

Company No. 07251141

Charity No. 1137143

Tower Hamlets Council for Voluntary Service Ltd

(A Company Limited by Guarantee)

Report and financial statements

For the year ended

31 March 2022

Contents

	Page
Reference and administrative information	1
Trustees' annual report	2 - 10
Independent examiner's report	11
Statement of financial activities (incorporating an income and expenditure account)	12
Balance sheet	13
Statement of cashflows	14
Notes to the financial statements	15 - 21

THCVS
Trustees' Report
For the year ended 31 March 2022

Reference and administrative information

Company number: 07251141
Charity number: 1137143

Registered and

Administrative Office: Unit 3.10, The Green House, 244-254 Cambridge Heath Road,
London E2 9DA
Telephone: 0203 559 6696
Email: info@thcvs.org.uk
Website: www.thcvs.org.uk

Trustees: Danielle Cargill (elected 7 December 2021)
Zoe Eccles (elected 7 December 2021)
Eleanor Healy-Birt (**Treasurer**)
Chris Ley (**Vice Chair**)
Shipon Miah (elected 7 December 2021)
Jama Omar
Mohammad Rahman
Mike Smith (**Chair**)
Selina Uddin
Louisa Vickers-Mills
Mustafa Ibrahim (resigned 7 December 2021)
Shahaveer Hussain (elected 7 December 2021, resigned 10
May 2022)

Chief Executive: Peter Okali

Independent examiner: Morlai Kargbo, FCCA
Moracle Limited, Chartered Certified Accountants & Registered
Auditors
Ashley House, Ashley Road, London, N17 9LZ

Bankers Unity Trust Bank PLC
Nine Brindley Place, Birmingham, B1 2HB

TRUSTEES' REPORT

The Trustees of Tower Hamlets Council for Voluntary Service (THCVS) are pleased to present their report and financial statements for the year ended 31st March 2022.

Trustees, who are also Directors under company law, confirm that the financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

OUR AIMS AND OBJECTIVES

The activities of the Charity are determined by the Trustees in line with the Objects of the Charity, which are:

To promote any charitable purposes for the benefit of the public, principally but not exclusively in the local government area of Tower Hamlets and its environs (hereafter called the "area of benefit") and, in particular, build the capacity of third sector organisations and provide them with necessary support, information and services to enable them to pursue or contribute to any charitable purposes.

To promote, organise and facilitate co-operation and partnership working between the third sector, statutory and other relevant bodies in the achievement of the above purposes within the area of benefit.

Principal activities

The principal activities of the Charity are to act as the 'umbrella' or resource organisation for the charities, community groups, voluntary organisations and social enterprises operating in Tower Hamlets. We do this by: maintaining a broad membership of affiliated and locally based community and faith groups, charities, voluntary enterprises that reflect the make-up of local communities; advocating for and representing our membership and the wider community of locally based third sector organisations and social groups on strategic partnerships with statutory and other agencies; and providing a range of services to support the setting up, running and development of member organisations, including providing information, advice and practical support on a range of issues. For example, securing funding, improving governance, management and creating partnerships.

Public benefit

We refer to the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning the future activities of THCVS.

All our services fulfil the public benefit requirement and are provided for free to locally based community and faith groups, charities, voluntary enterprises for the benefit of individuals and communities across the London Borough of Tower Hamlets. We review our services and activities annually, taking account of current operating circumstances and in consultation with our members, other service users, partners and key stakeholders.

ACHIEVEMENTS AND PERFORMANCE

Our activities in 2021/22

2021/22 continued to be dominated by the pandemic, with THCVS playing a key role in supporting smaller community groups to work with Public Sector agencies to ensure disadvantaged and marginalised communities were not left behind in the recovery.

