

THE TOWER PROJECT
(A company limited by guarantee)

**DIRECTORS' AND TRUSTEES' REPORT
AND FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31ST MARCH 2020

Company No: 03338883
Charity No: 1061626

THE TOWER PROJECT
(A company limited by guarantee)
REPORT AND ACCOUNTS

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DIRECTORS' AND TRUSTEES' REPORT
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The trustees are pleased to present their annual directors' report together with the financial statements of the charity for the year ended 31st March 2020, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statements 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 2015).

OUR PURPOSE AND ACTIVITIES

The Tower Project is an established community based voluntary sector organisation that has developed a reputation for excellent services and community engagement over a long period of time. It has successfully provided a range of specialist services for disabled children, young people and adults resident in the City of London and surrounding London boroughs covering Greater London. The organisation provides specific services to children and adults with Learning Disabilities, Autism, Physical Disabilities, Sensory Impairments, Long Term health conditions and Mental Health conditions. The organisation provides a comprehensive range of services which include Supported Housing, Day Opportunities Services, Domiciliary Care Services, Adult Leisure Services, Youth Services, Employment & Training Services, Social Enterprises, Afterschool Clubs, Holiday Play Schemes, Respite Services, Residential Holiday Services, Advocacy, Information/Advice Services and financial planning.

The Charity's Objects are:

To promote or provide for the welfare of children, young people and adults with a disability and/or learning disabilities, autism, sensory disability and/or a long-term health condition in any manner which now or hereafter may be deemed by law to be charitable in Greater London.

The Tower Project is pleased to report that although the later part of the year has been challenging in light of the Covid-19 pandemic, the year has also been both a constructive and very rewarding year for the Tower Project. As in previous reports the organisation would like to begin the annual report with a very big thank you in recognition of all the staff, partners, members, volunteers and management committee members who have generously contributed so much of their time and energy into making the project a continued success and the enormous support they have given to whole of the Tower Project throughout the year.

The Tower Project has again faced a challenging year in terms of the continued reduction in local and central government funding, but against this backdrop we have been able to maintain and develop our existing core services and also create a number of new services which has enabled the Tower Project to meet the ever increasing demand for our services and also meet the needs of all our existing membership. We will continue in the forthcoming year to build on the achievements of this year and further develop new projects and services to meet the needs of our membership.

An important element of the Tower Project is the New Dawn Day Opportunities Service that has again expanded and increased within this year and is considered a very successful day opportunities service. The Whitehorse Road premises is the home of the New Dawn service and we continue to refurbish further areas of the premises with updated and new facilities being created for members with ongoing plans to provide additional improvements to the building. The extensive programme of arts and crafts that are provided in the service had been moved to the newly acquired John Scurr Centre which is a joint undertaking with The Royal Foundation for St Katharine and I would again take this opportunity to thank the Foundation for all the support they have provided. The building was fully refurbished by the Tower Project with newly installed additional facilities which has enabled the service to further develop and expand on the existing range of activities. The New Dawn service continues to work closely with our Job & Enterprise Team developing and creating work experience and training opportunities for members who wish to develop new skills and experiences with a growing number of our members moving into either supported or paid employment.

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The First Start Day Opportunities Service is another core element of the Tower Project and is the service that provides for our young people with Autism. The service has completed another successful year at the services dedicated building the Cedar Centre. The Cedar Centre was acquired by the Tower Project solely for the service and provides a specifically created environment for members and staff and is the permanent home of the service. We have continued to actively improve on the quality and range of support the service is able to offer.

We have continued to develop and improve the building and have again invested significantly in both the fabric and facilities in the building for both staff and members. The service continues to provide a number of activities outside the day opportunities program with outreach and centre support in the evenings and weekends forming an important additional service for members and families. The First Start service has developed into a highly regarded service with the service gaining full accreditation through the National Autistic Societies accreditation scheme and Autism Europe which are the quality marks for the sector. The service has received a number of awards and recognition with our service now sitting on the all Party Parliamentary Group on Autism.

Although we continue to work in a challenging economic environment, the Tower Project has continued to recruit new staff to services, many with disabilities, which has enhanced the skills of the staff team and created unique employment opportunities for new staff. The number of staff appointed within the Tower Project has once more increased this year with a significant number of those appointments being members of the local community which we hope will increase and grow over the next year and enable the Tower Project to offer more employment opportunities.

The JET service is the Tower Projects disability employment project and it continues to provide support and training to disabled job seekers with a committed and dedicated staff team who have further developed the training and support element of the service in partnership with local schools this year. In the previous year the service secured a core contract with a local authority which enabled the JET team to further extend their work into schools and colleges and develop a wider range of support and opportunities for school leavers, which has been an achievement the manager and his staff team are very proud of and hope to continue to expand on in the coming year.

The service is located at Candy Wharf in its own purpose built premises which provides a number of additional facilities to support the work of the staff team. This year the project has again increased the number of disabled job seekers directly into training and employment and has continued to develop a strong social enterprise element with the existing social enterprises providing employment for many young disabled people.

In the previous year the JET service opened a new community café in Goldsmiths Row Hackney called the Haggerston Perk which followed on from the success of our Ocean View community café on Ben Jonson Road. The café created jobs for both local jobseekers and young disabled people seeking further training and we have plans to open further cafes in the coming year. The service has continued to work with and develop many strong partnerships with companies and institutions and I would take this opportunity to thank the Australia & New Zealand bank for the continued support the Tower Project has received from them over many years which has enabled the service to increase the scope of its work.

The Tower Projects Children's Services has continued to provide a substantial and quality service following a challenging period with a number of changes and reductions to funding. The service has an outstanding award status with OFSTED, which clearly demonstrated the high quality of our services. With a number of formal partnerships in place with schools and related voluntary sector organisations the service has continued to evolve and provide a larger and more diverse range of activities for children and young people. The after-school clubs and holiday schemes along with our youth and leisure services have secured funding for the foreseeable future, this will allow the service to provide to children and young people with complex needs and employ a significant number of local staff moving the service further into a solid community base. The Children's Services provide throughout the whole of the week and evenings along with schemes and projects across all the school holiday periods.

The work over the previous three years to provide training and staff development has continued which has ensured the retention of the Investors in People Award which we now hold along with the Two Ticks Award (Positive about Disability). Both awards are benchmarks in terms of quality assurance and give an indication of the investment in staff and volunteers the Tower Project makes each year with the continued funding of our in house training staff which has supported the organisation to develop our staff into service managers and active members of the community.

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Within this year additional improvements have been made to all of the Tower Project premises and following discussions with our membership a number of new facilities have been installed in all of the buildings with plans for further investment this year. I would take this opportunity to thank all those individuals and organisations who have either donated or contributed financially to the Tower Project and would single out the Ratcliff Trust's board of Trustees for the significant financial and practical support they have made over many years to the Tower Project.

