

# **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 2018**

### **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 £4,000. This rate of award only applies to post-graduate awards. The rate for other awards is £ 3,500.
  - 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 applications and assistance granted during the year may be summarised as follows:-

**Table 1**  
**Applications**

	2017/18 Applications		2016/17 Applications	
	Students	%	Students	%
One Category of Assistance Granted	50	48	65	56
Two Categories of Assistance Granted	3	3	1	1
Successful Applications	53	51	66	57
Unsuccessful Applications	50	49	51	43
<b>Total Applications</b>	<b>103</b>		<b>117</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 applications made has decreased from 117 (2016/17) to 103 (2017/18).
- 4.5 The level of successful applications, i.e. applicants who took up grant offers decreased from 66 (2016/17) to 53 (2017/18) whilst the number of unsuccessful applicants decreased slightly from 51 to 50.
- 4.6 Applicants granted one category of assistance reduced by 15 from 65 in (2016/17) to 50 (2017/18). There were only three applicants awarded two categories of assistance in 2017/18 – a very slight increase from the previous year.

Payments to students in the academic year totalled £ 81,247. This comprised the following elements:-

	2017/18 £	2016/17 £
Payment to Students in year	81,247	104,041
Repayment of Grants relating to previous years	(3,000)	(13,049)
Prepayments and accruals	3,500	2,816
<b>Sub-total; grants</b>	<b>81,747</b>	<b>93,808</b>
<b>Other expenses</b>	<b>7,182</b>	<b>8,322</b>
<b>Per Statement of Financial Activities</b>	<b>88,929</b>	<b>102,130</b>

The value of grants awarded decreased by £ 22,794 (22%).

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

**Table 2**  
**Assistance Provided**

	2017/18 Awards			2016/17 Awards		
	Number	£	Average	Number	£	Average
Tuition Fees	46	69,907	1,520	62	93,958	1,515
Maintenance	10	11,340	1,134	5	10,083	2,017
Total Awards	56	81,247	1,451	67	104,041	1,553
Number of Students	53			66		

The number of awards for tuition fees decreased by 25% from 62 (2016/17) to 46 (2017/18) whilst the average amount awarded increased slightly by £ 5 between the two years.

The number of awards for maintenance increased from 5 to 10 with the average value of award decreasing by 44% from £ 2,017 (2016/17) to £ 1,134 (2017/18). Although this appears to be a large sum it does reduce back closer to pre 2016/17 levels.

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 3**  
**Courses Assisted**

	2017/18 Awards			2016/17 Awards		
	Number	£	Average	Number	£	Average
Post Graduate	10	20,660	2,066	9	21,445	2,383
First Degree	3	6,000	2,000	3	10,283	3,428
<b>Sub Total</b>	<b>13</b>	<b>26,660</b>	<b>2,051</b>	<b>12</b>	<b>31,728</b>	<b>2,644</b>
Advanced Education	40	54,587	1,364	54	72,313	1,339
'A' Level/Other	0	0	0	0	0	0
	<b>53</b>	<b>81,247</b>	<b>1,533</b>	<b>66</b>	<b>104,041</b>	<b>1,576</b>

The number of awards made to Post Graduate students increased marginally from 9 (2016/17) to 10 (2017/18), whilst the overall average amount awarded reduced slightly £ 1,576 (2016/17) to £ 1,533 (2017/8). This continues the downward trend in the past few years.

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 2017/18. The number of institutions increased from 22 (2016/17) to 32 (2017/18). This spread is more in line with historic levels.

In 2017/18 by far the highest number and amount of awards was made to Island Advice Centre (£ 15,000 in total).

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 £ 227,522 representing the accumulated under-spent funds from earlier years) to provide assistance in the academic year of £ 358,609 (£329,652 2016/17). The trust incurred expenditure of £ 88,929 (£ 102,130 in 2016/17) which represented 25% (31% 2016/17) of available resources. The figure also represents 68% of the dividends/interest received during the year (see Table 4 below).

The residual funds of £ 269,680 (£ 227,522 2016/17) will be carried forward into the next academic year.