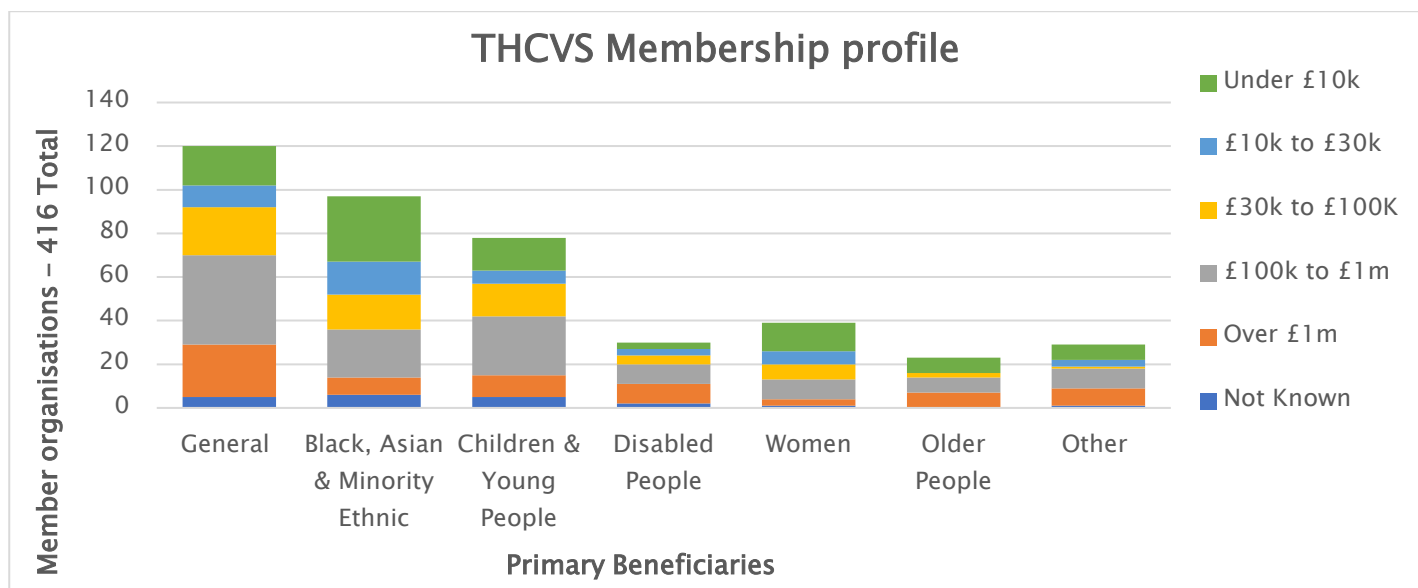
We were able to successfully build on the emergency covid funding we secured the year before to secure further funding and provide a range of services to support smaller community groups and our members to:

1. Secure the resources needed to be more **resilient** and sustainable
2. Acquire the **digital and online** capabilities needed to be successful
3. Work in **partnerships** with each other and with other Sectors to leverage in resources and have a greater impact for residents
4. Strengthen the **influence** of disadvantaged and marginalised communities in local decision making and planning

Membership

Since last year, there has been a marginal increase in our membership from 420 to 427 members, of which 11 are individual members and 416 are organisations and community groups, up from 407 last year.

These headline figures mask a more dynamic situation with the loss of 25 organisation members being replaced by 34 organisations joining. Majority of these new members (67%) are smaller community groups with an annual turnover of less than £30,000. Of the organisations that ceased membership, the primary reason was due to closure of the organisation, often as a result of longer-term challenges made worse by the pandemic.



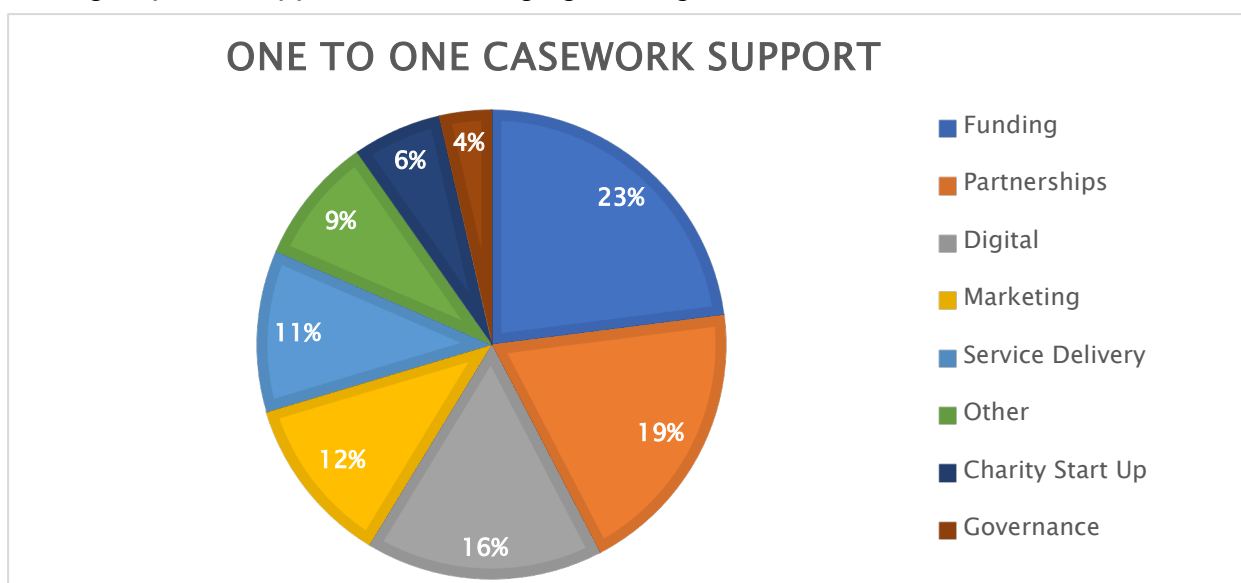
Membership Profile: Other – migrants and asylum seekers, gypsy and faith communities, LGBT+, homeless people, tenants, carers and domestic violence.

