

Registered number: 03912530

England and Wales

Charity Number: 1080735



hillside clubhouse

ANNUAL REPORT AND AUDITED ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2022

**ANNUAL REPORT AND ACCOUNTS
YEAR ENDED TO 31 MARCH 2022**

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HILLSIDE CLUBHOUSE

REPORT OF THE TRUSTEES – 31 MARCH 2022

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Legal & Administrative Information

Company number	-	03912530 (England and Wales)
Charity number	-	1080735
Trustees/Directors	-	D Barrett (Chairperson) A Christie S Rende C Morton J Cooke G Sanford K Wah Yip (appointed 1 June 2022)
Company secretary	-	G Jones (resigned 29 October 2021) C Pymar (appointed 4 January 2022)
Registered office and Operational address	-	Unit A 30 North Road London N7 9GJ
Auditors	-	Simpson Wreford LLP Chartered Accountants & Registered Auditors Wellesley House Duke of Wellington Avenue Royal Arsenal London SE18 6SS

HILLSIDE CLUBHOUSE

REPORT OF THE TRUSTEES – 31 MARCH 2022

The Trustees present their report and the audited financial statements for the year ended 31 March 2022 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements have been prepared in accordance with accounting policies set out in the notes to the accounts, the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and Accounting, and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard in the UK and Republic of Ireland (FRS 102).

OBJECTIVES AND ACTIVITIES

The Objects of the Charity are to relieve the needs of individuals suffering from mental or physical illness or impairment of any description, in particular but not exclusively by providing, or assisting in the provision of, psycho-social rehabilitative services in order that those individuals may regain their confidence and skills.

There are three main services available to members through Hillside Clubhouse. These are:

The Clubhouse: a physical space where member can participate in the work-ordered day and recovery project. Members are integral to the running of the Clubhouse and get involved with admin, marketing, website design, social media, business development and creative sessions. We also run our catering arm from the Clubhouse where members and staff prepare food for the public and private catering events.

Camden Work and Wellbeing (CWAU): a commissioned service providing IPS employment support for secondary care and EA in iAPT employment support in primary care. The service is integrated within the community mental health teams in Camden and works rapidly with people to secure them employment. The service also offers retention support for people who are already in employment and are finding their mental ill health is impacting on their job.

Mental Health Working Islington (MHWI): a commissioned service providing IPS employment support for secondary care and IAG, training, active volunteering and employment support from the Clubhouse.

Through the services detailed above, Hillside Clubhouse supports and encourages people to develop and share skills, access training, gain paid employment and feel more confident and less isolated.

SUMMARY OF MAIN DEVELOPMENTS AND ACHIEVEMENTS

Outlined below are the key successes and achievements for the financial year:

- Despite ongoing uncertainty with the pandemic, and a slow return to regular face-to-face activities we supported 187 people into employment, 23 people to retain their employment and 2 people into new roles
- 1,004 people were referred to Hillside and 609 received support from the organisation
- 94% of people reported that Hillside Clubhouse has helped them to stay mentally well

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- We continued to implement the recommendations from the external consultancy review and recruited a Director of Clubhouse Operations in October 2021 and a Director of IPS and ES in June 2022
- We have implemented a new structure within the Clubhouse providing a more tailored, personalised and purposeful experience for members
- Camden Work and Wellbeing was extended for a further six months until September 2022 when the project will be retendered.
- Mental Health Working Islington was extended for a further 20 months until March 2024.
- We have grown our partnerships with businesses and corporates within Islington, primarily through The Big Alliance
- Implementation of a new HR system that centralises our data and improves HR functionality
- Hillside Clubhouse was awarded community partner of the year from Working Men's College 2021-22
- The secondary care team implemented peer support on a monthly basis which was facilitated amongst themselves but all reported how beneficial it was
- Evidenced job sustainment was consistently strong across the CWaW project and this was often commented on by commissioners. We were regularly asked at commissioner meetings by Social Finance for any advice they could provide other IPS services who were struggling. We can largely contribute our success to our rapport building with clients and also clearly outlining what is expected of both us and the client during the IPS process. i.e. at the beginning of the process, it is made clear to clients we will be asking for evidence once they secure work and we clearly explain the in work support element of IPS (of which we always have a large uptake). Through the in work support and the rapport building throughout, we are often able to secure sustainment evidence.
- The Kentish Town Core Team pilot site went live during this period and we have successfully integrated two ES's into this team and have consistently received very positive feedback about the service delivered by the two ES's.
- One of our IPS clients was part of an IPS Grow promotional video (supported by their ES from our team)
- A staff member was one of two IPS Leads for the SLACK London Employer Engagement Network. IPS Services across London have been using the app SLACK as a way to promote and share vacancies and EE opportunities. Along with a Team Lead from Working Well Trust, we relaunched the Network on SLACK after services started to return to offices and we updated a user guide and created a user video with instructions on how to use the app. We also presented this at IPS Network meetings and individual team meetings.