- 5.4 The fund accrued investment income of £ 131,086 (£ 139,148 2016/17) during the year. The returns obtained on the different categories of investment are as set out below:-

**Table 4**  
**Investment Returns**

	Common Investment Fund				
	Fixed Interest	Equity Based	Bank	Money Market	Total
Average Balance 2017/18	323,001	3,781,096	376,920	150,093	4,631,110
Dividends/Interest Received	10,372	119,250	1,362	102	131,086
Return	3.21%	3.15%	0.36%	0.07%	2.83%

- 5.5 The market value of the investment in Common Investment Funds increased by £ 250,349 (6.29%) during the year. The appreciation/depreciation on the different categories of investment is set out below:-

**Table 5**  
**Capital Appreciation of Common Investment Funds**

	Fixed Interest	Equity Based	Total
Book Value	274,828	2,047,772	2,322,600
Appreciation Since Acquisition	54,282	1,602,040	1,656,322
Market Value 01.09.17	329,110	3,649,812	3,978,922
Market Value 31.08.18	316,892	3,912,379	4,229,271
Appreciation/Depreciation 2017/18	-12,218	262,567	250,349
Return 2017/18	-3.71%	7.19%	6.29%
Annual Return since acquisition	0.66%	3.93%	3.54%

- 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 2017/18 academic year the Ocean Estate scheme awarded bursaries to 11 students totalling £ 12,000.

## **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:

John Garwood	Group Company Secretary of Canary Wharf Group plc (from 23/12/04 - current)
Howard Sheppard	Internal Consultant of Canary Wharf Group plc (from 23/12/04 - current)
Cllr Rachel Blake	Councillor LBTH (25.05.17 to 19/01/19)
Ms Christine McInnes	Officer of LBTH (25.05.17 to 19/01/19)
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 28 October 2019



J R Garwood  
Trustee

Date:

**Tower Hamlets & Canary Wharf Further Education Trust**  
**Appendix 1: Awards Made 2017/18**

	No.	Tuition Fees £	Average	No.	Maintenance £	Average	No.	Totals £	Average
Post Graduate	8	18,660	2,332	2	2,000	1,000	10	20,660	2,066
First Degree	1	4,000	4,000	2	2,000	1,000	3	6,000	2,000
Advanced Education	37	47,247	1,277	6	7,340	1,223	43	54,587	1,269
A Level/Other	-	-	-	-	-	-	-	-	-
<b>TOTALS</b>	<b>46</b>	<b>69,907</b>	<b>1,520</b>	<b>10</b>	<b>11,340</b>	<b>1,134</b>	<b>56</b>	<b>81,247</b>	<b>1,451</b>