One result of this turnover and that also reflects the wider recognition of the value of smaller community groups, is the increase in the range of primary beneficiaries recognised across the profile of our membership. This focus on community groups and diversity is reflected across our services and future plans.

Securing the resources to be more resilient and sustainable

During the year, we worked with 272 voluntary and community groups and organisations across a range of activities. 140 of these received one to one casework support.

While most casework involves more than one area of support, the profile of the support provided changed significantly on the previous year, reflecting the changing priorities of the groups we support and a changing funding environment.



23% of all casework was funding related, down from 40%. 19% was about working in partnership, up from 10%. Digital and marketing support remained at 16% and 12% respectively but support with running services was up from 3% to 9% of casework and support with charity start-ups dropped from 9% to 6% of all casework.

The key development these statistics reflect is the shift in the funding environment from grants providing emergency covid support to individual groups to funding that supports collaboration and partnerships. A success for THCVS during the year was to secure two development grants to create two partnerships that we aim to lead on in 2022/23.

Alongside one to one casework support, we provide a regular bulletin and website updates on funding opportunities, resulting in 25 smaller community groups being supported to secure £140,000 in small grant funding from local, regional and national funders.

However, we were reminded by one member organisation, that:

“The value of this support goes beyond the immediate practical benefits, extending into the realms of solidarity and accompaniment, bringing motivation and energy to both staff and board by helping to remind us that our work is valuable, and to believe we can succeed”. (Globe Community Project)

Supporting groups to develop their digital and online capabilities

16% of all casework during the year related to supporting groups with working digitally and online. We were able to maintain this level of support because of an underspend on our core grant which we were able to carry forward for this purpose. The underspend arose because of a reduction in spend on room hire for 'in person' meetings during the pandemic.

Although the level of support remained steady with the previous year, the type of support we provided was developed to fill gaps in what was available elsewhere and what was needed by the groups contacting us.

Mainly the work focused on longer term casework providing practical support to groups with reviewing, planning, preparing and adopting new digital tools to enable them to increase their reach to residents and adapt their delivery to hybrid working in order to maintain service provision. It also differed from other casework support we provide in that it required the upskilling of volunteers, staff and trustees through ongoing mentoring and skill-sharing across the organisation, rather than just one to one training and support.

We supported four organisations to develop the design and functionality of their websites, five organisations to use new digital communication tools to build their membership, three organisations with implementing new CRM systems and nine organisations received coaching and mentoring support with using online video conferencing. We also supported other organisations with delivering hybrid events and working through their GDPR processes for their online service operations.

Work in partnerships with each other and with other Sectors to leverage in resources and have a greater impact for residents

Support for working partnership is an area of our work that has grown steadily over the last two years with almost no casework reported on in 2020, to 10% of casework in 2021 and 19% this year. This development reflects the priority that funders appear to be placing on collaboration but also that provide greater opportunity for working in partnership with public sector agencies.

One of the ways in which we aimed to deliver this cross-sector working was through Cooperate the cross-sector partnership we co-chaired with the Council's Cabinet Member for the Voluntary Sector. Cooperate is also the lead body for taking forward the Tower Hamlets VCS strategy which has a strong emphasis on partnership working.

During the year, we provided ongoing support to four partnerships, each with a slightly different focus and level of resourcing.

The Tower Hamlets Island Community Network (THICN) established under the Mayor of London's MyEnds programme and led by Osmani Trust, Streets of Growth and Spotlight (Poplar Harca). The Network aimed to develop and test new ways to reach smaller youth and community groups on the Isle of Dogs to work together on community safety issues.

We also supported the Exmouth Social Club partnership which brought five local organisations together to develop use of the Club as a meanwhile space with the potential to provide neighbourhood regeneration while the estate was under development.

THCVS

Trustees' Report

For the year ended 31 March 2022

Friends of Limehouse partnership, tested collaboration at a neighbourhood level to address the need for green infrastructure to tackle climate poor air quality and improve the local environment for marginalised communities impacted by climate change

We also continued to support the Play Partnership which was established to take forward the work of Play Association Tower Hamlets, when that group closed down.

Our learning from these support activities has been a recognition of the complexity and long-term nature of the relationship building that is needed for successful partnerships that deliver a range of outcomes that may also differ from those initially intended.

Strengthen the influence of disadvantaged and marginalised communities in local decision making and planning

THCVS has a key role to play in representing and connecting voluntary and community sector (VCS) groups with public, private and other third sector organisations, for example universities and housing associations. During the year we supported 508 people to connect with each other across 33 events, including 319 from VCS groups, 32 from public and third sector agencies and 11 individuals not connected to any institution but interested in the issues we were meeting about.