There have also been a number of challenges throughout the year:

- Ongoing Covid restrictions and staff absences through sickness have impacted service delivery from the Clubhouse
- The Executive Director left in October 2021 and a new Executive Director wasn't in place until January 2022. The Clubhouse Manager left in February 2021 and the new Director of Clubhouse Operations wasn't appointed until October 2022.
- Staff wellbeing throughout the pandemic, with uncertainty around commissioned services and changes within the organisation
- Challenges around meeting all the contractual obligations due to Covid and the impact of the cost of living crisis on people's wellbeing

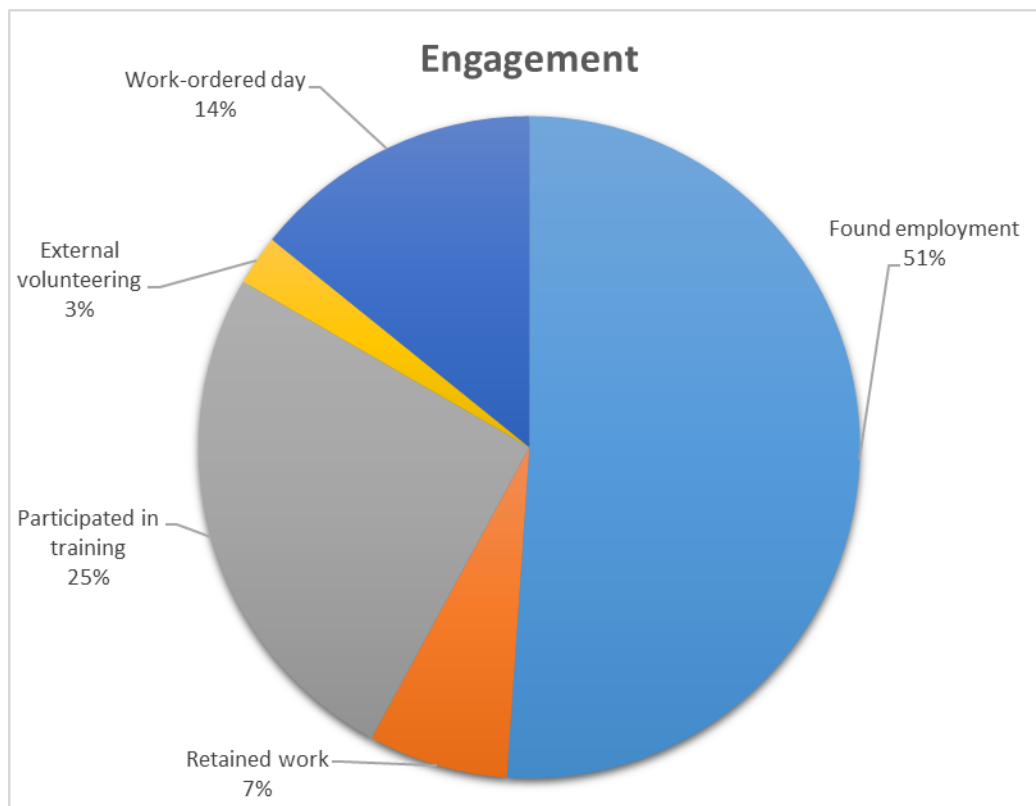
HILLSIDE CLUBHOUSE

REPORT OF THE TRUSTEES – 31 MARCH 2022

- MHSDs reporting requirements started during this period which required a lot of time to set up and frequent meetings with NHS IT and training for the team.
- At the request of IPS Grow, during Covid we opened up our referrals to accept up to 15% of our caseload as job retention referrals. As the secondary care part of the service was previously unable to take these, the team were not trained in providing job retention support and, at times, these referrals were difficult to manage. We also found it a challenge accessing our job retention worker to handover the more challenging cases as she was often working at capacity.
- We had a number of staff changes in the secondary care team during this period with impacted on NCRR, EIS, CDAT and the PD services. However, we kept the NHS teams informed of all changes and ensured all teams were always provided with cover.
- Whilst going back into the offices was largely a positive, we also saw an increase in staff reporting feeling exhausted and anxious (this was also mirrored in some of the clients). It was a challenge to balance the needs to the service whilst ensuring staff wellbeing was at the forefront.

OUTCOMES

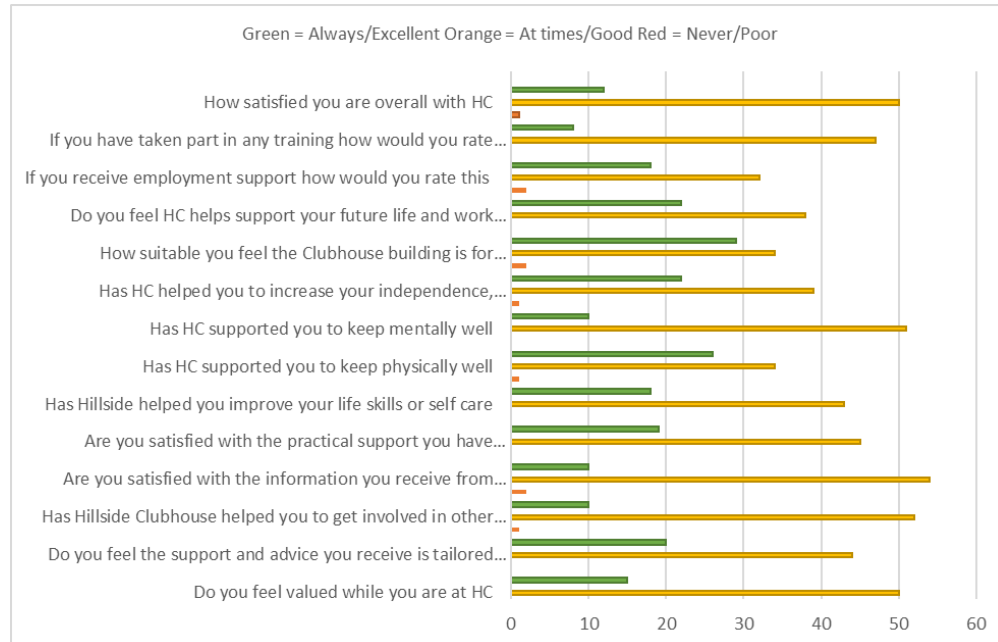
Throughout the course of the year Hillside Clubhouse had 609 different people engage in its services. The chart below outlines the ways in which they were supported and engaged in services within Hillside Clubhouse.



