

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

Group Annual Report and Accounts

For the Year ended 31 March 2015

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 2015

Reference and Administrative Information

<u>Charity Number:</u>	1093908
<u>Company Number:</u>	04099007
<u>Registered Office and Operational Address:</u>	Avenue House 17 East End Road Finchley London N3 3QE
<u>Patron</u>	Henry Edmunds
<u>President</u>	Michael Gerson
<u>Vice-Presidents</u>	Janett Durrant Martyn Gerrard Bill Tyler

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
Diane Brunt (resigned 26th November 2014)
Mike Conradi
Sasha Frieze (resigned 6th August 2014)
Mel Hooper Secretary (resigned 26th November 2014)
John Lancaster
Julian Trevelyan
Alison Dean (co-opted 6th August 2014 appointed 26th November 2014)
Khalid Ghani
Alessandra Alonso (appointed 26th November 2014)
Paul Salman Secretary (appointed 26th November 2014)
Stephen Brunning (Co-opted 26th November 2014)

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

Cree, Godfrey and Wood, 28 High Road, East Finchley, London N2 9PJ

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 (44, including the trustees, at 31 March 2015) are each required to contribute a sum not exceeding one pound.

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 persons 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 and 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.

Organisation

The Board 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 2014/15 the charity was managed by a General Manager, Malcolm Godfrey, who had taken up the post in August 2012. The General Manager controls all routine matters, including all the staff and assets, and is answerable in this role to the Board.

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 were John Lancaster, Julian Trevelyan and Malcolm Godfrey for the year 2014/15. 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 to join in the markets and other events that it, and the Friends of Stephens House and Gardens, organise.

Risk Management

The Trustees have produced a policy on the management of risk and considered the major risks to which the charity is subject, along with the appropriate steps to manage them. The identified risks include: board development and strategy, client and tenant dependency, public health (including food hygiene), public perception of the Trust and the Estate, safety, reserves policy and budgetary control. The Board recognizes the need for a continually up-dated strategic plan and to review its own need for special skills. It is acutely 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 recommendation and advertising.

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.

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 expenses from the Trust.

The Trustees meet annually and review all the risks to which they consider the Trust is liable and the steps and policies necessary to mitigate them.

Objectives and Activities

Overall Objectives

The company is a charity and was established to manage the Avenue House Estate in Finchley to manage its grounds as a public garden and its buildings to provide meeting rooms for community purposes and accommodation for charities. The principal objects 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 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.

Objectives and Strategy in 2014/15

During 2014/15 the Trust’s prime objectives were

1. To continue to trade as a going concern. Its strategy to achieve this was to earn sufficient income from its letting of space in the house to enable it to keep the Gardens open to the public, and to meet its financial commitments.
2. To improve the conditions of its built estate to meet its charitable objectives. The obtaining of a Delivery Grant from the Heritage Lottery Fund and the Big Lottery was a further major step forward in this process, as was the Heritage Lottery Fund’s award of a Development Grant towards the restoration of the Bothy to our tenants Terapia.

Achievements and Performance

2013/14 was a year when we started to consolidate the business into a sustainable operation. Malcolm Godfrey has now been in post for over three years, and has continued to lead the development of our business, offering an increasing range of attractive products.

The development of our catering business has continued, and is now sufficiently stable that we have been able to recruit a further full time chef, enabling Malcolm to reduce his commitments in the kitchen. We are now greatly developing our event business, with growth in weddings, wakes, family events, and more recently business meetings. Overall we have seen our gross operational revenue grow to £416,927, a further increase over 2013/14.

I have reported for the last two years that we were seeing an increase in our profitability, and this has continued, with improved commercial operations and rental income continuing ahead of the associated cost increases. In 2012/13 we made a loss of some £23,000, in 2013/14 a nominal loss of £114, and this year we have made a surplus of £1,959: not a great sum, but an ongoing improvement which we are delighted to see.

Apart from our operational activities, the funding for our HLF scheme has continued to produce an increase in our turnover. This money was again mainly used to employ consultants, but now to develop our final designs and contracts ready for the actual work to start in 2015/16. We were awarded the Delivery Grant of £2.1 million in the late summer of 2014, and despite considerable delays in getting through the planning process we hope we will start on site in October 2015, and be largely complete on site by the summer of 2016. I cannot thank our consultants, 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

Throughout the financial year Ray Amiri, owner of the nearby 'Totally Espresso' offered a café service, initially in the kiosk and then in the Stables Block. This was always a temporary arrangement which would last until the 'Parks for People' project delivered the final scheme for the buildings, but Ray's much improved offer proved very popular. Although the café has now closed to permit the alterations to take place, we have shown that there is a place for a good catering offer above what the kiosk could do, and we look forward to reopening in the summer of 2016.

