2002, The Avenue House Estate (TAHE), a charity whose sole trustee is the London Borough of Barnet, granted a 125 year lease to the Charity at a peppercorn rent in respect of the Avenue House Estate. The lease has not been capitalised in the accounts as it is considered too difficult to attribute a value due to the historic nature of Avenue House. In addition, the costs involved in valuing the lease far outweigh any additional benefit derived by users of the accounts in assessing the Trustees' stewardship of the estate.

Avenue House Estate Trust has insured the property and tenants' improvements for £8,000,000. Certain fittings and furnishings are held on trust and are regarded as inalienable property and no value is incorporated in the financial statements. All maintenance and improvement of The Avenue House Estate is the responsibility of Avenue House Estate Trust. All expenditure on the Estate buildings during the year is written off when incurred.

Fixed Assets

	Land & Buildings	Plant & Equipment	Fixtures & Fittings	Office Equipment	Computer Equipment	Total
	£	£	£	£	£	£
Cost						
As at 1 April 2015	4,520	22,067	19,278	7,275	25,371	78,511
Additions	-	4,091	824	-	1,898	6,813
Disposals	-	-	-	-	-	-
As at 31 March 2016	4,520	26,158	20,102	7,275	27,269	85,324
Depreciation						
As at 1 April 2015	316	21,126	6,160	5,505	17,118	50,225
Disposals	-	-	-	-	-	-
Charge for the year	46	819	1,440	615	2,949	5,869
As at 31 March 2016	362	21,945	7,600	6,120	20,067	56,094
Net Book Value						
As at 31 March 2016	4,158	4,213	12,502	1,155	7,202	29,230
As at 1 April 2015	4,204	941	13,118	1,770	8,253	28,286

As at 31 March 2016, the Net Book Value of assets owned by Avenue House Services Limited was £10,550 (2015: £7,782). These values are included in the above table.

