

THE HOXTON TRUST
(A company limited by guarantee)

**DIRECTORS' AND TRUSTEES' REPORT
AND ACCOUNTS**

FOR THE YEAR ENDED 31ST MARCH 2021

Company No: 1659324
Charity No: 289423

THE HOXTON TRUST
(A company limited by guarantee)

REPORT AND ACCOUNTS

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CHAIR'S REPORT

FOR THE YEAR ENDED 31ST MARCH 2021

I am delighted to introduce this report for 2020/21, a year like no other, impacted by the Covid19 pandemic in a way no one could ever have predicted. Only a few years ago, I would have feared for the survival of the charity, but thanks to improvements in fundraising and finance, as well as organisational changes in the building that were carried out in previous years, we have been able to navigate the pandemic with relative confidence.

Income is in fact up significantly from £116,716 to £160,879. This is an excellent performance, despite our core income from rental properties actually falling from £77,408 to £65,549 because of the pandemic. Grants from the National Lottery helped cover some of that lost income while a grant from the Foyle Foundation covered some core costs. A grant from City Bridge (as part of the London Community Response Fund) allowed us to invest in systems and monies from Screwfix enabled much needed renovation on the building. Agulhas gave a very generous donation of £2,000 which went towards the upkeep of our community garden.

The Chancellors furlough scheme brought in £17,462 which allowed us to retain the majority of our staff despite most of them being unable to work most of the year.

Expenditure is up to £147,690 (£123,058 in 2019/20); that includes £22,800 of bad debt written off. Without this, the expenditure is stable. Despite the strange circumstances, it is always good to see costs under control. After a few turbulent years, I think we can confidently say that our base cost level is around £120,000. Given that we were forecasting a budget deficit, I am especially pleased by the financial performance. My thanks as ever go to our Executive Director, Paul Fleming, who has delivered an excellent result.

Covid19 had a huge impact on the work of The Hoxton Trust. For a period in April and May 2020, everyone was furloughed, other than Paul, the Executive Director, and our services were suspended and the garden closed. This was an incredibly stressful time for all, and I pay tribute to Paul's resilience and perseverance in adversity, and to our staff team – Margaret, Clarissa, Annietta, Stephen, Richard and Tony – for their patience and understanding. Paul was able to tap into the neighbourhood support groups that sprang up and we provided them with practical help, like printing, stationary and the storage of leaflets.

Thanks to a grant from the London Community Response Fund, we were able to invest in the facilitation of home working – all files on the cloud, a new, cloud-based case management system, staff laptops, etc. – and this meant that one of our advisors was able to return to work in May, albeit by working from home and supporting clients over the phone and by email. Thanks to hard work from Paul in ensuring a safe office environment with strict Covid protocols, the other advisor was able to return to office-based work from July. We understand the importance that our clients put on face-to-face contact so, as much as we could, the building remained open and, as the year went on, we began to introduce face to face appointments as well as the online and telephone support. We ended the year with a hybrid model of face-to-face, telephone and email support. Again, I'd like to thank Paul for making this possible, and our advisors, Clarissa and Margaret, for changing the ways in which they work. It remains to be seen whether we will return to our previous model of service delivery.

Sadly, the various lockdowns and the subsequent social distancing regulations meant that all our volunteers in reception, who support the legal advice service, were unable to continue. Only one, Hatun Koc, has returned. We also regret that the post Annietta Stapleton held became redundant and after 20 years of loyal service she left the payroll. I'd like to thank her for her efforts and thank her for continuing to work for the Trust, albeit that she is now working in a volunteer capacity.

Once the initial confusion regarding safe and unsafe places had passed, we were able to reopen the Community Garden in May, 2020, with social distancing information. This has been a vital 'safety valve' for the majority of people in the area who have no access to outdoor space. Whilst footfall was less than it had been in previous years, it is impossible to measure the *quality* of the visits. The garden served as an invaluable place in which to overcome the isolation and loneliness that the pandemic has created. My sincere thanks go to Richard and Steve, the two main volunteers, who kept the garden open and looking the best it could under the circumstances. My thanks also go to a local independent pub, The Howl at the Moon, who rented the garden in the evenings and weekends during the summer, not only creating additional access, as the garden would otherwise have been closed, but also generating much needed revenue for the Trust. Unfortunately, Stephen Mason, our community gardener, remained furloughed for 11 of the 12 months of 2020/21.