The 1974 Health and Safety at Work Act lays a reasonable 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. We had no reportable accidents to staff or public during the financial year. Health and Safety remains the first item on our Board meeting agenda.

Four years ago we set ourselves a series of objectives, against which we continue to make progress, as listed below:

- Adopt a more open posture

We have continued to publish regular newsletters to our members and supporters, with the new website permitting a major improvement in the quality of these. We have met with local councillors and other opinion formers, 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

The development Phase of the Parks for People project has enabled us to do this for all the outbuildings in its scope, and our tenants, Terapia, have done this for the Bothy. Thus all that remains is to develop a conservation strategy for the House itself. We have started preliminary steps towards developing a scheme to upgrade the House itself.

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

The 'Parks for People' project and Terapia's scheme for the restoration of the Bothy mean that the vast majority of our assets are now covered by funded schemes to improve their condition, and by the summer of 2017 we expect all of these to be delivered.

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 cost of over £5 million, funding this work is going to be a challenge.

- 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 maintained our donations income at about £30,000 a year. We are most grateful to all our supporters for this income, and particularly to the Friends of Stephens House & Gardens, who continue to bring in support for us.

- Encourage the use of volunteers to increase our labour resource

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 total volunteering effort in the Gardens is approximately equivalent to a further full-time employee, and this effort makes 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.

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

We have reported this activity above.

After four years I think that these strategic objectives have largely run their course, and the Trustees will be reviewing them and developing new activities in the current financial year.

Conclusion

In closing this section of the 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 calls 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 (renamed) Friends of Stephens House and 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 some £90,000 worse off without their efforts over the last three 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 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. Whilst there has been no turnover in the Board since the last AGM, we have to be aware of succession issues, not least to myself, as I shall retire by the 2017 AGM at the latest: we are constantly looking for possible new Trustees

Future Plans

The Trust's current plans include:

- Continuing to trade as a going concern, making a sufficient surplus to build up an adequate reserve.
- Improving the marketing of the House for both commercial and social functions, to increase the turnover and profitability of the business.
- Maintaining tenants in all the lettable office space in the House.
- Maintaining our involvement with the Finchley community, encouraging all the various groups therein to use the House and Gardens.
- Continuing to work with the Friends to increase community income by standing orders and profitable events.
- Delivering the 'Parks for People' project to upgrade the gardens and outbuildings.
- Supporting Terapia in the restoration of the Bothy.

Public Benefit Statement

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'.

The letting of permanent accommodation to charities and room lettings on an hourly basis to other charities and the public, the maintenance of the grounds and listed buildings for public enjoyment, the provision of space for the Stephens' Museum and provision for educational visits by schools, has enabled the Trustees to meet the objectives of the charity for the benefit of the public.

Reserves Policy

The Trustees remain of the opinion that the maintenance of a number of historic buildings requires a 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 a reserve remains at £40,000. At the start of the 2015/16 financial year the unrestricted reserves stood at £4,124, a small improvement on the previous 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.

Responsibilities of the Board

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.

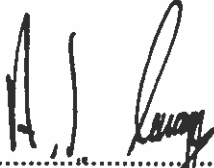
Auditors

The Trustees appointed HW Fisher and Company as the company's auditors for 2014/15, 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.

Accounts

This report has been prepared in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities (issued March 2005) and in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

Approved by the Board on ¹⁶October 2015, and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'A. Savage', written over a horizontal dotted line.

Andy Savage, Chair

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

We have audited the group and parent charitable company accounts of Avenue House Estate Trust for the year ended 31 March 2015 set out on pages 13 to 23. 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).

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 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 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 auditors

As explained more fully in the Responsibilities of the Board section on page 9, the trustees, who are also the directors of the charitable company for the purposes of company law, are responsible for the preparation of the 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 Accounting (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 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' Report to identify material inconsistencies with the audited financial statements 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 group's and parent charitable company's affairs as at 31 March 2015, and of the group's 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; or
- the 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.

