



Company number: 07578738

Toynbee Hall Trading Limited

Report and financial statements

For the year ended 31 March 2020

Toynbee Hall Trading Limited

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For the year ended 31 March 2020

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Toynbee Hall Trading Limited

Reference and administrative details

For the year ended 31 March 2020

Status	The organisation is a company limited by share capital, incorporated on 25 March 2011
Company number	07578738
Registered address	28 Commercial Street London E1 6LS
Operational address	28 Commercial Street London E1 6LS
Directors	Richard Allan Howard Jackson James Minton David Warner
Independent auditor	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG

Toynbee Hall Trading Limited

Report of the directors

For the year ended 31 March 2020

The directors present their report and the audited financial statements for the year ended 31 March 2020.

Principal activities and review

Toynbee Hall Trading Limited (THT) is a subsidiary company which is wholly owned by Toynbee Hall. THT's main business activities are:

- Venue Hire
- Management Consultancy
- Organisational Development Consultancy
- Organisational Development Training
- Personal Development Training
- Sales of Advice Services

Turnover for THT this year was £422,845 (2019: £233,191). All profits available for distribution by THT are gift aided to Toynbee Hall. The company made a profit of £29,772 in the current year following the successful relaunch of the Venue Hire business. The prior year's loss of £19,863 reflects the costs of restarting the business.

Post balance sheet event

The Coronavirus pandemic had a minimal effect on the result for the year but led to the suspension of the Venue Hire business, which drastically reduced the income of the company for the year to 31 March 2021.

Following the year end, Toynbee Hall raised additional funding so that it could increase its support to THT to ensure that it would have sufficient working capital until it could resume its normal trading levels.

The directors and their interests

The directors who served during the year are listed on page 1. The directors do not hold any shares.

The one share of the company is held by Toynbee Hall, a company limited by guarantee and a registered charity.

Responsibilities of the directors

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they

Toynbee Hall Trading Limited

Report of the directors

For the year ended 31 March 2020

give a true and fair view of the state of affairs of the company and the profit or loss of the company for that period.

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

- Select suitable accounting policies and then apply them consistently;
- Make judgements and accounting 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 company will continue in operation.

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

Each of the directors confirms that so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware. Each of the directors also confirms that he/she has taken all the steps that ought to have been taken to ensure that he/she is aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

The auditor, Haysmacintyre LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

The directors' report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the directors on 22nd December 2020 and signed on their behalf by



David Warner
Director

Independent Auditor's report

To the members of

Toynbee Hall Trading Limited

Opinion

We have audited the financial statements of Toynbee Hall Trading Limited (the 'company') for the year ended 31 March 2020 which comprise the Statement of Comprehensive Income, the Statement of Changes in Equity, the Balance Sheet and the related notes, including a summary of significant accounting policies. 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 company's affairs as at 31 March 2020 and of its profit 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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Independent Auditor's report

To the members of

Toynbee Hall Trading Limited

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors 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 directors' report and from the requirement to prepare a strategic report.

Independent Auditor's report

To the members of

Toynbee Hall Trading Limited

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on pages 2 and 3, the directors 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 directors 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 directors are responsible for assessing the 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 directors either intend to liquidate the 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.

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



.....
Richard Weaver (Senior Statutory Auditor)
for and on behalf of Haysmacintyre LLP, Statutory Auditor
10 Queen Street Place
London EC4R 1AG

Date: 23 December 2020

Toynbee Hall Trading Limited**Statement of comprehensive income****For the year ended 31 March 2020**

	Note	2020 Total £	2019 Total £
Turnover		422,845	233,191
Cost of sales		(289,462)	(215,810)
Gross profit		133,383	17,381
Administrative expenses		(103,611)	(37,244)
Profit on ordinary activities before taxation		29,772	(19,863)
Taxation on profit on ordinary activities	4	-	-
Profit/ (loss) for the financial year		29,772	(19,863)

All of the above results are derived from continuing activities (and includes all comprehensive income).