The Tower Project continues to support our members towards achieving greater independence and direct involvement within the community through direct payments and individual budgets the Tower Project receive. These payments and budgets provide services enabling members and families to take control of their individual budgets and services they receive and pay for support in the home and community.

The continued development of supported and independent living services for our members has again been a high priority. The success of our previously developed supported living projects has enabled the Tower Project to develop more projects offering members the opportunity to live independently with staff to support them in a home of their own. The latest project in Indigo Mews on the Isle of Dogs will provide a supported living home for young men with autism. The partnerships with Community Housing groups to develop and provide supported living services for members is continuing and we will be creating a number of new projects in the next year which is an important service for the future of the Tower Project and our membership.

The Tower Projects new Business Plan was completed and approved last year by our board of trustees and has set the organisations objectives for the next three years. The plan incorporated the impact of a number of new legislative changes that would impact on social care and also considered the effect of continued financial restraints to local authority and National funding. The new and additional services the Tower Project wish to develop and provide will enhance and compliment the broad range of services the Tower Project already provides and will further support what we are able to offer the wider community in the coming years particularly in housing.

The achievements of the last year gives a strong basis for developing additional services in the coming year which can only be achieved by everyone that is involved with the organisation continuing to work together as an active community organisation. With the continued support of all the membership our plans for the future can be viewed with cautious optimism so that the already good reputation of the Tower Project can be further enhanced and services expanded to meet the ever growing needs of our membership and the wider community.

Our volunteers

The charity is grateful for all the volunteers who give their time to assist with the various projects undertaken. During the year ended 31st March 2020, the contribution in terms of volunteer's hours in respect of various projects is detailed below:

- Youth Services – 380 hours
- New Dawn – 210 hours
- Children Services – 105 hours
- Ocean View Cafe – 234 hours

Achievements and Performance

Autistic Day Opportunities Service (First Start)

The autism service has successfully operated for over thirteen years providing a day opportunities service for autistic adults and young people who are resident in the London boroughs of Tower Hamlets, Hackney, Newham and the City of London. The project is based in its own fully adapted centre (The Cedar Centre) which is wholly dedicated to the provision of services for people with autism. The Tower Project has undertaken extensive improvements to the Cedar Centre in terms of refurbishment and added many specialist facilities and adaptations. Mini buses and additional transport is available for the service so that dedicated transport is provided for the individual service members. The service has grown in size and additional full time placements have been created for new members to meet ever increasing demand. The service is fully accredited within the National Autistic Societies accreditation scheme which is the industry benchmark for quality assurance and also has full membership of Autism Europe. The service has continued to further develop the quality provided and recruited a number of additional staff with specific skills which has further supported the membership of the service and allowed the service to improve both its scope and quality.

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Youth & Leisure Services

The Youth services operate on 5 evenings each week and during the daytime on Saturday and Sunday providing a 7 day a week service. Transport is provided via a dedicated door to door service for members if required. The service has in excess of 370 children & young adults with disabilities who are resident within the London boroughs of Tower Hamlets, Corporation of London and neighbouring East London boroughs with the majority attending each week. The service has continued to provide both Youth Services and adult leisure services despite budgetary pressures and has managed to maintain the same number of members attending the service.

The service has also developed a number of individual leisure services supporting members to access mainstream provision within the community via an individual budget or direct payment which has provided a dedicated worker. The service has also developed both new and additional partnership working arrangements within the last year and continues to work positively with Youth services and local schools and community groups to further deliver both new and existing services in dedicated Youth centres and the community.

Children's Complex Needs Services

The service is provided for children and young people who currently attend a special education needs provision with the service operating an after-school club throughout the school term time and a full time weekly holiday scheme during the school holiday periods for children with disabilities who are resident in the London borough of Tower Hamlets and surrounding East London boroughs. The service operates and provides a dedicated door to door transport service for all children and young people who attend the services and coordinates support for children attending independently.

Additionally the service provides dedicated holiday play schemes for children who attend the Phoenix special needs school and also provides places on other Tower Project holiday play schemes throughout the year for children with autism, complex needs and additional health needs or disabilities.

The service has received a number of awards and commendations with the most recent inspection by OFSTED awarded the service an outstanding rating across all the children's services provided by the Tower Project. In addition to the core services the children's service also provides a full day leisure service on Saturdays for children with Autism and challenging behaviour with a 1-1 staffing ratio enabling children and young people to access mainstream leisure facilities in community settings supported with a door to door transport service.

Community Outreach Support Service (Incorporating Information & Advice)

The Community support service was developed to offer support and advice to families and individuals accessing Tower Project services who are in receipt of an individual budget or direct payment. The service provides advice and consultation to all parents and carers of members who are either considering or using the service and acts as facility to enable individuals to manage budgets they may have.

The service will continue to develop and offer various training, information and advice to families and also act as a link between Tower Project services often coordinating complex packages of support across the Tower Projects services specifically during the evenings and weekends.

New Dawn Day Service

The service provides a dedicated day opportunities service for people with learning disabilities which operates five days a week for a duration of 52 weeks per year. In addition New Dawn provides a door to door transport service or travel training for all members who require it. The service is based at the Tower Projects Whitehorse Road premises with the centre providing a number of unique facilities on one site for the membership along with specialised areas for physiotherapy, occupational therapy, Information Technology, Music therapy and Arts & Crafts. The service has continued to increase the number of places available to young adults with complex physical needs and has increased the staff team to further support the members of the service to access mainstream community facilities. The service also has a smaller community centre which is where the Arts and Crafts program is accessed which has developed into an important element of the service with plans to develop a social enterprise to market the arts and crafts the service is currently producing.

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The service has strong links with all statutory health and social care commissioners and works closely with these agencies to improve and develop the quality of life and extend the range of social care support to all of its membership.

The service continues its ongoing support of members who are living with complex long term health conditions living at home which has been a significant challenge for the service against the needs of aging carers and extended family members.

Social Enterprise

The Tower Project operates a number of social enterprises through its JET service who continue to create paid employment opportunities and many supported work placements. The Ocean View Café and the Haggerston Perk café have developed supported paid traineeship opportunities for young disabled people and acted as a springboard into employment with mainstream hospitality employers such as the Excel Centre. The JET services Mobile Coffee stand funded by the ANZ Bank continues to operate at Mile End Leisure centre. JET's Valeting Enterprise based at Tower Hamlets Community Transport premises has provided work placements to 46 young people with learning disabilities from local schools and colleges including one year work placements for six form students at Phoenix SEN School. JET Emporium provided regular retail work placements at Shoreditch Market and paid employment opportunities on its online retail service which was supported by Swiss Post staff and retailed used entertainment media.