HW Fisher & Company

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

Acre House
11-15 William Road
London
NW1 3ER
United Kingdom

Dated: 23/10/15.....

Consolidated Statement of Financial Activities (including Income and Expenditure Account)
for the year ending 31 March 2015

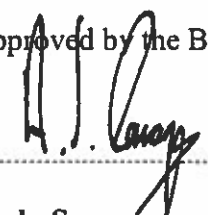
	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2015 £	Total Funds 2014 £
<u>Incoming Resources</u>					
Incoming resources from generated funds:					
Grants Received	2,17	-	193,729	193,729	185,011
Donations	3	29,906	-	29,906	30,520
Commercial trading operations	4	284,306	-	284,306	240,779
Interest income		41	-	41	64
Total from generated funds		314,253	193,729	507,982	456,374
Incoming resources from charitable activities:					
Room and equipment hire		-	-	-	18,743
Refreshment income from room hires		-	-	-	-
Rents and service charges		102,674	-	102,674	98,061
Total from charitable activities		102,674	-	102,674	116,804
Other incoming resources	5	-	-	-	2,249
Total Incoming Resources		416,927	193,729	610,656	575,427
<u>Resources Expended:</u>					
Cost of Commercial trading operations	4	190,289	-	190,289	177,621
Governance Costs	6	34,914	-	34,914	31,686
Net incoming resources available for Charitable application		191,724	193,729	385,453	366,120
<u>Resources Expended on Charitable Activities:</u>					
Maintenance of the Estate buildings	7	56,576	-	56,576	64,473
Maintenance of the Estate grounds		50,981	-	50,981	50,679
Use of the Estate by the Community		82,208	88,782	170,990	251,082
Total expended on charitable activities		189,765	88,782	278,547	366,234
Transfers between funds		-	-	-	-
Net movement of funds in the year	9	1,959	104,947	106,906	(114)
Total funds at 1 April		2,165	-	2,165	2,279
Total funds at 31 March		4,124	104,947	109,071	2,165

Consolidated Balance Sheet as at 31 March 2015

	Notes	Group 2015 £	Group 2014 £	Trust 2015 £	Trust 2014 £
Fixed Assets					
Investment in Subsidiary	19	-	-	1	1
Tangible assets	20	28,286	23,307	20,504	19,739
Total Fixed Assets		28,286	23,307	20,505	19,740
Current Assets					
Stocks of food and beverages		6,400	2,700	2,500	1,500
Debtors	11	17,263	68,566	19,288	62,043
Cash at bank and in hand		125,097	24,666	117,749	22,221
Total Current Assets		148,760	95,932	139,537	85,764
Creditors:					
Amounts falling due within one year	12,13	67,975	117,074	50,971	103,339
Net Current Assets/(Liabilities)		80,785	(21,142)	88,566	(17,575)
Total Net Assets					
	15	109,071	2,165	109,071	2,165
Unrestricted funds					
Designated Funds	15,16	-	-	-	-
General Funds	15	4,124	2,165	4,124	2,165
		4,124	2,165	4,124	2,165
Restricted Funds					
	16,17	104,947	-	104,947	-
Total Funds					
		109,071	2,165	109,071	2,165

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 15 to 23 form part of these accounts.

Approved by the Board of Directors on 15 October 2015 and signed on its behalf by:


 Andy Savage
 Chair

Company Registration Number 04099007 England and Wales

**Notes forming part of the Consolidated Financial Statements
for the year ended 31 March 2015**

1. Accounting Policies

- a) The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2005), the Financial Reporting Standard for Smaller Entities (effective January 2007), the Companies Act 2006 and the Charities Act 2011. 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 incoming resources for the year for the charity were £106,906. (2014: net outgoing resources of £114)
- 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) Any fixed assets purchased for more than £500 are capitalised and recognised at cost.

- i) 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.
- j) Stocks of food and beverages are stated at the lower of cost and net realisable value
- k) 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.
- l) 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.
- m) 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.
- n) Deferred income comprises amounts received in advance in respect of rental and room hire.
- o) 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.
- p) 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.

