

REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2020
FOR
TOWER HAMLETS MISSION CIO

S. Cobbin & Co Limited
Chartered Accountants &
Registered Auditor
15a Station Road
Epping
Essex
CM16 4HG

TOWER HAMLETS MISSION CIO

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FOR THE YEAR ENDED 31ST MARCH 2020

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TOWER HAMLETS MISSION CIO

TREASURER'S REPORT
FOR THE YEAR ENDED 31ST MARCH 2020

The year has been another good one with occupancy levels remaining high for most of the year. Fund-raising for both the Sponsorship Scheme and general purposes has gone well and we benefitted greatly from two legacies. Near the start of the year we replaced our minibus with one compliant with the new Low Emission Zone. We are planning to replace the boiler and radiators in the next 12-18 months but are conscious of the effect Covid-19 could have on our finances so are proceeding with caution.

We have maintained our Strategic Reserve which is our safety net to keep the work going if finances do get tight either through changes in the funding regime or a lower level of occupancy. Those funds are invested in the Ruffers Charity Asset Trust and like many investments during this time of uncertainty firstly with Brexit and now with Covid-19 they have had their ups and downs, but have never fallen below the level we would require as a safety net. We are also now re-investing dividends on these investments so as to make allowance for inflation on the level of reserve required.

The staff is our most important resource giving the Charity the 'family' feel which the residents appreciate and value and which helps the residents achieve the results they desire. We thank the staff for their hard work. The Sponsorship Scheme supports residents where external funding cannot be found. We regard this as an important part of our activities and are pleased to report that this year £26,900 was received and £78,164 was spent.

The overall result was an increase in general funds of £114,083, including £51,100 from legacies. We are as always looking to God in our decision making and thank Him for His past supply and look to Him for the future supply of people and finance to operate this important ministry.

TOWER HAMLETS MISSION CIO
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST MARCH 2020

The trustees present their report with the financial statements of the charity for the year ended 31st March 2020. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Tower Hamlets Mission is a Christian charity, committed to working with people suffering from alcohol and/or drug dependency, who are homeless, or in danger of becoming homeless and are receiving state benefits. Our aim is to enable them to break the cycle of chronic addiction definitively and to rebuild purposeful, stable lives through the provision of high quality, comprehensive, and long term residential therapy, rehabilitation and resettlement.

There are currently 3 part-time administrative staff, 9 full time and 3 part-time therapy staff.

Public benefit

Tower Hamlets Mission aims to help residents break from their addictions and rebuild a purposeful life free from drugs and / or alcohol.

This is achieved through a programme made up of three stages, increasing independence for the individual throughout. Each resident receives group therapy, one to one counselling, completes a written therapy programme, has peer to peer support and is also helped at a practical level with benefits and debt advice, liaison with courts / legal matters, given help with budgeting and catering and also assisted with gaining entry into education and / or voluntary work.

The benefits can be measured in many ways. Some of these include better health, a break from criminal activity, better relationships with families and children and a new sense of hope and purpose.

The benefits spread wider to the family, friends and children of the resident who have often struggled with their relationship and to society in general who are no longer burdened with carrying the weight of the resident's illness (in terms of NHS, Criminal Justice System and Welfare Benefits)

Fundraising Activities

Tower Hamlets Mission's approach to fundraising is to raise funds from Grant Making Charities and Companies to support its annual budget and to fund 'one off' capital projects wherever necessary. This is achieved by written applications detailing the work of the Mission and its Objects and stating the current financial need. The applications are accompanied by the Mission's most recent financial statements and annual report.

Tower Hamlets Mission is registered with the Fundraising Regulator and is a member of the Institute of Fundraising and complies with recognised standards.

Tower Hamlets Mission does not employ professional fundraisers and does not, under normal circumstances, approach the general public (individuals) for monetary donations. No complaints about the Mission's fundraising practices have been received.

Tower Hamlets Mission's fundraising activities are monitored by the Managing Committee in accordance with the document M21 (Charity Fundraising - Trustees Duties).

TOWER HAMLETS MISSION CIO
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST MARCH 2020

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Sponsorship Scheme:

This scheme pays for the therapy of those men who cannot get funding for this.

Outcomes

On 1st April 2019, there were 2 residents on the Primary Programme and 4 new residents throughout the year.

0 residents were discharged by Charis

0 discharged themselves

0 were re-referred

3 moved onto the secondary stage

There were 3 residents left on group on 31st March 2020

This represents an 100% completion rate and an 100% positive outcome

On 1st April 2019, there were 12 residents on the Second Stage Programme and 3 new arrivals throughout the year.