Statement of changes in equity**For the year ended 31 March 2020**

	Note	Share capital £	Profit and loss account £	Total
Shareholder's funds at 1 April 2018		1	25,767	25,768
Loss for the year		-	(19,863)	(19,863)
Profits distributed to Toynbee Hall under gift aid	5	-	(25,767)	(25,767)
Shareholder's funds at 31 March 2019		1	(19,863)	(19,862)
Shareholder's funds at 1 April 2019		1	(19,863)	(19,862)
Profit for the year		-	29,772	29,772
Profits distributed to Toynbee Hall under gift aid	5	-	-	-
Shareholder's funds at 31 March 2020		1	9,909	9,910

Toynbee Hall Trading Limited

Balance sheet

Company no. 07578738

As at 31 March 2020

	Note	£	2020 £	2019 £
Fixed assets				
Tangible assets	6		31,256	39,780
			31,256	39,780
Current assets				
Debtors	7	63,323	119,866	
Cash at bank and in hand		83,378	40,218	
		146,701	160,084	
Creditors				
Amounts falling due within one year	8	(168,047)	(159,726)	
Net current (liabilities)/ assets			(21,346)	358
Total assets less current liabilities			9,910	40,138
Creditors: amount falling due after more than one year	9		-	(60,000)
Net assets/ (liabilities)			9,910	(19,862)
Capital and reserves				
Called up share capital			1	1
Profit and loss account			9,909	(19,863)
Total shareholder's funds/ (deficit)			9,910	(19,862)

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 section 1A - small entities.

The financial statements were approved and authorised for issue by the Board of Directors on 22 December 2020 and signed on behalf of the Board of Directors:



David Warner
Director

1 Accounting policies

a) Statutory information

Toyndbee Hall Trading Ltd is a private company limited by shares and is incorporated in England and Wales (registration no. 07578738). The registered office address is 28 Commercial Street, London E1 6LS.

b) Basis of preparation

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

c) Going concern

When the company restarted its venue hire business in 2018/19, in order to provide sufficient working capital until this activity started to generate profits, the directors arranged a three-year loan facility of £100k from the parent company with repayment due by 15 August 2020.

During the year, the venue hire business had developed in line with expectations having achieved a turnover of approximately £400k. Unfortunately, with the Covid 19 pandemic, the business ceased in March 2020 and only started to resume activities in September 2020. The further lockdown in November 2020 had an impact of the relaunch although some income was achieved.

The company had drawn down £60k of the loan by 31 March 2020 but, as a result of the pandemic, was unable to repay this by the due date.

The parent company decided that it was in the long term interests of the Charity to ensure that the venue hire business was sustained and after the year end, it obtained a grant of £25k for this purpose, increased the facility to £125k and extended the loan term to 31 March 2023. In addition, the Charity obtained a further grant that enabled it to contribute £26k towards the staff costs of the subsidiary.

With the development of vaccines, the directors are satisfied that the venue hire business will resume during 2021 and, with the additional support, they consider that there are no material uncertainties about the company's ability to continue as a going concern.

d) Income

Turnover represents net invoiced sales of goods and services, exclusive of VAT.

Income is recognised when goods or services have been delivered to customers such that risks and rewards of ownership have transferred to them.

Long term contracts are assessed on a contract by contract basis and reflected in the profit and loss account by recording turnover and related costs as contract activity progresses. Turnover is ascertained in a manner appropriate to the stage of completion of the contract and credit taken for profit earned to date when the outcome of the contract can be assessed with reasonable certainty.

e) Tangible fixed assets

Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities.

Assets are reviewed for impairment annually and any impairment loss is recognised where the recoverable amount of the asset is less than its carrying amount.

Fixtures, fittings and equipment are stated at cost, less accumulated depreciation, which is provided on a straight line basis at the rate of 33% p.a. for computer equipment and 20% p.a. for other assets. Items of equipment are capitalised where the purchase price exceeds £100.

f) 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.

g) Creditors

Short term trade creditors are measured at the transaction price.