Alongside the events we organised, we represented the voluntary and community sector on the Borough Partnership, the Health and Wellbeing and the Safer Neighbourhood Boards, the Tower Hamlets Together Board and delivery networks. We also supported the Tower Hamlets Race Equality network which was established to take forward the recommendations from the 2020 Tower Hamlets Race Equality Commission.

The inequality of experience and outcomes for different communities was made starkly evident through the pandemic. Successful recovery from the pandemic also demonstrated the value of involving disadvantaged and marginalised communities in the design of effective responses to the pandemic and was the basis for a number of successful funding bids and project developments.

Two early successes in the year were the Cornerstone and Health Equalities development grants we secured from City Bridge Trust and National Lotteries Communities Fund to create partnerships of community led groups to influence 'system' change. Both projects have adopted a model of a coproduction, involving residents and community groups working alongside statutory agencies to have a greater impact for residents and have secured continued funding to develop the partnerships further in 2022/23.

Through the Public Health funded Disparities project we created a Community of Practice for Black, Asian and Minority Ethnic led community groups to work alongside statutory health agencies to improve access to health services. Using a Quality Improvement (QI) approach, the groups identified mental health as a key area of concern and working with statutory health agencies held a 'Creating new approaches to mental health in Tower Hamlets' event. The success of this project and the continuing evidence of need helped ensure that continuation funding for the Disparities project was secured for 2022/23.

We also secured a three year contract to establish and deliver the first Equalities Hub project in Tower Hamlets. The Hub was commissioned by the Local Authority to promote and support to six equality networks and to support the networks in working together to influence 'system change'.

THCVS
Trustees' Report
For the year ended 31 March 2022

In the first few months of the Hub, we supported five established networks: the Older People's Reference Group (OPRG), the LGBT+ Forum, the Interfaith Forum, the Youth Council and the Disabled People's Network; and we helped establish two new networks, the Ethnic Minority Network and the Women's Network.

A key area of joint work was to pilot the use of Tower Hamlets Together 'i-statement' outcomes framework. The success of this work has led to further funding in 2022/23, when we also be exploring how the work of the Hub can be developed through the next phase of the Cornerstone project.

Plans for the Future

In March 2022, THCVS Trustees and the staff team began work on setting priorities for the direction of our work for the year and beyond. These priorities build on our experience and successes over the last two years and will aim to:

- Continue to develop a diverse and inclusive membership
- Support community groups to secure the resources, skills and capabilities to be successful and more resilient
- Support community groups to connect with each other and with public sector agencies and other partners
- And to support community groups to involve their communities in working alongside public sector agencies to coproduce changes to how services are delivered and the outcomes for the most disadvantaged

We also aim to

- Secure the resources and capabilities needed to be more resilient and ensure the sustainability of our services

FINANCIAL REVIEW

During the year, total income was £513,245 (2020-21: £459,879) and total expenditure was £454,781 (2020-21: £441,189), resulting in a surplus of £58,464 (2019-20: £18,690), of which £53,327 was in unrestricted funds.

The London Borough of Tower Hamlets continues to provide our core funding under a restricted grant that has been extended to September 2023. Outside of our core grant funding, we continued to support Voluntary and Community Sector organisations to engage with health services under a contract with the Tower Hamlets Clinical Commissioning Group. And we secured two new contracts with the Local Authority to develop an Equalities Hub and deliver a Black, Asian and Minority Ethnic Communities Disparities Project.

We were also successful in securing two development grants from the City Bridge Trust Cornerstone programme and from the National Lottery Community Fund Health Equality programme. These grants have since proven successful, helping secure two- and three-year grant funding in future years. We continued to receive a small amount of income from *ad hoc* small-scale projects (or consultancy work).

As at the year-end, total bank and cash balances were £139,683 (2020-21: £75,810). The unrestricted reserves were £109,488 (2020-21: £56,161) of which, £20,000 (2020-21: nil) were held as designated funds to cover service commitments that have been carried forward into the next financial year to deliver elements of the Black, Asian and Minority Ethnic Disparities Project. Restricted reserves were £18,477 (2020-21: £13,340).

Managing Risk

The Charity's Trustees are responsible for managing risk, with key risks and mitigation plans also considered at Board meetings.

For the year ahead, THCVS has secured an extension to our core Local Authority grant with plans significantly progressed to secure three further long-term contracts and grants, in line with the charities longer term resilience plans. With this funding and these plans in place, Trustees consider the key risks arising for the charity relate to potential delays and shortfalls in securing the new funding and the potential restructuring costs that may arise if any of these funding plans are unsuccessful.

Reserves policy

Every year, Trustees review the Charity's reserves policy in line with Charity Commission guidance and with consideration of the key risks facing the organisation. Both cash flow and reserves are regularly monitored by the CEO and Treasurer and updated to reflect a true representation of current operating costs at all times.

Trustees have therefore agreed a policy of maintaining unrestricted reserves of £70,000 to cover the risks outlined above.

