

# **TOWER HAMLETS AND CANARY WHARF FURTHER EDUCATION TRUST**

**CHARITY REGISTRATION NUMBER 1002772**

## **ACCOUNTS AND TRUSTEES' REPORT** **FOR THE YEAR ENDED 31<sup>ST</sup> AUGUST 2020**

### **1. Introduction**

- 1.1 The Tower Hamlets and Canary Wharf Further Education Trust was established on 17<sup>th</sup> July 1987, by the Council and Canary Wharf Limited (formerly known as Olympia and York Canary Wharf Limited and the Canary Wharf Development Co. Limited).
- 1.2 The financial statements comply with current statutory requirements, including the Statement of Recommended Practice: Accounting and Reporting by Charities (FRS102).

### **2. Objectives and Activities**

- 2.1 The original objective of the Trust Fund was the advancement of education and training for residents of the London Borough of Tower Hamlets in technical and managerial skills relevant to commerce and industry. This objective was subsequently amended in December 1990, to enable funds of the Trust to be applied for the advancement of the further or higher education or the vocational training of persons living within the London Borough of Tower Hamlets.

### **3. Procedures and Policy for Grant Making**

- 3.1 The trust has a policy of making grants available for the further or higher education or vocational training of persons living within the London Borough of Tower Hamlets.

- 3.2 Applications for financial assistance are invited from persons living within Tower Hamlets who meet the eligibility criteria. Applications are sought by placing advertisements in local newspapers, local colleges and universities and at various locations around the Borough such as Idea Stores.
- 3.3 A formal trust review meeting including all trustees is held twice a year to make decisions on new grants and to review on-going grant policy and its effectiveness. This is normally supplemented by a third meeting to review grant applications and consider the investment strategy.
- 3.4 The grants are allocated by the trustees on the basis of predetermined criteria.

#### **4. Achievements and Performance**

- 4.1 During the financial year the trustees applied the following criteria to determine eligibility for assistance from the Trust:-
- Three year residency in Tower Hamlets
  - Exclusion of courses attracting mandatory support
  - Post-graduate courses and apprenticeships conferring a vocational qualification or likely to enhance employment prospects
  - A maximum award of £4,500. This rate of award only applies to post-graduate awards. The rate for other awards is £ 4,000.
  - The basic criteria corresponded to those in the previous financial year
- 4.2 The Trustees determined that assistance would be concentrated on the following categories:-

Tuition Fees  
Maintenance

Students may apply for one or both of the categories of assistance. The assistance granted during the year may be summarised as follows:-

**Table 1**  
**Awards Made**

	2019/20 Awards		2018/19 Awards	
	Students	%	Students	%
One Category of Assistance Granted	58	98	69	100
Two Categories of Assistance Granted	1	2	0	0
<b>Awards Made</b>	<b>59</b>		<b>69</b>	

- 4.3 The trustees are mindful of the public benefit tests for charities, and confirm they have complied with the duty in Section 4 of the Charities Act (2011) to have due regard to public benefit guidance published by the Charity Commission.
- 4.4 The total number of awards made has decreased from 69 (2018/19) to 59 (2019/20).
- 4.5 One applicant was awarded two levels of assistance in 2019/20.

Payments to students in the academic year totalled £ 115,676 This comprised the following elements:-

**Table 2 – Payments To Students**

	2019/20 £	2018/19 £
Payment to Students in year	115,676	122,841
Repayment of Grants relating to previous years	0	(350)
<b>Sub-total; grants</b>	<b>115,676</b>	<b>122,491</b>
<b>Other expenses</b>	<b>8,903</b>	<b>9,262</b>
<b>Per Statement of Financial Activities</b>	<b>124,579</b>	<b>131,753</b>

The value of grants awarded decreased by £ 6,815 (5.5%).

4.7 The assistance provided to students is as set out below:-

**Table 3**  
**Assistance Provided**

	2019/20 Awards			2018/19 Awards		
	Number	£	Average	Number	£	Average
Tuition Fees	58	112,726	1,944	66	117,521	1,781
Maintenance	2	2,950	1,475	3	5,320	1,773
Total Awards	60	115,676	1,928	69	122,841	1,780
Number of Students	59			69		

The number of awards for tuition fees reduced substantially by 12% from 66 (2018/19) to 58 (2019/20).

The number of awards for maintenance decreased very slightly from 3 to 2 with the average value of award also decreasing by 17% from £ 1,773 (2018/19) to £ 1,475 (2019/20).

A breakdown of the grants awarded to each category of education is as set out in **Appendix 1**.

4.8 The courses assisted during the financial year are as set out below:-

**Table 4**  
**Courses Assisted**

	2019/20 Awards			2018/19 Awards		
	Number	£	Average	Number	£	Average
Post Graduate	13	39,257	3,020	5	14,250	2,850
First Degree	0	0	0	3	7,000	2,333
<b>Sub Total</b>	<b>13</b>	<b>39,257</b>	<b>3,020</b>	<b>8</b>	<b>21,250</b>	<b>2,656</b>
Advanced Education	46	76,418	1,661	59	98,825	1,675
'A' Level/Other	0	0	0	2	2,766	1,383
	59	115,676	1,961	69	122,841	1,780

4.9 The specific courses and the level of assistance provided are as set out in **Appendix 2**.

4.10 **Appendix 3** details the institutions whose students received awards in 2019/20. In 2019/20 the number of institutions used increased from 20 up to 28.

As in 2018/19, in 2019/20 the institution with by far the largest number of attendees was Account 3 (£ 31,100 in total) comprising 26.89% of total awards made in the year.

- 4.11 The Trust is not currently considering any extension of its activities although it does review its operational basis annually.

## **5. Financial Review**

### **5.1 *Investment policy***

Under the Trust Deed, the trustees have the power to invest in such assets as they see fit.

Trustees have invested funds in unit trusts managed by CCLA Investment Management Ltd, with an investment objective of securing a median level of return with moderate risk whilst maintaining the capital base.

### **5.2 *Reserves policy***

The Trust Deed requires the trustees to use the income of the trust in promoting its objects. It also gives permission for the capital to be used. The use of the trust's reserves is therefore wholly at the discretion of the trustees, with no particular level of reserves required to be maintained.

- 5.3 The trust had available funds (including £ 280,587 representing the accumulated under-spent funds from earlier years) to provide assistance in the academic year of £ 421,058 (£ 412,340 2018/19). The trust incurred expenditure of £ 124,579 (£ 131,753 in 2018/19) which represented 30% (32% 2018/19) of available resources. The figure also represents 89% of the dividends/interest received during the year (see Table 5 below).

The residual funds of £ 296,479 (£ 280,587 2018/19) will be carried forward into the next academic year.

