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**HOUNSLOW EDUCATION BUSINESS CHARITY
REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD FROM INCORPORATION
ON 15TH OCTOBER 2010 TO 31ST MARCH 2012**

**Trading as 'Hounslow Education Business Partnership'
A company limited by guarantee and not having a share capital
Company Registered in England No: 07409565 | Charity No: 1138697**

HOUNSLOW EDUCATION BUSINESS CHARITY
FINANCIAL STATEMENTS
FOR THE PERIOD FROM INCORPORATION
ON 15TH OCTOBER 2010 TO 31ST MARCH 2012

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HOUNSLOW EDUCATION BUSINESS CHARITY

REPORT OF THE TRUSTEES

FOR THE PERIOD FROM INCORPORATION

ON 15TH OCTOBER 2010 TO 31ST MARCH 2012

The Trustees submit their Report and the Financial Statements of Hounslow Education Business Charity for the period ended 31st March 2012.

The accounts have been prepared in accordance with relevant accounting standards, the requirements of the Statement of Recommended Practice (SORP) Accounting and Reporting by Charities issued by the Charity Commissioners in March 2005, the Companies Act 2006 and the Financial Reporting Standard for Smaller Entities (effective April 2008).

REFERENCE AND ADMINISTRATIVE INFORMATION

Registered Office of the Charity: 108-9 High Street, Brentford, Middlesex TW8 8AT.

Work Experience & Internships Service and the Hounslow Learning Service are located at The Clock Tower EMC2, Great West Road, Brentford, Middx, TW8 9AN.

The Business Links Service is kindly hosted by GlaxoSmithKline at GSK House, 980 Great West Road, Brentford, Middx TW8 9GS.

Company number 07409565. Charity Number 1138697

The Trustees are as reported on page 4.

The Charity's principal advisers during the year were:

Independent Examiners

Knox Cropper
Chartered Accountants
8/9 Well Court
London EC4M 9DN

Bankers

Barclays Bank
2 York Street
Twickenham
TW1 3LE

Solicitors

Bates Wells and Braithwaite LLP
2-6 Cannon Street
London
EC4M 6YH

Book-keepers

Brentford Book-keepers
Suite 40, The Market Building
191-195 High Street
Brentford
Middlesex TW8 8LB

Human Resources

Julie Fewtrell
83 Harley House
Marylebone Road
London NW1 5HN

HOUNSLOW EDUCATION BUSINESS CHARITY
REPORT OF THE TRUSTEES
FOR THE PERIOD FROM INCORPORATION
ON 15TH OCTOBER 2010 TO 31ST MARCH 2012
(continued)

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Hounslow Education Business Charity is a company limited by guarantee with no share capital incorporated on 15th October 2010 and governed by its Memorandum and Articles of Association dated 27th August 2010.

Directors and Trustees

The Directors of the charitable company (the charity) are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees.

The Trustees serving during the course of the financial period and up to the date of approval of the accounts were:

Philip Miller (Chairman)
David Brockie
Michael Pears
Marjorie Semple
William Tyler
Kate Vintiner

The Trustees have no beneficial interest in the Company.

The members of the charity are William Tyler, Michael Pears and Philip Miller. William Tyler also sits on the board of Docking Station, of which Hounslow Education Business Charity is the Sole member.

The Company Secretary is Andrew Dakers who also serves as Director of the Charity (in a non Trustee Director capacity), leading the staff team.

Appointment of Trustees

Hounslow Education Business Charity is governed by a board of trustees whose members are elected as the need arises by ordinary resolution. The Trustees who have served during the period are set out above.

Trustees Induction and Training

New trustees are provided with detailed information on their legal obligations under charity law and what the role will entail. Their training needs will be assessed, and training provided if required. In addition new Trustees will be provided with copies of:

- the Memorandum and Articles of Association of the Charity
- Board papers from the last year including the accounts

New trustees are introduced to fellow Board members and to senior staff. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

HOUNSLOW EDUCATION BUSINESS CHARITY

REPORT OF THE TRUSTEES

FOR THE PERIOD FROM INCORPORATION

ON 15TH OCTOBER 2010 TO 31ST MARCH 2012

(continued)

Organisational Structure

The Board of Trustees administers the charity. The board meets on at least a quarterly basis. The day to day operations of the charity are administered by the Charity Director. To facilitate effective operations, senior staff members have delegated authority, within terms of delegation approved by the Trustees, for operational matters including finance.