The service will be further expanding and developing a number of social enterprises this year which will create both training opportunities and work placements along with paid employment for people with disabilities and autism.

The expansion of JET services last year would not have been possible without the support of ANZ Bank whose kind donations enabled JET to develop new enterprises, offer new opportunities and expand our team of Job Coaches/Disability Employment Advisors to meet the increased demand for the service.

Job, Enterprise & Training (JET TEAM)

Operating from London's only Learning Disability Employment and Training Hub in Mile End, The Tower Project JET Service has had another outstanding year, increasing the number of people into employment and expanding service capacity to meet local demand. Delivering contracts for the London Borough of Tower Hamlets, London borough of Hackney, East London NHS Foundation Trust and ESF / Big Lottery, JET's Employment Team last year supported 180 people with learning disabilities and or autism and met or exceeded all employment targets set by our range of funders.

As a service that aspires to continuously improve, JET's Disability Employment Advisors completed new industry standard qualifications set by the British Association for Supported Employment and the service shared best practice with visitors from the UK and overseas including a number of overseas governments. The quality of JET's delivery models was highlighted in a report published last year by the Centre of Economic and Social Inclusion and received an outstanding award from the Matrix Inspection where its management and strategic vision were recognised.

To support clients to progress into work, JET's training team delivered accredited vocational qualifications and was commissioned by schools and colleges to deliver year-long employability programmes to students from Tower Hamlets and Hackney. 22 of these students undertook a JET Supported Internship programme and completed nine months of work placements with employers including Swiss Post, Sands Film Studios and the Royal Foundation of St Katherine

Supported & Independent Living

The Tower Project provides both residential and supported living services for people with autism and learning disabilities in the City of London, London borough of Tower Hamlets and the London borough of Newham. Following on from the successfully developed supported living projects that separately accommodates young men and women who are being supported to live semi independently within the community we have completed another project which supports young men to live in the community supported by a dedicated team of staff. The Tower Project has acquired additional properties this year and will refurbish another property that will provide for young people with learning disabilities and autism who are currently living at home with a parent/ carer. At present a number of additional properties are being considered for the development of a dedicated respite facility for our membership and we plan to open more supported living accommodation within the coming year.

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Organisational Development

In line with the Tower Project current business plan The Tower Project has further streamlined administrative support in the organisation so that dedicated departments manage specific areas within the management structure. These departments, Human resources, Finance, Facilities and maintenance operate as separate departments which have created both a more efficient and cost effective administrative function with all functions of the organisation undertaken in house.

In addition to organisational management and development of the Tower Project we have developed a communications function for all services which has focused on developing information for the membership and managing the organisations profile and marketing along with our IT capability. This year we will again be updating our IT systems with new software to manage our HR department and will be developing a new website with linked social media along with an electronic newsletter.

Public benefit statement

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

As an addition to our public benefit statement the Tower Project board of trustees are all voluntary and act for the organisation without any form of payment or expenses.

FINANCIAL REVIEW

The Statement of Financial Activities shows a net surplus of £141,502 (2019 – surplus £159,017) for the year resulting in reserves standing at £1,950,912 (2019 - £1,809,410) at 31st March 2020.

The charity had a very successful year in financial terms and benefited from good cost controls and increased unrestricted donations and grants. The Trustees are planning to invest some of the surplus into new capital projects for supported living.

Principal Funding Sources

The main principal funding sources are grants and service level agreements from statutory bodies, charitable trusts and commercial organisations. The charity also received corporate and individual donations.

In addition, the charity has started to work with local primary schools and this has provided additional income.

Details of principal funding sources are shown in notes 2 to 4.

Investment powers and policy

Under the Memorandum and Articles of Association, the charity has the power to make any investment which the trustees see fit. The trustees have considered the most appropriate policy for investing funds and have found that cash deposits meet their requirements to generate income.

Reserves policy

The Directors consider it prudent to maintain an adequate balance of unrestricted funds to cover the Charity's contractual commitments and ideally would like these to be at a minimum level of between 3 and 6 months annual expenditure.

The Directors consider that the Charity's reserves will enhance the services provided and provide financial security for the future. The unrestricted funds not designated or invested in tangible fixed assets held by the charity are £345,512 (2019 - £487,253).

Details of reserves are shown in notes 16 and 17.

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FUTURE PLANS AND DEVELOPMENTS

Autism Day Opportunities Service

The Tower Projects autism day opportunities service (First Start) continues to grow and develop, following the successful accreditation of the service through the National Autistic Societies accreditation scheme which is the quality assurance mark for the sector. We will be providing further health support services for the members; which will add to the existing alternative and complimentary therapies already being provided along with a more expansive arts and music programme. The service has its own dedicated premises (The Cedar Centre) and we will continue to develop and improve the building in the next year; this will create space in the main building for an arts and therapy area along with the newly refurbished kitchen and food preparation area.

Community Outreach Support Services Project (Information & Advice)

The Tower Projects Community Outreach Support Service will provide information and advice to members on issues such as housing, benefits, and health, with support to access direct payments and individual budgets. The service will help to support members to manage their own care where possible and supports carers to access additional support services either in the home or in the community. It is our intention to develop a service which will support members in all areas of information and advice. Initially the service will focus on adults this year and further expand into our children's services over the coming year.

Jobs Enterprise & Training (JET TEAM)

Previously the service undertook a restructure with changes to staff roles with a much stronger emphasis placed on the training of young people who could be supported into employment. The services premises (Candy Wharf) has continued to be fully used and is providing partnership training with both corporate and statutory partners. The service continues to provide facilities to job seekers with disabilities and people who want to access training and support via the service. The service has recruited a number of specialist staff and has further developed partnerships with businesses, neighbouring boroughs, schools and colleges with the intention to expand the services. In addition we are planning to consolidate the service in the coming year which may need to be considered in an ongoing environment of restrictive funding for employment and training services both locally and nationally.

Work Placement Day Opportunities Service

The Tower Project successfully developed a work placement element to our day opportunities service for members' currently attending New Dawn who expressed an interest in accessing either paid employment or supported work placements. From placing young people on part time hours in supported work placements the service has become very popular and we have now widened the service this year to support young disabled people in supported work experience placements through our network of partners and supporters as well as our community services and cafes.

Social Enterprise

Following on from the development of our first successful social enterprise the Tower Hamlets Valeting Service we are planning to develop a number of new social enterprises in the coming year that will provide employment for young disabled job seekers. The previous year had seen the development of the Haggerston Perk Café which provided supported employment and training for 15 young disabled people who we have supported into further employment and training opportunities. In the coming year we will be seeking to open a new community café which will provide employment and training opportunities for a number of young disabled job seekers in day services.