0 residents were discharged by Charis

1 resident moved into their own accommodation

1 resident self-discharged

0 residents were re-referred

4 moved into the Terrace

9 residents were in second stage on 31st March 2020

This represents a 83.3% completion rate and a 93.3% positive outcome.

Combined occupancy for primary and second stage was 96.78%

On 1st April 2019, there were 12 residents living in The Terrace and 4 new residents throughout the year.

0 residents were discharged by Charis

4 moved into their own accommodation

12 residents were in the terrace on 31st March 2020

This represents a 100% completion rate and a 100% positive outcome

Occupancy was 98.91%

Summary

The overall occupancy rate for all stages at Charis was 97.77%. We had 30 residents at Charis this year, with 1 resident self-discharged and 5 successfully moving on to their own accommodation. This represents a 96.6% positive outcome across all programmes.

Completion rate counts residents who move internally from one programme to the next or leave Charis to go to another project or be rehoused.

Positive outcomes are all residents remaining at Charis at the end of the financial year and those who have positive moves to their own accommodation.

FINANCIAL REVIEW

Investment policy and objectives

Under the CIO Foundation Model, the charity has the power to make any investment which the trustees think fit, taking into account advice from their stockbrokers.

The trustees have considered the most appropriate policy for investing funds and have found that a selection of wider range UK listed investments meets their requirements to generate both income and capital growth. The trustees consider the returns on investments to be satisfactory.

TOWER HAMLETS MISSION CIO
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST MARCH 2020

FINANCIAL REVIEW

Reserves policy

The charity determines to maintain reserves, invested as appropriate, that will enable the work of the charity to continue with sufficient funds to maintain its level of activity without being disturbed by temporary shortfalls in funding. In particular, funds will be maintained as follows:

Restricted funds:

These will be treated as reserves that cannot be touched except to be spent on the purposes for which the funds are raised.

Capital Asset Fund:

This will be invested in the premises and plant used for charitable purposes. It will be augmented by the receipt of donations or grants that have been raised to fund capital projects, or by transfers from other reserves if that seems prudent or necessary, and it will be reduced by reason of depreciation or disposal of assets.

General Fund:

This will be invested in net current assets and will consist of two elements:

- a) Strategic Reserve: the charity's policy on reserves is designed to maintain or achieve adequate funds to cover the net book value of fixed assets, and to hold restricted funds. In addition it seeks to achieve a general reserve to cover working capital requirements and three months average costs.
- b) General Reserve: the balance of reserves that will be taken forward to the future as additional funding for charitable activity.

Review of funds

The statement of financial activities shows an increase in net assets for the year of £114,083. The charity's net assets currently stand at £2,636,185. Movements in individual funds are shown in the body of the accounts.

The charity's policy on reserves is designed to maintain or achieve adequate funds to cover the net book value of fixed assets, and to hold restricted funds. In addition it seeks to achieve a general reserve to cover working capital requirements and three months average costs.

FUTURE PLANS

In 2015 Tower Hamlets Mission commenced a major refurbishment of the Charis Alcohol and Drug Therapy Unit building which included the renewal of the roof and installation of a new skylight, replacement of boilers, radiators, sinks and other necessary renewal throughout the building. This is on-going.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, Charitable Incorporated Organisation Foundation Model dated 22nd October 2013.

TOWER HAMLETS MISSION CIO
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST MARCH 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

Associates

Peter R Coster
Giles Topping
Christopher Abbess
Yvonne Abbess

Patrons

The Viscount of Falkland
Mr Charles Miller Smith
The Rt Rev Christopher Chessun (Bishop of Southwark)
The Most Hon the Marquess of Reading

Staff

Andrew R Bannell Director & Registered Manager	BA Hons (Law) BA Hons (Phil/Theo) Dip Soc Wk CQSW, Cert MHSC NVQ Level 4 Management, Registered Managers Award
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Stephen H Holness
Part-time Charity Secretary

Natalie A Bannell Part time Administrator	CSS
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Melanie J O'Reilly Part-time Senior Counsellor/Key Worker	BSc Hons (Soc Sci) (Psy) DASS CQSW
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William A O'Reilly Senior Counsellor/ Key Worker	Counselling Theory & Skills (CSCT) Diploma in Counselling (CSCT)
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Geoffrey B White Senior Counsellor/ Key Worker/ Deputy Manager	BSc Hons, Certificate in Counselling Theory (CSCT) Certificate in Alcohol & Drug Counselling Skills (CSCT) Registered Managers Award NVQ Level 4 Management
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Simon P Sanders Keyworker / Counsellor	BA Hons, Certificate in Counselling
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Jonathan K Mabbutt
Part-time Deputy
Administrator