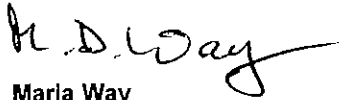
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CHAIR'S REPORT (Cont/d)

FOR THE YEAR ENDED 31ST MARCH 2021

I'd like to take this opportunity to thank all my fellow board members. Faced with such a crisis, we held monthly, virtual board meetings during the Spring and Summer, before returning to our usual quarterly meetings. Again, I am pleased that we showed the dexterity that was needed in order to support Paul throughout the crisis. Mrithula Shanker stood down as a Board member in December, 2020, as the pandemic forced her to leave the UK and return to her native Australia. May I thank Mrith for the time she gave to the Trust, her interest in our work and the efforts she made to improve the lives of the people we serve.

The impact that Covid19 will continue to have on The Hoxton Trust remains to be seen but, after the year we have had, I am more confident than ever about our ability to be here for our service users and for the Trust to continue on a firmer footing thanks to the changes we have put in place.



Marla Way
Chair

THE HOXTON TRUST
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DIRECTORS' AND TRUSTEES' REPORT
FOR THE YEAR ENDED 31ST MARCH 2021

The trustees are pleased to present their annual directors' report together with the financial statements of the charity for the year ended 31st March 2021, which are also prepared to meet the requirements for a directors' report and Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and the 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) issued in October 2019 (effective 1 January 2019).

OUR PURPOSE AND ACTIVITIES

Vision: Our vision is of a respectful and friendly community, where people help each other learn, develop and grow a network of support.

Mission: Our mission is to build the skills, knowledge and confidence of the community so that together we can make our area a better place to live. We do this by:

- Investing in people to enable them to realise their potential.
- Creating a mutually respectful, friendly, supportive environment where we work with people to help them learn, develop and solve their problems.
- Working with others (public, private and voluntary sector groups and organisations) to create a network of support for our community.

Charitable objects

The charity's objects ("Objects") are specifically restricted to the following:

- (1) The relief of financial hardship by the provision of free legal advice and assistance to persons who, through lack of means, would otherwise be unable to obtain such advice.
- (2) To advance the education and training of the public in the subject of horticulture and in the geography, history, natural history and architecture of Hoxton.
- (3) To develop the capacity and skills of the members of the socially and economically disadvantaged community of Hoxton / Shoreditch in such a way that they are better able to identify and, help to meet, their needs, and to participate fully in society.
- (4) The promotion, for the benefit of the public, of urban regeneration in areas of social and economic deprivation (and in particular in Hoxton in the London Borough of Hackney).
- (5) Such other means as may from time to time be determined by the Trust, subject to prior written consent of the Charity Commissioners for England & Wales.

Achievements and Performance

Hoxton Trust Community Garden

During the pandemic, when social contacts have to be limited and isolation and loneliness can become very real for many people, a quiet, safe outside space where people can come and be and socialise is a vital lifeline and tangible link to a normal life that has been temporarily lost. The Hoxton Trust Community Garden was that lifeline for many people during these last 12 months.

Initial government guidelines required the garden to be closed for 5 weeks at the start of the first lockdown, but we reopened with social distancing instructions on each bench as soon as we could. Many local residents are high risk and were shielding so although footfall was much reduced compared to a normal year, at least for those able to come, the garden was an oasis of sanity and calm amongst the wider craziness and often surreal nature of the global crisis.

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DIRECTORS' AND TRUSTEES' REPORT (Cont'd)

FOR THE YEAR ENDED 31ST MARCH 2021

All planned activities and events in the garden were inevitably cancelled as they involved people gathering together. Also, sadly we were forced to furlough our part time community gardener for 11 out of the 12 months. However, we were able to rely on two long standing volunteers, Richard and Steve, who helped us maintain minimum standards in the garden such as cutting the grass and weeding some beds. They kept the garden clean, tidy and welcoming to all visitors.

Part of our charitable objectives is to support local business and as a result we offered the local independent pub, The Howl at the Moon, the opportunity to hire the garden during the summer months, an offer they took us up on. Not only did this help them through the most difficult time of the pandemic, it also generated much needed income for us.

All volunteering, other than that given by Richard and Steve was cancelled and no corporate volunteering took place at all. Once the pandemic is over, we expect to be able to welcome corporate volunteers again. They bring us so much and our location and the range of activities we can offer, remains highly attractive to the corporate sector.

2020/21 was 12 months like no other and we are thankful to be able to look back and reflect on it. We are grateful of the importance of our garden to the community, but reminded that resources (people and money) are needed for us to be able to keep it going.

