

Hospitality Action

**Annual Report and Consolidated
Financial Statements**

31 December 2024

Company Limited by Guarantee
Registration Number 04914871
Charity Registration Number 1101083

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Reference and administrative information

Board of Trustees	Jonathan Raggett (Chair) Jon Dee ACA (Treasurer) Kevin Charity Simon Esner Ringo Francis Chris Garside Andrew Guy MBE Tim Jones Andrew Latham Helen Milligan-Smith (appointed 4 th June 2024) Kate Nicholls OBE Danny Pecorelli Ian Sarson Andrew Selley David Walker MBE
Chief Executive	Mark Lewis
Company secretary	Greg Minter
Principal office	62 Britton Street London EC1M 5UY
Company registration number	04914871
Charity registration number	1101083
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	Royal Bank of Scotland Brooklands Close Sunbury on Thames TW16 7DX
Investment managers	Cazenove Capital Management 1 London Wall Place London EC2Y 5AU

Reference and administrative information

Solicitors	H3 Solicitors Ltd Suite 1, The Old Pig Styes, Brighthams Farm, Bines Road, Partridge Green, West Sussex, RH13 HEQ
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Reference and administrative information

The Board of Trustees thanks the Chairpersons and Committee members who gave so generously of their time during 2024:

Finance and Investment

Jon Dee ACA (Chair)
Lizi Hills
Tim Doubleday
Tim Jones

Grants and Advisory

Andrew Latham (Chair)
Valerie Barrow

Mitchell Collier

Flavia Gapper
Dawn Jackson
Jane Morris
Ian Sarson

Reference and administrative information

The Board of Trustees thanks its Patrons, whose ongoing patronage brings credibility, authority and brand awareness to the charity. These are:

Patrons	Jason Atherton
	Raymond Blanc OBE
	Heston Blumenthal OBE
	Michael Caines MBE
	Jeremy Goring
	Angela Hartnett OBE
	Nigel Haworth
	Paul Heathcote MBE
	Charlie Hodson
	Tom Kerridge
	Atul Kochhar
	Donald Macdonald OBE
	Sinead Mallozzi
	Anton Mosimann OBE
	Harry Murray MBE
	Chantelle Nicholson
	Jamie Oliver MBE
	Craig Prentice
	Alain Roux
	Michel Roux Jr
	Vivek Singh
	Cyrus Todiwala
	Pervin Todiwala
	Phil Vickery MBE
	The Viscount Lord Thurso
	Brian Turner CBE
	Robert Walton MBE

The Trustees, who are also the directors, present the annual accounts for Hospitality Action for the year ended 31 December 2024 prepared in accordance with the Statement of Recommended Practice for Charities (SORP) 2019 and the Companies Act 2006. The reference and administrative information on pages 1-4 forms part of this report.

OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

The Charity is a Benevolent Society whose objects are for the relief of persons who work or have worked in the hotel, catering and/or hospitality industries and the widows, widowers, partners, orphans and other dependants of such persons by the provision of monetary grants and/or advice, assistance and support and/or education and training.

Hospitality Action was founded in 1837 as unincorporated and for much of that time it was known as the Hotel and Catering Benevolent Association (HCBA). The charity was incorporated in 2003 as Hospitality Action having taken over the majority of the assets of the unincorporated charity.

The principal activities undertaken by the Charity in pursuance of its objects relate to the provision of:

- ◆ A grants programme to alleviate poverty and support beneficiaries in times of crisis.
- ◆ An outreach programme aiming to keep loneliness and isolation at bay for retired hospitality employees, called the Golden Friends scheme.
- ◆ Expert triaging, advice, guidance and signposting to other potential sources of support and, where appropriate, funded counselling.
- ◆ An Employee Assistance Programme – commercial scheme offering specialist advice, support and assistance on a range of issues for hospitality employees.

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities and setting the grant making policy for the forthcoming year.

Chief Executive

Mark Lewis had his seventh full year as Chief Executive.

REVIEW OF THE YEAR: ACHIEVEMENTS AND PERFORMANCE

2024 was a strong year for the charity. Through organic fundraising and employee assistance programme (EAP) revenue growth, we were able to deliver the highest in-year income in our 189-year history. Total income for the year reached £3,880,813, which was +£842k versus the previous year. (Income included £316,358 donated from the unincorporated charity on its closure.) This donation contributed to our closing 2024 with an operating surplus of £293,660.

Combined fundraising and events income streams passed budget, at £2.39m versus £2.3m. And the EAP grew in income and scale, as we bedded in 2023's migration of service provision to a new partner and added new products to our wellbeing offer. Income passed £1m for the first time, rising by £44k from £970k at year-end 2023 to £1,014k at the end of 2024. The number of lives served by the programme was steady at 194k.

This income-generating success enabled us to spend £1,005k on grants disbursement, which was +£5k versus budget and second only to the anomalous 2020 as our highest ever in-year grants expenditure total.

Fundraising

Through 2024, we continued to work to a blended model of proprietary fundraising initiatives and in-person events, and third-party and institutional fundraising.

Our market's appetite for participating in challenge events remained strong, with our Summer Challenge and Walk for Wellbeing activities driving combined revenue of £169k. In April, we held our biannual Back to the Floor dinner event, which raised £266k – the largest return from a single initiative in the charity's history. And in May, we held our first Bike to Care dinner, which raised an unbudgeted £105k.

Third-party fundraising continued to gather momentum, with many more hospitality operators choosing to support our work by adopting us as their chosen charity, launching 'pound on the bill' initiatives, featuring our Invisible Chips activation on their menus, or finding other miscellaneous ways to raise funds for us. Income from 'pound on the bill' initiatives, for example, grew by £42k year on year, with D&D London alone donating £40k.

Another notable income source was the Spirit of Hospitality rowing challenge, which saw two foodservice workers, Chris Mitchell and Robbie Laidlaw, row the Atlantic for us. As the voyage began in December 2023 and ended in January 2024, we received further income of £107k on top of the £89k reported in 2023.

Finally, we received a donation of £100k in December from US fast food restaurant chain, Chick-fil-A, to mark their entry into the UK market.

ACHIEVEMENTS AND PERFORMANCE (continued)

Services

We continued to support the welfare of people who work or have worked in UK hospitality through financial and emotional support, the provision of an employee assistance programme, signposting and advice, and pastoral support for retirees.