- 5.4 The fund accrued investment income of £ 140,471 (£ 142,660 2018/19) during the year. The returns obtained on the different categories of investment are as set out below:-

**Table 5**  
**Investment Returns**

	Common Investment Fund		Bank	Money Market	Total
	Fixed Interest	Equity Based			
Average Balance 2019/20	330,628	4,233,719	532,744	272,490	5,369,581
Dividends/Interest Received	10,372	127,765	1,999	335	140,471
Return	3.14%	3.02%	0.38%	0.12%	2.62%

- 5.5 The market value of the investment in Common Investment Funds increased by £ 90,639 (2.01%) during the year. The appreciation/depreciation on the different categories of investment is set out below:-

**Table 6**  
**Capital Appreciation of Common Investment Funds**

	Fixed Interest	Equity Based	Total
Book Value	274,828	2,047,772	2,322,600
Appreciation Since Acquisition	56,875	2,139,553	2,196,428
Market Value 01.09.19	331,703	4,187,325	4,519,028
Market Value 31.08.20	329,554	4,280,113	4,609,667
Appreciation/Depreciation 2019/20	-2,149	92,788	90,639
Return 2019/20	-0.65%	2.22%	2.01%
Annual Return since acquisition	0.79%	4.33%	3.91%

- 5.6 The financial accounts are as set out in **Appendix 4**.

## **6. Ocean Estate Bursary Scheme**

The trust has taken on the administration of the Ocean Estate Bursary scheme at the request of Tower Hamlets Council. Although it was originally envisaged that the OEB scheme would only last five years the scheme has been slow to get off of the ground. As a consequence the scheme will continue until all funds have been allocated.

The London Borough of Tower Hamlets awarded a grant to the THCW of £150,000.00. The purpose of the grant is specifically to facilitate students who are resident on the Ocean Estate, Stepney who wish to pursue higher education opportunities.

The grant is funded under s106 of the Town and Country Planning Act which allows contributions to be sought from developers towards the cost of providing community infrastructure. The grant is designated the Ocean Estate Bursary (OEB).

The Trust is to promote the advancement of higher education amongst the students and will be assisted by the Ocean Regeneration Trust (ORT) to identify potential applicants and to better administer the grant in accordance with the purpose for which it is awarded.

Grants will only be given for higher education and post graduate courses and it was originally envisaged that a maximum of 45 bursaries are to be made during the grant period. This originally commenced August 2014. As has already been noted it was originally intended that the scheme only run for five years. However, take-up has been slow and the scheme will now run until all funds have been expended.

For the 2019/20 academic year the Ocean Estate scheme awarded bursaries to 17 students totalling £ 17,000 (the same as in 2018/19).

## **7. Structure, Governance and Management**

- 7.1 The trustees are nominated by the parties in the trust document. The London Borough of Tower Hamlets nominees are executive decisions currently undertaken by the Mayor. The trustees nominated by Canary Wharf are conventionally the Group Company Secretary and Legal Counsel and another officer.
- 7.2 Following their appointment, new trustees undergo a short training session to familiarise themselves with the charity and the context in which it operates and to gain awareness of their legal obligations under charity law. They are provided with a copy of the Trust Deed and the latest financial statements.
- 7.3 The trustees annually review the risks that the charity faces. To date these have mainly related to investment management and these have been ameliorated by diversified portfolio management.
- 7.4 Trustees have taken steps to mitigate the financial risks that the charity faces by:
  - holding the investments in long established unit trusts;
  - ensuring the investments are diversified; and

- allocating grants annually on the basis of projected investment income thereby having no significant financial commitments.

## **8. Future Plans**

In the medium term the trustees plan to continue to run the trust on the same basis of making grants in accordance with set criteria.

## **9. Responsibilities of the trustees**

Charity law requires the trustees to prepare financial statements for each financial year which shows a true and fair view of the state of affairs of the charity and of its financial activities that period. In preparing those financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards and statements of recommended practice have been followed, subject to any departure disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charity will continue on that basis.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations and the provisions of the trust deed. 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.

### ***Members of the Trustee Board***

Members of the Trustee Board, who served during the year are set out below.



## **10. Reference and administrative details**

10.1 The Trust has charitable status and was registered with the Charity Commission on 2<sup>nd</sup> May 1991 (Registration Number 1002772).

10.2 The address of the registered charity is:-

London Borough of Tower Hamlets  
Mulberry Place,  
5 Clove Crescent,  
London, E14 2BG

### **10.3 Trustees**

The Trust deed provides for parity of Trusteeship between the London Borough of Tower Hamlets (LBTH) and Canary Wharf Limited. Members of the Trustee Board who served during the year and up to the date of this report, are set out below:

Mr Howard Dawber	Managing Director of Strategy (from 12.10.20 to date)
Mr Zakir Khan	Director of Community (from 19.05.20 to date)
Mr John Garwood	Group Company Secretary of Canary Wharf Group plc (from 23/12/04 – 12.10.20)
Mr Howard Sheppard	Internal Consultant of Canary Wharf Group plc (from 23/12/04 – 19/05/21)
Cllr Abdal Ullah	Councillor LBTH (19/01/19 to date)
Ms Vicky Clark	Officer of LBTH (19/01/19 to date)

### **10.4 Independent Examiners**

Independent Examiner  
Frank McDowell  
FJM Accountancy Limited  
23 Shackleton Court  
2 Maritime Quay  
London E14 3QF

#### 10.5 Bankers

The Cooperative Bank plc  
P O Box 101  
1 Balloon Street  
Manchester  
M60 4EP

#### 10.6 Investment Fund Managers

CCLA Investment Management Limited  
COIF Charity Funds  
80 Cheapside  
London  
EC2V 6DZ

Approved by the trustees and signed on their behalf on 27 September 2021



Mr H Dawber  
Trustee (and Chair)

Date: 30 SEPTEMBER 2021.

**Tower Hamlets & Canary Wharf Further Education Trust**  
**Appendix 1 - Awards Made 2019/20**

	Tuition Fees		Maintenance		Totals	
	No.	£	No.	£	No.	£
Post Graduate	12	37,008	1	2,250	13	39,258
First Degree	0	-	0	-	0	-
Advanced Education	46	75,718	1	700	47	76,418
A Level/Other	0	-	0	-	0	-
<b>TOTALS</b>	<b>58</b>	<b>112,726</b>	<b>2</b>	<b>2,950</b>	<b>60</b>	<b>115,676</b>