Hoxton Trust Legal Advice Services

The Legal Advice Service faced challenges never before seen. Our model of service delivery became obsolete from one week to the next and the long-term survival of the service was initially in doubt. The service was closed for 6 weeks from the end of March to the beginning of May, with both advisors furloughed and without any system or procedure to manage non-face-to-face contact with clients nor remote working.

In those six weeks we developed an emergency system, put in place in early May, which wasn't perfect but allowed one advisor to work remotely and therefore able to come off the furlough scheme. We were successful in applying to a grant from the London Community Response Fund, which allowed us to invest in systems that allowed home working; this included a new cloud-based reporting system, laptops, home printers and some staff re-training. These allowed us to change our model of service delivery surplus and thus, the other advisor was able to come off the furlough scheme by July. We also put in place robust Covid protocols in the office building, to protect staff, volunteers and clients alike. Instead of two morning drop-in sessions each week, we evolved into taking enquiries on the three days we are open, Monday, Tuesday and Thursday, whether that enquiry came from a visit to the building, a phone call or an email. For most of the year we rang or emailed the client back and attempted to resolve their issues without seeing them face to face. This is only partially effective and not especially satisfying, neither to us nor our clients.

It is not just the way we work that has been affected, the move to remote working at all the agencies we deal with, as well as a reluctance from some to return to office-based work even when safe, has also had an impact. For example, it takes longer to get through on the phone to the DWP; it's not unusual to be waiting more than an hour to get through. There are more online forms which take longer to complete and more uploading of documents which is not always successful due to the recipients IT failures and anyway, just takes longer to do than before. To make matters worse, the LB of Hackney suffered a significant cyber-attack in the autumn of 2020, the effects of which were felt throughout the rest of the period. This has meant many dealings with the council are slower and more laborious e.g., it takes much longer to upload documents and evidence onto their systems. This impacts detrimentally on how much we can do in the time we have.

Taking all these factors into consideration, we are actually pleased to be able to report we saw 572 different clients in the period and dealt with 933 different matters. 80% of clients came via our core advice service, the remaining 20% were clients we continued to support through our advice in health care settings project, funded by Hackney Council via East End CAB.

'Thank you from the depth of my heart. You always look after me' Mr M, February 2021.

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DIRECTORS' AND TRUSTEES' REPORT (Cont'd)

FOR THE YEAR ENDED 31ST MARCH 2021

59% of our clients were female, 42% of a white ethnicity, 34% of a black ethnicity and 12% from an Asian background. Over 80% live in our key postcode catchment areas – N1, N16, E2, E5, E8 and E9. At the end of the reporting period, we had resolved nearly 60% of the case work.

The largest area of our legal advice work is welfare related – making up 33% of all cases.

CASE STUDY

DS is a long-term client from the Greenhouse Practice who has known our adviser for many years. He doesn't trust many people but he trusts us. In April 2019, we helped him with a claim for Personal Independence Payment (PIP) which had been refused.

Our appeal was a decision on the grounds that DS finds every aspect of daily living as well as suffering from obsessive compulsion disorder which detrimentally impacts on his ability to actually leave the house. He calls 111 frequently, often feels the need to attend A&E and has anxiety and depression causing impairments of cognitive function.

Due to the pandemic, the appeal had to take place by phone which DS was required to attend, but on the day, he said he was coming but typically he was still 'an hour away' when the hearing started. I called him and asked him to say (via holding my mobile up to the telephone we were using for the hearing) that he would like the hearing to go ahead just with me, as his representative. The DWP accepted this during the hour of the hearing we were able to really explain the nature of his health problems and issues and how these impacted him in everything that he did.

DS and we were delighted when in December 2020 he was awarded (from April 2019 – April 2023) both PIP components at the enhanced (higher) rate.

After welfare, the second most important area of our advice work concerns housing, accounting for 28% of the total. Other areas of legal advice relate to money matters, issues with utility companies or consumer related issues, matters concerning employment or general legal matters. For example, and perhaps it is the impact of lockdown, but we gave information and advice on how to get a divorce to more people this year than ever before!

'Without you here, I wouldn't know what to do' Mr K, February 2020

Public benefit statement

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PD2)'. The achievements and activities above demonstrate the public benefit arising through the Charity's activities.

FINANCIAL REVIEW

The Statement of Financial Activities showed net surplus of £13,189 (2020 – deficit £6,342) for the year and reserves stand at £62,483 (2020 – £49,294). The financial position at the year revealed by the Balance Sheet on page 11 shows net current assets or working capital of £58,176 (2020 – £45,263). The net book value of fixed assets held, all of which are used directly for charitable purposes, amounted to £4,307 (2020 – £4,031).