HILLSIDE CLUBHOUSE

REPORT OF THE TRUSTEES – 31 MARCH 2022

IMPACT



- 98% of members felt the support was always/sometimes tailored to their individual needs
- 98% report that Hillside Clubhouse always/sometimes helped them to keep mentally well
- 100% of members report feeling always/sometimes happy with the practical support they received
- 97% report that Hillside Clubhouse has helped them to feel more independent, confident and improved their self esteem
- 97% felt that Hillside Clubhouse always/sometimes supported their future work and life ambitions

"If it wasn't for Hillside I don't know what I would be doing with my life, I don't want to sound dramatic, but I don't know if I would be here without Hillside"

"It helps me keep positive, focused and not alone. When you suffer from mental health friends can be very hard to come by...and family members don't understand or believe it...it's hard to make a normal life...Hillside helps you feel connected with people...I'm not alone"

"Hillside is safe, happy, helpful, it's almost family... Whatever troubles you've got in life someone will help you or find someone who can...it's a place where I can be who I am, I'm allowed to be sick, allowed to have a bad day...it helps me to give back"

"I'm alive, I was in a very low place, isolated, and it's brought me to be me, made me become who I am"

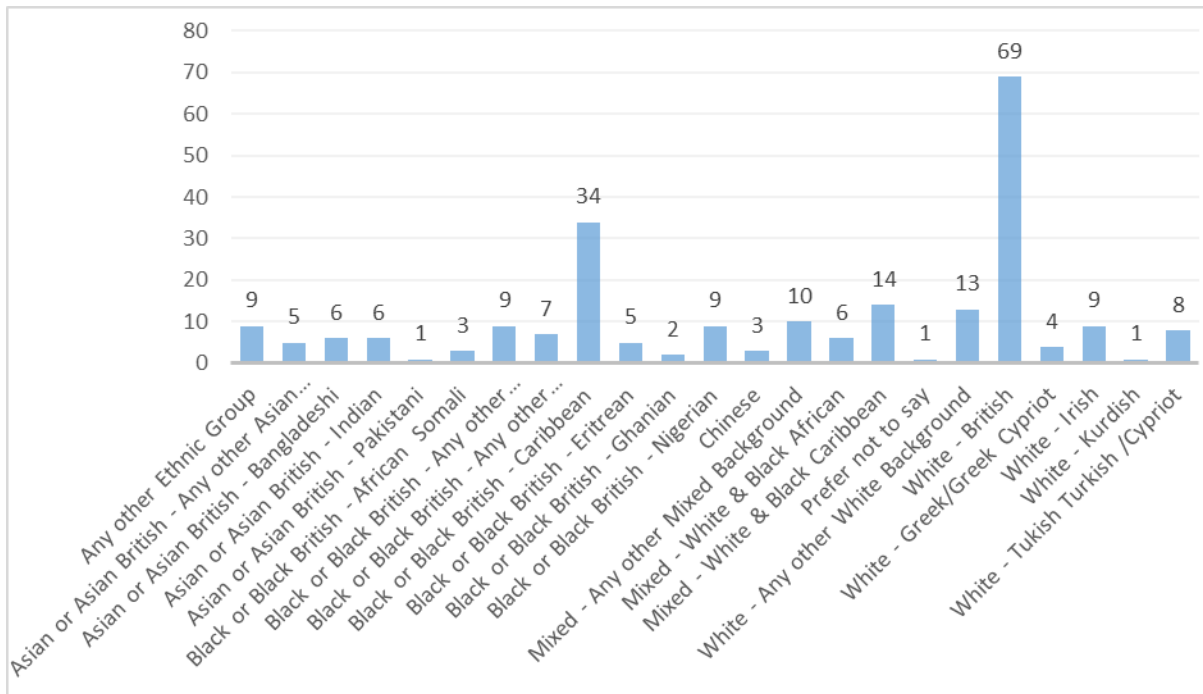
"I was not in a very good place...I didn't wash, cook, clean...everything went down the drain...it was nerve-wracking...I'd lost my trust when I lost my dignity...I found people here were very supportive...I found it safe to be in Hillside"

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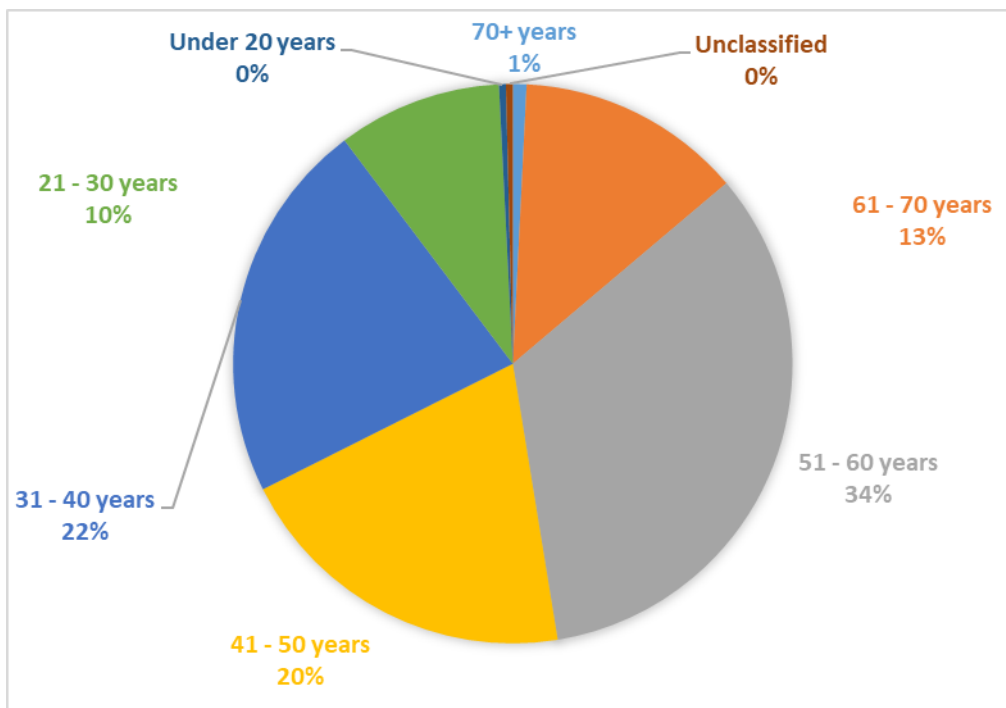
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BENEFICIARIES