Post Graduate  
First Degree  
Advanced Education  
A Level/Other

**TOTALS**

**Tower Hamlets & Canary Wharf Further Education Trust**  
**Appendix 2 Courses Assisted 2019/20**

Category	Qualification	Students No.	Assistance £
Post Graduate	Counselling	1	1,670.00
	Business Systems Analysis	1	4,250.00
	Fashion	1	4,250.00
	LLM Law Conversion	1	4,000.00
	MA in Creative Writing	1	2,100.00
	MA Interactive Child Psychotherapy	1	4,250.00
	MA Media and Communication Industries	1	4,250.00
	MSc Food Security	1	2,000.00
	MSC in Experimental and Translational T	1	3,850.00
	MSc Therapeutic Counselling	1	2,137.50
	PhD Near and Middle East	1	2,250.00
	Psychoterapeutic Counselling	1	1,750.00
	Therapeutic Counselling	1	2,500.00
Sub total		13	39,257.50
First Degree			
Sub total		0	0.00
Advanced Education	AAT Level 2	1	1,590.00
	AAT Level 3	2	3,500.00
	ACCA	2	3,500.00
	Agile Business Analyst	1	3,304.00
	Bar Practice Training Course	2	8,500.00
	Childcare Level 2	3	3,150.00
	Childcare Level 3	18	27,950.00
	Diploma in Fashion	1	3,450.00
	Diploma Therapeutic Counselling	1	1,750.00
	Early Years Workforce	1	1,750.00
	EMDR	1	1,320.00
	Forensic Psychodynamic Psychotherapy	1	1,500.00
	GDPR Foundation Practitioner	2	3,125.00
	NVQ in Advice and Guidance (Level 3)	6	7,200.00
	NVQ in Advice and Guidance (Level 4)	2	2,000.00
	Plumbing	1	1,458.33
	Prince 2 Foundation	1	1,370.80
Sub total		46	76,418.13
A Level/Other			
Sub total		0	0.00
<b>Totals</b>		<b>59</b>	<b>115,675.63</b>

### Appendix 3

#### Educational Establishments

Tower Hamlets & Canary Wharf Further Education Trust Appendix 3: Educational Establishments 2019/20				
Establishment	Students No.	Awards	£ Average Award	Total Awards %
Able Skills	1	1,458.33	1,458.33	1.26
Account 3	21	31,100.00	1,480.95	26.89
Alpha Training Institute	1	1,750.00	1,750.00	1.51
Amberhawk	1	1,875.00	1,875.00	1.62
BPP University	1	4,000.00	4,000.00	3.46
City University of London	3	12,750.00	4,250.00	11.02
Goldsmiths College	1	1,670.00	1,670.00	1.44
Harris Solutions	1	1,370.80	1,370.80	1.19
Institute for Arts	1	4,250.00	4,250.00	3.67
Island Advice Centre	8	9,200.00	1,150.00	7.95
Kensington and Chelsea College	1	3,450.00	3,450.00	2.98
London School of Business and Finance	1	1,750.00	1,750.00	1.51
New City College	2	3,500.00	1,750.00	3.03
Osborne Training	1	1,590.00	1,590.00	1.37
Queen Mary University	1	1,750.00	1,750.00	1.51
Richman EMDR Training	1	1,320.00	1,320.00	1.14
Royal College of Art	1	4,250.00	4,250.00	3.67
SOAS, University of London	1	2,250.00	2,250.00	1.95
Spurgeons College	1	1,750.00	1,750.00	1.51
The Knowledge Academy	2	4,554.00	2,277.00	3.94
The Open University	1	2,100.00	2,100.00	1.82
The Tavistock and Portman	1	1,500.00	1,500.00	1.30
The University of Greenwich	1	2,500.00	2,500.00	2.16
University of East London	1	4,250.00	4,250.00	3.67
University of Edinburgh	1	2,000.00	2,000.00	1.73
University of Greenwich	1	2,137.50	2,137.50	1.85
University of Oxford	1	3,850.00	3,850.00	3.33
University of Westminster	1	1,750.00	1,750.00	1.51
Grand Total	59	115,675.63	1,960.60	100.00

**Tower Hamlets and Canary Wharf Further Education Trust Appendix 4**

**Statement of financial activities  
for the year ended 31st August 2020**

	Notes	Unrestricted Funds		Restricted Funds	Totals	WP	2019 Total funds £
		2020 Unrestricted fund £	2020 Designated Investment fund £	2020 OEB fund £			
Income and endowments from:							
Investment Interest		140,471		0	140,471	Sheet 1	142,660
<b>Total income</b>		<b>140,471</b>	<b>0</b>	<b>0</b>	<b>140,471</b>		<b>142,660</b>
Expenditure on:							
Charitable Activities	5	124,579		17,000	141,579	Sheets 2 and 3	148,753
<b>Total expenditure</b>		<b>124,579</b>	<b>0</b>	<b>17,000</b>	<b>141,579</b>		<b>148,753</b>
<b>Net income before gains/losses on investments</b>		<b>15,892</b>	<b>0</b>	<b>(17,000)</b>	<b>(1,108)</b>		<b>(6,093)</b>
Other recognised gains/(losses)							
Unrealised gains on investment assets	13		90,195		90,195	Sheet 2	290,219
<b>Net Movement in Funds</b>		<b>15,892</b>	<b>90,195</b>	<b>(17,000)</b>	<b>89,087</b>		<b>284,126</b>
<b>Reconciliation of funds</b>							
Total funds brought forward at 1 September 2019		280,587	4,704,024	97,579	5,082,190		4,798,064
Prior year adjustment							
<b>Total fund balances carried forward at 31 August 2020</b>		<b>296,479</b>	<b>4,794,219</b>	<b>80,579</b>	<b>5,171,277</b>		<b>5,082,190</b>

**Balance Sheet as at 31st August 2020**

	Notes	2020	2020	2020	2019
		£	£	£	£
<b>Fixed Assets</b>					
Investments	12			4,616,823	Sheet 2 4,528,028
<b>Current assets</b>				0	
Debtors	9	23,733	0	23,733	Sheet 2 24,989
Short term deposits	10	272,997		272,997	Sheet 2 271,984
Cash at bank and in hand		603,101	80,579	683,680	Sheets 1 and 4 559,968
<b>Total Current Assets</b>		<b>899,831</b>	<b>80,579</b>	<b>980,410</b>	<b>856,939</b>
<b>Creditors: amounts falling due within one year</b>	11	<b>(425,956)</b>		<b>(425,956)</b>	<b>(301,377)</b>
<b>Total Net Current Assets</b>				<b>554,454</b>	<b>555,562</b>
<b>Net Assets</b>				<b>5,171,277</b>	<b>5,082,190</b>
<b>Designated funds</b>				4,794,219	4,704,024
<b>Unrestricted funds</b>				296,479	280,587
<b>Restricted funds</b>				80,579	97,579
<b>Total Charity Funds</b>	13			<b>5,171,277</b>	<b>5,082,190</b>

Approved by the Trustees on 27/09/21 and signed on their behalf by ;

 Trustee

# Tower Hamlets and Canary Wharf Further Education Trust Appendix 4

## Notes to the accounts for the year ended 31st August 2020

1. Accounting Policies
 

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the current and previous years.

Fixed Asset Investments -  
 Unit trust funds are stated at market value as at the balance sheet date. The statement of financial activities includes the net gains and losses arising on realisation throughout the year. Deposited cash held as part of the fixed asset investment portfolio are included in fund assets.
2. Basis of Accounting
 

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 notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) and the Charities Act 2011.
3. Fund Accounting
 

The charity holds two types of funds. The General Fund is an unrestricted fund, which is available for use at the discretion of the trustees in furtherance of the general objectives of the charity. There is a further, restricted fund, entitled the Ocean Estate Bursary - details of which are set out in Paragraph 7 of the Trustee's Report. The movement in all funds is set out in Note 13 to the accounts.
4. Income
 

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income.