Whitehorse Road Premises

This year we have continued to improve the building to create better use of the limited space available, last year the Human Resources and Facilities Team moved into newly refurbished offices and we hope to continue moving staff into improved office space. The building has again been redecorated and we will continue to both modernise and refurbish as both the finance and opportunities arise. We have continued the planning process to build an extension either between the main building or a standalone unit that would provide accessible washrooms, personal care rooms along with training rooms and additional office space subject to finance we hope to complete in 2021.

Supported Living

Following the successful development of supported living schemes for three young men and three young women. The Tower Project has continued to acquire properties which will provide supported living for members who are currently living at home with parents. The latest supported living project will be for 3 young men with autism and will be in a refurbished property we acquired on the Isle of Dogs.

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As previously reported the Tower Project has entered into a partnership with a number of housing organisations and we are working towards developing new supported living housing opportunities for our members and the wider community with local housing providers if possible.

Members day Opportunities Service Social Enterprise

The Tower Project has a number of older and less active members across services who have requested that we develop a more art and crafts based day opportunities service which would better meet their needs. Following consultation with the older membership we have developed a social enterprise to make and sell a range of products produced by the service and have acquired a small community centre to base the service. We are actively seeking to acquire a shop which will also create some new roles for our membership and provide an outlet for the products made

Organisational Development

The Tower Project will continue to streamline and further develop the organisational management so that dedicated departments continue to manage specific areas of the organisation such as finance and human resources.

Although the Tower Project is well served by its administration the increased growth of the project has placed additional demands on the administration team and it is our intention to further expand the administration support for all services.

In addition we will further develop our information technology capacity within the forthcoming year and further develop and expand our communications department so that staff are able to access information and be kept informed of developments and newly created opportunities.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Tower Project (the word 'Limited' being omitted by licence from the Board of Trade) is a Company Limited by guarantee and not having a capital divided by shares.

The charity was incorporated on 24th March 1997 and commenced activity on 1st April 1997. The company was registered as a charity on 1st April 1997 under Registration Number 1061626 and the company registration number is 03338883. Anyone over the age of 18 can become a member.

Recruitment and appointment of Trustees

As set out in the Articles of Association the chair of the trustees is nominated by the other trustees. The Directors of the organisation are also the charity trustees for the purposes of charity law.

The Board of Trustees have power to appoint additional Trustees as it considers fit to do so.

The Trustees have no beneficial interest in the company other than as members. The Trustees are also the directors of the company. All of the Trustees are members of the company and guarantee to contribute £1 in event of winding up. The Board has the power to appoint additional Directors.

Trustee induction and training

The Trustees maintain a good working knowledge of charity and company law and best practise by regular reading of charity press articles and scrutiny of Companies House, Charity Commission, other Government and voluntary organisation advisory websites. New Trustees are given copies of the Memorandum and Articles of Association and copies of previous year's minutes and attend an induction session given by an experienced Trustee.

Organisation

The trustees of the company meet quarterly as a Board, but have also set up a range of sub-groups, which meet with the Director between Board meetings. The Chair and Treasurer also meet with the Director on a regular basis.

It is governed by the Board of Directors, which sets the overall framework. The Chief Executive Officer and his staff team are then delegated full responsibility for implementation within this framework. The Board and organisation are also supported by an Advisory Council that meets at least semi-annually. The charity is not significantly dependent on the services of unpaid volunteers.

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Related parties

The charity works closely with other similar organisations as detailed in the achievements and performance section of the Trustees Report below. None of the charity's trustees are directors or trustees of these other organisations.

Pay policy for senior staff

The finance and remuneration sub-committee reviews annually the salary and employment conditions of the Chief Executive Officer, taking into account performance, market rates and the charities financial position.

The Chief Executive Officer reviews annually the pay of the senior management team in consultation with the Chair of the Trustees.

Risk Management

The trustees have a risk management strategy which comprises:

- An annual review of the risks the charity may face;
- The establishment of systems and procedures to mitigate those risks identified in the plan;
- Implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

REFERENCE AND ADMINISTRATIVE DETAILS

Company Number: 03338883

Charity Number: 1061626

Directors and Trustees:

David Barnett (Chair)
Kumar Kotecha (Treasurer)
Pamela Mason
Julia Mason
Gaynor Tenen
Samantha Walker
Jill Sullivan
Kelly Dee

Secretary: David Barnett

Senior Management Team

Mr Gerald O'Shaughnessy	- Director / Chief Executive Officer
Mr Kuddus Miah	- Finance Manager
Ms Cathy Cocklin	- Admin & Facilities Manager
Mrs Naima Boukhriss	- Children's Services Manager
Mr Graham Smithers	- Job, Enterprise & Training Manager
Ms Belinda Foster	- Autistic Service Manager
Ms Sue Burlo	- Day Services Manager

Registered Office: 45-55 Whitehorse Road, London E1 0ND

Auditors: Ramon Lee Audit LLP, 93 Tabernacle Street, London EC2A 4BA

Bankers: Lloyds TSB Plc., Walthamstow Branch, 180-182 High Street, Walthamstow, London E17 7JH

Solicitors: Allen & Overy, One New Change, London EC4M 9QQ

THE TOWER PROJECT
TRUSTEES' REPORT (Cont/d)
FOR THE YEAR ENDED 31ST MARCH 2020

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Trustees (who are also directors of The Tower Project for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees 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 Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of its income and expenditure for that period. In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping 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 trustees are responsible for maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

STATEMENT OF DISCLOSURE TO AUDITOR

In accordance with company law, the company's Directors certify that:

- so far as they are aware, there is no relevant audit information of which the company's auditors are unaware; and
- as the Directors of the company they have taken all the steps that they ought to have taken in order to make themselves aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

AUDITORS

A resolution was proposed and agreed at the Annual General Meeting that Ramon Lee Audit LLP be re-appointed as auditors of the Charity for the ensuing year.

The report of the directors has been prepared taking advantage of the small companies' exemption of section 415A of the Companies Act 2006.

APPROVAL

This report was approved by the Board of Directors and Trustees 16th July 2020 and signed on its behalf:



DAVID BARNETT
CHAIR

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF

THE TOWER PROJECT

(A company limited by guarantee)

Opinion

We have audited the financial statements of The Tower Project for the year ended 31st March 2020, which comprise the Statement of Financial Activities (Summary Income and Expenditure Account, balance sheet 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, 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 charitable company's affairs as at 31st March 2020 and of its incoming resources and application of resources, including its income and expenditure, 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 12 months from the date when the financial statements are authorised for issue.

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF (Cont/d)

THE TOWER PROJECT

(A company limited by guarantee)

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;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made;
- we have not received all the information and explanations we require for our audit;
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Directors' and Trustees' Report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statements set out on page 11, 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.