Risk Management

The Trustees are in the process of identifying the risks to which the Charity might be exposed, including risks to the Charity's financial position and reputation. Once these have been reviewed, systems will be established to address these risks. The Trustees, going forward, will review risk management on an annual basis.

AIMS, OBJECTIVES AND ACTIVITIES

Aims & Objectives

The Charity's objects are to advance the education of the public, in particular but not exclusively young people, pupils and students in the London Borough of Hounslow, by the provision of advice and guidance in relation to careers, training and personal development opportunities with the object of improving their employability and to enable them to reach their full potential so they will be better prepared for adult and working life.

Public Benefit

The Trustees confirm that they have considered the general guidance issued by the Charity Commission in connection with public benefit in setting the objectives of the charity and in particular they have considered how planned activities further the charity's objects.

Achievements and Performance

This has been a year of significant change for the charity with the transfer of staff and assets from its predecessor body Hounslow Education Business Partnership (unincorporated association) under a formal transfer agreement. This came at a time of significant change in the Education Business Partnership Organisation world with the withdrawal of Government subsidies at short notice, taking effect from 1 April 2011. Despite these challenges, and a consequent restructure, the staff team's focus has remained on high quality and efficient delivery. Throughout the process the charity has been backed up by the sustained and solid support of all our key stakeholders.

Employability Hub – Work started on developing an Employability Hub centre of excellence with the Institute for Education Business Excellence to build the capacity of schools and businesses with whom we work.

Business Links Service – Delivered 5000+ individual Work Related Learning opportunities to young people from local schools.

Hounslow Learning Service – Delivered The Wex Factor (GCSE equivalent qualification in employability skills) to 200+ students, as well as 20+ Apprenticeships in Business Administration.

Work Experience & Internships Service – Delivered 3000+ placements to young people from the London Borough of Hounslow, backed up by 1300+ health and safety visits.

HOUNSLOW EDUCATION BUSINESS CHARITY

REPORT OF THE TRUSTEES

FOR THE PERIOD FROM INCORPORATION

ON 15TH OCTOBER 2010 TO 31ST MARCH 2012

(continued)

PLANS FOR FUTURE PERIODS

The trustees will keep the performance of the charitable company under close review. In the next 12 months the charity will be implementing a business plan that includes:

- Continuing to innovate in the delivery of its Work Experience & Internship Service, as well as Business Links Service;
- Undertaking a full review of the Hounslow Learning Service to establish a financially sustainable delivery model for the future;
- Developing a new brand for the charity as it seeks to establish a fresh and inspiring identity more reflective of its work programme and socio-economic impact; and
- Diversifying our fundraising approach to ensure future sustainability and greater impact.

TRANSFER OF RESERVES

During the year the reserves from the predecessor organisation, Hounslow Education Business Partnership, were transferred to Hounslow Education Business Charity, totalling £286,894.

FINANCIAL REVIEW

Overview

Excluding the transfer of reserves from the predecessor organisation the Charity had net incoming resources for the period of £15,151. Incoming Resources excluding the transfer amounted to £389,440, including grants of £1,000. Resources expended amounted to £374,289, with Charitable Activities amounting to £368,252. The balance on reserves at 31st March 2012 amounted to £302,045, of which £301,045 represented Unrestricted Funds, and these were represented by net assets of £290,636 and tangible fixed assets of £11,409.

Reserves Policy

Until a pattern of charitable expenditure has been established, the Trustees are unable to formulate a long term policy, or to determine an optimal level of reserves balances. They consider ideally that reserves should be held equal to six months current core expenditure to continue funding in the event of interruptions to its income stream. They also consider the need to provide funds for the orderly winding down of the charitable activities should funding not be attainable.

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Trustees are responsible for preparing the report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law and the law applicable to charities in England and 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 its incoming resources and application of resources, including the income and expenditure, for the financial period. In preparing these financial statements the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles of 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; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Charity will continue to operate.

HOUNSLOW EDUCATION BUSINESS CHARITY
REPORT OF THE TRUSTEES
FOR THE PERIOD FROM INCORPORATION
ON 15TH OCTOBER 2010 TO 31ST MARCH 2012
(continued)

The Trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time, the financial position of the Charity and to enable them to ensure that the financial statements comply with the Companies Act 2006 and the Charity (Accounts and Reports) Regulations 2008. They are also responsible for safeguarding the assets of the Charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The above 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 Board of Trustees on 12th July 2012 and signed on its behalf by

A handwritten signature in black ink that reads "Philip Miller". The signature is written in a cursive style with a large initial 'P'.