Voluntary income is received by way of grants, donations and gifts and is included in &lt;I>I in the statement of financial activities when receivable.

Investment income is included when receivable.

### 5. Expenditure: Charitable Activities

Expenditure is recognised on an accrual basis as a liability if incurred. Expenditure includes irrecoverable VAT when appropriate and is reported as part of the expenditure to which it relates.

Charitable expenditure comprises those costs incurred by the charity in its grant-making activities for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the costs linked to the strategic management of the charity.

	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
	2020	2020	2020	2019
Direct Charitable Expenditure	17,000	17,000	17,000	17,000
Support Costs	5,784	5,784	5,784	5,784
Allowance to London Borough of Tower Hamlets	3,120	3,120	3,120	3,120
Governance costs	12,678	17,000	141,579	141,579

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### 6. Independent Examiner's Fee

Independent Examiner's Fee

	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
	2020	2020	2020	2019
Independent Examiner's Fee	3,120	3,120	3,120	3,120

2

### 7. Taxation

As a registered charity, Tower Hamlets and Canary Wharf Further Education Trust is exempt on income and gains to the extent that these are applied to its charitable objects. Expenditure subject to irrecoverable VAT is shown inclusive of the VAT.

### 8. Fixed Assets Investments Common Investment Funds

Market value 1 September 2019  
 Additions  
 Net unrealised gains/losses  
 Market Value 31 August 2020

	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
	2020	2020	2020	2019
Market value 1 September 2019	4,818,623	4,818,623	4,818,623	4,818,623
Additions	90,639	90,639	90,639	90,639
Net unrealised gains/losses	4,609,611	4,609,611	4,609,611	4,609,611
Market Value 31 August 2020	7,600	7,600	7,600	7,600
Market value 1 September 2019	444	444	444	444
Net Unrealised Gains/Losses	7,156	7,156	7,156	7,156
Sub Total Other Investment	4,818,623	4,818,623	4,818,623	4,818,623
Market Value 31 August 2020	2,227,000	2,227,000	2,227,000	2,227,000

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#### Other Investments

Market value 1 September 2019  
 Net Unrealised Gains/Losses  
 Sub Total Other Investment  
 Market Value 31 August 2020  
 Cost 31 August 2020

8. Debtors

Interest Receivable  
Grants Prepaid/Other

Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
2019	2018	2019	2018
23,733		23,733	23,733
23,733		23,733	23,733

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10. LBTH Short-term Deposit  
(Funds held by the Council)

Short term deposit

Unrestricted Funds	Restricted Funds	Total Funds	Unrestricted Funds	Restricted Funds	Total Funds
2019	2018	2019	2019	2018	2019
172,132		172,132	172,132		172,132
172,132		172,132	172,132		172,132

11. Liabilities :Amounts falling due within one year

Other Creditors

Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
2019	2018	2019	2018
1426,920		(413,840)	79,230,372
1426,920		(413,840)	79,230,372

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12. Analysis of Net Assets between Funds

Fixed Assets  
Current Assets  
Current Liabilities

Unrestricted Funds	Restricted Funds	Total Funds	Unrestricted Funds	Restricted Funds	Total Funds
2019	2018	2019	2019	2018	2019
4,616,923		4,616,923			
849,531	80,570	930,101			
5,466,454	80,570	5,547,024			
5,466,454	80,570	5,547,024			

13. Movement in Funds

	At 01-Sep-19	Incoming Resources	Outgoing Resources	Investment Gains	At 31-Aug-20						
Unrestricted Fund	280,687	140,471	(124,678)		296,479						
Designated Investment Fund	4,704,824			80,195	4,784,219						
Restricted Fund	97,570		(17,000)	80,570	161,140						
	5,083,081	140,471	(141,678)	80,195	5,171,278						

The unrestricted fund is to be used at the discretion of the Trustees in promoting the Trust's objectives.

14. Related Party Transactions

Grants to students are initially paid by London Borough of Tower Hamlets as agent of the Trust. Such expenditure is subsequently reimbursed by the Charity. Outstanding amount of grant is included in Creditors. The support costs of £5,784 charged by Leaden Borough of Tower Hamlets for the administration of the fund is calculated as 5% of the total grants awarded.

15. Sources of Income

The Trust can receive contributions from any source under the terms of the Canary Wharf Social Contract. The Funds principal source of income has been (but is no longer) contributions from Canary Wharf Ltd and their successors under the provisions of the Trust Deed.

16. Bankers

The Trust's Bankers are :-  
The Cooperative Bank Plc  
PO Box 101  
1 Balloon Street  
Manchester  
M60 4EP

17. Examiners

The Trust's Examiners are :-  
FJM Accountancy Ltd  
  
23 Shackleton Court  
2 Maritime Quay  
London  
E14 3GF

18. Trustees Remuneration and Expenses

No trustee or other person related to the Trust had any personal interest in any contract or transaction entered into by the Trust during the year or the preceding years.

The Trust considers its key management personnel comprises the trustees. The total employment benefits of the key management personnel were therefore £ Nil (2018 : £ Nil). The Trust has no staff.



## Comparative SOFA

In accordance with the requirement of the SORP 2015 comparative information must be disclosed for all amounts set out in the Statement of Financial Activities (SOFA). The Trust's SOFA for 2018-19 is provided below to allow comparisons with the 2019/20 SOFA.

	2019/20 Figures			2018/19 Figures		
	Unrestricted Funds	Restricted Funds	Totals	Unrestricted Funds	Restricted Funds	Totals
	Unrestricted fund	Designated investment fund	OEB fund	Unrestricted fund	Designated investment fund	OEB fund
	£	£	£	£	£	£
Income and endowments from:						
Investment interest	140,471		140,471	142,860		142,860
Total income	140,471		140,471	142,860		142,860
Expenditure on:						
Charitable Activities	124,579	17,000	141,579	131,753		148,753
Total expenditure	124,579	17,000	141,579	131,753		148,753
Net income before gains/losses on investments	15,892	(17,000)	(1,108)	10,807		(8,063)
Other recognised gains/(losses)						
Unrealised gains on investment assets	90,195		90,195	280,219		290,219
Net Movement in Funds	15,892	(17,000)	89,087	10,807		284,128
Reconciliation of funds						
Total funds brought forward at 1 September 2019	280,587	4,704,024	5,082,190	289,880	4,413,805	4,798,084
Prior year adjustment						
Total fund balances carried forward at 31st August 2020	296,479	4,784,219	5,171,277	280,687	4,704,024	5,082,190

# **TOWER HAMLETS AND CANARY WHARF FURTHER EDUCATION TRUST**

**CHARITY REGISTRATION NUMBER 1002772**

## **ACCOUNTS AND TRUSTEES' REPORT** **FOR THE YEAR ENDED 31<sup>ST</sup> AUGUST 2020**

### **1. Introduction**

- 1.1 The Tower Hamlets and Canary Wharf Further Education Trust was established on 17<sup>th</sup> July 1987, by the Council and Canary Wharf Limited (formerly known as Olympia and York Canary Wharf Limited and the Canary Wharf Development Co. Limited).
- 1.2 The financial statements comply with current statutory requirements, including the Statement of Recommended Practice: Accounting and Reporting by Charities (FRS102).