At the year-end, unrestricted reserves that were not designated amounted to £89,488 (2021: £56,161). In agreeing this policy, Trustees have also agreed plans for rebuilding our unrestricted reserves fund to provide cover against future risks.

Going concern

The Trustees of THCVS understand and foresee that the charity has sufficient, easily accessible resources available to meet all of its liabilities as they fall due and to continue to meet them in the short to medium term.

STRUCTURE, GOVERNANCE AND MANAGEMENT

THCVS is a registered charity (1137143) and a company limited by guarantee (07251141). Our governing documents are the Memorandum and Articles of Association, adopted on the 12th April 2010.

THCVS' articles of association allow for the charity to appoint between five and 15 Trustees at any one time. A third of Trustees must stand down by rotation at each Annual General Meeting and may be re-elected for a maximum of four further terms

At our 2021 AGM, held on the 7th of December 2021, Mustafa Ibrahim resigned as a Trustee, Eleanor Healy-Birt and Jama Omar resigned and were re-elected as Trustees.

Following an advertising and recruitment campaign four members were nominated by Trustees and elected by Members to join the board as Trustees: Celeste Vassall – Off the Wall Players; Shipon Miah – SOUL, Social Organisation for Unity Leisure; Shahaveer Hussain – The Utilize Project; and Zoe Eccles – Ocean Regeneration Trust

Shahaveer Hussain has subsequently resigned to avoid any conflict of interest with his intention to stand for election as a Local Councillor in Tower Hamlets.

Trustees re-appointed Mike Smith, Chris Ley and Eleanor Healy-Birt as Chair, Vice Chair and Treasurer at the first meeting of the Board following the AGM.

THCVS Trustees have continued to meet every two months to keep track of activities and plan ahead. Meetings have been held on online with a first in person meeting held with the staff team in March 2022 to plan strategic priorities for the year ahead. Future Board meetings will be held online or in person as is necessary at the time.

Trustees continue to delegate the day-to-day management of the organisation to the Chief Executive Officer, Peter Okali, and are committed to working with Peter

Related parties and relationships with other organisations

THCVS has one subsidiary company, THCVS Trading Ltd. There was no financial activity within the subsidiary in 2021/22, which also has a nil balance sheet.

During the year, a member organisation, Real DPO, received a £3,000 partnership payment from the Cornerstone development grant THCVS secured from City Bridge Trust. Mike Smith, Chair of the Board of Trustees, is the CEO of Real DPO.

There were no other related party transactions during the year.

STATEMENT OF RESPONSIBILITIES OF THE TRUSTEES

The Trustees (who are also directors of charitable company for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure of the charitable company for that period. In preparing these 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 UK Accounting Standards and statements of recommended practice (SORP) 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 not appropriate to presume that the charity will continue in operation

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website.

Small company exemptions

For the year ending 31/03/2022 the Company was entitled to exemption from audit under Section 477 of the Companies Act 2006 relating to small companies. THCVS members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

Trustees recognise their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts. These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Independent examiners

Moracle Limited were re-appointed as the independent examiners of the charitable company during the year and have expressed their willingness to continue in that capacity.

The Trustees' annual report has been approved by the Trustees on **16 December 2022** and signed on their behalf by:



.....
Eleanor Healy-Birt, Treasurer

THCVS
Trustees' Report
For the year ended 31 March 2022

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2022.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

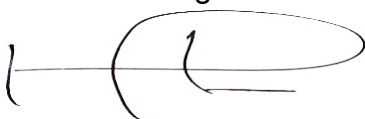
Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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.



Morlai Kargbo, FCCA

Moracle Limited

Chartered Certified Accountants & Registered Auditors

Ashley House

Ashley Road

London N17 9LZ

19 December **2022**

Tower Hamlets Council For Voluntary Service Ltd
Statement of Financial Activities (including Income and Expenditure account)
For the year ended 31 March 2022

		Unrestricted Funds	Restricted Funds	Total 2022	Total 2021
	Notes	£	£	£	£
Income and endowments from:					
Charitable activities					
To promote and train for public benefit	3	172,244	341,000	513,244	459,877
Investment income	4	1	-	1	2
Total income		<u>172,245</u>	<u>341,000</u>	<u>513,245</u>	<u>459,879</u>
Expenditure on:					
Charitable activities					
To promote and train for public benefit	5	118,918	335,863	454,781	441,189
Total expenditure		<u>118,918</u>	<u>335,863</u>	<u>454,781</u>	<u>441,189</u>
Net income / (expenditure) before transfers	6	<u>53,327</u>	<u>5,137</u>	<u>58,464</u>	18,690
Net movement in funds		53,327	5,137	58,464	18,690
Reconciliation of funds:					
Total funds brought forward at start of period		<u>56,161</u>	<u>13,340</u>	<u>69,501</u>	<u>50,812</u>
Total funds carried forward at end of period		<u>109,488</u>	<u>18,477</u>	<u>127,965</u>	<u>69,501</u>

The Statement of Financial Activities includes all gains and losses recognised in the year.