Principal funding sources

The Hoxton Trust continues to rely heavily on rental income from various leasehold properties. However, we have steadily diversified our income over the last 3 years and now receive a significant grant from Trust for London, as well as the ongoing contract with East End Citizens Advice, to deliver advice in health care settings. 2020/21 was a particularly successful year for generating income from additional charitable trusts and foundations.

Investment powers and policy

The Memorandum and Articles of Association authorises the Trustees to expend the funds of the Charity in such manner as they shall consider most beneficial for the achievement of the objects and to invest in the name of the Charity such part of the funds as they may see fit and to direct the sale or transposition of any such investments and to expend the proceeds of any such sale in furtherance of the objects of the charity. At the present time the Trust does not invest its money.

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DIRECTORS' AND TRUSTEES' REPORT (Cont'd)

FOR THE YEAR ENDED 31ST MARCH 2021

Reserves policy

Reserves are needed to bridge the gap between the receiving and spending of income and to cover unplanned emergency repairs and other expenditure such as redundancies. The trustees considered that the ideal level of reserves as at 31st March 2021 would be a minimum of 4 months' expenditure (around £55,000). This is reviewed in the light of changes to activity, staffing and funding, and is monitored as part of the budgeting process.

The year-end accounts showed reserves of £62,483 (2020 - £49,294). The unrestricted funds not designated or invested in tangible fixed assets held by the charity are £58,176 (2020 - £45,263).

The trustees have reviewed the circumstances of the Charity for the foreseeable future and are of the view that the Charity is a going concern.

FUTURE PLANS AND DEVELOPMENTS

1. We will undertake a significant community engagement exercise to clarify the needs of the local community, post-pandemic with a view to developing projects and activities with the Community Garden as the venue.
2. The engagement exercise will allow us to produce a new 3-year strategic plan (2022-25) with accompanying fundraising strategy
3. We will continue to apply robust financial management procedures, adopted in 2018, that have completely turned around the charity's prospects. For the first time in 4 years, we are looking to the future with confidence.
4. Collaborative working with other community groups, organisations and stakeholders across the borough is central to our philosophy and we will continue to work hard to maintain and improve these.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Hoxton Trust is registered under the Companies Act 1985 as a company limited by guarantee and not having a capital divided by shares.

The company was incorporated on 8th August 1982 and was registered as a charity on 18th May 1984.

The company was established under the Memorandum of Association, which established the objects and power of the charitable company and is governed under the Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1. The charity registration number is 289423 and the company registration number is 1659324.

Recruitment and appointment of Trustees

Individuals are sought who have an interest in one or more areas of work of The Hoxton Trust, and can offer areas of specialism where appropriate. At each general meeting one-third of the directors must retire from Office. This will be by rotation, those who have been longest in office since their last appointment. A director shall cease to hold office if (s)he is absent without permission of the directors from all their meetings held within a period of six consecutive months, and the directors resolve that his / her office be vacated.

Trustee Induction and training

New trustees are inducted on the work and culture of The Hoxton Trust and on the roles and responsibilities of Trustees.

The Trustees maintain a good working knowledge of charity and company law and best practise by attendance at charity and company courses run by outside providers. New Trustees are given copies of the Memorandum and Articles of Association.

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DIRECTORS' AND TRUSTEES' REPORT (Cont'd)

FOR THE YEAR ENDED 31ST MARCH 2021

Organisation

The board of trustees (who are also directors) shall not be less than three and there is no maximum number. The company is organised so that the Trustees meet quarterly, whereby any major risks to which the charity is exposed are reviewed and systems and procedures are established to manage those risks. If the need arises, there will be occasional extra meetings to discuss problems which arise unexpectedly. Trustees host annual Trust consultation meetings with staff and volunteers to inform the decision making by Trustees about the future direction of the Trust.

The daily operations are the responsibility of the Executive Director who has overall responsibility for the various projects and reports formally on a monthly basis to the Chair, in addition to the quarterly board meetings.

Related parties

The Trust works closely with the London Borough of Hackney, East End Citizens Advice, Family Action and Derman to help shape and fund our legal advice service. We also work with East London Business Alliance (ELBA) who offer training and organisational development support.