### **2. Objectives and Activities**

- 2.1 The original objective of the Trust Fund was the advancement of education and training for residents of the London Borough of Tower Hamlets in technical and managerial skills relevant to commerce and industry. This objective was subsequently amended in December 1990, to enable funds of the Trust to be applied for the advancement of the further or higher education or the vocational training of persons living within the London Borough of Tower Hamlets.

### **3. Procedures and Policy for Grant Making**

- 3.1 The trust has a policy of making grants available for the further or higher education or vocational training of persons living within the London Borough of Tower Hamlets.

- 3.2 Applications for financial assistance are invited from persons living within Tower Hamlets who meet the eligibility criteria. Applications are sought by placing advertisements in local newspapers, local colleges and universities and at various locations around the Borough such as Idea Stores.
- 3.3 A formal trust review meeting including all trustees is held twice a year to make decisions on new grants and to review on-going grant policy and its effectiveness. This is normally supplemented by a third meeting to review grant applications and consider the investment strategy.
- 3.4 The grants are allocated by the trustees on the basis of predetermined criteria.

#### **4. Achievements and Performance**

- 4.1 During the financial year the trustees applied the following criteria to determine eligibility for assistance from the Trust:-
- Three year residency in Tower Hamlets
  - Exclusion of courses attracting mandatory support
  - Post-graduate courses and apprenticeships conferring a vocational qualification or likely to enhance employment prospects
  - A maximum award of £4,500. This rate of award only applies to post-graduate awards. The rate for other awards is £ 4,000.
  - The basic criteria corresponded to those in the previous financial year
- 4.2 The Trustees determined that assistance would be concentrated on the following categories:-

Tuition Fees  
Maintenance

Students may apply for one or both of the categories of assistance. The assistance granted during the year may be summarised as follows:-

**Table 1**  
**Awards Made**

	2019/20 Awards		2018/19 Awards	
	Students	%	Students	%
One Category of Assistance Granted	58	98	69	100
Two Categories of Assistance Granted	1	2	0	0
<b>Awards Made</b>	<b>59</b>		<b>69</b>	

- 4.3 The trustees are mindful of the public benefit tests for charities, and confirm they have complied with the duty in Section 4 of the Charities Act (2011) to have due regard to public benefit guidance published by the Charity Commission.
- 4.4 The total number of awards made has decreased from 69 (2018/19) to 59 (2019/20).
- 4.5 One applicant was awarded two levels of assistance in 2019/20.

Payments to students in the academic year totalled £ 115,676 This comprised the following elements:-

**Table 2 – Payments To Students**

	2019/20 £	2018/19 £
Payment to Students in year	115,676	122,841
Repayment of Grants relating to previous years	0	(350)
<b>Sub-total; grants</b>	<b>115,676</b>	<b>122,491</b>
<b>Other expenses</b>	<b>8,903</b>	<b>9,262</b>
<b>Per Statement of Financial Activities</b>	<b>124,579</b>	<b>131,753</b>

The value of grants awarded decreased by £ 6,815 (5.5%).

4.7 The assistance provided to students is as set out below:-

**Table 3**  
**Assistance Provided**

	2019/20 Awards			2018/19 Awards		
	Number	£	Average	Number	£	Average
Tuition Fees	58	112,726	1,944	66	117,521	1,781
Maintenance	2	2,950	1,475	3	5,320	1,773
Total Awards	60	115,676	1,928	69	122,841	1,780
Number of Students	59			69		

The number of awards for tuition fees reduced substantially by 12% from 66 (2018/19) to 58 (2019/20).

The number of awards for maintenance decreased very slightly from 3 to 2 with the average value of award also decreasing by 17% from £ 1,773 (2018/19) to £ 1,475 (2019/20).

A breakdown of the grants awarded to each category of education is as set out in **Appendix 1**.

4.8 The courses assisted during the financial year are as set out below:-

**Table 4**  
**Courses Assisted**

	2019/20 Awards			2018/19 Awards		
	Number	£	Average	Number	£	Average
Post Graduate	13	39,257	3,020	5	14,250	2,850
First Degree	0	0	0	3	7,000	2,333
<b>Sub Total</b>	<b>13</b>	<b>39,257</b>	<b>3,020</b>	<b>8</b>	<b>21,250</b>	<b>2,656</b>
Advanced Education	46	76,418	1,661	59	98,825	1,675
'A' Level/Other	0	0	0	2	2,766	1,383
	59	115,676	1,961	69	122,841	1,780

4.9 The specific courses and the level of assistance provided are as set out in **Appendix 2**.

4.10 **Appendix 3** details the institutions whose students received awards in 2019/20. In 2019/20 the number of institutions used increased from 20 up to 28.

As in 2018/19, in 2019/20 the institution with by far the largest number of attendees was Account 3 (£ 31,100 in total) comprising 26.89% of total awards made in the year.

- 4.11 The Trust is not currently considering any extension of its activities although it does review its operational basis annually.

## **5. Financial Review**

### **5.1 *Investment policy***

Under the Trust Deed, the trustees have the power to invest in such assets as they see fit.

Trustees have invested funds in unit trusts managed by CCLA Investment Management Ltd, with an investment objective of securing a median level of return with moderate risk whilst maintaining the capital base.

### **5.2 *Reserves policy***

The Trust Deed requires the trustees to use the income of the trust in promoting its objects. It also gives permission for the capital to be used. The use of the trust's reserves is therefore wholly at the discretion of the trustees, with no particular level of reserves required to be maintained.

- 5.3 The trust had available funds (including £ 280,587 representing the accumulated under-spent funds from earlier years) to provide assistance in the academic year of £ 421,058 (£ 412,340 2018/19). The trust incurred expenditure of £ 124,579 (£ 131,753 in 2018/19) which represented 30% (32% 2018/19) of available resources. The figure also represents 89% of the dividends/interest received during the year (see Table 5 below).

The residual funds of £ 296,479 (£ 280,587 2018/19) will be carried forward into the next academic year.