The attached notes form part of these financial statements.

As at 31 March 2022

	Notes	£	2022 £	2021 £
Fixed assets				
Tangible assets	9		2,145	92
Current assets				
Debtors	10	6,574		27,204
Cash at bank and in hand		<u>139,683</u>		<u>75,810</u>
		146,257		103,014
Liabilities				
Creditors:				
amounts falling due within one year	11	<u>(20,437)</u>		<u>(33,605)</u>
Net current assets			<u>125,820</u>	<u>69,409</u>
Net assets			<u>127,965</u>	<u>69,501</u>
Funds:				
Restricted funds	13		18,477	13,340
Unrestricted funds				
Designated funds	13	20,000		-
General funds	13	<u>89,488</u>		<u>56,161</u>
			<u>109,488</u>	
Total charity funds			<u>127,965</u>	<u>56,161</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2022.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 March 2022 in accordance with Section 476 of the Companies Act 2006.

The financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Approved by the trustees on **16 December 2022**
and signed on their behalf by:



Eleanor Healy-Birt, Trustee

The attached notes form part of the financial statements.

Tower Hamlets Council For Voluntary Service Ltd
Statement of cash flows
For the year ended 31 March 2022

	2022		2021	
	£	£	£	£
Cash flows from operating activities				
Net income for the reporting period (as per the statement of financial activities)	58,464		18,690	
Depreciation charges	151		1,116	
Investment income	(1)		(2)	
(Increase)/decrease in debtors	20,630		(22,078)	
(Decrease)/Increase in creditors	(13,168)		15,911	
Net cash used in operating activities		66,076		13,637

	2022		2021	
	£	£	£	£
Cash flows from operating activities				
Net cash provided by operating activities		66,076		13,637

Cash flows from investing activities:				
Interest receivable	1		2	
Purchase of fixed assets	(2,204)		-	

Net cash provided by / (used in) investing activities		(2,203)		2
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Change in cash and cash equivalents in the year		63,873		13,639
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Cash and cash equivalents at the beginning of the year		75,810		62,171
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Cash and cash equivalents at the end of the year		139,683		75,810
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Analysis of cash and cash equivalents

	At 1 April 2021	Cash flows	Other non- cash changes	At 31 March 2022
	£	£	£	£
Cash at bank and in hand	75,810	63,873	-	139,683
a Total cash and cash equivalents	75,810	63,873	-	139,683

1 Accounting policies

Basis of preparation

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) - (Charities SORP FRS 102) and the Companies Act 2006.

The charitable company meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern. The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

Income

Donations income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from grants is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Income received in advance for the provision of specified service is deferred until the criteria for income recognition are met.

Investment income is recognised when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest or dividends paid or payable by the investment fund manager.

Expenditure

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 on charitable activities includes the costs of delivering services, exhibitions and other activities undertaken to further the purposes of the charity and their associated support costs.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. These costs have been allocated between expenditure on charitable activities on the basis of the staff time spent on the activity.

Fund accounting

Unrestricted funds are available to spend at the discretion of the trustees on activities that further any of the purposes of charity. Restricted Funds are restricted income funds given to the charity for specific purposes. They are expendable by the trustees in furtherance of particular projects within the charity objects.

Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- | | |
|---|---------------------------------|
| <input type="checkbox"/> Office equipment | 33% straight line basis on cost |
| <input type="checkbox"/> Computer equipment | 33% straight line basis on cost |

Tower Hamlets Council For Voluntary Service Ltd
Notes to The Financial Statements
For the year ended 31 March 2022

1 Accounting policies (continued)

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

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.

Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in the year.

2 Detailed comparatives for the statement of financial activities

	Unrestricted Funds £	Restricted Funds £	Total 2021 £
Income from:			
Charitable activities:			
To promote and train for public benefit	113,437	346,440	459,877
Investment income	2	-	2
Total incoming resources	<u>113,439</u>	<u>346,440</u>	<u>459,879</u>
Resources expended:			
Charitable activities:			
To promote and train for public benefit	101,858	339,331	441,189
Total resources expended	<u>101,858</u>	<u>339,331</u>	<u>441,189</u>
Net incoming/(outgoing) resources before transfers	11,581	7,109	18,690
Transfers between funds	<u>-</u>	<u>-</u>	<u>-</u>
Net incoming/(outgoing) resources	11,581	7,109	18,690
Reconciliation of funds			
Total funds brought forward at start of the period	44,580	6,232	50,812
Total funds carried forward at end of the period	<u>56,160</u>	<u>13,340</u>	<u>69,501</u>

Tower Hamlets Council For Voluntary Service Ltd
Notes to The Financial Statements
For the year ended 31 March 2022