Breakdown by ethnicity within the Clubhouse:



Breakdown by age:



HILLSIDE CLUBHOUSE

REPORT OF THE TRUSTEES – 31 MARCH 2022

LOOKING AHEAD

Hillside Clubhouse's plans for 2022/23 and beyond include:

- Reviewing our branding and marketing materials to ensure they are dynamic and inspiring, there is consistency across services and we are future proofing the organisation
- Updating our website and social media to be more dynamic, informative and reflective of our work
- Growing and diversifying our catering and retail operations to expand our offer and generate income
- Developing our staff team through an appraisal and 360 review; personal development plans; training and development opportunities; staff support sessions; team away days and updated policies
- Resolving ongoing IT issues and frustrations through appointing a new IT provider and moving from the server to the Cloud

GOVERNING DOCUMENT

Hillside Clubhouse Limited is a company limited by guarantee governed by its Memorandum and Articles of Association dated 6 December 1999 (as amended from time to time). It is registered as a charity with the Charity Commission (number: 1080735).

RECRUITMENT AND APPOINTMENT OF TRUSTEES

The Directors of the Company are also charity trustees for the purposes of charity law and under the company's Articles are known as members of the Management Committee.

There is a trustee recruitment policy and new trustees are appointed on the basis of skills needed by the Board. Recruitment takes place through word of mouth, advertising through local bulletins and newsletters, through networking events, in newspapers and by mailouts as and when new trustees are needed.

There is an induction and training policy for trustees and all board members have role descriptions. New trustees receive a thorough induction which includes a visit to the Clubhouse, meeting with the Executive Director, attendance at a board meeting as an observer and notes of the last three board meetings. All trustees are required to sign a declaration of commitment and qualification for trusteeship and a signed declaration of any interest in the Charity. Trustees have access to training and development opportunities with local voluntary action councils.

REFERENCE AND ADMINISTRATIVE DETAILS

The Trustees delegate day-to-day management of the Charity to Catherine Pymar, Executive Director.

TRUSTEE INDUCTION AND TRAINING

There is an induction and training policy and all trustees have role descriptions. New trustees receive a thorough induction and comprehensive handbook (which sets out the obligations of

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REPORT OF THE TRUSTEES – 31 MARCH 2022

trustees, contains the main documents relating to the Charity's operation, contains up to date financial information including audited accounts and contains business plans).

Induction further consists of a visit to the Clubhouse and a meeting with the Executive Director, a written induction manual, attendance at two meetings as an observer prior to joining the Board of Directors, a named trustee as a 'buddy', notes of the last three Board meetings at least. All trustees are required to sign a declaration of commitment and qualification for trusteeship form and a signed declaration of any interest in the Charity.

All trustees receive the Charity Commission newsletters. Trustees have access to governance and management committee training provided by the local voluntary action council as well as attendance at any other relevant training.

RISK MANAGEMENT

The trustees maintain a comprehensive risk register and action plan to minimise risks. This is reviewed on an annual basis.

Where appropriate, systems of procedures have been established to mitigate and minimise identified risks the charity faces by implementation of procedures such as the authorisation of transactions and projects, levels of authorisation etc. Procedures are in place to ensure compliance with all statutory requirements including employment law and the health and safety of staff at work. A risk assessment is carried out for all members and beneficiaries. A safeguarding policy is in place and staff have regular safeguarding training. Disclosure and Barring Service checks are carried out on all staff and volunteers who are likely to come into contact with vulnerable adults.

ORGANISATIONAL STRUCTURE

Hillside Clubhouse has a trustee board of no more than 12 person and not less than four persons. The trustees, as directors are responsible for the overall policy and meet on average every six-eight weeks. Other ad hoc committees are convened as and when required. The board of trustees are responsible for overall policy but much of the day-to-day activity is conducted by individuals to whom it delegates authority.

Day to day responsibility is delegated to the Executive Director who has responsibility for the overall strategy and direction of the organisation and associated operational Directors who have responsibility for day to day operational matters. There is a Director of Clubhouse Operations and a new Director of IPS and ES was appointed in June 2022. There are four operational managers, two for Camden Work and Wellbeing and two for Mental Health Working Islington.

There were a maximum of 27 other members of staff who were responsible for delivery of Hillside services to members in this year.

EQUALITY AND DIVERSITY AND SERVICE USER INVOLVEMENT

The trustees also apply a thorough and robust approach to equality and diversity. In addition to operating a general equal opportunities policy, equal opportunities and diversity run through all strands of Hillside Clubhouse's policies, procedures, activities and monitoring and

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REPORT OF THE TRUSTEES – 31 MARCH 2022

evaluation. This is further enhanced by member (service user) involvement running through all aspects of the Clubhouse's activities, delivery, management and planning. As a result of this Hillside Clubhouse's current demographic makeup in terms of ethnicity and culture continues to be higher than the local demographic averages both in terms of staffing and membership.

FINANCIAL REVIEW

We have reviewed our fundraising strategy and have five areas of focus; diversification of income; expansion of the catering; developing our consultancy and training offer; securing future IPS contracts and developing our impact measurement and evaluation techniques.