We pointed much of our £1,005k spend on grants disbursement towards providing financial relief for hospitality households that had accrued historic debt or arrears during the pandemic and ensuing cost of living squeeze, to prevent evictions and homelessness. The sustained increase in applications for financial support we've experienced since 2020 continued in 2024, with the months January, April and September all witnessing record numbers of applications.

In May 2024, we introduced a new advisory service with the appointment of a Welfare Benefits Advisor, who had by the end of the year unlocked £167k of unclaimed welfare entitlements for beneficiaries.

In 2024, we also formalised a partnership with Shelter Plus, enabling us to underwrite expert advice relating to accommodation issues for beneficiaries.

Our Employee Assistance Programme (EAP) was available to 194k hospitality workers by the end of 2024. The EAP is a commercial programme which trades under a subsidiary company. Hospitality companies pay a fixed annual per-employee fee, with any residual profits gifted to the charity. The programme had its official industry launch in January 2013. By December 2024, 457 companies were signed up to the programme, the largest of them being the Whitbread estate.

Through 2024 we continued to plan the development of the EAP services offering across the next 2-3 years as part of our wider business planning and strategic review. A full SWOT analysis was undertaken of our offering and that of our competitive set. Commercial discussions were initiated with Spectrum Life to introduce digital primary healthcare services and also with Qudos, a new partner, to develop a reward and recognition product, both for launch in H2 2025.

Meanwhile, we continued to provide moral and pastoral support to our Golden Friends community of some 1,600 industry retirees and their partners.

ACHIEVEMENTS AND PERFORMANCE (continued)

The year's achievements in numbers

	2024	2023
Review of achievements in 2024		
Beneficiary grants	1,005,185	914,433
Number of persons awarded grants	875	859
Number of employees covered by the EAP	193,529	194,472

	2024	2023
Top up grants	25 beneficiaries Grants £39,000	34 beneficiaries Grants £43,000
Crisis grants	17 beneficiaries Grants £28,000	32 beneficiaries Grants £38,000
Essential Needs grants	185 beneficiaries Grants £128,000	134 beneficiaries Grants £99,000
Other grants	1,101 beneficiaries Grants £810,000	1,370 beneficiaries Grants £734,000

NB figures above reflect the fact that many beneficiaries received more than one grant.

Future plans

In the face of the unprecedented and increasing demand for our support we saw in 2024, we undertook a Trustee-sponsored strategic review, leading to a five-year business plan, which was agreed by Trustees in January 2025. The plan is premised upon growing brand awareness and thereby fundraising and EAP membership, to support increased grant expenditure and services provision.

Specifically, it proposes that we:

- Invest in full time employees, content, and marketing, to support growth of our two scalable revenue streams: third-party fundraising and EAP.
- Evolve paid services beyond pureplay EAP and become hospitality's first port of call for wellbeing support.
- Increase focus on education and training as stated in our Charitable Mission.

To support EAP client acquisition, in 2025 we will evolve our product mix across three tiers to include self-service booking of counselling appointments, Digital GP service, ADHD and autism assessments, and a rewards and recognition platform.

Operations

The exponential rise in brand awareness we have achieved since 2020 has led to operational growing pains, and we continue to work hard to professionalise our systems and processes. In early 2025, we will roll out a new CRM platform across all facets of the charity. We will relaunch our website to focus on lead generation for our EAP and fundraising products, while also improving information provision and pathways for those seeking our benevolent support. And we will complete our migration to an entirely Cloud-based technology environment.

Governance

Hospitality Action is committed to demonstrating and encouraging equality, diversity, and inclusion in its workforce, in its day-to-day work and in its beneficiary support; and to eliminating unlawful discrimination of any kind. We have a duty to make a positive impact on our people, our beneficiaries and service users, our stakeholders, and the wider world.

We are fully committed to making a positive contribution to the world, one that goes in tandem with our charitable work. We will keep this commitment in sharp focus in 2025 and beyond.

We continue to work to ensure that our cohort of Trustees, patrons and ambassadors reflects and represents the ethnic diversity of the workforce we serve. Our ongoing aim is to continue our journey to embodying a truly diverse and inclusive charity.

Having overhauled and enhanced our risk register in 2023, we continue to focus hard on identifying and mitigating threats to our status as a going concern – in particular, cyber-attacks and fraud.

FINANCIAL REVIEW

Income for the year was £3,880,813 including a one-off donation of £316,358 arising from the dissolution of the related unincorporated charity also known as Hospitality Action (2023: £3,038,586) and expenditure £3,587,153 (2023: £3,208,372) giving rise to an operating surplus of £293,660 (2023: deficit of £169,786). The year witnessed the highest income in the charity's history.

Third-party and institutional fundraising remained strong, as did challenge initiatives and in-person events. Highlights included Walk for Wellbeing (£129k) and our biennial Back to the Floor dinner (£266k). We received £83k from the Worshipful Company of Innholders; £50k from the Procter England Bancroft/Hospitality Action Fund; and £100k from Chick-fil-A. The Spirit of Hospitality Atlantic Row challenge delivered £107k on top of the £89k received in 2023.

Our employee assistance programme reported modest income growth, ending the year at £1,014k (2023: £970k).

Expenditure of £3,587,123 was up £378,781 from £3,208,372 in 2023. Expenditure on charitable activity associated with grants, advice and support was £2,478,727, an increase of £258,623 from £2,220,104 in 2023.

After a very positive year of gains on investments of £535,383 (2023: gains of £224,256) the overall result for the year was a surplus of £829,043 (2023: surplus of £54,470) resulting in a corresponding increase in the balance of funds which stood at £8,350,171 as at 31 December 2024.

Reserves policy and financial position

The total funds held by the group at the end of the year were £8,350,171 (2023: £7,521,128).

Of the above total £94,603 (2023: £69,105) related to restricted funds not available for the general purposes of the Charity. As at 31 December 2024 £180,297 of funds were held within the subsidiary company (2023: £221,521). All of the remaining funds of the Charity totalling £8,075,271 (2023: £7,226,502) have been set aside in a designated fund by the trustees.

The Charity's reserves safeguard its ability to operate and provide essential services to its beneficiaries in the case of unforeseeable reductions in fundraising income. To ensure that the charity can sustain its capacity to provide support to the sector it serves in perpetuity, the Trustees' policy is to seek to maintain the approximate current levels of reserves after allowing for fluctuations in the value of its investment portfolio, and to direct any income it generates to the Charity's current account for working capital or charitable purposes.