2. Grants received

	Unrestricted	Restricted	2015 Total	2014 Total
	£	£	£	£
Heritage Lottery Funding	-	47,348	47,348	101,678
London Borough of Barnet	-	62,500	62,500	83,333
Monument Trust	-	70,000	70,000	-
Others	-	13,881	13,881	-
Total Grants	-	193,729	193,729	185,011

3. Donations Received

	Unrestricted	Restricted	2015 Total	2014 Total
	£	£	£	£
General donations	27,083	-	27,083	27,566
Gift Aid recoverable	2,823	-	2,823	2,954
Total Donations	29,906	-	29,906	30,520

4. 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. A summary of its trading results for the last two years is shown below.

	2015 £	2014 £
Turnover	284,306	240,779
Cost of sales and administration expenses	(190,289)	(177,621)
Rent paid to the Trust	(54,000)	(54,000)
Audit and accounting (Governance costs)	(8,464)	(8,460)
Net Interest receivable	-	-
Net Profit	31,553	698
Amount gift aided to the Trust	31,553	698
Retained earnings	-	-
The assets and liabilities at 31 March were:		
Fixed assets	7,782	3,568
Current assets	18,066	13,679
Current liabilities	(25,847)	(17,246)
Total Net Assets/(Liabilities)	1	1
Aggregate share capital and reserves	1	1

5. Other Incoming Resources

Other Incoming Resources of £nil (2014: £2,249) includes £nil (2014: £1,860) in respect of insurance monies received.

6. Governance Costs

	Unrestricted	Restricted	2015	2014
	£	£	Total	Total
	£	£	£	£
Auditors' remuneration	9,100	-	9,100	9,000
Other	1,262	-	1,262	1,100
Book-keeping costs	8,948	-	8,948	4,902
Trustees' indemnity insurance	900	-	900	900
Allocated staff costs	14,704	-	14,704	15,784
Total Governance Costs	34,914	-	34,914	31,686

7. Resources Expended on Charitable Activities

	Building	Grounds	Community	2015	2014
	Maintenance	Maintenance	Use	Total	Total
	£	£	£	£	£
<u>Direct Costs</u>					
Staff costs	-	34,576	-	34,576	29,954
Grant expenses	-	-	88,782	88,782	175,933
Fund raising costs	-	-	5,983	5,983	2,919
Grounds maintenance	-	4,487	-	4,487	8,020
Building maintenance	12,711	-	-	12,711	18,772
Catering supplies	-	-	-	-	-
General supplies	-	870	-	870	405
Rates and water usage	5,108	2,242	641	7,991	6,710
Cleaning	2,115	352	1,058	3,525	2,830
Total Direct Costs	19,934	42,527	96,464	158,925	245,543
<u>Allocated Costs</u>					
Staff costs	14,224	-	14,224	28,448	29,826
Insurance	8,500	1,800	9,149	19,449	19,114
Legal & Professional Fees	-	-	-	-	-
Power, light and heat	4,752	950	13,306	19,008	18,432
Depreciation of fixed assets	137	92	2,693	2,922	1,244
Sundries	-	-	175	175	457
Total Allocated Costs	27,613	2,842	39,547	70,002	69,073
<u>Administration Costs</u>					
Staff costs	8,596	5,467	32,473	46,536	46,214
Printing, postage and stationery	221	74	1,178	1,473	3,552
Advertising and travel	33	11	372	416	638
Telephone	171	57	913	1,141	1,153
Bank and credit card charges	8	3	43	54	61
Total Administration Costs	9,029	5,612	34,979	49,620	51,618
<u>Total Resources Expended on Charitable Activities</u>	56,576	50,981	170,990	278,547	366,234

7. Resources Expended on Charitable Activities (continued)

In the table on the preceding page:-

Direct Costs relate to those categories of expenditure that apply to only one of the Charity's objectives. The Staff Costs included here also relate to those employees dedicated solely to one charitable activity.

Allocated Costs relate to those categories of direct expenditure that apply to two or more of the Charity's objectives. They have been apportioned in a way consistent with actual consumption (fees, light and heat and sundries), the purpose of the underlying asset (depreciation) or the type of protection purchased (insurance). In addition, the Staff Costs included here relate to those employees whose duties cover the delivery of two or more charitable activities.

Administration Costs include all generic expenditures related to the day-to-day running of the Charity. These have been allocated based on analysed usage of each category of expense. The Staff costs shown in this category relate to all support activities (e.g. customer bookings, invoicing, purchasing) and include the Trustee Manager's costs not allocated to Governance (see Note 6).