The principal sources of funding are explained in Note 14 to the accounts and all of these funds contribute towards the Charity's aim of enabling Hillside Clubhouse members to lead more fulfilling lives, develop skills, gain employment and become more socially included in their communities.

At year end a surplus on general funds of £24,799 was held. This is primarily due to unfilled roles within the senior management team for several months of the year.

The main sources of income during this period were: service level agreements and contracts with local authorities and grants. Smaller amounts of income were self generated including some external catering income.

The financial position is sound at year end and the organisation planned its budget for the next financial year during this period.

Designated reserves are held and are explained below.

RESERVES POLICY

The trustees have examined the charity's requirements for reserves in light of the main risks to the charity. £117,977 is held in a general reserve fund and designated funds of £791,761 were held. This is made up of £20,449 redundancy reserve, £415,000 contingency fund, £74,062 business and development fund, £52,000 running costs in 2021/22, £120,000 property fund, £45,382 property refurbishment fund and a total of £44,667 of unspent funds from Stone Family Foundation and Camden IPS designated for future spend. At the year-end £197,578 was held in a restricted capital fund and £13,301 in a restricted funds.

Contingency reserve

While the current financial picture is healthy the Charity continues to be mindful of the current financial climate.

Trustees have carefully and prudently planned for contingencies with the aim of building up the unrestricted reserve to equate to a readily realisable amount equivalent to six months current turnover.

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REPORT OF THE TRUSTEES – 31 MARCH 2022

This reserve currently stands at £415,000 which equates to 5 months running costs at current levels. The Trustees continue to plan to mitigate any potential risks which include:

- less income from catering and retail outlets
- short term nature of contracts and less margin for full cost recovery on contracts
- given the nature of our work with vulnerable and often sensitive people the Trustees feel that were there to need to be any reconfiguration or winding down of services (should finances not be secured) that we would need to allow enough time to prepare people for move on and support and that period would therefore entail at least six months.
- Risks on payment by results contracts
- The difficulties of securing core funding for the Clubhouse.

Capital asset (property reserve)

While this is presented as part of the Charity's reserves it is in practice money tied up in the new building (which we purchased). The funds could only be realised on sale of the building. It is therefore not money which is readily accessible or available to the Charity.

HILLSIDE CLUBHOUSE

REPORT OF THE TRUSTEES – 31 MARCH 2022

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Trustees (who are also the directors of Hillside Clubhouse for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year that give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures 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 charity will continue on that basis.

The Trustees are responsible for maintaining proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions

STATEMENT OF DISCLOSURE TO OUR AUDITORS

In so far as the trustees are aware at the time of approving our trustees' annual report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the auditor is unaware, and
- the trustees, having made enquiries of fellow directors and the auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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REPORT OF THE TRUSTEES – 31 MARCH 2022

AUDITORS

Simpson Wreford LLP were appointed as Independent auditors during the year and have expressed their willingness to continue in that capacity.

This report has been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by charities and with the small company regime (section 419 (2)) of the Companies Act 2006.

The Trustees have complied with their duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission.

Signed on behalf of the board of Trustees/directors on 24 November 2022.

.....D Barrett - Chairperson

HILLSIDE CLUBHOUSE

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HILLSIDE CLUBHOUSE FOR THE YEAR ENDED 31 MARCH 2022

Opinion

We have audited the financial statements of Hillside Clubhouse ('the charity') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, Statement of Cashflows, Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom accounting standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2022 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report (incorporating the strategic report and the directors' report) have been prepared in accordance with applicable legal requirements.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HILLSIDE CLUBHOUSE FOR THE YEAR ENDED 31 MARCH 2022

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement set out on page 24, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities]. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the computer software and support sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, data protection and FCA regulation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HILLSIDE CLUBHOUSE FOR THE YEAR ENDED 31 MARCH 2022

- alert to instances of non-compliance throughout the audit.

Audit response to risks identified

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 1 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation and;
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

Use of our report

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

Kate Taylor FCA (Senior Statutory Auditor)
for and on behalf of Simpson Wreford LLP, Statutory Auditor
Wellesley House
Duke of Wellington Avenue
Royal Arsenal
London SE18 6SS

Dated: 1 December 2022

HILLSIDE CLUBHOUSE

STATEMENT OF FINANCIAL ACTIVITIES (Including Income and Expenditure Account) FOR THE YEAR ENDED 31 MARCH 2022

		Unrestricted Funds	Designated Funds	Restricted Funds	Capital Restricted Funds (Stone Family & Tudor Trust)	Total Funds	Total Funds
		2022	2022	2022	2022	2022	2021
	Notes	£	£	£	£	£	£
Income and Endowments from:							
Donations and legacies	2	204,196	-	51,000	-	255,196	223,676
Investments		813	-	-	-	813	152
Charitable activities	3	881,385	-	9,000	-	890,385	896,833
Total		1,086,394	-	60,000	-	1,146,394	1,120,661
Expenditure on:							
Raising funds		12,241	-	-	-	12,241	11,040
Charitable Activities		1,054,087	-	48,029	1,958	1,104,074	1,100,921
Other		5,280	-	-	-	5,280	5,040
Total	4	1,071,608	-	48,029	1,958	1,121,595	1,117,001
Net income / (expenditure)		14,786	-	11,971	(1,958)	24,799	3,660
Transfers between funds		22,931	(22,931)	-	-	-	-
Net movement in funds	13	37,717	(22,931)	11,971	(1,958)	24,799	3,660
Reconciliation of Funds							
Total Funds brought forward		80,260	814,692	1,330	199,536	1,095,818	1,092,158
Total Funds carried forward		117,977	791,761	13,301	197,578	1,120,617	1,095,818

The Statement of Financial Activities includes all gains and losses in the year. All incoming resources expended derive from continuing activities.