Risk Management

The trustees have a risk management approach and following a review by officers of the major risks to which the charity is exposed a risk register has been established. The three main areas highlighted are:

- Funding (development of varied funding streams);
- Appropriate financial procedures are in place;
- Health and safety risks are minimised.

These risks are managed by ensuring that robust policies and processes are in place and appropriate training is provided for staff.

REFERENCE AND ADMINISTRATIVE DETAILS

Company Number: 01659324

Charity Number: 289423

Directors

Maria Way – Chair
Lelah Palmer – Treasurer
Richard Bartram
Warren Drew
Brogan McPherson
Victoria Actua
Rev Ben Bell
Ruth Lomax
Mrithula Shanker (Res'n 14/12/20)

Secretary: Paul Fleming

Senior Management Personnel: Paul Fleming – Executive Director

Registered Office: 156 Hoxton Street, London N1 6SH

Independent Examiner: David Terry FCA,
Ramon Lee Ltd, 93 Tabernacle Street, London EC2A 4BA

Bankers: Bank of Scotland, London Chief Office Branch, P.O. Box 1000, BX2 1LB

Solicitors: Nicholas & Co., 18-22 Wigmore Street, London W1U 2RG

THE HOXTON TRUST
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DIRECTORS' AND TRUSTEES' REPORT (Cont/d)

FOR THE YEAR ENDED 31ST MARCH 2021

Trustees' responsibilities in relation to the financial statement

The Trustees (who are also directors of The Hoxton Trust 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 which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure for that period.

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

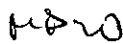
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures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

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for 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.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

APPROVED BY THE TRUSTEES AND SIGNED ON THEIR BEHALF BY:



Maria Way
Director / Chair

13th December 2021



Richard Bartram
Director / Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF

THE HOXTON TRUST

(A company limited by guarantee)

I report on the accounts of the company for the year ended 31st March 2021.

This report is made solely to the charity's trustees, as a body, in accordance with the Charities Act 2011. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my Independent Examination, for this report, or for the opinions I have formed.

Respective responsibilities and basis of report

As the charity's trustees of the Company (who are also the directors of the company for the purposes of company law), you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ("the 2006 Act").

Having satisfied myself that the accounts of the Company are not required to be audited for this year under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ("the 2011 Act"). In carrying out my examination, I have followed the Directions given by the Charity Commission (under section 145(5)(b) of the 2011 Act).

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention which gives me cause to believe that:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006; or
- the accounts do not accord with such records; or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- the accounts have not been prepared in accordance with the Charities SORP (FRS102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



DAVID TERRY FCA
RAMON LEE LTD
CHARTERED ACCOUNTANT

93 TABERNACLE STREET
LONDON EC2A 4BA

13th DECEMBER 2021

THE HOXTON TRUST
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STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31ST MARCH 2021

SUMMARY INCOME AND EXPENDITURE ACCOUNT

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Income					
Donations	2	9,288	-	9,288	3,462
Income from charitable activities	3	54,112	31,930	86,042	35,846
Income from other trading activities	4	65,549	-	65,549	77,408
Total income		<u>128,949</u>	<u>31,930</u>	<u>160,879</u>	<u>116,716</u>
Expenditure					
Cost of raising funds	5	25,482	-	25,482	23,952
Expenditure on charitable activities	5	90,278	31,930	122,208	99,106
Total expenditure		<u>115,760</u>	<u>31,930</u>	<u>147,690</u>	<u>123,058</u>
Net income/(expenditure)		13,189	-	13,189	(6,342)
Transfer between funds		-	-	-	-
Net movement in funds for the year		<u>13,189</u>	<u>-</u>	<u>13,189</u>	<u>(6,342)</u>
<i>Reconciliation of funds</i>					
Total funds, brought forward		49,294	-	49,294	55,636
Total funds, carried forward		<u>62,483</u>	<u>-</u>	<u>62,483</u>	<u>49,294</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the above two financial periods.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the above movement in funds for the above two financial periods.

The notes on pages 13 to 21 form part of these accounts.