**Tower Hamlets & Canary Wharf Further Education Trust**  
**Appendix 2 Courses Assisted 2017/18**

Category	Qualification	Students No.	Assistance £
Post Graduate	Master of Arts Degree course	1	3,650.00
	MA IN COUNSELLING	1	1,670.00
	MA in Childhood and Youth (	1	1,614.75
	Science: Biology training pro	1	1,000.00
	PGCE Primary Teacher Train	1	1,000.00
	PHD Global Health and Soci	1	2,400.00
	Post Graduate Diploma Adv	1	1,825.00
	Graduate Diploma in Law (G	1	4,000.00
	Graduate Diploma in Law	1	1,500.00
	Graduate Diploma in Law (C	1	2,000.00
<b>Sub total</b>		<b>10</b>	<b>20659.75</b>
First Degree	BA (Hons) Primary Education	1	1,000.00
	BSc Midwifery	1	1,000.00
	Law LLM/LPC	1	4,000.00
<b>Sub total</b>		<b>3</b>	<b>6000</b>
Advanced Education	AAT Level 4	1	507.00
	AAT Level 4 Diploma in Acc	1	507.00
	NVQ ADVICE AND GUIDAN	7	7,000.00
	International Humanitarian P	1	3,600.00
	AAT L4	2	1,572.00
	Clinical and community psych	1	1,000.00
	Body Psychotherapy	1	1,250.00
	Legal Practice Course (LPC)	2	6,000.00
	Community Development an	1	1,350.00
	ITEC Level 3 in Massage	1	1,000.00
	Legal Practice Course	1	3,990.00
	International accounting and	1	4,000.00
	Professional Diploma in Acc	1	363.00
	AAT LEVEL 4 IN ACCOUNT	1	984.00
	Social Work	1	1,000.00
	PRINCE 2 Combined Found	1	750.00
	AAT Level 4	1	1,000.00
	Post Graduate Diploma in La	1	2,000.00
	Change Management Found	1	1,314.00
	NVQ3 Advice and Guidance	1	1,000.00
	NVQ4 Advice and Guidance	3	3,000.00
	Higher Rights Of Audience C	1	594.00
	NVQ Level 3 Advice and Gui	1	1,000.00
	Level 3 Diploma for the Early	1	1,800.00
	Investigative Journalism	1	4,000.00
	TA CACHE level 3 QCF & SI	1	454.00
	AAT	1	552.00
	NVQ Advice & Guidance Lev	2	2,000.00
	IAG Level 3	1	1,000.00
<b>Sub total</b>		<b>40</b>	<b>54587</b>
Advanced Education	(blank)	0	-
<b>Sub total</b>		<b>0</b>	<b>0</b>
<b>Total</b>	<b>0</b>	<b>53</b>	<b>81246.75</b>

### Appendix 3

#### Educational Establishments

#### Tower Hamlets & Canary Wharf Further Education Trust

#### Appendix 3: Educational Establishments 2017/18

Establishment	Students No	Awards	£	Average Award £	Total Awards %
Alpha Training Institute E6 2SX	1		1,800.00	1,800.00	2%
BPP	1		1,000.00	1,000.00	1%
City Lit1	1		1,000.00	1,000.00	1%
City University London	1		1,000.00	1,000.00	1%
City University of London	2		8,000.00	4,000.00	10%
Goldsmiths, University of London, New CrossLondon SE14 6NW	1		1,670.00	1,670.00	2%
Island Advice Centre	15		15,000.00	1,000.00	18%
Kaplan Altior	1		594.00	594.00	1%
Kings College London	1		2,400.00	2,400.00	3%
Knowledge Academy	1		750.00	750.00	1%
London Met University 166-220 Holloway Rd, London N7 8DB	1		1,350.00	1,350.00	2%
London Metropolitan University	2		4,000.00	2,000.00	5%
London School Of Biodynamic Psychotherapy	1		1,250.00	1,250.00	2%
London South Bank	1		2,000.00	2,000.00	2%
London South Bank University	1		1,825.00	1,825.00	2%
LSBU	1		4,000.00	4,000.00	5%
New City College ( Tower Hamlets College)	1		363.00	363.00	0%
Reed: The Learning College	1		454.00	454.00	1%
Royal College of ArtKensington GoreLondon SW7 2EU	1		3,650.00	3,650.00	4%
The Knowledge Academy	1		1,314.00	1,314.00	2%
The Open University	1		1,614.75	1,614.75	2%
The University of Law	1		1,500.00	1,500.00	2%
The University of Law, 14 Store Street, Bloombury, London WC1E 7DE	1		3,990.00	3,990.00	5%
The University of Law, Bunhill Row, London EC1Y 8HQ	1		4,000.00	4,000.00	5%
Tower Hamlets College	4		3,063.00	765.75	4%
Tower Hamlets College, Poplar High Street, London E14 0AF	2		1,059.00	529.50	1%
UEL	2		4,600.00	2,300.00	6%
UEL - Stratford	1		1,000.00	1,000.00	1%
University College London, Gower Street, London WC1E 6BT	1		1,000.00	1,000.00	1%
University of Bedfordshire	1		1,000.00	1,000.00	1%
University of Cumbria	1		1,000.00	1,000.00	1%
University of Law	1		4,000.00	4,000.00	5%
0	0		81,246.75	-	100%

Tower Hamlets and Canary Wharf Further Education Trust Appendix 4

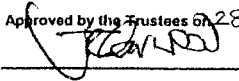
Statement of financial activities  
for the year ended 31st August 2018