The notes on pages 19 to 29 form part of these financial statements.

HILLSIDE CLUBHOUSE

BALANCE SHEET AT 31 MARCH 2022

	Notes	2022		2021	
		£	£	£	£
FIXED ASSETS					
Tangible assets	9		547,274		555,399
CURRENT ASSETS					
Stock		1,000		1,000	
Debtors	10	352,226		233,516	
Cash at bank and in hand		<u>464,594</u>		<u>556,091</u>	
		817,820		790,607	
CREDITORS					
Amounts falling due within one year	11	<u>80,573</u>		<u>76,886</u>	
NET CURRENT ASSETS			737,247		713,721
CREDITORS					
Amounts falling due beyond one year	12		163,904		173,302
NET ASSETS			<u>1,120,617</u>		<u>1,095,818</u>
FUNDS					
Unrestricted			117,977		80,260
Unrestricted - designated			791,761		814,692
Restricted- capital			197,578		199,536
Restricted			13,301		1,330
TOTAL FUNDS	13		<u>1,120,617</u>		<u>1,095,818</u>

The accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and in accordance with the Financial Reporting Standard in the UK and Republic of Ireland (FRS 102).

The financial statements on pages 29 to 42 were approved by the Trustees on 24 November 2022 and signed on their behalf by:

D Barrett (Chairperson)
Company number -03912530 (England & Wales)

HILLSIDE CLUBHOUSE

STATEMENT OF CASHFLOWS FOR THE YEAR ENDING 31 MARCH 2022

	Notes	2022 £	2021 £
Cash used in operating activities	19	<u>(92,310)</u>	<u>7,527</u>
Cash flows from investing activities			
Interest income		813	152
Purchase of tangible fixed assets		-	(8,863)
Cash used in investing activities		<u>813</u>	<u>(8,711)</u>
(Decrease)/ increase in cash and cash equivalents in the year		(91,497)	(1,184)
Cash and cash equivalents at the beginning of the year		556,091	557,275
Total cash and cash equivalents at the end of the year		<u>464,594</u>	<u>556,091</u>

HILLSIDE CLUBHOUSE

NOTES TO THE ACCOUNTS – 31 MARCH 2022

1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

Company information

Hillside Clubhouse is a company limited by guarantee, incorporated in England and Wales and registered as a charity with the Charity Commission. The registered office is Unit A, 30 North Road, London, N7 9GJ, which is also the principal place of business.

(a) Basis of preparation

The financial statements have been prepared 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 (FRS102) – (Charities SORP (FRS102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in the financial statements are rounded to the nearest £.

The effects of events relating to the year ended 31 March 2022 which occurred before the date of approval of the financial statements by the Trustees has been included in the financial statements to the extent required to show a true and fair view of the state of affairs at 31 March 2022 and the results for the year ended on that date.

Hillside Clubhouse meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

(b) Preparation of the accounts on a going concern basis

The charity is considered a going concern. Adequate funding has been achieved to facilitate the charities objectives and activities for the next 12 months. There are no material uncertainties about the charity's ability to continue as a going concern.

(c) Incoming resources

Income represents grants, donations receivable and other sundry income receivable in the year ended 31 March 2022. All income is recognised over the period in which it relates to, following the accruals method. Grants for the purchase of fixed assets are credited to restricted incoming resources on the earlier date of when received or when they are receivable. Depreciation on the leasehold property is charged against the appropriate capital fund.

HILLSIDE CLUBHOUSE

NOTES TO THE ACCOUNTS – 31 MARCH 2022

(d) Resources expended

Resources expended are recognised in the year in which they are incurred. Resources expended include attributable VAT which cannot be recovered.

Certain expenditure is directly attributable to specific activities and has been included in those cost categories. Certain other costs, which are attributable to more than one activity, are apportioned across cost categories on the basis of an estimate of the proportion of time spent by staff on those activities.

Charitable activities costs include the direct cost of providing services, as well as a share of overheads.

Other costs include the cost of compliance with the charity's constitutional and statutory requirements.

The cost of generating funds relate to the costs incurred by the charity in raising funds for charitable work.

Depreciation on capital items is charged to the appropriate capital fund.

(e) Tangible fixed assets

Fixed assets are valued at cost, with impairment reviews performed annually. It is the policy of the company to provide depreciation at the following annual rate in order to write off each asset over its estimated useful economic life.

Leasehold property	-	Straight line over the 125-year duration of the lease
Integral features	-	Straight line over 50 years
Fixtures and equipment	-	20% on cost
Computer equipment	-	33.33% on cost

The Trustees have decided not to capitalise any item of equipment costing less than £500.

(f) Restricted funds

Restricted funds are to be used for specific purposes as lay down by the donor. Expenditure which meets these criteria is charged to the fund.

(g) Capital funds

Capital funds are restricted funds used to purchase capital items. Depreciation on the capital items is charged against the appropriate capital fund.

(h) Designated funds

Designated funds are unrestricted funds earmarked by the Management Committee for particular purposes.

(i) Unrestricted funds

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.

HILLSIDE CLUBHOUSE

NOTES TO THE ACCOUNTS – 31 MARCH 2022

(j) Creditors and provisions

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.

(k) Pension contributions

The charity provides a defined contribution pension scheme for employees, the assets of which are held separately from those of the company in an independently administered fund. Contributions to this scheme are charged to the income and expenditure account as they become payable.

(l) Cash at bank and in hand

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.

(m) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered.