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BALANCE SHEET AS AT 31ST MARCH 2021

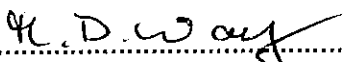
	Notes	2021	2020
		£	£
Fixed assets			
Tangible assets	10	4,307	4,031
Current assets			
Debtors	11	3,142	3,834
Cash at bank and in hand		59,435	54,468
		<u>62,577</u>	<u>58,302</u>
Liabilities			
Creditors falling due with in one year	12	<u>(4,401)</u>	<u>(13,039)</u>
Net current assets		58,176	45,263
Net assets		<u>62,483</u>	<u>49,294</u>
The funds of the charity			
Unrestricted funds	13	62,483	49,294
Restricted funds	13	-	-
Total charity funds		<u>62,483</u>	<u>49,294</u>

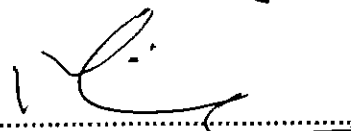
For the financial year ended 31st March 2021 the company was entitled to exemption from audit under section 477 Companies Act 2006. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

The directors acknowledged their responsibilities for ensuring that the company keeps accounting records which comply with Section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial period and of its profit or loss for the financial period in accordance with the requirements of Section 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as is applicable to the company.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime within Part 15 of the Companies Act 2006.

These financial statements were approved by the Board of Directors and Trustees on 13th December 2021 and were signed on its behalf by:

.....  MARIA WAY (DIRECTOR / CHAIR)

.....  RICHARD BARTRAM (DIRECTOR / TRUSTEE)

Company Number: 01659324

The notes on pages 13 to 21 form part of these accounts.

THE HOXTON TRUST
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NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 2021

1. ACCOUNTING POLICIES

1.1 Basis of preparation of accounts

The financial statements have been prepared in accordance with the 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)) (issued in October 2019 effective 1 January 2019) – (Charity SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Hoxton Trust meets the definition of a public benefit entity under FRS 102.

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

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

1.2 Preparation of accounts on a going concern basis

The Charity's Financial Statements show free reserves of £58,176 as at the year end. The trustees are of the view that these results and fundraising plans for the future have secured the immediate future of the Charity for the next 12 months and on this basis the Charity is a going concern.

1.3 Income recognition

Income is recognised when the Charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and amount can be measured reliably.

- (a) Income received by donations is included in full in the Statement of Financial Activities when received, unless they relate to a specified future period, in which case they are deferred.
- (b) Income from charitable activities received by way of revenue grants and donations are credited to restricted incoming on the earlier date of when they are received or when they are receivable, unless they relate to a specified future period, in which case they are deferred.
- (c) Grants and donations of general nature which are not conditional on delivering certain levels of service are included as part of Donations as shown under Note 2. Performance related grants and donations which have conditions for a specific outcome are include as Income from Charitable Activities as shown in Note 3.
- (d) Income from charitable activities include income recognised as earned (as the related goods and services are provided) under contract.
- (e) Rental income and service charge income are credited to income in the year in which they are receivable.

1.4 Volunteers and donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Charity is not recognised in the main body of the financial accounts but detail is contained in the Trustees report.

On receipt, donated professional services, donated facilities and goods are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

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NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 2021

1.5 Expenditure recognition and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

- (a) Cost of raising funds comprises costs of seeking donations and property rental costs and their associated support costs.
- (b) Expenditure on charitable activities include expenditure associated with the main objectives of the charity and include both the direct costs and support costs relating to these activities.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

1.6 Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the Charity's programmes and activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The basis on which support costs have been allocated are set out in note 6.

1.7 Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity.

Restricted funds are donations which the donor has specified are to be solely used for particular areas of the Charity's work or for specific projects being undertaken by the Charity.

1.8 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Individual fixed assets costing £1,000 or more are capitalised at cost.

Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases.

Computer equipment	- 25% straight-line method
Office equipment	- 25% straight-line method
Office furniture	- 25% straight-line method

1.9 Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.10 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term cash deposits.

1.11 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.

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NOTES TO THE ACCOUNTS (Cont'd)

FOR THE YEAR ENDED 31ST MARCH 2021

1.12 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.13 Taxation

The Charity is a registered charity and, therefore, is not liable for Income Tax or Corporation Tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

1.14 Judgement and key sources of estimation uncertainty

In the application of the company's accounting policies, the charity is required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

1.15 Cash flow statement

The charitable company qualifies as a small company and advantage has been taken of the exemption provided by SORP (FRS 102) as amended by Bulletin 1, not to prepare a cash flow statement.

1.16 Pension

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 charge represents contributions payable by the charity to the fund. The charity has no liability under the scheme other than for the payment of those contributions.

2. GRANTS AND DONATIONS

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Donations	9,288	-	9,288	3,462
	<u>9,288</u>	<u>-</u>	<u>9,288</u>	<u>3,462</u>

Donation income in 2020 totalling £3,462 was all attributed to unrestricted funds.