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.



DAVID TERRY (Senior Statutory Auditor)
for and on behalf of **RAMON LEE AUDIT LLP**
CHARTERED ACCOUNTANTS
STATUTORY AUDITOR

93 TABERNACLE STREET
LONDON EC2A 4BA

16th JULY 2020

THE TOWER PROJECT
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES

SUMMARY INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31ST MARCH 2020

		UNRESTRICTED FUNDS				
	Notes	General Funds £	Designated Funds £	Restricted Funds £	2020 £	2019 £
Income						
Donations and legacies	2	818	-	28,084	28,902	45,865
Income from charitable activities	4	3,713,120	-	38,118	3,751,238	3,588,802
Investment income	5	1,269	-	-	1,269	1,084
Other income	3	153	-	-	153	13
Total incoming resources		<u>3,715,360</u>	<u>-</u>	<u>66,202</u>	<u>3,781,562</u>	<u>3,635,764</u>
Expenditure						
Cost of raising funds	6	8,045	-	-	8,045	7,506
Expenditure on charitable activities	6	3,560,741	-	71,274	3,632,015	3,469,241
Total Expenditure		<u>3,568,786</u>	<u>-</u>	<u>71,274</u>	<u>3,640,060</u>	<u>3,476,747</u>
Net income/(expenditure) & net movement in funds before transfers		146,574	-	(5,072)	141,502	159,017
Transfer of funds	17	(230,000)	230,000		-	-
Net income/(expenditure) & net movement in funds after transfers		(83,426)	230,000	(5,072)	141,502	159,017
Total funds, brought forward		1,334,338	470,000	5,072	1,809,410	1,650,393
Total funds, carried forward		<u>1,250,912</u>	<u>700,000</u>	<u>-</u>	<u>1,950,912</u>	<u>1,809,410</u>

The Statement of Financial Activities also complies with the requirements of an income and expenditure account under the Companies Act 2006.

CONTINUING OPERATIONS

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

TOTAL RECOGNISED GAINS AND LOSSES

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


The notes on pages 17 to 27 form part of these accounts.

THE TOWER PROJECT
(A company limited by guarantee)

BALANCE SHEET AS AT 31ST MARCH 2020

	Notes	2020	2019
		£	£
Fixed assets			
Tangible assets	11	1,669,586	1,672,299
Current assets			
Stock		532	587
Debtors	12	619,168	449,433
Cash at bank and in hand		638,137	804,520
		<u>1,257,837</u>	<u>1,254,540</u>
Liabilities			
Creditors falling due with in one year	13	<u>(212,325)</u>	<u>(297,287)</u>
Net current assets		1,045,512	957,253
Creditors falling due after more than one year	14	(764,186)	(820,142)
Net assets		<u>1,950,912</u>	<u>1,809,410</u>
The funds of the charity			
Unrestricted funds:			
General	17	1,250,912	1,334,338
Designated	16	700,000	470,000
Restricted funds	17	-	5,072
Total charity funds		<u>1,950,912</u>	<u>1,809,410</u>

These accounts were approved by the Board of Trustees on 16th July 2020 and were signed on its behalf by:

.....  **DAVID BARNETT (CHAIR)**

Company Registration No. 03338883

The notes on pages 17 to 27 form part of these accounts.

THE TOWER PROJECT
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST MARCH 2020

	Notes	2020 £	2019 £
Cash used in operating activities	19	<u>(11,057)</u>	<u>78,267</u>
Cash flows from investing activities			
Interest income		1,269	1,084
Purchase of tangible fixed assets		(100,871)	(65,518)
Proceeds from the sale of equipment		233	
Cash provided by / (used in) investing activities		<u>(99,369)</u>	<u>(64,434)</u>
Cash flows from financing activities			
Receipt of mortgage loan		-	-
Repayment of borrowing		(55,956)	(44,403)
Cash used in financing activities		<u>(55,956)</u>	<u>(44,403)</u>
Increase / (decrease) in cash & cash equivalents in the year		<u>(166,383)</u>	<u>(30,570)</u>
Cash & cash equivalents at the beginning of the year		804,520	835,090
Total cash & cash equivalents at the end of the year		<u><u>638,137</u></u>	<u><u>804,520</u></u>

THE TOWER PROJECT
(A company limited by guarantee)

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 2020

1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

1.1 Basis of preparation of accounts

The financial statements have been prepared in accordance with 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 2015) – (Charities SORP (FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Tower Project meets the definition of a public benefit entity under FRS 102.

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

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

1.2 Preparation of accounts on a going concern basis

The Charity's Financial Statements show net income of £141,502 for the year and free reserves of £575,512. The trustees are of the view that these results have secured the immediate future of the Charity for the next 12 to 18 months and on this basis the Charity is a going concern.

1.3 Income

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

- (a) Income received by way of grants, donations and legacies are included in full in the Statement of Financial Activities when received, unless they relate to a specified future period, in which case they are deferred.
- (b) Legacies entitlement is taken as the earlier of the date on which either: the charity is aware that the probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Charity that the distribution is made, or when a distribution is received from the estate. No legacies were received during the year.
- (c) Income from charitable activities received by way of revenue grants and donations are credited to restricted incoming resources on the earlier date of when they are received or when they are receivable, unless they relate to a specified future period, in which case they are deferred.
- (d) Grants and donations of general nature which are not conditional on delivering certain levels of service are included as part of Grants, Donations and Legacies as shown under note 2. Performance related grants and donations which have conditions for a specific outcome are include as Income from Charitable Activities as shown in Note 4.
- (e) Capital grants for the purchase of fixed assets are credited to restricted incoming resources on the earlier date of when they are received or receivable. Depreciation on the related fixed assets is charged against the restricted fund.
- (f) Income from charitable activities include income recognised as earned (as the related goods and services are provided) under contract, in the form of training income.
- (g) Shop income is recognised as earned (that is, as the related goods are provided).
- (h) Investment income is included when receivable.

THE TOWER PROJECT
NOTES TO THE ACCOUNTS (Cont/d)
FOR THE YEAR ENDED 31ST MARCH 2020

1.4 Volunteers and donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refers to the trustees' annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt. No such donations were received during the year.

1.5 Expenditure recognition and irrecoverable VAT

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

Expenditure is classified under the following activity headings:

- (a) Cost of raising funds comprises the cost of seeking donations and legacies, membership services and other fundraising activities and their associated support costs.
- (b) Expenditure on charitable activities includes the costs directly associated with the following projects New Dawn, Children's Services, Youth & Leisure, Job Enterprise and Training, First Start, Community Outreach and Supported Living and their associated support costs.