- 5.4 The fund accrued investment income of £ 140,471 (£ 142,660 2018/19) during the year. The returns obtained on the different categories of investment are as set out below:-

**Table 5**  
**Investment Returns**

	Common Investment Fund		Bank	Money Market	Total
	Fixed Interest	Equity Based			
Average Balance 2019/20	330,628	4,233,719	532,744	272,490	5,369,581
Dividends/Interest Received	10,372	127,765	1,999	335	140,471
Return	3.14%	3.02%	0.38%	0.12%	2.62%

- 5.5 The market value of the investment in Common Investment Funds increased by £ 90,639 (2.01%) during the year. The appreciation/depreciation on the different categories of investment is set out below:-

**Table 6**  
**Capital Appreciation of Common Investment Funds**

	Fixed Interest	Equity Based	Total
Book Value	274,828	2,047,772	2,322,600
Appreciation Since Acquisition	56,875	2,139,553	2,196,428
Market Value 01.09.19	331,703	4,187,325	4,519,028
Market Value 31.08.20	329,554	4,280,113	4,609,667
Appreciation/Depreciation 2019/20	-2,149	92,788	90,639
Return 2019/20	-0.65%	2.22%	2.01%
Annual Return since acquisition	0.79%	4.33%	3.91%

- 5.6 The financial accounts are as set out in **Appendix 4**.

## **6. Ocean Estate Bursary Scheme**

The trust has taken on the administration of the Ocean Estate Bursary scheme at the request of Tower Hamlets Council. Although it was originally envisaged that the OEB scheme would only last five years the scheme has been slow to get off of the ground. As a consequence the scheme will continue until all funds have been allocated.

The London Borough of Tower Hamlets awarded a grant to the THCW of £150,000.00. The purpose of the grant is specifically to facilitate students who are resident on the Ocean Estate, Stepney who wish to pursue higher education opportunities.

The grant is funded under s106 of the Town and Country Planning Act which allows contributions to be sought from developers towards the cost of providing community infrastructure. The grant is designated the Ocean Estate Bursary (OEB).

The Trust is to promote the advancement of higher education amongst the students and will be assisted by the Ocean Regeneration Trust (ORT) to identify potential applicants and to better administer the grant in accordance with the purpose for which it is awarded.

Grants will only be given for higher education and post graduate courses and it was originally envisaged that a maximum of 45 bursaries are to be made during the grant period. This originally commenced August 2014. As has already been noted it was originally intended that the scheme only run for five years. However, take-up has been slow and the scheme will now run until all funds have been expended.

For the 2019/20 academic year the Ocean Estate scheme awarded bursaries to 17 students totalling £ 17,000 (the same as in 2018/19).

## **7. Structure, Governance and Management**

- 7.1 The trustees are nominated by the parties in the trust document. The London Borough of Tower Hamlets nominees are executive decisions currently undertaken by the Mayor. The trustees nominated by Canary Wharf are conventionally the Group Company Secretary and Legal Counsel and another officer.
- 7.2 Following their appointment, new trustees undergo a short training session to familiarise themselves with the charity and the context in which it operates and to gain awareness of their legal obligations under charity law. They are provided with a copy of the Trust Deed and the latest financial statements.
- 7.3 The trustees annually review the risks that the charity faces. To date these have mainly related to investment management and these have been ameliorated by diversified portfolio management.
- 7.4 Trustees have taken steps to mitigate the financial risks that the charity faces by:
  - holding the investments in long established unit trusts;
  - ensuring the investments are diversified; and



- allocating grants annually on the basis of projected investment income thereby having no significant financial commitments.

## **8. Future Plans**

In the medium term the trustees plan to continue to run the trust on the same basis of making grants in accordance with set criteria.

## **9. Responsibilities of the trustees**

Charity law requires the trustees to prepare financial statements for each financial year which shows a true and fair view of the state of affairs of the charity and of its financial activities that period. In preparing those financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards and statements of recommended practice have been followed, subject to any departure disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charity will continue on that basis.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations and the provisions of the trust deed. 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.

### ***Members of the Trustee Board***

Members of the Trustee Board, who served during the year are set out below.

## **10. Reference and administrative details**

10.1 The Trust has charitable status and was registered with the Charity Commission on 2<sup>nd</sup> May 1991 (Registration Number 1002772).

10.2 The address of the registered charity is:-

London Borough of Tower Hamlets  
Mulberry Place,  
5 Clove Crescent,  
London, E14 2BG

### **10.3 Trustees**

The Trust deed provides for parity of Trusteeship between the London Borough of Tower Hamlets (LBTH) and Canary Wharf Limited. Members of the Trustee Board who served during the year and up to the date of this report, are set out below:

Mr Howard Dawber	Managing Director of Strategy (from 12.10.20 to date)
Mr Zakir Khan	Director of Community (from 19.05.20 to date)
Mr John Garwood	Group Company Secretary of Canary Wharf Group plc (from 23/12/04 – 12.10.20)
Mr Howard Sheppard	Internal Consultant of Canary Wharf Group plc (from 23/12/04 – 19/05/21)
Cllr Abdal Ullah	Councillor LBTH (19/01/19 to date)
Ms Vicky Clark	Officer of LBTH (19/01/19 to date)

### **10.4 Independent Examiners**

Independent Examiner  
Frank McDowell  
FJM Accountancy Limited  
23 Shackleton Court  
2 Maritime Quay  
London E14 3QF

#### 10.5 Bankers

The Cooperative Bank plc  
P O Box 101  
1 Balloon Street  
Manchester  
M60 4EP

#### 10.6 Investment Fund Managers

CCLA Investment Management Limited  
COIF Charity Funds  
80 Cheapside  
London  
EC2V 6DZ

Approved by the trustees and signed on their behalf on 27 September 2021



Mr H Dawber  
Trustee (and Chair)

Date: 30 SEPTEMBER 2021.

**Tower Hamlets & Canary Wharf Further Education Trust**  
**Appendix 1 - Awards Made 2019/20**

	Tuition Fees		Maintenance		Totals	
	No.	£	No.	£	No.	£
Post Graduate	12	37,008	1	2,250	13	39,258
First Degree	0	-	0	-	0	-
Advanced Education	46	75,718	1	700	47	76,418
A Level/Other	0	-	0	-	0	-
<b>TOTALS</b>	<b>58</b>	<b>112,726</b>	<b>2</b>	<b>2,950</b>	<b>60</b>	<b>115,676</b>

Post Graduate  
First Degree  
Advanced Education  
A Level/Other

**TOTALS**

**Tower Hamlets & Canary Wharf Further Education Trust**  
**Appendix 2 Courses Assisted 2019/20**

Category	Qualification	Students No.	Assistance £
Post Graduate	Counselling	1	1,670.00
	Business Systems Analysis	1	4,250.00
	Fashion	1	4,250.00
	LLM Law Conversion	1	4,000.00
	MA in Creative Writing	1	2,100.00
	MA Interactive Child Psychotherapy	1	4,250.00
	MA Media and Communication Industries	1	4,250.00
	MSc Food Security	1	2,000.00
	MSC in Experimental and Translational T	1	3,850.00
	MSc Therapeutic Counselling	1	2,137.50
	PhD Near and Middle East	1	2,250.00
	Psychoterapeutic Counselling	1	1,750.00
	Therapeutic Counselling	1	2,500.00
Sub total		13	39,257.50
First Degree			
Sub total		0	0.00
Advanced Education	AAT Level 2	1	1,590.00
	AAT Level 3	2	3,500.00
	ACCA	2	3,500.00
	Agile Business Analyst	1	3,304.00
	Bar Practice Training Course	2	8,500.00
	Childcare Level 2	3	3,150.00
	Childcare Level 3	18	27,950.00
	Diploma in Fashion	1	3,450.00
	Diploma Therapeutic Counselling	1	1,750.00
	Early Years Workforce	1	1,750.00
	EMDR	1	1,320.00
	Forensic Psychodynamic Psychotherapy	1	1,500.00
	GDPR Foundation Practitioner	2	3,125.00
	NVQ in Advice and Guidance (Level 3)	6	7,200.00
	NVQ in Advice and Guidance (Level 4)	2	2,000.00
	Plumbing	1	1,458.33
	Prince 2 Foundation	1	1,370.80
Sub total		46	76,418.13
A Level/Other			
Sub total		0	0.00
<b>Totals</b>		<b>59</b>	<b>115,675.63</b>