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NOTES TO THE ACCOUNTS (Cont/d)
FOR THE YEAR ENDED 31ST MARCH 2021

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
<i>Grants and donations:</i>				
Legal advice				
Trust for London	-	14,500	14,500	14,500
London Legal Support Trust	-	-	-	5,000
Social Action for Health (HIAC)	-	-	-	1,596
East End Citizens Advice Bureaux	-	15,000	15,000	14,750
Neighbourly Community Fund	400	-	400	-
City Bridge Trust	13,750	-	13,750	-
National Lottery Community Fund	12,500	-	12,500	-
The Screwfix Foundation	-	2,430	2,430	-
The Foyle Foundation	8,000	-	8,000	-
Furlough grant	17,462	-	17,462	-
Community Gardening				
Agulhas donation	2,000	-	2,000	-
	<u>54,112</u>	<u>31,930</u>	<u>86,042</u>	<u>35,846</u>

Income from charitable activities in 2020 totalling £35,846 was attributed to unrestricted funds of £14,750 and restricted funds of £21,096.

4. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted Funds £	Total 2021 £	Total 2020 £
Rental income	65,549	65,549	77,408
	<u>65,549</u>	<u>65,549</u>	<u>77,408</u>

The other trading income in 2020 totalling £77,408 was all attributed to unrestricted funds.

5. ANALYSIS OF EXPENDITURE

	Raising funds £	Legal advice £	Community gardening £	Total 2021 £	Total 2020 £
Salary costs	13,955	48,395	22,489	84,839	84,290
Volunteers expenses	-	233	467	700	617
Premises costs	8,316	5,665	5,665	19,646	21,764
Other direct project costs	-	-	6,831	6,831	2,277
Support costs (Note 6)	3,049	22,695	8,130	33,874	12,310
Governance costs (Note 6)	162	1,206	432	1,800	1,800
	<u>25,482</u>	<u>78,194</u>	<u>44,014</u>	<u>147,690</u>	<u>123,058</u>

Of the £147,690 expenditure in 2021 (2020 - £123,058), £115,760 was charged to unrestricted funds (2020 - £99,673) and £31,930 to restricted funds (2020 - £23,385).

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NOTES TO THE ACCOUNTS (Cont/d)
FOR THE YEAR ENDED 31ST MARCH 2021

6. ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

The Charity initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Governance costs and other support costs are apportioned separately between charity's key activity undertaken (see note 5) in the year. All the general support and governance costs have been apportioned to the various charitable activities on the basis of staff time allocated to each activity.

	Support costs £	Governance costs £	Total 2021 £	Total 2020 £
Finance and administration staff	6,088	-	6,088	5,404
Communication and IT costs	4,010	-	4,010	5,135
Legal and professional costs	934	-	934	1,092
General office costs	20	-	20	678
Bad debts	22,822	-	22,822	-
Independent Examiner's fee	-	1,800	1,800	1,800
	<u>33,874</u>	<u>1,800</u>	<u>35,674</u>	<u>14,109</u>

7. NET INCOME/(EXPENDITURE) FOR THE YEAR

This is stated after charging:

	2021 £	2020 £
Independent Examination	<u>1,800</u>	<u>1,800</u>

8. ANALYSIS OF STAFF COSTS, TRUSTEES REMUNERATION AND EXPENSES, AND COST OF KEY MANAGEMENT PERSONNEL

STAFF COSTS	2021 £	2020 £
Salaries	84,098	84,656
National Insurance	1,864	2,761
Pension contributions	2,325	2,275
Redundancy pay	2,532	-
	<u>90,819</u>	<u>89,692</u>

No employee had employee benefits in excess of £60,000 (2020 - £nil).

No Trustees received reimbursed expenses during the year (2020 - £nil).

The key management personnel of the charity comprise the Executive Director. The total employee benefits of the key management personnel of the charity were £34,815 (2020 - £31,147).

During the year, £2,532 was paid to 1 member of staff for redundancy pay. Only statutory redundancy pay was paid.

9. STAFF NUMBERS

The average monthly number of staff employed by the charity during the year was as follows:

Direct charitable work	2.5	3.1
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The average monthly number of persons employed by the company during the year was 7 (2020 - 7).