Philip Miller
(Chairman during the period reported)

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

OF HOUNSLOW EDUCATION BUSINESS CHARITY

I report on the accounts of the company for the period ended 31st March 2012, which are set out on pages 9 to 16.

This report is made to the Trustees, (who are also directors of the company for the purposes of company law), as a body, accordance with the terms of my engagement. Our work has been undertaken so that we might carry out an Independent Examination of the financial statements in accordance with the General Directions given by the Charity Commissioners. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees, as a body, for our work or for this report.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND EXAMINER

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts, as set out below, the charity's trustees consider that an audit is not required for this period under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The Charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a member of the Institute of Chartered Accountants in England and Wales.

Hounslow Education Business Charity (1138697) has been granted a dispensation under Regulation 34(3)(b) of the Charities (Accounts and Reports) Regulations 2008.

The trustees have confirmed that for the purposes of this dispensation they have elected for an independent examination in place of an audit as though this option were available under section 145 of the 2011 Act. This dispensation from the audit requirements of section 144(2) is for the financial period ended 31 March 2012 only and allows an independent examination in place of an audit for this particular financial period.

This dispensation is given based upon the information provided by the trustees that the charity is small charitable company not subject to the audit requirements of Part 16 of the Companies Act 2006 and that the exceptional circumstances outlined would mean that an audit under the 2011 Act would be a disproportionate burden in this instance and that there is no constitutional or other requirement on the charity which requires the performance of an audit.

This dispensation is also conditional on the trustees sending to the Commission the independent examination report made to the trustees with respect to the accounts of the charity for the particular financial year to which this dispensation applies.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

BASIS OF INDEPENDENT EXAMINER'S REPORT

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and the seeking of explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and, consequently, no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES
OF HOUNSLOW EDUCATION BUSINESS CHARITY**

INDEPENDENT EXAMINER'S STATEMENT

In connection with my examination, no matter has come to my attention:

- which gives me reasonable cause to believe that, in any material respect, the requirements:
 - (a) to keep accounting records in accordance with section 386 of the Companies Act 2006, and
 - (b) to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met, or

- to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

**Greg Stevenson FCA
Knox Cropper
Chartered Accountants**

**8/9 Well Court
London EC4M 9DN**

12th July 2012

HOUNSLOW EDUCATION BUSINESS CHARITY
STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING THE INCOME & EXPENDITURE ACCOUNT)
FOR THE PERIOD FROM INCORPORATION
ON 15TH OCTOBER 2010 TO 31ST MARCH 2012

	Notes	Restricted Funds	Unrestricted Funds	Total Funds 2012
		£	£	£
Incoming resources				
Incoming resources from generated funds				
Voluntary Income				
Grants	2	1,000	-	1,000
Incoming resources from charitable activities				
Charitable Income	3	30,000	358,440	388,440
		31,000	358,440	389,440
Reserves transferred from Predecessor Organisation		-	286,894	286,894
Total incoming resources		31,000	645,334	676,334
Charitable activities	4	30,000	338,252	368,252
Governance costs	5	-	6,037	6,037
Total resources expended		30,000	344,289	374,289
Net income and net movement in funds for the year	9	1,000	301,045	302,045
Total funds brought forward at 15th October 2010		-	-	-
Total funds carried forward 31st March 2012		£1,000	£301,045	£302,045

There were no recognised gains or losses other than those stated above.

All incoming resources and resources expended derive from continuing activities. As this is the first period of operation for the Charitable Company, there are no corresponding amounts.

The notes on pages 12 to 16 form part of these financial statements.

HOUNSLOW EDUCATION BUSINESS CHARITY

BALANCE SHEET

AS AT 31ST MARCH 2012

	Notes	£	2012 £
Fixed assets			
Tangible fixed assets	11		11,409
Current Assets			
Debtors	12	155,191	
Cash at Bank and in Hand		234,146	
Current Liabilities		<u>389,337</u>	
Creditors: Amount falling due within one year	13	(98,701)	
Net Current Assets			290,636
Net Assets			<u>£302,045</u>
Financed by:			
Restricted funds			1,000
Unrestricted funds			301,045
Total Funds			<u>£302,045</u>

These accounts have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006. For the financial period ended 31st March 2012 the company was entitled to exemption from audit under section 477 of the Companies Act 2006; and no notice has been deposited under section 476.