### Appendix 3

#### Educational Establishments

Tower Hamlets & Canary Wharf Further Education Trust Appendix 3: Educational Establishments 2019/20				
Establishment	Students No.	Awards	£ Average Award	Total Awards %
Able Skills	1	1,458.33	1,458.33	1.26
Account 3	21	31,100.00	1,480.95	26.89
Alpha Training Institute	1	1,750.00	1,750.00	1.51
Amberhawk	1	1,875.00	1,875.00	1.62
BPP University	1	4,000.00	4,000.00	3.46
City University of London	3	12,750.00	4,250.00	11.02
Goldsmiths College	1	1,670.00	1,670.00	1.44
Harris Solutions	1	1,370.80	1,370.80	1.19
Institute for Arts	1	4,250.00	4,250.00	3.67
Island Advice Centre	8	9,200.00	1,150.00	7.95
Kensington and Chelsea College	1	3,450.00	3,450.00	2.98
London School of Business and Finance	1	1,750.00	1,750.00	1.51
New City College	2	3,500.00	1,750.00	3.03
Osborne Training	1	1,590.00	1,590.00	1.37
Queen Mary University	1	1,750.00	1,750.00	1.51
Richman EMDR Training	1	1,320.00	1,320.00	1.14
Royal College of Art	1	4,250.00	4,250.00	3.67
SOAS, University of London	1	2,250.00	2,250.00	1.95
Spurgeons College	1	1,750.00	1,750.00	1.51
The Knowledge Academy	2	4,554.00	2,277.00	3.94
The Open University	1	2,100.00	2,100.00	1.82
The Tavistock and Portman	1	1,500.00	1,500.00	1.30
The University of Greenwich	1	2,500.00	2,500.00	2.16
University of East London	1	4,250.00	4,250.00	3.67
University of Edinburgh	1	2,000.00	2,000.00	1.73
University of Greenwich	1	2,137.50	2,137.50	1.85
University of Oxford	1	3,850.00	3,850.00	3.33
University of Westminster	1	1,750.00	1,750.00	1.51
Grand Total	59	115,675.63	1,960.60	100.00

**Tower Hamlets and Canary Wharf Further Education Trust Appendix 4**

**Statement of financial activities  
for the year ended 31st August 2020**

	Notes	Unrestricted Funds		Restricted Funds	Totals		WP	2019 Total funds £
		2020 Unrestricted fund £	2020 Designated Investment fund £	2020 OEB fund £	2020 Total funds £	2019 Total funds £		
Income and endowments from:								
Investment Interest		140,471		0	140,471		Sheet 1	142,660
<b>Total income</b>		<b>140,471</b>	<b>0</b>	<b>0</b>	<b>140,471</b>			<b>142,660</b>
Expenditure on:								
Charitable Activities	5	124,579		17,000	141,579		Sheets 2 and 3	148,753
<b>Total expenditure</b>		<b>124,579</b>	<b>0</b>	<b>17,000</b>	<b>141,579</b>			<b>148,753</b>
<b>Net income before gains/losses on investments</b>		<b>15,892</b>	<b>0</b>	<b>(17,000)</b>	<b>(1,108)</b>			<b>(6,093)</b>
Other recognised gains/(losses)								
Unrealised gains on investment assets	13		90,195		90,195		Sheet 2	290,219
<b>Net Movement in Funds</b>		<b>15,892</b>	<b>90,195</b>	<b>(17,000)</b>	<b>89,087</b>			<b>284,126</b>
<b>Reconciliation of funds</b>								
Total funds brought forward at 1 September 2019		280,587	4,704,024	97,579	5,082,190			4,798,064
Prior year adjustment								
<b>Total fund balances carried forward at 31 August 2020</b>		<b>296,479</b>	<b>4,794,219</b>	<b>80,579</b>	<b>5,171,277</b>			<b>5,082,190</b>

**Balance Sheet as at 31st August 2020**

	Notes	2020	2020	2020		2019
		£	£	£		£
<b>Fixed Assets</b>						
Investments	12			4,616,823	Sheet 2	4,528,028
<b>Current assets</b>				0		
Debtors	9	23,733	0	23,733	Sheet 2	24,989
Short term deposits	10	272,997		272,997	Sheet 2	271,984
Cash at bank and in hand		603,101	80,579	683,680	Sheets 1 and 4	559,968
<b>Total Current Assets</b>		<b>899,831</b>	<b>80,579</b>	<b>980,410</b>		<b>856,939</b>
<b>Creditors: amounts falling due within one year</b>	11	<b>(425,956)</b>		<b>(425,956)</b>	Sheet 2	<b>(301,377)</b>
<b>Total Net Current Assets</b>				<b>554,454</b>		<b>555,562</b>
<b>Net Assets</b>				<b>5,171,277</b>		<b>5,082,190</b>
<b>Designated funds</b>				4,794,219		4,704,024
<b>Unrestricted funds</b>				296,479		280,587
<b>Restricted funds</b>				80,579		97,579
<b>Total Charity Funds</b>	13			<b>5,171,277</b>		<b>5,082,190</b>

Approved by the Trustees on 27/09/21 and signed on their behalf by ;

 Trustee

# Tower Hamlets and Canary Wharf Further Education Trust Appendix 4

## Notes to the accounts for the year ended 31st August 2020

### 1. Accounting Policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the current and previous years.

**Fixed Asset Investments** -  
Unit trust funds are stated at market value as at the balance sheet date. The statement of financial activities includes the net gains and losses arising on realisation throughout the year. Deposited cash held as part of the fixed asset investment portfolio are included in fund assets.

### 2. Basis of Accounting

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 notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) and the Charities Act 2011.

### 3. Fund Accounting

The charity holds two types of funds. The General Fund is an unrestricted fund, which is available for use at the discretion of the trustees in furtherance of the general objectives of the charity. There is a further, restricted fund, entitled the Ocean Estate Bursary - details of which are set out in Paragraph 7 of the Trustee's Report. The movement in all funds is set out in Note 13 to the accounts.

### 4. Income

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income.

Voluntary income is received by way of grants, donations and gifts and is included in &lt;11 in the statement of financial activities when receivable.