	Notes	Unrestricted Funds		Restricted Funds	Total	WP	2017 Total funds £
		2018 Unrestricted fund £	2018 Designated Investment funds £	2018 DER fund £			
Income and endowments from:							
Grants and Donations		0		0	0		25
Investment interest	4	131,067		0	131,067	4 and 6	139,172
<b>Total income</b>		<b>131,067</b>	<b>0</b>	<b>0</b>	<b>131,067</b>		<b>139,197</b>
Expenditure on:							
Charitable Activities	5	88,929		12,000	100,929	5 and 6	110,630
<b>Total expenditure</b>		<b>88,929</b>	<b>0</b>	<b>12,000</b>	<b>100,929</b>		<b>110,630</b>
<b>Net income before gains/losses on investments</b>		<b>42,138</b>	<b>0</b>	<b>(12,000)</b>	<b>30,138</b>		<b>28,567</b>
Other recognised gains/(losses)							
Unrealised gains on investment assets	8		260,231		260,231	8	327,982
<b>Net Movement in Funds</b>		<b>42,138</b>	<b>260,231</b>	<b>(12,000)</b>	<b>290,369</b>		<b>356,549</b>
Reconciliation of funds							
Total funds brought forward at 1 September 2017		227,522	4,163,305	126,578	4,517,405		4,161,124
Prior year adjustment							
<b>Total fund balances carried forward at 31 August 2018</b>		<b>269,660</b>	<b>4,413,305</b>	<b>114,578</b>	<b>4,797,543</b>		<b>4,517,673</b>

Balance Sheet as at 31st August 2018

	Notes	2018	2018	2018	2017
		£	£	£	£
<b>Fixed Assets</b>					
Investments	6			4,235,408	3,986,175
<b>Current assets</b>				0	
Debtors	9	22,288	0	22,288	29,501
Short term deposits	10	270,173		270,173	30,013
Cash at bank and in hand		324,242	116,376	438,621	558,678
<b>Total Current Assets</b>		<b>616,703</b>	<b>116,376</b>	<b>737,082</b>	<b>618,192</b>
Creditors: amounts falling due within one year	11	(169,824)		(169,824)	(88,094)
<b>Total Net Current Assets</b>		<b>446,879</b>	<b>116,376</b>	<b>567,258</b>	<b>531,498</b>
<b>Net Assets</b>		<b>1,113,582</b>	<b>1,113,582</b>	<b>1,113,582</b>	<b>1,113,582</b>
Designated funds					
Unrestricted funds			4,413,305		4,163,305
Restricted funds			227,522		227,522
<b>Total Charity Funds</b>	13		<b>4,640,827</b>		<b>4,390,827</b>

Approved by the Trustees on 28.10.19 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 2018

1. Accounting Policies The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the current and previous years.
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 Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16th July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) 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 Trustees' Report. The movement in all funds is set out in note 12 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 full 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 is 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	
	2018	2018	2018	2017	
Direct Charitable Expenditure	81,747	12,000	93,747	102,308	WP 5 and 10a
Support Costs:					
Allowance to London Borough of Tower Hamlets	4,062		4,062	5,202	5
Governance costs	3,120		3,120	3,120	5
	88,929	12,000	100,929	110,630	

#### 6. Independent Examiner's Fee

Independent Examiner's Fee

Unrestricted Funds	Restricted Funds	Total Funds	Total Funds	
2018	2018	2018	2017	
4,120		4,120	3,120	5

#### 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

##### Other Investments

	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds	
	2018	2018	2018	2017	
Market value 1 September 2017	3,978,922		3,978,922	3,851,464	
Additions					
Net unrealised gains/(losses)	250,348		250,348	327,456	8
Market Value 31 August 2018	4,229,271		4,229,271	3,978,922	
Market value 1 September 2017	7,253		7,253	6,729	
Net Unrealised Gains/(Losses)	116		116	524	8
Sub Total Other Investment	7,369		7,369	7,253	
Market Value 31 August 2018	4,236,640		4,236,640	3,986,175	
Cost 31 August 2018	2,327,800		2,327,800	2,327,800	8



### Comparative SOFA

In accordance with the requirement of the SORP 2015 comparative information must be disclosed for all amounts presented out in the Statement of Financial Activities (SOFA). The Trust's SOFA for 2016-17 is provided below to allow comparisons with the 2017/18 SOFA.