The Trustees acknowledge their responsibility for ensuring that the charitable company keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the charitable company as at the end of the financial period and of its income and expenditure for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to the accounts, so far as applicable to company law.

The accounts were approved by the Trustees on 12th July 2012 and signed on their behalf by:



Philip Miller
(Chairman during the period reported)

Charity Number: 1143901b Company Number: 07521549

The notes on pages 12 to 16 form part of these financial statements.

HOUNSLOW EDUCATION BUSINESS CHARITY

NOTES TO THE ACCOUNTS

FOR THE PERIOD FROM INCORPORATION

ON 15TH OCTOBER 2010 TO 31ST MARCH 2012

1. ACCOUNTING POLICIES

The more important policies adopted by the charity, are as follows:

(a) **Basis of Accounting:**

These financial statements have been prepared under the historical cost convention, in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Statement of Recommended Practice (Accounting and Reporting by Charities) issued by the Charity Commissioners in March 2005 and the Companies Act 2006.

(b) **Incoming resources:**

Voluntary income is recognised in the year in which the charity is entitled to receipt and the amount can be measured with reasonable certainty. Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or the donor has specified that the income has to be spent in a future period.

(c) **Expenditure:**

Expenditure is accounted for on an accruals basis. Overhead costs are allocated between the headings of Costs of Generating Funds, Charitable Activities and Governance Costs. Support costs are apportioned over these headings on a basis consistent with the usage of resources.

(d) **Tangible fixed assets:**

Tangible fixed assets are capitalised at cost and depreciated. Depreciation is provided by the straight-line method, calculated to write off assets over their estimated useful lives at the following rates:

Office equipment	25%
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Annual review of the possibility of asset impairment is undertaken.

(d) **Cash Flow:**

The charity has relied on the exemptions available under FRS1 on the basis of being a small undertaking, and has not produced a cash flow statement.

(e) **Funds structure:**

Unrestricted funds consists of those funds which the charity may use in furtherance of its charitable objects at the discretion of the Trustees. Restricted funds exist for situations where a donor requires that a donation must be spent on a particular purpose or where funds have been raised for a specific purpose.

(f) **Value Added Tax:**

The Charity is not registered for VAT and accordingly, where applicable, all costs and expenditures incurred are inclusive of VAT.

HOUNSLOW EDUCATION BUSINESS CHARITY

NOTES TO THE ACCOUNTS

FOR THE PERIOD FROM INCORPORATION

ON 15TH OCTOBER 2010 TO 31ST MARCH 2012

(continued)

2. VOLUNTARY INCOME

	Restricted	Unrestricted	2012 Total
	£	£	£
Grants	1,000	-	1,000
	-	-	-
	<u>£1,000</u>	<u>£-</u>	<u>£1,000</u>

3. INCOME FROM CHARITABLE ACTIVITIES

	Restricted	Unrestricted	2012 Total
	£	£	£
Business Links	-	160,653	160,653
Hounslow Learning	-	133,074	133,074
Work Experience	-	54,713	54,713
Central Income	30,000	10,000	40,000
	<u>£30,000</u>	<u>£358,440</u>	<u>£388,440</u>

4. CHARITABLE ACTIVITIES

	Restricted	Unrestricted		Total
	£	Direct Costs (Note 6) £	Support Costs (Note 7) £	£
Business Links	-	24,146	45,050	69,196
Hounslow Learning	-	41,988	64,987	106,975
Work Experience	-	40,743	84,466	125,209
Central	30,000	26,303	10,569	66,872
	<u>£30,000</u>	<u>£133,180</u>	<u>£205,072</u>	<u>£368,252</u>

5. GOVERNANCE COSTS

	Restricted	Unrestricted	2012 Total
	£	£	£
Accountancy Costs	-	5,037	5,037
Independent Examination	-	1,000	1,000
	<u>£ -</u>	<u>£6,037</u>	<u>£6,037</u>

HOUNSLOW EDUCATION BUSINESS CHARITY

NOTES TO THE ACCOUNTS

FOR THE PERIOD FROM INCORPORATION

ON 15TH OCTOBER 2010 TO 31ST MARCH 2012

(continued)