FINANCIAL REVIEW (continued)

Reserves policy and financial position (continued)

The reserves are also available for investment in opportunities that may have an enduring benefit to the Charity and its beneficiaries. The five-year strategy plan referenced above, for example, may yield require investment from the reserves.

From 2024, the Charity has defined a base rate of annual grants expenditure of £1m; and aims to increase its level of charitable activity in each future financial year.

From time to time the Charity has needed to draw on the capital of the investment portfolio to meet working capital or charitable obligations where fundraising income has not been at expected levels. Such drawdowns require the approval of the Finance and Investment Committee. As a result, the Charity does not currently maintain any free reserves, as it is possible to meet any requirement for free reserves from the designated fund if required.

The Charity is aiming to maintain a position where any such drawdown is not required and free reserves can be maintained separately from the designated fund. We have not drawn down cash from our investment portfolio since early 2020, and our intention remains to maintain sufficient cash reserves to avoid future drawdowns. Since the investment portfolio's year-end valuation of £6.450m (2023: £5,935m), we have seen its value fluctuate through the early part of 2025 between a high of £6.677m in February and a low of £5.894m in April. As at 2nd June the portfolio stood at £6.413m.

The investment portfolio is monitored daily, and reserve balances are reported to the Finance and Investment Committee each quarter.

The Finance and Investment Committee is required to review this reserves policy annually.

Going Concern

Hospitality Action serves an industry that continues to suffer the fallout from the socio-economic factors that have defined the past five years. Hospitality operators continue to face soaring rent, energy, and produce prices, diminished out-of-home spend, and staff shortages. We saw numerous hospitality business closures in 2024, this trend has continued into the first months of 2025, when the rise in National Insurance has placed a further financial burden on operators.

Despite this backdrop, Hospitality Action last year achieved record income and spent more on grant-giving than in any year in its long history other than anomalous 2020. Moreover, our EAP continues to grow in income and reach, acting as a Trojan Horse by introducing our brand and wider work to clients, and triggering awareness and fundraising.

Going Concern (continued)

While awareness of our work around the industry we serve has plateau-ed since the growth spurt that we saw in the pandemic and subsequent cost of living squeeze, our planned investment in head count and marketing in 2025 is intended to spark further growth.

Trustees are satisfied that the charity is well-positioned to continue as a going concern for the next twelve months and beyond. Reasons for this confident outlook include:

- ◆ The recommendations of our five-year business plan, which is premised upon growing brand awareness and thereby fundraising and EAP membership, to support increased grant expenditure and services provision.
- ◆ The continued growth of our Employee Assistance Programme and our plans to evolve and expand the programme's benefits and therefore its appeal.
- ◆ The fact that the charity's long-term asset base as represented by our investment portfolio has coped well with the challenges of the past five years and, as of May 2025, stood at a better position than it did in early 2020.
- ◆ Our healthy cash reserves.

Investment policy

Under the Constitution the Trustees have general powers to invest in any trust funds or in the purchase of land or buildings. The agreed investment objectives were to achieve an annual income of 3.5% with the preservation of capital in real terms over the long term. The investment objectives are supported by an agreed asset allocation that is socially, environmentally, and ethically sound, and which is approved by the Finance and Investment Committee and Trustees. The Investment Managers meet periodically with the Charity's Finance and Investment Committee to review investment performance against agreed indices.

Grant Policy

The charity provides financial assistance, support and advice to serving, former and retired workers in the hospitality industry. Qualification for assistance financial is as follows:

- “ currently working in the industry within the UK
- “ have worked seven or more years in the industry in the UK

Applicants or the supporting agent from a referring organisation (with the consent of the applicant) are required to complete a Hospitality Action application form and provide appropriate supporting documentation to evidence their hospitality employment and household financial position. For any former hospitality employees that do not have seven years employment, we endeavour to offer guidance and signposting.

GOVERNANCE, STRUCTURE AND MANAGEMENT

Legal status and governing document

Hospitality Action is a charitable company limited by guarantee, incorporated in England and registered with Companies House. It is also registered with the Charity Commission in England and Wales.

It is governed by its memorandum and articles of association which are publicly available via www.companieshouse.co.uk

Structure

Hospitality Action has a wholly-owned subsidiary, Hospitality Action (Trading) Limited, (registered company 03332706 – England and Wales), which administers the Employee Assistance Programme. The results and net assets of the subsidiary are consolidated into these accounts.

Appointment and training of trustees

Trustees are elected at the annual general meeting in June and serve for two years when they may offer themselves for re-election for a further term of office. They are drawn from senior management across the industry, retired members of the industry and those with specialist skills pertinent to the aims and objectives of the Charity. All new Trustees go through a formal induction process with the Chief Executive and are issued with an induction pack that includes the charity's memorandum and articles of association, a Charity Commission summary of responsibilities of charity trustees, a copy of the annual accounts and a formalised outline of the role of a trustee. Trustees meet quarterly.

Chief executive, staff and trustees

Chief Executive, Mark Lewis, is responsible for day-to-day operations of the Charity. Staff remuneration including that of Key Management is set to be competitive for the roles in the charity sector and based in London.

Trustees are responsible for ensuring we keep proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, the relevant Charity (Accounts and Reports) Regulations and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Risk management, and principal risks and uncertainties

The Board of Trustees and Finance and Investment Committee periodically review and identify the major risks to the charity and have implemented systems and controls to mitigate these risks wherever practicable. The charity's risk register was overhauled and enhanced in 2023 to enable us to better monitor risks on an ongoing gross and net basis and therefore track the impact of the steps being taken to mitigate them. The register keeps issues around financial fraud in sharp focus. And we continue to work with other charities to share best practice in this area.

We continue to see unprecedented demand for financial support. Our policy of restricting public access to the grants application portal periodically to manage the volume of cases received ensures that we are not overwhelmed by demand, and that we can limit spend on beneficiary services to what our cash reserves allow. It also allows us to manage applicants' expectations of when they might receive support. (During periods of restricted access, we direct anyone seeking support to contact our grants team, to discuss their circumstances in more detail. The team identifies their primary need and level of urgency and, if they meet our top priority criteria, invites them to apply immediately. For any enquirer whose circumstances do not meet our top priority criteria, we invite them to contact us again in the future and offer signposting to other organisations that may be able to assist them with advice or support in the interim.)