	2017/18 Figures			2016/17 Figures		
	Unrestricted fund	Designated investment fund	Restricted Funds	Totals	Unrestricted fund	Restricted Funds
	£	£	OEB fund	£	£	£
Income and endowments from:						
Grants and Donations	131,087			131,087	139,148	25
Investment Interest						24
						£
<b>Total Income</b>	<b>131,087</b>			<b>131,087</b>	<b>139,148</b>	<b>49</b>
Expenditure on:						
Charitable Activities	88,929		12,000	100,929	102,130	8,500
<b>Total expenditure</b>	<b>88,929</b>		<b>12,000</b>	<b>100,929</b>	<b>102,130</b>	<b>8,500</b>
<b>Net income before gains/losses on investments</b>	<b>42,158</b>		<b>(12,000)</b>	<b>30,158</b>	<b>37,018</b>	<b>(8,451)</b>
Other recognised gains/(losses)						
Unrealised gains on investment assets	250,233			250,233	327,882	
<b>Net Movement In Funds</b>	<b>250,233</b>			<b>250,233</b>	<b>327,882</b>	<b>(8,451)</b>
Reconciliation of funds						
Total funds brought forward at 1 September 2017	227,322	41,635,723	126,579	41,578,624	190,504	135,030
Prior year adjustment						
<b>Total fund balances carried forward at 31st August 2018</b>	<b>269,880</b>	<b>41,380,515</b>	<b>14,579</b>	<b>41,380,515</b>	<b>227,522</b>	<b>135,030</b>

9. Debtors	Interest Recoverable Grants Prepaid/Other	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds	9
		2018	2018	2018	2017	
		22,286		22,286	26,001	
					3,500	
		22,286		22,286	29,501	

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	
		2018	2018	2018	2017	2017	2017	
		270,173		270,173	30,014		30,014	
		270,173		270,173	30,014		30,014	

11. Liabilities :Amounts falling due within one year	Other Creditors	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds	4
		2018	2018	2018	2017	
		(169,624)		(169,624)	(88,695)	

12. Analysis of Net Assets between Funds	Fixed Assets Current Assets Current Liabilities	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds	8 1, 9 and 10b 8
		2018	2018	2018	2017	
		4,236,408		4,236,408	3,986,175	
		818,201	114,579	2,712,800	818,182	
		(169,624)		(169,624)	(88,694)	
		4,884,485	114,579	4,798,064	4,517,673	

13. Movement in Funds	At 31-Aug-17	Incoming Resources	Outgoing Resources	Investment Gains	At 31-Aug-18	At 31-Aug-18	Incoming Resources	Outgoing Resources	Investment Gains	At 31-Aug-17
	Unrestricted Fund	227,522	131,087	(88,929)	269,680	180,504	139,148	(102,130)		227,522
	Designated Investment Fund	4,163,572			4,413,805	3,635,590			327,982	4,163,572
	Restricted Fund	126,579		(12,000)	114,579	135,030	49	(8,500)		126,579
		4,517,673	131,087	(100,929)	250,233	4,798,064	139,197	(110,630)	327,982	4,517,673

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 £4,082 charged by London Borough of Tower Hamlets for the administration of the fund is calculated as 5% of the total grants awarded.
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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.
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16. Bankers	The Trust's Bankers are :- The Cooperative Bank Plc. PO Box 101 1 Balloon Street Manchester  M60 4EP
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17. Examiners	The Trust's Examiners is:- FJM Accountancy Ltd  23 Shackleton Court 2 Marline Quay London E14 3QF
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18. Trustee 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 (2017 : £ Nil). The Trust has no staff.
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**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 2018.

**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: 4 November 2019