Rosamond H White Part-time Project Worker	BSc (Hons), Diploma in Counselling (CSCT)
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Sophie Rider Part-time Project Worker	BA Photography
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Stephen C Dodd Project Worker	BSc, PGCE
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TOWER HAMLETS MISSION CIO
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST MARCH 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

Susanne C Lynch BDC (Pharm), NVQ Level 3 Professional Cookery
Part-time Project Worker

Rowena E Baxter BA (Hons), BTEC
Project Worker

Reuben Fromow BA Hons
Project Worker

Gaetana Vitale IBTI Diploma in Applied Theology
Project Worker

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1154842

Principal address

31 Mile End Road
London
E1 4TP

Trustees

G E Featherstone MBE, BA, Dip Civ Eng
The Rev His Hon A N Hitching, MA BCL
T G Malton MBA
Dr T W Robson OBE, BSc, MBBS
R I Smith, ACA
Mrs A J Dawson BA Dip Counselling (UEL)
D J Richter MA BA (Hons) Dip Mgt MCMI FRSA'
G Roach BA (Hons)
Mrs E Lamont BA (Hons) (appointed 19.11.19)

Auditors

S. Cobbin & Co Limited
Chartered Accountants &
Registered Auditor
15a Station Road
Epping
Essex
CM16 4HG

Bankers

HSBC Bank Plc
London Commercial Banking Centre
Level 6
71 Queen Victoria Street
London
E1 4TP

Solicitors

Monro Wright & Wasbrough LLP
7-8 Great James Street
London
WC1N 3DF

TOWER HAMLETS MISSION CIO
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST MARCH 2020

REFERENCE AND ADMINISTRATIVE DETAILS

Stockbrokers

Ruffer AIFM Ltd
P O Box 371
Darlington
DL1 9RN

TRUSTEES' RESPONSIBILITY STATEMENT

The trustees are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping 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 Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the CIO Foundation Model dated 22nd October 2013. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 10th November 2020 and signed on its behalf by:

Dr T W Robson OBE, BSc, MBBS - Trustee

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
TOWER HAMLETS MISSION CIO**

Opinion

We have audited the financial statements of Tower Hamlets Mission CIO (the 'charity') for the year ended 31st March 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st March 2020 and of its incoming resources and application of resources, 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 Charities Act 2011.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity'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.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
TOWER HAMLETS MISSION CIO**

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 a Report of the Independent Auditors 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 Report of the Independent Auditors.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

S. Cobbin & Co Limited
Chartered Accountants &
Registered Auditor
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
15a Station Road
Epping
Essex
CM16 4HG

10th November 2020

TOWER HAMLETS MISSION CIO

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST MARCH 2020

	Notes	Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	90,435	26,900	117,335	59,257
Charitable activities					
Residential services	4	579,152	-	579,152	590,457
Investment income	3	11,874	-	11,874	13,579
Other income		<u>9,011</u>	<u>-</u>	<u>9,011</u>	<u>929</u>
Total		690,472	26,900	717,372	664,222
 EXPENDITURE ON					
Raising funds	5	7,440	-	7,440	8,408
Charitable activities					
Residential services	6	467,069	78,164	545,233	527,888
Other		<u>50,616</u>	<u>-</u>	<u>50,616</u>	<u>49,986</u>
Total		525,125	78,164	603,289	586,282
 NET INCOME/(EXPENDITURE)					
		165,347	(51,264)	114,083	77,940
Transfers between funds	17	<u>(51,264)</u>	<u>51,264</u>	<u>-</u>	<u>-</u>
Net movement in funds		114,083	-	114,083	77,940
 RECONCILIATION OF FUNDS					
Total funds brought forward		2,522,102	-	2,522,102	2,444,162
 TOTAL FUNDS CARRIED FORWARD		 <u>2,636,185</u>	 <u>-</u>	 <u>2,636,185</u>	 <u>2,522,102</u>