Equal Opportunities Statement For Employees

Hospitality Action complies fully with all statutory requirements and has robust policies regarding what it expects of its staff and trustees. The charity has given consideration to the Charity Governance Code, in particular the latest updates to the Code surrounding equality, diversity and inclusion. This is of particular relevance in recruiting new trustees and new members of staff and ensuring all personnel are treated equally and fairly.

Hospitality Action is strongly committed to equal opportunities for all. Every possible step will be taken to ensure that individuals are treated equally and fairly and that decisions on recruitment, selection and training of employees are based on solely objective and role related criteria regardless of their age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

Our policy is to respect both the spirit and the letter of the laws regarding equality of opportunity and non-discrimination in Hospitality Action's activities and to value the diversity of individuals throughout the community. We consider this to be an integral part of our ethos when recruiting employees to Hospitality Action.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Equal Opportunities Statement For Employees (continued)

This commitment extends to all areas, both within the working environment, as well as in relation to social and recreational programmes.

No employee or potential employee will be disadvantaged by any conditions of employment or requirements that cannot be justified as necessary on operational grounds.

Decisions about appointments, training, developments and promotion will be made on the basis of merit or ability.

All employees and volunteers are expected to support and co-operate in these efforts to ensure equal opportunity for all.

Any complaints of discrimination will be dealt with under Hospitality Action's Complaints Procedure.

Any employee who conducts himself or herself in a discriminatory manner (whether on the grounds of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation) towards another employee, beneficiary or member of the public will be subject to disciplinary action for gross misconduct.

EDI training by an external specialist in early 2025 will be repeated on a regular basis.

Fundraising Statement

We continue to receive donations, event bookings and Regular Giving payments via our website. We host an annual Summer Challenge and another in person 20k walk at hosted cities across the UK using a new platform, Enthuse. We also use Enthuse to receive funds raised by third parties alongside JustGiving and we use GalaBid to host online auctions and raffles. For our guest-pays activation such as '£ on the bill' and Invisible Chips, all participating operators are instructed in how to pay in funds and manage any VAT implications. No moneys are raised via public, on-street collections. When collecting monies, we at all times adhere to GDPR best practice guidelines. We renew our PCI DSS Compliance annually.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Fundraising Statement (continued)

We adhere to the conditions that credit card details should not be stored or sent electronically and are to be destroyed as soon as a payment is processed. We do not store credit card details in any form. And as soon as the fundraising team has processed a credit card payment, they destroy the card details. Our compliance requirements are relatively light since any receipts via our website are through Stripe and GoCardless and we are not an e-commerce provider. The Fundraising Regulator has published a new Code of Fundraising Practice, which will come into effect from the 1st November. Work is currently under way to ensure HA's fundraising policies and procedures are fully compliant.

We are members of the Association of Charitable Organisations (ACO) and the Fundraising Regulator and follow and track their fundraising due diligence recommendations and code. Hospitality Action has not received any complaints about its fundraising activities.

Trustees' Responsibilities

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

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Trustees' Responsibilities (continued)

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

The directors also confirm that:-

- ◆ So far as each director is aware, there is no relevant information of which the company's auditors are unaware; and
- ◆ Each director has taken all steps that he/she ought to have taken to make himself/herself aware of any relevant matters and to ensure that the company's auditors are aware of such information.

Approved by order of the board of Trustees and signed on its behalf by



Chairman – Jonathan Raggett

Approved by the board of trustees on

3rd June 2025

Independent auditor's report to the members of Hospitality Action

Opinion

We have audited the financial statements of Hospitality Action (the 'charitable parent company') and its subsidiary (the 'group') for the year ended 31 December 2024, which comprise the consolidated statement of financial activities, the charity-only statement of financial activities, the consolidated and charity-only balance sheets, the consolidated statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 December 2024 and of the group's 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 group 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustee's Annual Report and financial statements, 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 course of 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, which is also the directors' report for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the trustees' report, which is also the directors' report for the purposes of company law, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the charitable parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' 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 by the charitable parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- ◆ the charitable parent company financial statements are not in agreement with the accounting records and returns; or
- ◆ certain disclosures of trustees' remuneration specified by law are not made; or

Matters on which we are required to report by exception (continued)

- ◆ we have not received all the information and explanations we require for our audit; or
- ◆ the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees 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 group's and the charitable parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- ◆ We obtained an understanding of the legal and regulatory frameworks applicable to the charity and the sector in which it operates. We determined that the following laws and regulations were most significant: Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

Auditor's responsibilities for the audit of the financial statements (continued)

- ◆ We understood how the charity is complying with those legal and regulatory frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of Board minutes and papers provided to the Finance and Investment Committee.
- ◆ We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:
 - ◇ Identifying and assessing the design effectiveness of controls in place to prevent and detect fraud;
 - ◇ Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
 - ◇ Challenging assumptions and judgements made by management in its significant accounting estimates;
 - ◇ Identifying and testing a sample of journal entries, in particular any journal entries posted with unusual account combinations; and
 - ◇ Assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the relevant financial statement item to which they relate.

We did not identify any irregularities, including fraud.

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 trustees 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.

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.

Use of our report

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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in cursive script that reads "Buzzacott Audit LLP".

Hugh Swainson (Senior Statutory Auditor)
For and on behalf of Buzzacott Audit LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

04 July 2025

Consolidated statement of financial activities (including an income and expenditure account)
Year ended 31 December 2024

