

**Friends House (London)
Hospitality Limited**

**Annual Report and
Financial Statements**

31 December 2013



Company Registration Number
6204129 (England and Wales)

Legal and administrative information

Directors	Peter Coltman (Chairman) Val Brittin (from June 16, 2013) Nick Francis (from January 1, 2013) John Marsh David Olver (from January 1, 2013) Peter Ullathorne
Registered office	173 Euston Road London NW1 2BJ
Registered number	6204129 (England and Wales)
Auditors	Mazars LLP Times House Throwley Way Sutton Surrey SM1 4JQ
Bankers	The Co-operative Bank 60, Kingsway Strand London WC2B 6DS
Solicitors	Bates, Wells & Braithwaite LLP 2-6 Cannon Street London EC4M 6YH

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part of the statutory financial statements:

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Chairman's statement on behalf of the Board, for year to 31 December 2013

The Company is a wholly owned subsidiary of Britain Yearly Meeting of the Religious Society of Friends (Quakers) ('BYM'). The Company shares the ethos and values of its parent and seeks to put those values into practice in the provision of hospitality services to those who visit Friends House in London.

Closing the Large Meeting House for refurbishment with consequent loss of income presented a challenge to the Company which has nonetheless increased its turnover to £2,784,665 (2012 £2,731,362) an increase of £53,303 (1.95%). Profit before tax at £236,658 (2012 £189,038) increased by 25.19%. The directors are pleased with the result and propose that the Company make a gift-aided donation of £236,638 to BYM.

Plans for marketing The Large Meeting House have occupied the Company. Experience had shown that the name caused confusion to non-Quaker customers and so a second name – 'The Light' – was chosen for sales purposes because it was felt that this reflected both the physical and the spiritual dimensions of the space. A new website is under construction and plans for the launch are under way; the marketing budget has been increased accordingly. Key messages in the campaign include location, environment, pricing, facilities, sustainability and service.

The directors are concerned that the Company should be known for its witness to the Quaker values of integrity, equality, simplicity and sustainability. They work continually both to improve the service offered to customers and to improve employment procedures. A new booking system has been installed which will facilitate customer interface. Some staff restructuring has taken place and attention has been given to variable hours contracts. A Training Academy has been established to ensure that all staff receive the competency training and acquire the life skills they need to excel in their work role, as well as for their own personal development. The Company is also taking part in a scheme to help prisoners gain work experience prior to release.

Finally, we are pleased to welcome to the Company Val Brittin, Nick Frost and David Olver as new directors.

Directors' report 31 December 2013

The Directors present their report together with the financial statements of the Company for the year ended 31 December 2013.

Principal activity

The principal activity of the Company in the year under review was the provision of meeting rooms, conference facilities, hospitality and restaurant services at Friends House, Euston Road, London. The Company is a wholly owned subsidiary of Britain Yearly Meeting of the Religious Society of Friends (Quakers), a charity registered in England and Wales, Charity Registration Number 1127633.

Review of business

A summary of the results of the year is given on page 6 of the financial statements.

Turnover amounted to £ 2,784,665 (2012 - £2,731,362) and a net profit of £296,658 (2012 - £189,038) was achieved after the deduction of rent and other overheads. The Company's profits are donated to Britain Yearly Meeting of the Religious Society of Friends (Quakers) via Gift Aid. During the year under review a donation of £189,038 was made. This is deemed a charitable contribution.

Future developments

The activities of the Company are kept under constant review with the objective of improving the facilities and services at Friends House.

Directors

The directors who held office during the year and to the date of this report were as follows:

Peter Coltman (Chairman)
Val Britfin (from June 16, 2013)
Nick Francis (from January 1, 2013)
John Marsh
David Olver (from January 1, 2013)
Peter Ullathorne

None of the directors had any beneficial interests in the issued ordinary share capital of the Company at any time during the period.

Directors' report 31 December 2013

Directors' responsibilities

The directors are responsible for preparing the annual report and financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ follow applicable accounting standards, 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 business.

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

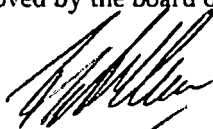
Each of the directors confirms that:

- ◆ so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- ◆ the director has taken all steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of the Companies Act 2006.

In preparing this report the directors have taken advantage of the small companies exemptions provided by s415A of the Companies Act 2006.

Approved by the board of directors on February 27, 2014 and signed on its behalf by:



Peter Coltman

Director

Independent auditors' report 31 December 2013

Independent auditors' report to the members of Friends House (London) Hospitality Limited

We have audited the financial statements of Friends House (London) Hospitality Limited for the year ended 31 December 2013, which comprise the Profit and Loss Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors. 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 member those matters we are required to state to it 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 member as a body for our audit work, for this report or for the opinions we have formed.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 and of its result 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.

Independent auditors' report 31 December 2013

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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.