The notes form part of these financial statements

TOWER HAMLETS MISSION CIO

BALANCE SHEET
31ST MARCH 2020

	Notes	Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
FIXED ASSETS					
Tangible assets	11	2,397,373	-	2,397,373	2,405,601
Investments	12	155,194	-	155,194	149,481
		2,552,567	-	2,552,567	2,555,082
CURRENT ASSETS					
Debtors	13	42,154	-	42,154	7,896
Cash at bank and in hand		50,925	-	50,925	94,368
		93,079	-	93,079	102,264
CREDITORS					
Amounts falling due within one year	14	(9,461)	-	(9,461)	(83,801)
NET CURRENT ASSETS		83,618	-	83,618	18,463
TOTAL ASSETS LESS CURRENT LIABILITIES		2,636,185	-	2,636,185	2,573,545
CREDITORS					
Amounts falling due after more than one year	15	-	-	-	(51,443)
NET ASSETS		2,636,185	-	2,636,185	2,522,102
FUNDS	17				
Unrestricted funds				2,636,185	2,522,102
TOTAL FUNDS				2,636,185	2,522,102

The financial statements were approved by the Board of Trustees and authorised for issue on 10th November 2020 and were signed on its behalf by:

Dr T W Robson OBE, BSc, MBBS - Trustee

R I Smith, ACA - Trustee

The notes form part of these financial statements

TOWER HAMLETS MISSION CIO

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH 2020

	Notes	2020 £	2019 £
Cash flows from operating activities			
Cash generated from operations	1	108,648	118,618
Interest paid		<u>(2,930)</u>	<u>(5,995)</u>
Net cash provided by operating activities		<u>105,718</u>	<u>112,623</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(33,919)	(29,328)
Sale of shares		2,672	-
Sale of tangible fixed assets		3,000	-
Interest received		121	66
Dividends received		815	2,848
Gains on investments		<u>(5,713)</u>	<u>-</u>
Net cash used in investing activities		<u>(33,024)</u>	<u>(26,414)</u>
Cash flows from financing activities			
Loan repayments in year		<u>(116,137)</u>	<u>(92,005)</u>
Net cash used in financing activities		<u>(116,137)</u>	<u>(92,005)</u>
<hr/>			
Change in cash and cash equivalents in the reporting period		(43,443)	(5,796)
Cash and cash equivalents at the beginning of the reporting period		<u>94,368</u>	<u>100,164</u>
Cash and cash equivalents at the end of the reporting period		<u>50,925</u>	<u>94,368</u>

The notes form part of these financial statements

TOWER HAMLETS MISSION CIO

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH 2020

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020 £	2019 £
Net income for the reporting period (as per the Statement of Financial Activities)	114,083	77,940
Adjustments for:		
Depreciation charges	42,146	39,873
Profit on disposal of fixed assets	(5,671)	-
Interest received	(121)	(66)
Interest paid	2,930	5,995
Dividends received	(815)	(2,848)
(Increase)/decrease in debtors	(34,258)	3,653
Decrease in creditors	<u>(9,646)</u>	<u>(5,929)</u>
Net cash provided by operations	<u>108,648</u>	<u>118,618</u>

2. ANALYSIS OF CHANGES IN NET (DEBT)/FUNDS

	At 1.4.19 £	Cash flow £	At 31.3.20 £
Net cash			
Cash at bank and in hand	<u>94,368</u>	<u>(43,443)</u>	<u>50,925</u>
	<u>94,368</u>	<u>(43,443)</u>	<u>50,925</u>
Debt			
Debts falling due within 1 year	(64,694)	64,694	-
Debts falling due after 1 year	<u>(51,443)</u>	<u>51,443</u>	<u>-</u>
	<u>(116,137)</u>	<u>116,137</u>	<u>-</u>
Total	<u>(21,769)</u>	<u>72,694</u>	<u>50,925</u>

TOWER HAMLETS MISSION CIO

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 1% on cost
Fixtures and fittings	- 33% on cost
Motor vehicles	- 20% on cost

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

TOWER HAMLETS MISSION CIO

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST MARCH 2020

2. DONATIONS AND LEGACIES

	2020	2019
	£	£
Donations	7,486	5,211
Gift aid	749	771
Legacies	51,100	-
Grants	<u>58,000</u>	<u>53,275</u>
	<u>117,335</u>	<u>59,257</u>

Grants received, included in the above, are as follows:

	2020	2019
	£	£
Other grants	<u>58,000</u>	<u>53,275</u>

3. INVESTMENT INCOME

	2020	2019
	£	£
Rents received	10,938	10,665
Dividends received	815	2,848
Bank interest received	<u>121</u>	<u>66</u>
	<u>11,874</u>	<u>13,579</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	2020	2019
	£	£
Residential service income	574,255	575,356
Therapy income	<u>4,897</u>	<u>15,101</u>
	<u>579,152</u>	<u>590,457</u>

5. RAISING FUNDS

Raising donations and legacies

	2020	2019
	£	£
Staff costs	7,265	6,999
Direct fundraising costs	<u>175</u>	<u>1,409</u>
	<u>7,440</u>	<u>8,408</u>

TOWER HAMLETS MISSION CIO

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST MARCH 2020

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs £ <u>545,233</u>
Residential services	

7. SUPPORT COSTS

	Finance £ <u>3,509</u>	Governance costs £ <u>47,107</u>	Totals £ <u>50,616</u>
Other resources expended			

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st March 2020 nor for the year ended 31st March 2019.

Trustees' expenses

	2020 £ <u>506</u>	2019 £ <u>443</u>
Trustees' expenses		

9. STAFF COSTS

	2020 £ <u>353,577</u>	2019 £ 343,987
Wages and salaries		
Social security costs	<u>33,083</u>	30,696
Other pension costs	<u>16,011</u>	<u>14,959</u>
	<u>402,671</u>	<u>389,642</u>

The average monthly number of employees during the year was as follows:

	2020	2019
Therapy staff	<u>12</u>	11
Administrative staff	<u>3</u>	<u>3</u>
	<u>15</u>	<u>14</u>

No employees received emoluments in excess of £60,000.

TOWER HAMLETS MISSION CIO

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST MARCH 2020

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	36,507	22,750	59,257
Charitable activities			
Residential services	590,457	-	590,457
Investment income	13,579	-	13,579
Other income	929	-	929
Total	641,472	22,750	664,222
EXPENDITURE ON			
Raising funds	8,408	-	8,408
Charitable activities			
Residential services	453,723	74,165	527,888
Other	49,986	-	49,986
Total	512,117	74,165	586,282
NET INCOME/(EXPENDITURE)	129,355	(51,415)	77,940
Transfers between funds	(51,415)	51,415	-
Net movement in funds	77,940	-	77,940
RECONCILIATION OF FUNDS			
Total funds brought forward	2,444,162	-	2,444,162
TOTAL FUNDS CARRIED FORWARD	<u>2,522,102</u>	<u>-</u>	<u>2,522,102</u>

TOWER HAMLETS MISSION CIO

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST MARCH 2020

11. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1st April 2019	2,557,699	53,705	18,690	2,630,094
Additions	-	3,691	30,228	33,919
Disposals	-	-	(18,690)	(18,690)
	<u>2,557,699</u>	<u>57,396</u>	<u>30,228</u>	<u>2,645,323</u>
At 31st March 2020	<u>2,557,699</u>	<u>57,396</u>	<u>30,228</u>	<u>2,645,323</u>
DEPRECIATION				
At 1st April 2019	154,386	51,418	18,689	224,493
Charge for year	33,142	2,957	6,047	42,146
Eliminated on disposal	-	-	(18,689)	(18,689)
	<u>187,528</u>	<u>54,375</u>	<u>6,047</u>	<u>247,950</u>
At 31st March 2020	<u>187,528</u>	<u>54,375</u>	<u>6,047</u>	<u>247,950</u>
NET BOOK VALUE				
At 31st March 2020	<u>2,370,171</u>	<u>3,021</u>	<u>24,181</u>	<u>2,397,373</u>
At 31st March 2019	<u>2,403,313</u>	<u>2,287</u>	<u>1</u>	<u>2,405,601</u>

12. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1st April 2019	149,481
Gain on investment	5,713
	<u>155,194</u>
At 31st March 2020	<u>155,194</u>
NET BOOK VALUE	
At 31st March 2020	<u>155,194</u>
At 31st March 2019	<u>149,481</u>

There were no investment assets outside the UK.