				Year ended 31 December 2024	Year ended 31 December 2023	
	Notes	Unrestricted funds £	Restricted funds £	Unrestricted funds £	Restricted funds £	£
Income and endowments from:						
<i>Donations and legacies</i>						
Donations	1	1,198,698	—	1,198,698	941,135	941,135
Donated services and facilities	1	79,000	—	79,000	85,350	85,350
Members donations		5,863	—	5,863	5,787	5,787
Grants receivable	2	120,472	121,500	241,972	27,500	140,000
<i>Other trading activities</i>						
Fundraising events		1,187,806	—	1,187,806	758,958	758,958
<i>Charitable activities</i>						
Employee assistance programme		1,013,951	—	1,013,951	969,667	969,667
Investments	3	153,523	—	153,523	137,689	137,689
Total		3,759,313	121,500	3,880,813	2,926,086	3,038,586
Expenditure on:						
<i>Raising funds</i>						
Cost of raising voluntary income		822,699	—	822,699	785,525	785,525
Fundraising events and activities		264,236	—	264,236	182,273	182,273
Investment management fees		21,491	—	21,491	20,470	20,470
Sub-total		1,108,426	—	1,108,426	988,268	988,268
<i>Charitable activities</i>						
Welfare	4, 6	1,549,071	96,002	1,645,073	1,385,073	1,475,958
Employee assistance programme	4	833,654	—	833,654	744,146	744,146
Sub-total		2,382,725	96,002	2,478,727	2,129,219	2,220,104
Total	4	3,491,151	96,002	3,587,153	3,117,487	3,208,372
Net income (expenditure) before net gains on investments						
		268,162	25,498	293,660	(191,401)	(169,786)
Net gains on investments	11	535,383	—	535,383	224,256	224,256
Net income (expenditure)		803,545	25,498	829,043	32,855	54,470
Transfer between funds						
	14	—	—	—	—	—
Net movement in funds		803,545	25,498	829,043	32,855	54,470
Reconciliation of funds:						
Fund balances brought forward		7,452,023	69,105	7,521,128	7,419,168	7,466,658
Fund balances carried forward		8,255,568	94,603	8,350,171	7,452,023	7,521,128

The notes on pages 31 to 41 form part of these financial statements.

Statement of financial activities (charity only) Year ended 31 December 2024

	Unrestricted funds £	Restricted funds £	Year ended 31 December 2024 £	Unrestricted funds £	Restricted funds £	Year ended 31 December 2023 £
Income and endowments from:						
<i>Donations and legacies</i>						
Donations	1,198,698	—	1,198,698	941,135	—	941,135
Gift Aid from subsidiary company	225,521	—	225,521	251,842	—	251,842
Donated services and facilities	79,000	—	79,000	85,350	—	85,350
Members donations	5,863	—	5,863	5,787	—	5,787
Grants receivable	120,472	121,500	241,972	27,500	112,500	140,000
<i>Other trading activities</i>						
Fundraising events	1,187,806	—	1,187,806	758,958	—	758,958
Investments	153,523	—	153,523	137,689	—	137,689
Total	2,970,883	121,500	3,092,383	2,208,261	112,500	2,320,761
Expenditure on:						
<i>Raising funds</i>						
Cost of raising voluntary income	822,699	—	822,699	785,525	—	785,525
Fundraising events and activities	264,236	—	264,236	182,273	—	182,273
Investment management fees	21,491	—	21,491	20,470	—	20,470
Sub-total	1,108,426	—	1,108,426	988,268	—	988,268
<i>Charitable activities</i>						
Welfare	1,549,071	96,002	1,645,073	1,385,073	90,885	1,475,958
Sub-total	1,549,071	96,002	1,645,073	1,385,073	90,885	1,475,958
Total	2,657,497	96,002	2,753,499	2,373,341	90,885	2,464,226
Net income (expenditure) before net gains on investments	313,386	25,498	338,884	(165,080)	21,615	(143,465)
Net gains on investments	535,383	—	535,383	224,256	—	224,256
Net income	848,769	25,498	874,267	59,176	21,615	80,791
Transfer between funds	—	—	—	—	—	—
Net movement in funds	848,769	25,498	874,267	59,176	21,615	80,791
Reconciliation of funds:						
Fund balances brought forward	7,226,502	69,105	7,295,607	7,167,326	47,490	7,214,816
Fund balances carried forward	8,075,271	94,603	8,169,874	7,226,502	69,105	7,295,607

Balance sheet Year ended 31 December 2024

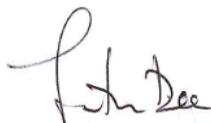
	Notes	2024		2023	
		Group £	Charitable Company £	Group £	Charitable Company £
Fixed assets					
Tangible assets	9	921,997	921,997	899,123	899,123
Intangible assets	10	14,157	14,157	14,758	14,758
Investments	11	6,449,750	6,449,750	5,935,394	5,935,394
		7,385,904	7,385,904	6,849,275	6,849,275
Current assets					
Debtors	12	891,282	855,046	666,272	423,406
Cash at bank and in hand		647,437	109,064	816,454	532,209
		1,538,719	964,110	1,482,726	955,615
Liabilities					
Creditors: amounts falling due within one year	13	(574,452)	(180,140)	(810,873)	(509,283)
Net current assets		964,267	783,970	671,853	446,332
Net assets		8,350,171	8,169,874	7,521,128	7,295,607
Funds:					
Restricted funds	15	94,603	94,603	69,105	69,105
Unrestricted funds:					
General funds		—	—	—	—
Subsidiary		180,297	—	225,521	—
Designated funds		8,075,271	8,075,271	7,226,502	7,226,502
		8,350,171	8,169,874	7,521,128	7,295,607

The notes on pages 31 to 41 form part of these financial statements.

The financial statements were approved and authorised for issue by the board of the Trustees and signed on their behalf by:



Jonathan Raggett
Chairman



Jon Dee
Treasurer



Mark Lewis
Chief Executive

Approved on: 3rd June 2025

Hospitality Action: A company limited by guarantee, Company Registration Number: 04914871 (England and Wales)

Consolidated statement of cash flows Year ended 31 December 2024

	Notes	2024 £	2023 £
Net cash flows from operating activities:			
Net cash used in operating activities	A	(296,286)	(366,733)
Cash flows from investing activities:			
Investment income		153,523	137,689
Payment to acquire tangible and intangible fixed assets		(47,281)	(19,745)
Proceeds from sales of investments		1,538,422	2,037,471
Payments to acquire investments		(1,517,395)	(2,009,252)
Net cash provided by investing activities		127,269	146,163
Change in cash for the year		(169,017)	(220,570)
Cash at bank and in hand at the start of the year		816,454	1,037,024
Cash at bank and in hand at the end of the year	B	647,437	816,454
A Reconciliation of net income to net cash used in operating activities			
		2024 £	2023 £
Net income		829,043	54,470
Depreciation and amortisation		25,008	34,618
Gains on investments		(535,383)	(224,256)
Investment income		(153,523)	(137,689)
Increase in debtors		(225,010)	(232,625)
(Decrease) increase in creditors		(236,421)	138,749
Net cash used in operating activities		(296,286)	(366,733)
B Analysis of cash and cash equivalents			
	2023 £	Cash flow £	2024 £
Cash at bank and in hand	816,454	(169,017)	647,437
C Analysis of changes in net debt			
	At 1 January £	Cash flows £	At 31 December £
Cash at bank and in hand	816,454	(169,017)	647,437
Cash held by the investment manager	231,584	(184,156)	47,428
Total net debt	1,048,038	(353,173)	694,865

Basis of accounting

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 (FRS 102) - (Charities SORP (FRS 102)), and with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The financial statements are presented in sterling and rounded to the nearest pound.

The charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value. Investments are restated at fair value at the balance sheet date.

All transactions are derived from continuing activities. All recognised gains and losses are included in the Statement of Financial Activities. These accounts consolidate the results, assets and liabilities of Hospitality Action's subsidiary company on a line by line basis.

Critical accounting estimates and areas of judgement

There are no areas of material estimation uncertainty affecting the accounts and no significant areas of judgment affecting the figures, aside from the following:

- ♦ The useful economic life of the charity's leasehold property included in tangible fixed assets, and therefore the depreciation charge, along with the impairment assessment on the building.

Going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect of a period of one year from the date of approval of these financial statements.

The trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. With regard to the next accounting period, the year ending 31 December 2024, the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment markets (see the investment policy and the risk management sections of the trustees report for more information).

Fund accounting

Unrestricted funds comprise accumulated surpluses and deficits on general funds. They are available for use at the discretion of the Trustees in furtherance of the general charitable objectives. Restricted funds comprise monies raised for, and their use restricted to, a specific purpose, or donations subject to donor imposed conditions. Designated funds represent those funds which the trustees have earmarked for specific purposes and include the carrying value of the charity's fixed assets.

Income

Income is recognised on a receivable basis and principally comprises grants, events income, income from the delivery of services and donations receivable. Any income received which is not attributed to the year of receipt, is included within deferred income in creditors. Donated services and facilities (gifts in kind) are included in the financial statements at the best estimate of the value to the charity. Legacy income is recognised when the criteria of entitlement, probability and measurability have been met.

Expenditure recognition

Expenditure including irrecoverable VAT is charged to the Statement of Financial Activities on an accruals basis. Expenditure is classified as either costs of raising funds (which includes fundraising and events costs as well as investment manager's fees) or charitable activities costs being the costs the charity incurs in furthering its charitable objectives. Direct costs are allocated to the activity headings to which they relate. Support costs relate to indirect costs including the costs of governance. These are directly allocated where possible and otherwise apportioned on a consistent basis.

Grants

Grants expenditure is recognised when there is a constructive obligation to pay monies to a beneficiary, that is, when the charity has notified the beneficiary of the payment of the grant. It includes the payment of monetary grants to beneficiaries, expenditure made in providing beneficiaries with goods and services and the costs of distributing and administering such direct provision. The cost of such provision, and that in respect of monetary grants in particular, is recognised as it becomes payable according to the Charity's rules.

Tangible fixed assets

Tangible assets are shown at cost less provision for depreciation. Provision is made for depreciation on all tangible assets at rates calculated to write off the cost, less estimated residual value over their useful lives which are estimated to be:

Leasehold property	over the length of the lease
Furnishing	20% straight line
Office refurbishment	10% straight line
Computer equipment	33% straight line

Intangible fixed assets

Intangible assets are shown at cost less provision for amortisation. Provision is made for amortisation on all intangible assets at rates calculated to write off the cost, less estimated residual value over their useful lives which is estimated to be four years.

Investments

Investments are restated at fair value as at the balance sheet date. Investment gains and losses are disclosed in the Statement of Financial Activities.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Pension costs

The Charity operates a stakeholder pension scheme. Contributions are charged to expenditure as they fall due.

Financial instruments

The charity only holds basic financial instruments as defined by FRS102. The financial assets and liabilities of the charity are as follows:

Financial assets – donations due and trade debtors are basic financial instruments and are debt instruments measured at amortised cost. Investments are basic financial instruments held at fair value. Accrued income and prepayments are not financial instruments. Cash at bank and short term deposits are classified as basic financial instruments and measured at face value.

Financial instruments (continued)

Financial liabilities – trade creditors, grants payable, and accruals are financial instruments and are measured at amortised cost. Social security and other taxes are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability as the cash settlement has already taken place and there is no obligation to deliver services rather than cash or another financial instrument.

1 Donations

(NB some donations to the charity are treated as events-based.)

	2024 £	2023 £
Unrestricted		
Bidfood	47,509	26,044
Chick-Fil-A	100,000	—
D&D Group	38,305	31,292
Gleneagles Hotel	12,500	12,500
Greenclose Hotels	9,919	252
Grind Roasters	7,199	—
Gusto	21,110	—
Home Grown Hotels	24,781	—
In-Bev	12,655	70,000
Hospitality Action unincorporated charity	316,358	—
Le Gavroche	31,020	5,500
NCASS	6,051	—
Nestle	5,099	4,300
Red Carnation Hotels	52,410	—
Sir Richard Sutton Ltd	5,000	5,000
Sketch	49,986	54,403
Society of Golden Keys	13,700	11,855
Stevens Bolton LLP	50,082	—
The Dorchester Collection	25,000	—
Whitbread	150,000	175,000
Other donations	220,014	544,989
Total unrestricted donations	1,198,698	941,135
Donated services and facilities		
The Caterer	29,500	29,500
Staff Canteen, Dewberry, H2O	49,500	55,850
Total gifts in kind	79,000	85,350

2 Grants receivable

	2024 £	2023 £
Unrestricted:		
Worshipful Company of Innholders	12,500	17,500
Lenore England Fund	50,000	--
Others	57,972	10,000
Total unrestricted grants	120,472	27,500
Restricted fund:		
Drug and Alcohol awareness programme/welfare		
Savoy Educational Trust	50,000	13,000
Worshipful Company of Innholders	70,000	98,000
Excel Trust	1,500	1,500
Total restricted grants	121,500	112,500
Total grants	241,972	140,000

3 Investment income

	2024 £	2023 £
From listed investments	147,558	135,359
Interest on cash deposits	5,965	2,330
	153,523	137,689