Investment income is included when receivable.

### 5. Expenditure: Charitable Activities

Expenditure is recognised on an accrual basis as a liability if incurred. Expenditure includes irrecoverable VAT when appropriate and is reported as part of the expenditure to which it relates.

Charitable expenditure comprises those costs incurred by the charity in its grant-making activities for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the costs linked to the strategic management of the charity.

	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
	2020	2020	2020	2019
Direct Charitable Expenditure	17,000	17,000	17,000	17,000
Support Costs	5,784	5,784	5,784	5,784
Allowance to London Borough of Tower Hamlets	3,120	3,120	3,120	3,120
Governance costs	12,678	17,000	141,579	144,163

WP  
2 and 5

2

2

### 6. Independent Examiner's Fee

Independent Examiner's Fee

Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
2020	2020	2020	2019
3,120		3,120	3,120

2

### 7. Taxation

As a registered charity, Tower Hamlets and Canary Wharf Further Education Trust is exempt on income and gains to the extent that these are applied to its charitable objects. Expenditure subject to irrecoverable VAT is shown inclusive of the VAT.

### 8. Fixed Assets Investments Common Investment Funds

Market value 1 September 2019  
Additions  
Net unrealised gains/losses  
Market Value 31 August 2020

Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
2020	2020	2020	2019
4,818,623		4,818,623	4,729,023
90,639		90,639	90,639
4,609,611		4,609,611	4,609,611

4

#### Other Investments

Market value 1 September 2019  
Net Unrealised Gains/Losses  
Sub Total Other Investment  
Market Value 31 August 2020

Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
2020	2020	2020	2019
7,600		7,600	7,600
444		444	444
7,156		7,156	7,156
4,818,623		4,818,623	4,818,623

2

Cost 31 August 2020

Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
2020	2020	2020	2019
2,227,000		2,227,000	2,227,000

2



8. Debtors

Interest Receivable  
Grants Prepaid/Other

Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
2019	2019	2019	2019
23,753		23,753	23,753
23,753		23,753	23,753

1

10. LBTH Short-term Deposit  
(Funds held by the Council)

Short term deposit

Unrestricted Funds	Restricted Funds	Total Funds	Unrestricted Funds	Restricted Funds	Total Funds
2019	2019	2019	2019	2019	2019
172,132		172,132	172,132		172,132
172,132		172,132	172,132		172,132

11. Liabilities :Amounts falling due within one year

Other Creditors

Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
2019	2019	2019	2019
1426,920		1426,920	1426,920
1426,920		1426,920	1426,920

1

12. Analysis of Net Assets between Funds

Fixed Assets  
Current Assets  
Current Liabilities

Unrestricted Funds	Restricted Funds	Total Funds	Unrestricted Funds	Restricted Funds	Total Funds
2019	2019	2019	2019	2019	2019
4,616,923		4,616,923	4,616,923		4,616,923
849,551	80,570	930,121	849,551	80,570	930,121
5,466,474	80,570	5,547,044	5,466,474	80,570	5,547,044

13. Movement in Funds

	At 01-Sep-19	Incoming Resources	Outgoing Resources	Investment Gains	At 31-Aug-20						
Unrestricted Fund	280,687	140,471	(124,678)		296,479						
Designated Investment Fund	4,704,824			80,195	4,784,219						
Restricted Fund	97,570		(17,000)	80,570	161,140						
	5,083,081	140,471	(141,678)	80,195	5,161,278						

The unrestricted fund is to be used at the discretion of the Trustees in promoting the Trust's objectives.

14. Related Party Transactions

Grants to students are initially paid by London Borough of Tower Hamlets as agent of the Trust. Such expenditure is subsequently reimbursed by the Charity. Outstanding amount of grant is included in Creditors. The support costs of £5,784 charged by Leaden Borough of Tower Hamlets for the administration of the fund is calculated as 5% of the total grants awarded.

15. Sources of Income

The Trust can receive contributions from any source under the terms of the Canary Wharf Social Contract. The Funds principal source of income has been (but is no longer) contributions from Canary Wharf Ltd and their successors under the provisions of the Trust Deed.

16. Bankers

The Trust's Bankers are :-  
The Cooperative Bank Plc  
PO Box 101  
1 Balloon Street  
Manchester  
M60 4EP

17. Examiners

The Trust's Examiners are :-  
FJM Accountancy Ltd  
  
23 Shackleton Court  
2 Maritime Quay  
London  
E14 3GF

18. Trustees Remuneration and Expenses

No trustee or other person related to the Trust had any personal interest in any contract or transaction entered into by the Trust during the year or the preceding years.

The Trust considers its key management personnel comprises the trustees. The total employment benefits of the key management personnel were therefore £ Nil (2018 : £ Nil). The Trust has no staff.

## Comparative SOFA

In accordance with the requirement of the SORP 2015 comparative information must be disclosed for all amounts set out in the Statement of Financial Activities (SOFA). The Trust's SOFA for 2018-19 is provided below to allow comparisons with the 2019/20 SOFA.

	2019/20 Figures			2018/19 Figures		
	Unrestricted Funds	Restricted Funds	Totals	Unrestricted Funds	Restricted Funds	Totals
	Unrestricted fund	Designated Investment fund	OEB fund	Unrestricted fund	Designated Investment fund	OEB fund
	£	£	£	£	£	£
Income and endowments from:						
Investment Interest	140,471		140,471	142,860		142,860
Total Income	140,471		140,471	142,860		142,860
Expenditure on:						
Charitable Activities	124,579	17,000	141,579	131,753	17,000	148,753
Total expenditure	124,579	17,000	141,579	131,753	17,000	148,753
Net income before gains/losses on investments	15,892	(17,000)	(1,108)	10,807	(17,000)	(8,063)
Other recognised gains/(losses)						
Unrealised gains on investment assets	90,195		90,195	280,219		280,219
Net Movement in Funds	15,892	(17,000)	89,087	10,807	(17,000)	284,126
Reconciliation of funds						
Total funds brought forward at 1 September 2019	280,587	4,704,024	5,082,190	289,880	4,413,805	4,798,084
Prior year adjustment						
Total fund balances carried forward at 31st August 2020	296,479	4,784,219	5,171,277	280,587	4,704,024	5,082,190

**Independent Examiner's Report to the trustees of  
Tower Hamlets and Canary Wharf Further Education Trust**

I report to the trustees on my examination of the accounts of the Tower Hamlets and Canary Wharf Further Education Trust (the Trust) for the year ended 31 August 2020.

**Responsibilities and basis of report**

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

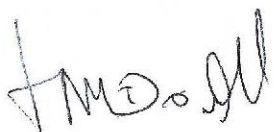
I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

**Independent examiner's statement**

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
- 2 the accounts do not accord with those records; or
- 3 the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



**Frank J McDowell FMAAT**  
FJM Accountancy Limited  
23 Shackleton Court  
2 Maritime Quay  
London  
E14 3QF

Date: 6 October 2021