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

1.6 Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance and administration personnel, payroll and governance costs which support the Trust's programmes and activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The basis on which support costs have been allocated are set out in note 7.

1.7 Funds structure

The general fund comprises those monies, which may be used toward meeting the charitable objectives of the company at the discretion of the Management Board.

The designated funds are monies set aside out of general funds and designated for specific purposes by the Management Board.

The restricted funds are monies raised for, and their use restricted to, a specific purpose or donations subject to donor imposed conditions.

1.8 Tangible fixed assets and depreciation

Tangible fixed assets (excluding investments) are stated at cost less depreciation. The cost of minor additions or those costing less than £500 are not capitalised. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold property	- Over unexpired term of lease.
Playground	- Over term of lease.
Kitchen & other equipment	- 25% on cost.
Fixtures and fittings	- 25% on cost.
Motor vehicles	- 25% net book value.

1.9 Stock

Stock is shown at the lower of cost and net realisable value. Stock consists of course material and shop stock.

THE TOWER PROJECT
NOTES TO THE ACCOUNTS (Cont/d)
FOR THE YEAR ENDED 31ST MARCH 2020

1.10 Cash at bank and in hand

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

1.11 Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

1.12 Financial instruments

The Trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.13 Taxation

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

1.14 Operating leases

All leases are operating leases, and rentals are charged to the Statement of Financial Activities on a straight-line basis over the lease duration. No assets are held under hire purchase agreements.

1.15 Judgement and key sources of estimation uncertainty

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

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

2. DONATIONS AND LEGACIES

	Unrestricted Funds	Restricted Funds	2020	2019
	£	£	£	£
Donations and gifts	818	-	818	17,865
The Cedar Centre	-	2,084	2,084	-
Ratcliff Educational Foundation	-	26,000	26,000	28,000
	<u>818</u>	<u>28,084</u>	<u>28,902</u>	<u>45,865</u>

Donations and legacies in 2019, totalled £45,865. These were attributed £17,865 to unrestricted funds and £28,000 to restricted funds.

3. OTHER INCOME

	Unrestricted Funds	2020	2019
	£	£	£
Other income	153	153	13
	<u>153</u>	<u>153</u>	<u>13</u>

Other income in 2019, totalling £13 was all attributed to unrestricted funds.

THE TOWER PROJECT
NOTES TO THE ACCOUNTS (Cont/d)
FOR THE YEAR ENDED 31ST MARCH 2020

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
<i>New Dawn</i>				
City of London	40,034	-	40,034	39,820
London Borough of Tower Hamlets	896,570	-	896,570	900,433
London Borough of Hackney	5,238	-	5,238	5,238
Job Centre (DWP Access to work)	1,875	-	1,875	2,489
NHS Tower Hamlets CCG	54,327	-	54,327	53,813
	<u>998,044</u>	<u>-</u>	<u>998,044</u>	<u>1,001,793</u>
<i>Children's Services</i>				
City of London	1,427	-	1,427	2,140
London Borough of Tower Hamlets	412,464	-	412,464	349,340
	<u>413,891</u>	<u>-</u>	<u>413,891</u>	<u>351,480</u>
<i>Youth & Leisure Services</i>				
London Borough of Tower Hamlets	50,000	-	50,000	50,000
	<u>50,000</u>	<u>-</u>	<u>50,000</u>	<u>50,000</u>
<i>Job, Enterprise and Training</i>				
Big Lottery Fund (ESF Building Better Opportunities Grant)	-	26,377	26,377	13,301
London Borough of Tower Hamlets	591,345	-	591,345	461,349
NHS Tower Hamlets	38,220	-	38,220	38,220
Leonard Cheshire Disability	-	11,741	11,741	2,400
Educational Institutions (Transition to Employment Programmes)	309,513	-	309,513	271,079
Café takings	44,898	-	44,898	36,074
Donations	-	-	-	200
Other income	570	-	570	7,540
	<u>984,546</u>	<u>38,118</u>	<u>1,022,664</u>	<u>830,163</u>
<i>First Start</i>				
London Borough of Hackney	61,230	-	61,230	61,230
London Borough of Tower Hamlets	640,301	-	640,301	736,081
NHS Tower Hamlets CCG	76,767	-	76,767	38,139
	<u>778,298</u>	<u>-</u>	<u>778,298</u>	<u>835,450</u>
<i>Community Outreach</i>				
London Borough of Tower Hamlets	11,539	-	11,539	44,976
	<u>11,539</u>	<u>-</u>	<u>11,539</u>	<u>44,976</u>
<i>Supported Living</i>				
City of London	144,078	-	144,078	143,685
London Borough of Tower Hamlets	263,897	-	263,897	261,550
Rental income	68,828	-	68,828	69,705
	<u>476,803</u>	<u>-</u>	<u>476,803</u>	<u>474,940</u>
	<u>3,713,120</u>	<u>38,118</u>	<u>3,751,238</u>	<u>3,588,802</u>

Income from charitable activities in 2019, totalled £3,588,802. These were attributed £3,572,901 to unrestricted funds and £15,901 to restricted funds.

5. INVESTMENT INCOME

	Unrestricted Funds £	2020 £	2019 £
Interest on cash deposits	1,269	1,269	1,084
	<u>1,269</u>	<u>1,269</u>	<u>1,084</u>

Investment income in 2019, totalling £1,084 was all attributed to unrestricted funds.

THE TOWER PROJECT
(A company limited by guarantee)

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 31ST MARCH 2020

6. ANALYSIS OF EXPENDITURE

	Raising Funds	New Dawn	Children's Services	Youth & Leisure Services	Job Enterprise & Training	First Start	Community Outreach	Supported Living	Total 2020	Total 2019
	£	£	£	£	£	£	£	£	£	£
Staff salary costs	-	639,101	167,571	23,891	671,959	526,674	5,092	216,696	2,250,983	2,150,974
Premises and equipment costs	-	29,177	370	-	156,357	22,601	-	39,605	248,111	249,441
Project operating costs	-	26,251	7,554	611	51,090	37,626	-	640	123,772	128,788
Respite breaks	-	-	-	-	-	-	23,064	-	23,064	21,036
Communication & IT costs	-	1,806	671	636	20,712	5,392	-	6,598	35,814	34,814
Transport and travel costs	-	14,550	12,926	23,209	7,898	16,992	-	11,885	87,461	88,557
Staff and volunteer costs	-	24,817	3,420	-	16,797	7,829	-	2,739	55,601	41,458
Insurance	-	-	-	-	5,908	-	-	-	5,908	5,350
Membership and Subscriptions	-	188	93	-	1,186	2,434	-	366	4,267	4,928
General expenses	-	149	13	-	231	143	-	20	556	840
Support costs (Note 7)	7,835	235,036	117,518	39,173	78,345	156,691	31,338	117,518	783,455	729,362
Governance costs (Note 7)	211	6,320	3,160	1,053	2,107	4,214	843	3,160	21,068	21,199
	<u>8,045</u>	<u>977,397</u>	<u>313,297</u>	<u>88,573</u>	<u>1,012,590</u>	<u>780,595</u>	<u>60,337</u>	<u>399,226</u>	<u>3,640,060</u>	<u>3,476,747</u>

Of the £3,640,060 expenditure in 2020 (2019 - £3,476,747), £3,568,786 was charged to unrestricted funds (2019 - £3,431,117) and £71,274 to restricted funds (2019 - £45,630).