N J Wakefield

**Nicola Wakefield (Senior statutory auditor)
for and on behalf of Mazars LLP, Chartered Accountants and Statutory Auditors**

Times House
Throwley Way
Sutton
Surrey
SM1 4JQ

22 April 2014

Profit and loss account Year to 31 December 2013

	Notes	Year to 31 December 2013	Year to 31 December 2012
		£	£
Turnover	1	2,784,665	2,731,362
Administrative expenses		2,544,257	2,539,087
Trading Profit		240,408	192,275
Interest paid		(3,750)	(3,237)
Profit on ordinary activities before Gift Aid	2	236,658	189,038
Gift Aid	3	(236,658)	(189,038)
Profit on ordinary activities before taxation		—	—
Taxation	3	—	—
Profit for the financial year		—	—
Retained profit at 1 January 2013		—	—
Retained profit at 31 December 2013		—	—

All of the company's activities derived from continuing operations.

The company has no recognised gains and losses other than those shown above and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the profit on ordinary activities before taxation and the profit for the financial year stated above, and their historical cost equivalents.

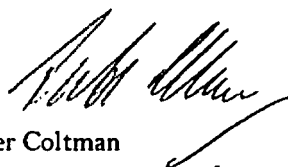
The notes on pages 8 to 11 form part of these financial statements.

Balance sheet 31 December 2013

	Notes	2013 £	2013 £	2012 £	2012 £
Current assets					
Stock		3,703		5,139	
Debtors	4	403,021		310,459	
Cash at bank and in hand		2,259		58,790	
		<u>408,983</u>		<u>374,388</u>	
Creditors: amounts falling due within one year	5	<u>158,981</u>		<u>124,386</u>	
Net current assets			<u>250,002</u>		<u>250,002</u>
Total assets less current liabilities			<u>250,002</u>		<u>250,002</u>
Creditors: amounts falling due after one year	6		<u>250,000</u>		<u>250,000</u>
			<u>2</u>		<u>2</u>
Capital and reserves					
Equity interests:					
Called up share capital	7		2		2
Profit and loss account			—		—
Shareholder's funds	8		<u>2</u>		<u>2</u>

The financial statements have been prepared in accordance with the special provisions relating to the small companies regime within Part 15 of the Companies Act 2006.

Approved by the board of directors and signed on their behalf by:



Peter Coltman

Director

Approved on: 27th February 2014

The notes on pages 8 to 11 form part of these financial statements.

Principal accounting policies 31 December 2013

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the going concern concept. The preparation of the financial statements is in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Turnover

Turnover consists of revenue at invoiced value, excluding VAT.

Cash flow

The financial statements do not include a cash flow statement because the company, as a wholly owned subsidiary, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 'Cash flow statements'.

Stock

All stock is valued at the lower of cost and net recoverable value.

Notes to the financial statements 31 December 2013

1 Turnover

Turnover and the profit on ordinary activities before taxation arise solely from the company carrying out its principal activity in the United Kingdom.

2 Profit on ordinary activities before Gift Aid and taxation

	Year to 31 December 2013 £	Year to 31 December 2012 £
This is stated after charging:		
Auditors' remuneration		
. Audit	5,900	5,800
. Other services	1,500	1,500

None of the directors received any remuneration from the Company (2012 - £nil).

3 Gift Aid and taxation

During the year the company made a donation of £189,038, equal to its 2012 taxable profits, to its parent charity. The directors propose to gift aid the entire 2013 profit of £236,658 to its parent charity.

No taxation was payable for the year (2012 - £nil).

4 Debtors

	2013 £	2012 £
Trade debtors	283,939	151,070
Amount owing by parent undertaking (note 9)	119,082	159,389
	403,021	310,459

5 Creditors: amounts falling due within one year

	2013 £	2012 £
Trade creditors	81,904	26,120
Deposits and other income in advance	21,812	84,055
Accruals, deferred income and other creditors	55,265	14,211
Amount due to parent undertaking (note 9)	-	-
	158,981	124,386

Notes to the financial statements 31 December 2013

6 Creditors: amounts falling due within one year

	2013 £	2012 £
Amount due to parent undertaking (note 9)	250,000	250,000

The Company's parent charity has advanced the sum of £250,000 to the Company for the purposes of providing working capital. The loan is secured by a fixed and floating charge over the assets and undertaking of the Company and is repayable on the giving of 24 months' written notice. Interest is payable quarterly at a rate of one percentage point above the Co-operative Bank base rate for the time being, calculated on a daily basis.

7 Called up share capital

	2013 £	2012 £
Authorised 1,000 ordinary shares of £1 each	1,000	1,000
Allotted, called up and fully paid 2 ordinary shares of £1	2	2

8 Reconciliation of movements in shareholder's funds

	2013 £	2012 £
Equity Funds		
Retained profit for the financial year	—	—
Opening shareholder's funds at 1 January 2013	2	2
Closing shareholder's funds at 31 December 2013	2	2

9 Ultimate parent and controlling party

The company is a wholly owned subsidiary of Britain Yearly Meeting of the Religious Society of Friends (Quakers), (the ultimate parent), a charity registered in England and Wales (Charity Registration No.1197698). The principal address of Britain Yearly Meeting of the Religious Society of Friends (Quakers) is Friends House, 173 Euston Road, London NW1 2BJ.

Notes to the financial statements 31 December 2013

10 Related parties

<u>Related party</u>	<u>Nature of relationship</u>
Britain Yearly Meeting of the Religious Society of Friends (Quakers)	Parent

As a 100% controlled subsidiary undertaking, Friends House (London) Hospitality Limited is exempt from the requirement to disclose such transactions under Financial Reporting Standard 8 'Related Party Disclosures'.

There were no other related party transactions (2012 - none).