Toynbee Hall Trading Limited

Notes to the financial statements (continued)

For the year ended 31 March 2020

1 Accounting policies (continued)

h) Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors.

Debt instruments (other than those wholly repayable or receivable within one year), including other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received.

Cash and cash equivalents is represented by cash at bank and in hand.

2. Staff costs

No emoluments are paid to any director.

The average number of employees during the year was 2 (2019: 1).

Staff costs were as follows:

	2020	2019
	£	£
Salaries and wages	86,717	26,348
Social security costs	9,306	2,958
Employer's contribution to defined contribution	3,285	688
	<u>99,308</u>	<u>29,994</u>

3. Profit before tax is stated after charging:

	2020	2019
	£	£
Auditor's remuneration:		
Audit	4,169	3,186
Other services	880	798
	<u>880</u>	<u>798</u>

4. Taxation

There is no liability to corporation tax because of taxable losses arising in earlier periods exceeding taxable profits.

5. Distributions

	2020	2019
	£	£
Profit donated to Toynbee Hall under gift aid	-	25,767
	<u>-</u>	<u>25,767</u>

Profits donated to Toynbee Hall are paid within nine months after the financial year end to enable corporation tax relief to be obtained within the financial year in line with the Corporation Tax Act 2010 Part 6.

Toynbee Hall Trading Limited

Notes to the financial statements (continued)

For the year ended 31 March 2020

6. Tangible fixed assets

	Furniture, £	IT equipment £	Total £
Cost			
At the start of the year	39,897	1,636	41,533
Additions in year	-	-	-
At 31 March 2020	<u>39,897</u>	<u>1,636</u>	<u>41,533</u>
Depreciation			
At the start of the year	1,560	193	1,753
Charge for the year	7,979	545	8,524
At 31 March 2020	<u>9,539</u>	<u>738</u>	<u>10,277</u>
Net book value			
At 31 March 2020	<u>30,358</u>	<u>898</u>	<u>31,256</u>
At 31 March 2019	<u>38,337</u>	<u>1,443</u>	<u>39,780</u>

7. Debtors

	2020 £	2019 £
Trade debtors	46,170	117,888
Prepayments and accrued income	14,490	467
Other debtors	2,663	1,511
	<u>63,323</u>	<u>119,866</u>

8. Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	21,900	21,166
Accrued expenditure	5,511	38,372
Deferred income	49,565	57,463
Taxation and social security	8,661	15,114
Amounts due to parent company	80,393	25,885
Other creditors	2,017	1,726
	<u>168,047</u>	<u>159,726</u>

9. Creditors: amounts falling due after one year

	2020 £	2019 £
Amounts due to parent company	<u>-</u>	<u>60,000</u>

10. Related party transactions

The company has taken advantage of the exemptions not to disclose any transactions with its parent undertaking conferred by FRS 102 on the grounds that it is a wholly owned subsidiary and the company's results are included in the consolidated results of the parent undertaking.

11. Post balance sheet event

At 31 March 2020, the company owed its parent company £60k arising from a £100k loan facility due to be repaid on 15 August 2020. Due to the Coronavirus pandemic and the restrictions on the operations of the company after the year-end, the company was not in a position to repay this debt.

The parent company decided that it was in the long term interests of the Charity to ensure that the venue hire business was sustained and after the year end, it obtained a grant of £25k for this purpose, increased the facility to £125k and extended the loan term to 31 March 2023. In addition, the Charity obtained a further grant that enabled it to contribute £26k towards the staff costs of the subsidiary.

11. Ultimate controlling party

The company's ultimate parent undertaking and controlling party is Toynbee Hall, a registered charity (number: 211850) and company limited by guarantee (number: 00020080, registered office; 28 Commercial Street, London, E1 6LS). Copies of the consolidated financial statements are available from the Charity Commission. The company donates available profits to its parent undertaking.