THE TOWER PROJECT
(A company limited by guarantee)

NOTES TO THE ACCOUNTS (Cont/d)
FOR THE YEAR ENDED 31ST MARCH 2020

7. ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

The Charity initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Governance costs and other support costs are apportioned separately between the key activities undertaken (see note 6) in the year. All the general support and governance costs have been apportioned to the various charitable activities on the basis of usage by each activity.

	General Support	Governance Function	Total 2020	Total 2019
	£	£	£	£
Staff salary costs	439,787	6,072	445,859	417,601
Premises and equipment costs	139,346	500	139,846	132,106
Communication costs	37,738	225	37,963	42,296
Transport and travel costs	12,376	-	12,376	6,864
Staff and volunteer costs	20,187	-	20,187	12,429
Legal and professional expenses	4,380	-	4,380	1,062
Insurance	2,546	5,908	8,454	7,826
Bank charges and interest	22,198	-	22,198	31,948
Depreciation	103,352	-	103,352	87,861
Membership and Subscriptions	843	-	843	1,553
General expenses	702	-	702	635
Trustees and board expenses	-	203	203	220
Audit fees	-	8,160	8,160	8,160
	<u>783,455</u>	<u>21,068</u>	<u>804,523</u>	<u>750,561</u>

8. OPERATING SURPLUS

Operating surplus is shown after charging:	2020	2019
	£	£
Depreciation of tangible fixed assets	47,222	42,049
Amortisation of leasehold premises	24,419	14,318
Amortisation of freehold premises	31,711	31,494
Operating lease rentals – land and buildings	141,178	126,000
Auditors' remuneration	<u>8,160</u>	<u>8,160</u>

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

	2020	2019
	£	£
Wages and salary	2,449,241	2,318,883
National Insurance	200,993	193,570
Pension cost	46,607	56,122
	<u>2,696,841</u>	<u>2,568,575</u>

There was one (2019 – one) employee whose annual employee benefits (excluding employer pension costs) were between £60,000 to £70,000.

No remuneration or reimbursed expenses were paid to the Trustees during the year (2019 - £nil).

The key management personnel of the charity is as shown on page 10. The total employee benefits of the key management personnel of the charity were £387,619 (2019 - £376,620).

THE TOWER PROJECT
(A company limited by guarantee)

NOTES TO THE ACCOUNTS (Cont/d)
FOR THE YEAR ENDED 31ST MARCH 2020

10. STAFF NUMBERS

The average monthly head count was 147 (2019 - 130) and the average monthly number of full time staff based on full time equivalents employed by the charity including part time and temporary staff employed on holiday schemes during the period was as follows:

Department (Full-time)	<u>No. of Employees</u>	
	2020	2019
Director	1	1
Admin & Finance	9	9
IT & Maintenance	4	4
Job, Enterprise & Training	22	18
Youth & Leisure Services	1	1
Children's Services	25	20
New Dawn Day Services	36	36
First Start Day Services	24	24
Supported Living	7	7
Community Café (Spotlight)	1	1
Community Café (Haggerston Perk)	1	1
Total	<u>131</u>	<u>122</u>

THE TOWER PROJECT
(A company limited by guarantee)

NOTES TO THE ACCOUNTS (Cont/d)
FOR THE YEAR ENDED 31ST MARCH 2020

11. TANGIBLE FIXED ASSETS

	2020 £	2019 £
NET BOOK VALUES		
Freehold premises	1,422,445	1,454,156
Long leasehold premises	142,019	102,820
Short leasehold premises	16,429	18,207
Kitchen & other equipment	38,921	41,418
Fixtures and fittings	21,954	18,608
Motor vehicles	27,818	37,090
	<u>1,669,586</u>	<u>1,672,299</u>

MOVEMENTS IN YEAR

Cost or valuation	Opening Balances £	Additions £	Disposals £	Closing Balances £
Freehold premises	1,585,551	-	-	1,585,551
Long leasehold premises	740,515	47,190	-	787,705
Short leasehold premises	152,995	14,650	-	167,645
Kitchen & other equipment	335,429	24,579	311	359,697
Fixtures and fittings	141,336	14,453	-	155,789
Motor vehicles	151,375	-	-	151,375
	<u>3,107,201</u>	<u>100,871</u>	<u>311</u>	<u>3,207,762</u>

Depreciation	Opening Balances £	Charge For Year £	Disposals £	Closing Balances £
Freehold premises	131,395	31,711	-	163,106
Long leasehold premises	637,695	7,991	-	645,686
Short leasehold premises	134,788	16,428	-	151,216
Kitchen & other equipment	294,011	26,842	78	320,775
Fixtures and fittings	122,728	11,107	-	133,835
Motor vehicles	114,285	9,272	-	123,557
	<u>1,434,902</u>	<u>103,352</u>	<u>78</u>	<u>1,538,176</u>

12. DEBTORS

	2020 £	2019 £
Trade debtors	535,338	278,931
Other debtors	10,330	20,181
Prepayments and accrued income	73,500	150,321
	<u>619,168</u>	<u>449,433</u>

13. CREDITORS: amounts falling due within one year

	2020 £	2019 £
Mortgage Loan	48,738	47,133
Trade creditors	62,512	63,116
Other creditors	10,409	7,759
Taxation & social security	49,178	49,670
Accruals	41,488	103,241
Deferred income (note 15)	-	26,368
	<u>212,325</u>	<u>297,287</u>

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NOTES TO THE ACCOUNTS (Cont/d)
FOR THE YEAR ENDED 31ST MARCH 2020

14. CREDITORS: amounts falling after within one year

	2020 £	2019 £
Mortgage Loan	812,924	867,275
Less: amount included in creditors due within one year	(48,738)	(47,133)
	<u>764,186</u>	<u>820,142</u>

During 2013 the charity acquired a freehold property, 20 Bullivant Street, London E14 0ER, on which it has a secured loan with its bankers. The loan facility was for £100,000 repayable over 15 years and is secured by a first mortgage charge over the land and building. The facility provided is on a fixed rate of interest of 6.3% per cent per annum fixed for 15 years.