8. Staff costs and numbers

	Group 2015 £	Group 2014 £	Trust 2015 £	Trust 2014 £
Salaries and Wages	220,456	209,522	105,007	101,360
Social Security Costs	13,302	15,072	6,656	7,818
Total Staff Costs	233,758	224,594	111,663	109,178

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

	Group 2015	Group 2014	Trust 2015	Trust 2014
Trading subsidiary employees	7	7	-	-
Maintenance of the Estate buildings	1	1	1	1
Maintenance of the Estate grounds	2	2	2	2
Use of the Estate by the Community	2	2	2	2
Total Employees	12	12	5	5

9. Movement in total funds for the year

	Group 2015 £	Group 2014 £	Trust 2015 £	Trust 2014 £
This is stated after charging:				
Auditors' remuneration:-				
External audit	9,100	10,100	5,400	6,600
Accountancy and advisory services	-	-	-	-
Operating leases for equipment	1,775	2,063	1,775	1,103
Depreciation	5,718	3,026	4,082	2,028

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 2015 £	Group 2014 £	Trust 2015 £	Trust 2014 £
Trade debtors	10,408	13,456	4,197	6,933
Prepayments and accrued income	6,855	7,644	6,248	7,644
Other Debtors	-	47,466	-	47,466
Receivable from Trading Company	-	-	8,843	-
Total Debtors	17,263	68,566	19,288	62,043

12. Creditors

	Group 2015 £	Group 2014 £	Trust 2015 £	Trust 2014 £
Trade creditors	14,438	54,843	12,131	49,013
Accruals	13,226	16,700	8,426	11,125
Other creditors	-	16,427	-	16,427
Taxation and social security	3,946	4,416	3,946	4,416
VAT Payable	8,017	4,041	-	-
Deferred Income (note 13)	28,348	20,647	26,468	18,847
Due to Trading Company	-	-	-	3,511
Total Creditors	67,975	117,074	50,971	103,339

13. Deferred Income

	Group 2015 £	Group 2014 £	Trust 2015 £	Trust 2014 £
Balance at 1 April	20,647	29,229	18,847	28,720
Recognised as income during the year	(20,647)	(29,229)	(18,847)	(28,720)
Amount deferred during the year	28,348	20,647	26,468	18,847
Balance at 31 March	28,348	20,647	26,468	18,847

Deferred income comprises amounts received in advance for room bookings and tenants' leases in respect of expenditure to be incurred after 31 March 2015.

14. Operating Lease Commitments

The Group has commitments under the terms of operating leases for a dishwasher and 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.

	2015 £	2014 £
One year	-	1,080
Between two and five years	1,775	-
Total commitments	1,775	1,080

15. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Fund balances as 31 March 2015 are represented by:			
Tangible Fixed Assets	28,286	-	28,286
Current Assets	35,183	113,577	148,760
Creditors: amounts falling due within one year	(59,345)	(8,630)	(67,975)
	4,124	104,947	109,071

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 2015

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 £193,729 (2014: £185,011). The main donors are the Heritage Lottery Fund and Big Parks £47,348, the London Borough of Barnet £62,500, the Monument Trust £70,000 and others (each less than £5,000) £13,881. The total amount expended during the year was £88,782 (2014: £175,933). All the grants are restricted funding and allowed the Trust to continue work on the plans for redevelopment of the gardens, stables, playground, kiosk and amenities which will commence in the last quarter of 2015. The amount carried forward at 31 March 2015 is £104,947.

18. Related parties

No Trustees received reimbursement for expenses incurred, either during 2015 or 2014.

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. 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 4.

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 2014	4,520	21,380	10,511	6,916	24,487	67,814
Additions	-	687	8,767	359	884	10,697
Disposals	-	-	-	-	-	-
As at 31 March 2015	4,520	22,067	19,278	7,275	25,371	78,511
Depreciation						
As at 1 April 2014	270	20,826	4,665	4,957	13,789	44,507
Disposals	-	-	-	-	-	-
Charge for the year	46	300	1,495	548	3,329	5,718
As at 31 March 2015	316	21,126	6,160	5,505	17,118	50,225
Net Book Value						
As at 31 March 2015	4,204	941	13,118	1,770	8,253	28,286
As at 1 April 2014	4,250	554	5,846	1,959	10,698	23,307

As at 31 March 2015, the Net Book Value of assets owned by Avenue House Services Limited was £7,782 (2014: £3,568). These values are included in the above table.