4 Expenditure

Analysis of 2024 expenditure	Notes	Grants	Other direct costs £	Support costs £	Total 2024 £
Raising funds:					
Cost of raising voluntary income		—	516,188	306,511	822,699
Fundraising events and activities		—	264,236	—	264,236
Investment management		—	21,491	—	21,491
Charitable activities:					
Welfare	6	1,005,185	378,786	261,102	1,645,073
Employee assistance programme		—	759,883	73,771	833,654
Total		1,005,185	1,940,584	641,384	3,587,153

4 Expenditure (continued)

	Expenditure on raising funds £	Expenditure on charitable activities £	Total 2024 £
Analysis of 2024 support costs			
Staff costs	241,172	266,160	507,332
Office rent and shared office costs	65,339	68,713	134,052
	306,511	334,873	641,384

Analysis of 2023 expenditure	Notes	Grants £	Other direct costs £	Support costs £	Total 2023 £
Raising funds:					
Cost of raising voluntary income		—	519,405	266,120	785,525
Fundraising events and activities		—	182,273	—	182,273
Investment management		—	20,470	—	20,470
Charitable activities:					
Welfare	6	914,433	305,847	255,678	1,475,958
Employee assistance programme		—	676,341	67,805	744,146
Total		914,433	1,704,336	589,603	3,208,372

	Expenditure on raising funds £	Expenditure on charitable activities £	Total 2023 £
Analysis of 2023 support costs			
Staff costs	207,975	255,281	463,256
Office rent and shared office costs	58,145	68,202	126,347
	266,120	323,483	589,603

The allocation of support costs is on a per capita basis, having regard to time spent by staff on either fundraising or charitable activities.

5 Analysis of governance costs

	2024 £	2023 £
Audit fees	18,422	14,640
Legal and professional	28,779	18,160
Trustees' expenses	1,608	663
Other	2,057	2,069
	50,866	35,532

6 Welfare expenditure

	2024 £	2023 £
Annuities	69,679	84,737
Counselling	16,225	10,911
Funeral costs	11,050	20,909
Christmas grants	21,778	23,634
Winter fuel grants	74,530	72,800
General living costs grants	494,150	429,627
Housing grants	280,166	255,960
Golden Friends' scheme	20,087	15,855
Legal support	17,520	-
	1,005,185	914,433
Grant management and other beneficiary support services	639,888	561,525
Total cost of grant making and other beneficiary support services	1,645,073	1,475,958

7 Employees and staff costs

	2024 Number	2023 Number
The average number of persons employed by the Charity during the year	21	19

Staff costs were as follows:

	2024 £	2023 £
Wages and salaries	974,409	812,598
Social security costs	107,222	89,610
Pension costs	100,892	82,643
	1,182,523	984,851

7 Employees and staff costs (continued)

The number of employees who received remuneration in excess of £60,000 is analysed as follows:

	2024 No.	2024 No.
£60,001 - £70,000	2	—
£80,001 - £90,000	1	1
£120,001 - £130,000	—	1
£130,001 - £140,000	1	—

The charity considers that the Key Management Personnel for financial reporting purposes comprises the trustees and the Chief Executive. The total Key Management Remuneration, including employer's national insurance and pension contributions, was £161,971 (2023: £155,027).

Trustees' remuneration and reimbursed expenses

In 2024 £1,608 was spent in respect of trustees (2023 - £663) - a dinner, flowers and a portrait of a former Chair.

8 Net movement in funds

	2024 £	2023 £
This is stated after charging:		
Depreciation	16,441	13,417
Amortisation	8,567	21,201
Auditor's remuneration:		
. Parent charitable company audit	12,900	12,100
. Subsidiary company audit	2,180	2,040
. Other (tax services)	2,035	1,850

9 Tangible fixed assets – group and charitable company

	Leasehold property £	Office refurbish- ments £	Furniture and fittings £	Office and other equipment £	Total £
Cost					
At 31 December 2023	863,339	116,065	41,782	69,392	1,090,578
Additions	—	—	7,615	31,700	39,315
Disposals	—	—	—	(2,736)	(2,736)
At 31 December 2024	<u>863,339</u>	<u>116,065</u>	<u>49,397</u>	<u>98,356</u>	<u>1,127,157</u>
1,129,893					
Depreciation					
At 31 December 2023	14,960	82,045	33,913	60,537	191,455
Charge for the year	880	5,040	2,357	8,164	16,441
On disposals	—	—	—	(2,736)	(2,736)
At 31 December 2024	<u>15,840</u>	<u>87,085</u>	<u>36,270</u>	<u>65,965</u>	<u>205,160</u>
Net book value					
At 31 December 2024	<u>847,499</u>	<u>28,980</u>	<u>13,127</u>	<u>32,391</u>	<u>921,997</u>
At 31 December 2023	<u>848,379</u>	<u>34,020</u>	<u>7,869</u>	<u>8,855</u>	<u>899,123</u>

The depreciation charge on the long leasehold property reflects the length of the leasehold which is 979 years.

10 Intangible fixed assets – group and charitable company

	Total £
Cost	
At 31 December 2023	143,345
Additions	7,966
At 31 December 2024	<u>151,311</u>
Amortisation	
At 31 December 2023	128,587
Charge for the year	8,567
At 31 December 2024	<u>137,154</u>
Net book value	
At 31 December 2024	<u>14,157</u>
At 31 December 2023	<u>14,758</u>

11 Investments – group and charitable company

	2024 £	2023 £
Market value		
As at 1 January	5,935,394	5,739,357
Additions at cost	1,517,395	2,009,252
Disposals	(1,538,422)	(2,037,471)
Realised losses	(1,209)	(6,736)
Unrealised gains	536,592	230,992
As at 31 December	<u>6,449,750</u>	<u>5,935,394</u>
Analysed as follows:		
United Kingdom investments	1,515,817	1,532,153
Non-United Kingdom investments	4,585,725	4,171,657
Cash and commodities held for investment	348,208	231,584
	<u>6,449,750</u>	<u>5,935,394</u>
Historical cost	<u>5,366,152</u>	<u>5,297,397</u>

The following holdings exceed 5% of portfolio value – Vanguard S&P 500 UCITS ETF (18%), HSBC FTSE-All World Index (11%), Schroder WM Global Sustainable Equity Fund (7%) and the SDPR S&P UCITS ETF (6%). The cash balances are not available for day to day transactions but are for the trading of investment assets.