(n) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

HILLSIDE CLUBHOUSE

NOTES TO THE ACCOUNTS – 31 MARCH 2022

2. VOLUNTARY INCOME

	Unrestricted 2022	Restricted 2022	Capital 2022	Total 2022	Total 2021
	£	£	£	£	£
Grant income					
Anonymous Donation	10,000	-	-	10,000	-
Cripplegate Catalyst	-	5,000	-	5,000	5,000
Henry Smith	-	46,000	-	46,000	46,000
Stone Family Trust	134,000	-	-	134,000	134,000
Anonymous Donation	-	-	-	-	10,000
City Bridge Trust	43,200	-	-	43,200	-
Drapers	-	-	-	-	10,000
Donations	895	-	-	895	531
Social Programme	-	-	-	-	-
HMRC - Job Retention Scheme	710	-	-	710	11,729
Other	15,391	-	-	15,391	6,415
	204,196	51,000	-	255,197	223,676

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted 2022	Restricted 2022	Capital 2022	Total 2022	Total 2021
	£	£	£	£	£
Local authority service contracts					
Camden	1,260	-	-	1,260	8,365
Islington	-	-	-	-	12,000
Other Service Contracts					
Islington	255,287	-	-	255,287	246,948
Camden Work and Wellbeing	570,818	-	-	570,818	576,711
Camden Work and Wellbeing Wave 2	40,000	-	-	40,000	44,700
Islington ICF	4,226	-	-	4,226	-
Islington Giving	-	7,500	-	7,500	-
LCRF Wave 2	-	-	-	-	6,960
London Catalyst	-	1,500	-	1,500	-
Tesco Bags of Help	-	-	-	-	500
Kiosk income	5,113	-	-	5,113	246
Canteen income	192	-	-	192	402
External catering	4,480	-	-	4,480	-
Food income	9	-	-	9	-
	881,385	9,000	-	890,385	896,833

HILLSIDE CLUBHOUSE

NOTES TO THE ACCOUNTS – 31 MARCH 2022

4. TOTAL RESOURCES EXPENDED

	Fundraising 2022 £	Other 2022 £	Charitable activities: <i>Employment and support</i> 2022 £	Total 2022 £	Total 2021 £
<i>Operational costs</i>					
Personnel costs	-	-	909,916	909,916	937,900
Premises costs	-	-	21,912	21,912	18,711
Direct operational costs	-	-	46,157	46,157	42,221
Grants payable	-	-	-	-	-
Depreciation	-	-	8,125	8,125	8,734
	-	-	986,110	986,110	1,007,565
<i>Support costs</i>					
Management costs	12,241	-	66,321	78,562	55,200
Accountancy and audit	-	5,280	3,079	8,359	8,287
Finance charges	-	-	5,813	5,813	5,936
IT expenses	-	-	22,013	22,013	12,948
Administrative costs	-	-	20,739	20,739	27,066
	12,241	5,280	117,964	135,485	109,436
	12,241	5,280	1,104,074	1,121,595	1,117,001

Fundraising costs are composed of 20% of management costs on the basis of estimated time spent by staff on grant applications.

5. STAFF COSTS

	2022 £	2021 £
Staff costs were as follows:		
Salaries and wages	886,948	859,114
Social security costs	74,136	77,011
Redundancy costs	-	25,551
Pension	26,324	30,633
	<u>987,408</u>	<u>992,309</u>

The average number of staff employed during the year, based on a full time equivalent, was as follows: -

	2022	2021
Management	5	5
Clubhouse workers/ employment support workers	20	19
Reablement	2	2
Kiosk workers	3	3
	<u>30</u>	<u>29</u>

HILLSIDE CLUBHOUSE

There were no employees with emoluments above £60,000.

NOTES TO THE ACCOUNTS – 31 MARCH 2022

6. RELATED PARTY TRANSACTIONS

No Trustees' expenses were reimbursed for during the year. There are no other related party transactions.

7. NET INCOME FOR THE YEAR

This is stated after charging:

	2022	2021
	£	£
Auditors' remuneration - audit fee	5,280	5,040
Depreciation of owned assets	<u>8,125</u>	<u>8,734</u>

8. TAXATION

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

9. TANGIBLE FIXED ASSETS

Cost	Leasehold property	Computer equipment	Fixtures and equipment	Total
	£	£	£	£
At 1 April 2021	604,605	22,678	17,609	644,892
Additions	-	-	-	-
At 31 March 2022	<u>604,605</u>	<u>22,678</u>	<u>17,609</u>	<u>644,892</u>
Depreciation				
At 1 April 2021	55,115	16,769	17,609	89,493
Additions	5,171	2,954	-	8,125
At 31 March 2022	<u>60,286</u>	<u>19,723</u>	<u>17,609</u>	<u>97,618</u>
Net book value				
At 31 March 2022	<u>544,319</u>	<u>2,955</u>	<u>-</u>	<u>547,274</u>
At 31 March 2021	<u>549,490</u>	<u>5,909</u>	<u>-</u>	<u>555,399</u>

HILLSIDE CLUBHOUSE

The leasehold property has been pledged as security for the bank loan, further details provided in note 12.

NOTES TO THE ACCOUNTS – 31 MARCH 2022

10. DEBTORS

	2022	2021
	£	£
Trade debtors	347,257	227,780
Prepayments and accrued income	4,969	5,736
Other debtors	-	-
Total	<u>352,226</u>	<u>233,516</u>

11. CREDITORS: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	9,648	11,118
Accruals and deferred income	57,085	20,920
Other creditors	4,382	34,851
Bank loans	<u>9,458</u>	<u>9,997</u>
Total	<u>80,573</u>	<u>76,886</u>

12. CREDITORS: amounts falling due after one year

	2022	2021
	£	£
Bank loans 2<5 years	41,333	43,164
Bank loans >5 years	<u>122,571</u>	<u>130,138</u>
	<u>163,904</u>	<u>173,302</u>

The bank loan is secured on the leasehold property. The total value secured as at 31 March 2022 is £163,904 (2021 £173,302). £163,904 is included in creditors due after 1 year. £9,458 is included within creditors due within 1 year. Interest of 3.70% per annum is charged on the loan, which is payable by instalments.