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NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 31ST MARCH 2021

10. TANGIBLE FIXED ASSETS

	2021	2020
	£	£
Net book value:		
Fixtures, fittings and equipment	491	1,435
Computer Equipment	3,816	2,596
	<u>4,307</u>	<u>4,031</u>
Movements in the period:		
Cost or valuation:		
	Opening	Closing
	Balances	Balances
	£	£
Fixtures, fittings and equipment	20,777	21,431
Computer Equipment	3,461	6,242
	<u>24,238</u>	<u>27,673</u>
	<u>24,238</u>	<u>27,673</u>
Depreciation:		
	Opening	Closing
	Balances	Balances
	£	£
Fixtures, fittings and equipment	19,342	20,940
Computer Equipment	865	2,426
	<u>20,207</u>	<u>23,366</u>
	<u>20,207</u>	<u>23,366</u>

11. DEBTORS

	Total	Total
	2021	2020
	£	£
Trade Debtors	3,142	3,834
	<u>3,142</u>	<u>3,834</u>
	<u>3,142</u>	<u>3,834</u>

12. CREDITORS: amounts falling due within one year

	Total	Total
	2021	2020
	£	£
Accruals	2,144	2,846
Deferred income (Note 14)	-	7,250
Other creditors	478	1,445
Taxation and social security	1,779	1,498
	<u>4,401</u>	<u>13,039</u>
	<u>4,401</u>	<u>13,039</u>

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NOTES TO THE ACCOUNTS (Cont'd)
FOR THE YEAR ENDED 31ST MARCH 2021

13. MOVEMENT IN FUNDS

	Balance as at 01.04.20 £	Income £	Expenditure £	Transfer £	Balance as at 31.03.21 £
Restricted funds:					
Legal Advice Service	-	31,930	31,930	-	-
	-	31,930	31,930	-	-
Unrestricted funds:					
General funds	49,294	128,949	115,760	-	62,483
Total funds	49,294	160,879	147,690	-	62,483

Movement in funds – previous year

	Balance as at 01.04.19 £	Income £	Expenditure £	Transfer £	Balance as at 31.03.20 £
Restricted funds:					
Equipment	2,289	-	2,289	-	-
Legal Advice Service	-	21,096	21,096	-	-
	2,289	21,096	23,385	-	-
Unrestricted funds:					
General funds	53,347	95,620	99,673	-	49,294
Total funds	55,636	116,716	123,058	-	49,294

Description, nature and purpose of restricted funds:

- **Equipment** – Funding towards purchase cost of IT equipment.
- **Legal Advice Service** – Funding towards provision of free legal advice.
- **Furlough grant** – Funding towards employee cost.

Description, nature and purpose of unrestricted funds:

General funds: General fund represents funds available to spend at the discretion of the Trustees.

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NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 31ST MARCH 2021

14. DEFERRED INCOME

	Total 2021 £	Total 2020 £
Balance as at 1st April	7,250	-
Amount released to income in the year	(7,250)	-
Amount Deferred in the year	-	7,250
Balance as at 31st March	<u>-</u>	<u>7,250</u>

Deferred income in 2019-20 represented income received in advance for 2020/21:
Trust for London £7,250 towards salary costs of a welfare rights advisor

15. ANALYSIS OF FUND BALANCES BETWEEN NET ASSETS

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Tangible fixed assets	4,307	-	4,307	4,031
Net Current assets	58,176	-	58,176	45,263
	<u>62,483</u>	<u>-</u>	<u>62,483</u>	<u>49,294</u>

ANALYSIS OF FUND BALANCES BETWEEN NET ASSETS – previous year

	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
Tangible fixed assets	4,031	-	4,031	2,869
Net Current assets	45,263	-	45,263	52,767
	<u>49,294</u>	<u>-</u>	<u>49,294</u>	<u>55,636</u>

16. PENSION

The pension cost charge represents contributions payable by the charity to the fund and amounted to £2,325 (2020 - £2,275). Contributions totalling £478 (2020 - £445) were payable to the fund at the year end and are included in creditors.

17. RELATED PARTY TRANSACTIONS

During the year, the charity received rental income of £2,750 (2020 - £9,000) from The Migrant Law Partnership Ltd in which Richard Bartram is the sole director.

There are no other related party transactions.

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NOTES TO THE ACCOUNTS (Cont'd)
FOR THE YEAR ENDED 31ST MARCH 2021

18. SHARE CAPITAL

The company is limited by guarantee and does not have a share capital divided by shares.

19. OPERATING LEASE COMMITMENT

At 31st March 2021, the Charity had annual commitments under non-cancellable operating leases as follows:

	2021	2020
	£	£
In One Year	18,000	18,000
Two to five years	16,008	34,008
	<u>34,008</u>	<u>52,008</u>