During 2014 the charity acquired a freehold property, 79 Fulmer Road, London E16 3TE, on which it has a secured loan with its bankers. The loan facility was for £290,000 repayable over 15 years and is secured by a first mortgage charge over the land and building. The facility provided is on a variable rate of interest of 2.16% per cent per annum over the base rate of Lloyds bank plc.

During 2018 the charity acquired a freehold property, 13 Indigo Mews, London E14 9PN, on which it has a secured loan with its bankers. The loan facility was for £600,000 repayable over 15 years and is secured by a first mortgage charge over the land and building. The facility provided is on a variable rate of interest of 2.16% per cent per annum over the base rate of Lloyds bank plc.

15. DEFERRED INCOME

	2020 £	2019 £
Balance as at 1st April	26,368	669
Amount released to income in the year	(26,368)	(669)
Amount deferred in the year	-	26,368
	<u>-</u>	<u>26,368</u>
Balance as at 31st March	-	26,368

Deferred income relates to £nil (2019 - £26,368) contract income received from London Borough of Hackney for JET Supported Internship Programme in summer 2020 and Housing Benefit of £nil (2019 - £585) received in advance for next financial year.

16. DESIGNATED FUNDS

The income of the Charity includes the following designated funds, which have been set aside out of the restricted funds by the Trustees for specific purposes:

	Balance as 01.04.19 £	New Designations £	Utilised / Realised £	Balance as 31.03.20 £
Staff contingency fund	120,000	130,000	-	250,000
Development fund	100,000	100,000	-	200,000
Independent living fund	250,000	-	-	250,000
	<u>470,000</u>	<u>230,000</u>	<u>-</u>	<u>700,000</u>

The staff contingency fund represents monies designated by the Trustees towards covering the legal commitment for staff redundancy and notice costs. The fund has been increased during the year to reflect the increase in staff costs in recent years.

The development fund is to cover the cost of developing new services.

The independent living fund is to provide support to enable young people and adults with disabilities to live independently.

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NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 31ST MARCH 2020

17. FUND BALANCES

	Balance at 01.04.19 £	Income £	Expenditure £	Transfer between funds £	Balance at 31.03.20 £
Unrestricted Funds					
General funds	1,334,338	3,715,360	3,568,786	(230,000)	1,250,912
Designated funds (see note 16)	470,000	-	-	230,000	700,000
	<u>1,804,338</u>	<u>3,715,360</u>	<u>3,568,786</u>	<u>-</u>	<u>1,950,912</u>
Restricted Funds					
Job Enterprise & Training	-	38,118	38,118	-	-
Mini Bus	5,072	-	5,072	-	-
Rent Contributions	-	26,000	26,000	-	-
Computer Equipment	-	2,084	2,084	-	-
	<u>5,072</u>	<u>66,202</u>	<u>71,274</u>	<u>-</u>	<u>-</u>
Total funds	<u>1,809,410</u>	<u>3,781,562</u>	<u>3,640,060</u>	<u>-</u>	<u>1,950,912</u>

Fund balances – previous year

	Balance at 01.04.18 £	Income £	Expenditure £	Transfer between funds £	Balance at 31.03.19 £
Unrestricted Funds					
General funds	1,173,592	3,591,863	3,431,117	-	1,334,338
Designated funds (see note 16)	470,000	-	-	-	470,000
	<u>1,643,592</u>	<u>3,591,863</u>	<u>3,431,117</u>	<u>-</u>	<u>1,804,338</u>
Restricted Funds					
Children's Services	1,729	-	1,729	-	-
Job Enterprise & Training	-	15,901	15,901	-	-
Mini Bus	5,072	-	-	-	5,072
Rent Contributions	-	28,000	28,000	-	-
	<u>6,801</u>	<u>43,901</u>	<u>45,630</u>	<u>-</u>	<u>5,072</u>
Total funds	<u>1,650,393</u>	<u>3,635,764</u>	<u>3,476,747</u>	<u>-</u>	<u>1,809,410</u>

The balances on individual projects at the 31st March 2020 as shown above are not necessarily represented by amounts held in the bank.

Unrestricted funds:

Unrestricted funds include both the general fund which represents funds available to spend at the discretion of the Trustees after allowing for all the designated funds and designated funds as shown in note 16.

Restricted funds

- Children's Services - The service operates an after-school club throughout the school term time and a 5 day holiday scheme during the school holiday periods for up to 600 children with disabilities.
- Job Enterprise & Training - The job opportunities service works with disabled young people and adults. The service provides individual advice and practical support to assist people of working age with a range of employment and training opportunities.
- Computer Equipment - Funding received from The Cedar Centre towards the purchase of computer equipment. Funding was fully utilised during the year.

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NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 31ST MARCH 2020

17. FUND BALANCES (continued)

- Mini Bus - Funding received from the London Borough of Tower Hamlets towards the purchase of a mini bus to be used by the New Dawn service. The fund has now been fully utilised.
- Rent - A grant received from the Ratcliff Educational Foundation to cover the rent cost of the leasehold premises.
- Contribution

18. ANALYSIS OF FUND BALANCES BETWEEN NET ASSETS

	Unrestricted £	Designated £	Restricted £	Total £
Tangible fixed assets	1,669,586	-	-	1,669,586
Net current assets	345,512	700,000	-	1,045,512
Creditors due after more than one year	(764,186)	-	-	(764,186)
	<u>1,250,912</u>	<u>700,000</u>	<u>-</u>	<u>1,950,912</u>

Analysis of fund balances between net assets – previous year

	Unrestricted £	Designated £	Restricted £	Total £
Tangible fixed assets	1,667,227	-	5,072	1,672,299
Net current assets	487,253	470,000	-	957,253
Creditors due after more than one year	(820,142)	-	-	(820,142)
	<u>1,334,338</u>	<u>470,000</u>	<u>5,072</u>	<u>1,809,410</u>

19. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASHFLOW FROM OPERATING ACTIVITIES

	2020 £	2019 £
Net movement in funds	141,502	159,017
Add back depreciation	103,352	87,861
Deduct interest income shown in investment activities	(1,269)	(1,084)
Decrease / (increase) in stock	55	(251)
Decrease / (increase) in debtors	(169,735)	(226,800)
Increase / (decrease) in creditors	(84,962)	59,524
Net cash used in operating activities	<u>(11,057)</u>	<u>78,267</u>

20. OPERATING LEASE COMMITMENTS

The charity has operating lease commitments as shown below.

	Land & buildings	
	2020 £	2019 £
Within one year	126,000	126,000
Two to five years	459,000	535,000
Over five years	550,000	600,000
	<u>1,135,000</u>	<u>1,261,000</u>

21. SHARE CAPITAL

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