HILLSIDE CLUBHOUSE

NOTES TO THE ACCOUNTS – 31 MARCH 2022

13. ANALYSIS OF INCOME AND EXPENDITURE BY FUND

	At 1 April 2021 £	Incoming Resources £	Outgoing Resources £	Transfers £	At 31 March 2022 £
Restricted Funds					
Cripplegate Catalyst	1,310	5,000	2,029	-	4,281
Henry Smith	-	46,000	46,000	-	-
Islington Giving	-	7,500	-	-	7,500
London Catalyst	-	1,500	-	-	1,500
Tesco Bags of Help 2021	20	-	-	-	20
Total Restricted Funds	1,330	60,000	48,029	-	13,301
Capital					
Tudor Trust Building fund	182,400	-	1,600	-	180,800
Stone Family	8,568	-	179	-	8,389
Awards for All	8,568	-	179	-	8,389
Total Capital Funds	199,536	-	1,958	-	197,578
Total Restricted Funds	200,866	60,000	49,987	-	210,879
Unrestricted Funds					
General fund	80,260	1,086,394	1,071,608	22,931	117,977
Designated Funds					
Property fund	120,000	-	-	-	120,000
Property refurbishment fund	45,382	-	-	-	45,382
New Business Development	96,993	-	-	(22,931)	74,062
Contingency fund	415,000	-	-	-	415,000
Redundancy reserve fund	20,449	-	-	-	20,449
Running costs - 2020 - 2022	52,000	-	-	-	52,000
Stone Family Foundation	44,667	-	-	-	44,667
Camden IPS	20,201	-	-	-	20,201
Total Designated Funds	814,692	-	-	(22,931)	791,761
Total Unrestricted Funds	894,952	1,086,394	1,071,608	-	909,738
Total Funds	1,095,818	1,146,394	1,121,595	-	1,120,617

HILLSIDE CLUBHOUSE

NOTES TO THE ACCOUNTS – 31 MARCH 2022

14. ANALYSIS OF UNRESTRICTED AND RESTRICTED FUNDS

Purposes of capital restricted funds

The Tudor Trust grant of £200,000 was given specifically for the purpose of purchasing the leasehold building which Hillside Clubhouse moved into in 2011. Depreciation is charged against this fund on a straight-line basis over 125 years.

The Awards for All grant and Stone Family grant were both given for the purpose of purchasing partitions.

Purposes of designated funds

The property refurbishment fund is held separately for general future property repairs. The property reserve fund is shown separately to general reserves as this is the approximate amount of unrestricted reserves used in purchasing the new building and hence the fund has been set up for future depreciation charges. The redundancy reserve fund is held separately to general funds in case of the possibility of redundancies in the future. The New Business Development will fund the Director of Clubhouse Operations for two years. The Contingency fund contains approximately six months of income based on current levels in order to meet an unexpected call on funds, or to seize opportunities that may present themselves. The Camden IPS fund is for the 22/23 project costs, and will be repurposed into general funds if not required after 2023.

Purposes of revenue restricted funds

Balances on restricted funds represent unspent funds given specifically for individual projects. These balances will be carried forward and spent on each project in the following year. The purpose of each fund is as follows:-

- Cripplegate catalyst fund – small grants for members' personal development
- Henry Smith – grant provided towards the salary of the chief executive
- Islington Giving – grant provided towards the Workday and Recovery project

Sufficient resources are held in each fund to enable the funds to be applied in accordance with any restrictions.

HILLSIDE CLUBHOUSE

NOTES TO THE ACCOUNTS – 31 MARCH 2022

15. NET ASSETS

	Capital Restricted Funds 2022 £	Revenue Restricted Funds 2022 £	Designated Funds 2022 £	General Funds 2022 £	Total Funds 2022 £
Tangible fixed assets	197,578	-	165,382	184,314	547,274
Net current assets	-	13,301	626,379	97,567	737,247
Long term liability	-	-	-	(163,904)	(163,904)
	<u>197,578</u>	<u>13,301</u>	<u>791,761</u>	<u>117,977</u>	<u>1,120,617</u>

16. OTHER PROFESSIONAL SERVICES PROVIDED BY AUDITORS

In common with many other entities of our size and nature we use our auditors to assist with the preparation of the financial statements.

17. PENSION COMMITMENTS

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost and charge in the accounts represents contributions payable by the company to the fund and amounted to £26,324 (2021 £30,633). At 31 March 2022 £4,382 (2021 £4,257) was payable to the fund. Pension costs are allocated to funds based on the staff that are assigned to the specific fund.

18. DEFERRED INCOME

Deferred income relates to grants received for which the charity has deferred into 2022/23. The deferred income of £11,500 relates to the grant from Henry Smith for £23,000, of which £11,500 has been deferred for the period 1 April 2022 – 30 June 2022.

	Grants £
Balance as at 1 April 2021	11,500
Amount released to income earned from charitable activities	(11,500)
Amount deferred in the year	<u>11,500</u>
Balance as at 31 March 2022	<u>11,500</u>

HILLSIDE CLUBHOUSE

NOTES TO THE ACCOUNTS – 31 MARCH 2022

19. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net movements in funds	24,799	3,660
Add back: Depreciation	8,125	8,734
Deduct: Interest shown in investing activities	(813)	(152)
(Increase) / decrease in debtors	(118,710)	3,063
(Decrease) in creditors	(5,711)	(7,778)
	<u>(92,310)</u>	<u>7,527</u>

20. LIMITED LIABILITY

The Trustees of the company guarantee to contribute an amount not exceeding £1 each to the assets of the charity in the event of winding up.