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Trade debtors	2,367	1,528
Prepayments and accrued income	39,787	6,368
	<u>42,154</u>	<u>7,896</u>

TOWER HAMLETS MISSION CIO

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST MARCH 2020

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Bank loans and overdrafts (see note 16)	-	64,694
Other creditors	<u>9,461</u>	<u>19,107</u>
	<u><u>9,461</u></u>	<u><u>83,801</u></u>

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2020	2019
	£	£
Bank loans (see note 16)	<u>-</u>	<u>51,443</u>

16. LOANS

An analysis of the maturity of loans is given below:

	2020	2019
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>-</u>	<u>64,694</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	<u>-</u>	<u>51,443</u>

17. MOVEMENT IN FUNDS

	At 1.4.19	Net movement in funds	Transfers between funds	At 31.3.20
	£	£	£	£
Unrestricted funds				
General fund	2,522,102	165,347	(51,264)	2,636,185
Restricted funds				
Sponsorship scheme	-	(51,264)	51,264	-
	<u>2,522,102</u>	<u>114,083</u>	<u>-</u>	<u>2,636,185</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	690,472	(525,125)	165,347
Restricted funds			
Sponsorship scheme	26,900	(78,164)	(51,264)
	<u>717,372</u>	<u>(603,289)</u>	<u>114,083</u>

TOWER HAMLETS MISSION CIO

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST MARCH 2020

17. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.18 £	Net movement in funds £	Transfers between funds £	At 31.3.19 £
Unrestricted funds				
General fund	2,444,162	101,630	(23,690)	2,522,102
Charis refurbishment fund	<u>-</u>	<u>27,725</u>	<u>(27,725)</u>	<u>-</u>
	2,444,162	129,355	(51,415)	2,522,102
Restricted funds				
Sponsorship scheme	<u>-</u>	<u>(51,415)</u>	<u>51,415</u>	<u>-</u>
TOTAL FUNDS	<u>2,444,162</u>	<u>77,940</u>	<u>-</u>	<u>2,522,102</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	613,747	(512,117)	101,630
Charis refurbishment fund	<u>27,725</u>	<u>-</u>	<u>27,725</u>
	641,472	(512,117)	129,355
Restricted funds			
Sponsorship scheme	<u>22,750</u>	<u>(74,165)</u>	<u>(51,415)</u>
TOTAL FUNDS	<u>664,222</u>	<u>(586,282)</u>	<u>77,940</u>

18. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31st March 2020.

19. DONORS DURING THE YEAR

Marie Celeste Samaritan Society
Mrs L D Rope Third Charitable Settlement
The 29th May 1961 Charitable Trust
Inner London Magistrates Court
The Marsh Christian Trust
The Sir James Roll Charitable Trust
The Vandervell Foundation
Worshipful Company of Coopers
The Invesco Cares Foundation
The Reuben Foundation
Build & Create Construction Ltd
The Vintners Foundation

TOWER HAMLETS MISSION CIO

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST MARCH 2020

	2020 £	2019 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	7,486	5,211
Gift aid	749	771
Legacies	51,100	-
Grants	<u>58,000</u>	<u>53,275</u>
	117,335	59,257
Investment income		
Rents received	10,938	10,665
Dividends received	815	2,848
Bank interest received	<u>121</u>	<u>66</u>
	11,874	13,579
Charitable activities		
Residential service income	574,255	575,356
Therapy income	<u>4,897</u>	<u>15,101</u>
	579,152	590,457
Other income		
Gain on sale of shares	2,672	-
Gain on sale of tangible fixed assets	2,999	-
Sundry income	299	929
Unrealised gain on investment	<u>3,041</u>	<u>-</u>
	<u>9,011</u>	<u>929</u>
Total incoming resources	717,372	664,222
EXPENDITURE		
Raising donations and legacies		
Wages	6,645	6,405
Social security	620	594
Direct fundraising costs	<u>175</u>	<u>1,409</u>
	7,440	8,408
Charitable activities		
Wages	313,757	307,750
Social security	29,489	27,508
Pensions	16,011	14,959
Direct costs	130,513	126,068
Insurance	11,371	11,074
Sundries	1,946	656
Carried forward	<u>503,087</u>	<u>488,015</u>

This page does not form part of the statutory financial statements

TOWER HAMLETS MISSION CIO

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST MARCH 2020

	2020 £	2019 £
Charitable activities		
Brought forward	503,087	488,015
Unrealised loss on investment	-	3,857
Freehold property	33,142	33,142
Fixtures and fittings	2,957	2,874
Motor vehicles	6,047	-
	545,233	527,888
Support costs		
Finance		
Bank charges	579	670
Bank loan interest	2,930	5,995
	3,509	6,665
Governance costs		
Trustees' expenses	506	443
Wages	33,175	29,832
Social security	2,974	2,594
Auditors' remuneration	10,452	10,452
	47,107	43,321
Total resources expended	603,289	586,282
Net income	114,083	77,940