12 Debtors

	Group 2024 £	Charitable company 2024 £	Group 2023 £	Charitable company 2023 £
Fundraising debtors	21,810	21,810	5,660	5,660
Trade debtors	263,454	—	204,648	—
Amounts due from trading subsidiary	—	278,947	—	—
Prepayments and accrued income	606,018	554,289	455,964	417,746
	<u>891,282</u>	<u>855,046</u>	<u>666,272</u>	<u>423,406</u>

13 Creditors: amounts falling due within one year

	Group 2024 £	Charitable company 2024 £	Group 2023 £	Charitable company 2023 £
Grants approved but unspent at year end	34,091	34,091	36,905	36,905
Trade creditors	72,144	15,986	26,889	24,455
Taxation and social security	28,272	28,272	23,646	23,646
Accruals and deferred income	439,945	101,791	407,075	101,952
Amounts due to trading subsidiary	—	—	—	5,967
Amounts due to related charity (note 21)	—	—	316,358	316,358
	574,452	180,140	810,873	509,283

Deferred income comprises:

	2024 £
Balance at the beginning of the year	43,190
Amount released to income in the year	(33,140)
Amount deferred in the year	29,000
Balance at the end of the year	39,050

Income is deferred until the charity has met any performance related conditions attached to the income.

14 Unrestricted funds

	Balance at 31 December 2023 £	Income £	Expenditure £	Transfers £	Gains on investments £	Balance at 31 December 2024 £
Charity						
General	—	2,745,362	(2,632,489)	(112,873)	—	—
Designated	7,226,502	—	(25,008)	338,394	535,383	8,075,271
Subsidiary company	225,521	1,013,951	(833,654)	(225,521)	—	180,297
Total	7,452,023	3,759,313	(3,491,151)	—	535,383	8,255,568

Transfers from the subsidiary company fund to the general and designated funds relate to the payment of the company's profit to the parent charity via a gift-aided donation. Transfers from designated funds to general funds are made to cover the charity's general day-to-day expenses.

14 Unrestricted Funds (continued)

Comparative information

	Balance at 31 December 2022 £	Income £	Expenditure £	Transfers £	Gains on investments £	Balance at 31 December 2023 £
Charity						
General	—	1,956,419	(2,338,723)	382,304	—	—
Designated	7,167,326	—	(34,618)	(130,462)	224,256	7,226,502
Subsidiary company	251,842	969,667	(744,146)	(251,842)	—	225,521
Total	7,419,168	2,926,086	(3,117,487)	—	224,256	7,452,023

15 Restricted funds

	Balance at 31 December 2023 £	Income £	Expenditure £	General fund Transfers £	Balance at 31 December 2024 Total £
Welfare	69,105	121,500	(96,002)	—	94,603
	69,105	121,500	(96,002)	—	94,603

Comparative information

	Balance at 31 December 2022 £	Income £	Expenditure £	General fund Transfers £	Balance at 31 December 2023 Total £
Welfare	47,490	112,500	(90,885)	—	69,105
	47,490	112,500	(90,885)	—	69,105

Welfare covers three specific programmes: the Golden Friends scheme, Winter Fuel grants and phone line rentals.

16 Pensions obligations

Stakeholder pensions

The Charity operates a stakeholder pension scheme. The assets of the scheme are held separately from those of the Charity, being invested with an insurance company.

	2024 £	2023 £
Total employer cost	100,892	82,643

17 Analysis of net assets between funds

	General funds £	Designated funds £	Restricted funds £	Total 2024 £	Total 2023 £
Fund balances at 31 December 2024 are represented by:					
Tangible assets	—	936,154	—	936,154	913,881
Investments	—	6,449,750	—	6,449,750	5,935,394
Net current assets	—	869,664	94,603	964,267	671,853
Net assets	—	8,255,568	94,603	8,350,171	7,521,128

Comparative information

	General funds £	Designated funds £	Restricted funds £	Total 2023 £
<i>Fund balances at 31 December 2023 are represented by:</i>				
Tangible assets	—	913,881	—	913,881
Investments	—	5,935,394	—	5,935,394
Net current assets	—	602,748	69,105	671,853
Net assets	—	7,452,023	69,105	7,521,128

18 Financial instruments

	Group 2024 £	Charitable company 2024 £	Group 2023 £	Charitable company 2023 £
Financial assets held at fair value	6,449,750	6,449,750	5,935,394	5,935,394
Financial assets held at amortised cost	932,701	130,874	1,026,762	537,869
Financial liabilities held at amortised cost	155,510	71,279	(89,650)	(81,449)

19 Taxation

Hospitality Action is a registered charity and therefore is not liable to income tax or corporation tax on income or gains derived from its charitable activities, as they fall within the various exemptions available to registered charities. Whilst the Charity's trading subsidiary company is not exempt from corporation tax on its taxable profits it is not expected that any taxation will arise as it is the intention of the company's directors to donate any such profits to the parent Charity.

20 Subsidiary undertaking

The subsidiary undertaking is Hospitality Action (Trading) Limited (registered company 03332706) which is incorporated in England and had net assets of £180,297 as at 31 December 2024 (2023: net assets of £225,531). In the year ended 31 December 2024 it had turnover of £1,013,951 (2023: £969,667) and expenditure of £833,654 (2023: £744,146). It will gift aid its taxable profit to the parent charity in 2025.

21 Related charity

The Charity was incorporated in 2003 and took over the majority of the assets of an unincorporated charity also known as Hospitality Action (Charity Number 208855). On 20 December 2023 the unincorporated charity sold a leasehold flat. This had been the sole asset of the unincorporated charity and had been vacated by the longstanding assured tenant in February 2022. The assets of the unincorporated charity of £316,358 were donated to the incorporated charity Hospitality Action during 2024. The unincorporated charity was closed during 2024, with its removal from the Central Register of Charities confirmed by the Charity Commission on 6th December 2024.

22 Related party

The Charity holds 20% of the shares of 62 Britton Street Ltd, a company, which holds the Charity's interest in the freehold of its premises. There are no outstanding balances between the Charity and the company.

23 Other related party transactions

Owing to the nature of the charity's operations and the composition of the Board of Trustees being drawn from the hospitality sector, it is inevitable that transactions will take place with organisations in which a member of the Board of Trustees may have an interest. All transactions involving such organisations are conducted at arm's length and on normal business terms.