6. DIRECT COSTS

	Business Links	Hounslow Learning	Work Experience	Central	Total
	£	£	£	£	£
Core Costs	17,052	-	17,361	-	34,413
Other Costs	1,015	2,766	16,751	93	20,625
H & S Visits	-	-	1,464	-	1,464
WEX Factor Costs	-	22,729	-	-	22,729
Apprenticeship Costs	-	16,493	-	-	16,493
Docking Station	-	-	-	30,134	30,134
Innovation Fund	-	-	-	6,929	6,929
Advertising & PR Costs	6,079	-	5,167	19,147	30,393
	<u>£24,146</u>	<u>£41,988</u>	<u>£40,743</u>	<u>£56,303</u>	<u>£163,180</u>

7. SUPPORT COSTS

	Business Links	Hounslow Learning	Work Experience	Central	Total
	£	£	£	£	£
Light, Heat & Power	410	2,280	3,625	(468)	5,847
Travelling Expenses	1,327	442	2,267	1,494	5,530
Printing & Stationery	1,105	2,556	2,003	1,243	6,907
Maintenance	441	441	441	441	1,764
General Expenses	1,254	1,254	1,254	1,254	5,016
Gross Wages	35,624	53,436	57,889	1,484	148,433
Depreciation	-	-	-	390	390
Transfer related costs	2,144	1,949	11,401	3,995	19,489
Professional Fees	395	359	2,100	736	3,590
IT Support	2,350	2,270	3,486	-	8,106
	<u>£45,050</u>	<u>£64,987</u>	<u>£84,466</u>	<u>£10,569</u>	<u>£205,072</u>

8. STAFF COSTS AND TRUSTEE REMUNERATION

No remuneration, directly or indirectly, out of the funds of the Charity, was paid or is payable for the period to any Trustee or to any person or persons known to be connected with any of them.

	2012
	£
Gross Salaries	134,121
Employer's National Insurance	8,271
Employer's Pensions Insurance	6,041
	<u>£148,433</u>

HOUNSLOW EDUCATION BUSINESS CHARITY
NOTES TO THE ACCOUNTS
FOR THE PERIOD FROM INCORPORATION
ON 15TH OCTOBER 2010 TO 31ST MARCH 2012
(continued)

9. NET INCOMING RESOURCES

This is stated after charging:	£
Depreciation	390
	390

10. TAXATION

Hounslow Education Business Charity is exempt from Taxation in respect of Income and Capital Gains received to the extent that such income or gains are applied exclusively to charitable purposes.

11. TANGIBLE FIXED ASSETS

	Office Equipment	Total
	£	£
Cost:		
Balance brought forward 15th October 2010	-	-
Additions	11,799	11,799
Balance carried forward 31 st March 2012	11,799	11,799
Accumulated depreciation:		
Balance brought forward 15th October 2010	-	-
Charge for period	390	390
Balance carried forward 31 st March 2012	390	390
Net book value		
As at 31 st March 2012	£11,409	£11,409

12. DEBTORS

	2012
	£
Amounts due from associated and subsidiary undertaking	2,086
Trade debtors	153,105
	£155,191

HOUNSLOW EDUCATION BUSINESS CHARITY
NOTES TO THE ACCOUNTS
FOR THE PERIOD FROM INCORPORATION
ON 15TH OCTOBER 2010 TO 31ST MARCH 2012
(continued)

13. CREDITORS

	2012
	£
Trade Creditors	36,003
Accrued Expenses	53,000
PAYE & NI	9,698
	£98,701

14. NET ASSETS BETWEEN FUNDS

	Restricted Funds	Unrestricted Funds	Total
	£	£	£
Tangible fixed assets	-	11,409	11,409
Net Current Assets	1,000	289,636	290,636
	£1,000	£301,045	£302,045

15. RELATED PARTY TRANSACTIONS

Hounslow Education Business Charity is the only subscriber to the memorandum of Docking Station a Charitable Company and would therefore be obliged to contribute £10 in the event of Docking Station being wound up.

Hounslow Education Business Charity has the right to appoint one Trustee, whilst the Board of Trustees of Docking Station include at all times two trustees who are neither employees nor Trustees of Hounslow Education Business Charity.

In the period Hounslow Education Business Charity received £30,000 of restricted income on behalf of Docking Station.

At the year end £2,086 was owed to Hounslow Education Business Charity from Docking Station.