3 Income from charitable activities

	Unrestricted Funds	Restricted Funds	Total 2022	<i>Total 2021</i>
	£	£	£	£
To promote and train for public benefit				
London Borough of Tower Hamlets - Core Grant	-	260,000	260,000	260,000
LBTH – Disparities Project	60,000	-	60,000	-
LBTH – Equalities Hub	18,750	-	18,750	-
Play Association TH (PATH)	3,000	6,000	9,000	-
City Bridge Trust	-	25,000	25,000	-
Wakefield & Tetley Trust	-	-	-	1,501
National Lottery	-	50,000	50,000	40,700
London Community Response (CITY Bridge Trust)	-	-	-	44,239
Contracts Income	10,387	-	10,387	4,307
LBTH – small grant	-	-	-	5,000
TH Clinical Commissioning Group (THCCG)	70,000	-	70,000	89,000
Consultancy	10,107	-	10,107	4,293
JRS Grant	-	-	-	10,837
	<u>172,244</u>	<u>341,000</u>	<u>513,244</u>	<u>459,877</u>

4 Investment income

	Unrestricted Funds	Restricted Funds	Total 2022	<i>Total 2021</i>
	£	£	£	£
Bank Interest	<u>1</u>	<u>-</u>	<u>1</u>	<u>2</u>
	<u>1</u>	<u>-</u>	<u>1</u>	<u>2</u>

Tower Hamlets Council For Voluntary Service Ltd
Notes to The Financial Statements
For the year ended 31 March 2022

5 Analysis of expenditure
Current year

	Unrestricted £	Restricted £	Support Costs £	Total 2022 £	Total 2021 £
Direct Service Delivery	11,775	133,007	-	144,782	120,684
Salaries	46,339	139,053	49,451	234,843	260,561
Other staff costs	1,182	1,798	-	2,980	4,030
Premises costs	-	-	31,638	31,638	29,428
Office costs	-	-	2,599	2,599	3,392
Legal & professional	-	-	28,005	28,005	11,025
IT & software	-	-	5,557	5,557	7,156
Marketing & subsc	-	-	1,381	1,381	1,283
Independent examination fees	-	-	1,620	1,620	1,620
Governance	-	-	1,376	1,376	2,010
	<u>59,296</u>	<u>273,858</u>	<u>121,627</u>	<u>454,781</u>	<u>441,189</u>
Support costs allocation	<u>59,622</u>	<u>62,005</u>	<u>(121,627)</u>	<u>-</u>	<u>-</u>
	<u>118,918</u>	<u>335,863</u>	<u>-</u>	<u>454,781</u>	<u>441,189</u>

Analysis of expenditure
Prior year

	Unrestricted £	Restricted £	Support Costs £	Total 2021 £
Direct Service Delivery	10,690	109,994	-	120,684
Salaries	42,947	179,381	38,233	260,561
Other staff costs	670	3,360	-	4,030
Premises costs	-	-	29,428	29,428
Office costs	-	-	3,392	3,392
Legal & professional	-	-	11,025	11,025
IT & software	-	-	7,156	7,156
Marketing & subsc	-	-	1,283	1,283
Independent examination fees	-	-	1,620	1,620
Governance	-	-	2,010	2,010
	<u>54,307</u>	<u>292,735</u>	<u>94,147</u>	<u>441,189</u>
Support costs allocation	<u>62,493</u>	<u>18,332</u>	<u>(80,824)</u>	<u>-</u>
	<u>116,800</u>	<u>311,067</u>	<u>13,323</u>	<u>441,189</u>

Tower Hamlets Council For Voluntary Service Ltd
Notes to The Financial Statements
For the year ended 31 March 2022

6 Net income/ (expenditure) for the year

	2022	2021
Net income/ (expenditure) is stated after charging:	£	£
Independent examiner's fee (excluding VAT)	1,350	1,350
Depreciation	151	1,116
	<u><u>151</u></u>	<u><u>1,116</u></u>

7 Analysis of staff costs, trustee remuneration and expenses and cost of key management

	2022	2021
	£	£
Wages and salaries	204,743	227,653
Social security costs	17,426	19,770
Pension costs	12,674	13,138
	<u><u>234,843</u></u>	<u><u>260,561</u></u>

1 member of staff received emoluments of more than £60,000 in this year (2021: 1)

The total employee benefits including pension contributions of the key management personnel were £60,378 (2021: £61,767).

The average monthly numbers of employees during the year was 6 (2021: 6).

The trustees of the charitable company were not paid or received any other benefits from employment with the charity in the year (2021: £nil) neither were they reimbursed expenses during the year (2021: £nil). No charity trustee received payment for professional or other services supplied to the charity (2021: £nil).

8 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

9 Tangible Fixed Assets

	Furniture Fixture £	Computer Equipment £	Office Equipment £	Total £
Cost				
At 1 April 2021	180	3,629	2,172	5,981
Additions in the period	-	2,204	-	2,204
At 31 March 2022	<u>180</u>	<u>5,833</u>	<u>2,172</u>	<u>8,185</u>
Depreciation				
At 1 April 2021	118	3,615	2,156	5,889
Charge for the period	62	73	16	151
At 31 March 2022	<u>180</u>	<u>3,688</u>	<u>2,172</u>	<u>6,040</u>
Net book value				
At 31 March 2022	<u>-</u>	<u>2,145</u>	<u>-</u>	<u>2,145</u>
<i>At 31 March 2021</i>	<u>62</u>	<u>14</u>	<u>16</u>	<u>92</u>

Tower Hamlets Council For Voluntary Service Ltd
Notes to The Financial Statements
For the year ended 31 March 2022

10 Debtors	2022	2021
	£	£
Trade Debtors	3,648	24,307
Other Debtors and prepayments	2,926	2,897
	<u>6,574</u>	<u>27,204</u>

11 Creditors: Amounts falling due within one year	2022	2021
	£	£
Trade creditors including taxation and social security	15,306	8,143
Other creditors/Pension	2,131	2,022
Accruals	3,000	14,440
Deferred income	-	9,000
	<u>20,437</u>	<u>33,605</u>

Deferred Income:	2022	2021
	£	£
Balance at the beginning of the year	9,000	2,229
Amount released to income in the year	(9,000)	(2,229)
Amount deferred in the year	-	9,000
Balance at the end of the year	<u>-</u>	<u>9,000</u>

12 Analysis of Net Assets between Funds
Current year

	General Funds £	Designated Funds £	Restricted Funds £	Total 2022 £
Tangible fixed assets	2,145	-	-	2,145
Current assets	87,343	20,000	38,914	146,257
Current liabilities	-	-	(20,437)	(20,437)
	<u>89,488</u>	<u>20,000</u>	<u>18,477</u>	<u>127,965</u>

Analysis of Net Assets between Funds (prior year)

	Unrestricted Funds £	Restricted Funds £	Total 2021 £
Tangible fixed assets	92	-	92
Current assets	56,069	46,945	103,014
Current liabilities	-	(33,605)	(33,605)
	<u>56,161</u>	<u>13,340</u>	<u>69,501</u>

Tower Hamlets Council For Voluntary Service Ltd
Notes to The Financial Statements
For the year ended 31 March 2022

13 Movements in Funds

	At 1 April 2021	Income & gains	Expenditure & losses	Transfers	At 31 March 2022
	£	£	£	£	£
<u>Restricted Funds</u>					
LBTH Core Grant	13,340	260,000	(273,340)	-	-
Play Association TH (PATH)	-	6,000	-	-	6,000
National Lottery	-	50,000	(37,523)	-	12,477
City Bridge Trust	-	25,000	(25,000)	-	-
	13,340	341,000	(335,863)	-	18,477
<u>Unrestricted Funds</u>					
General funds	56,161	172,245	(118,918)	(20,000)	89,488
Designated Funds - Other	-	-	-	20,000	20,000
Total unrestricted funds	56,161	172,245	(118,918)	-	109,488
Total Funds	69,501	513,245	(454,781)	-	127,965

Movements in Funds (prior year)

	At 1 April 2020	Income & gains	Expenditure & losses	Transfers	At 31 March 2021
	£	£	£	£	£
<u>Restricted Funds</u>					
Healthwatch	6,232	-	(6,232)	-	-
LBTH Core Grant	-	260,000	(246,660)	-	13,340
Wakefield & Tetley Trust	-	1,501	(1,501)	-	-
National Lottery	-	40,700	(40,700)	-	-
London Community Response	-	44,239	(44,239)	-	-
	6,232	346,440	(339,331)	-	13,340
<u>Unrestricted Funds</u>					
General funds	44,580	113,439	(101,858)	-	56,161
Total Funds	50,812	459,879	(441,190)	-	69,501

Restricted funds are for the following purposes:

London Borough of Tower Hamlets (LBTH Core Grant) – our main Infrastructure and Capacity Building grant agreement which enables us to carry out our charitable activities with the volunteer and community organisations in the borough.

Path - Play Association Tower Hamlets: funds to be used in developing a voluntary sector Play Partnership in Tower Hamlets.

National Lottery Community Fund – Health Equity Development Grant: development grant to pilot a Flourishing Communities public/voluntary sector partnership project aiming to address health inequalities in Tower Hamlets.

City Bridge Trust – Cornerstone 2 programme: development grant to create a voluntary sector Equalities Partnership that aims to develop a coproduction approach to Equality Impact Assessments in Tower Hamlets.

14 Company Status

Tower Hamlets Council for Voluntary Service is a company limited by guarantee and has no share capital. Each member is liable to contribute a sum not exceeding £1 in the event of the charity being wound up.

15 Related party transactions

There are no related party transactions to disclose for the year (2021: none).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties. There is no balance due to/from related parties at the end of the year.