

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 2019

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Tower Hamlets Council for Voluntary Service Limited
Trustees' Report
For the year ended 31 March 2019

Reference and administrative information

Company number: 07251141

Charity number: 1137143

Registered office: 15a Old Ford Road, St Margaret's House, London, E2 9PL

Administrative Office: 15a Old Ford Road, St Margaret's House, London, E2 9PL

Telephone: 020 8980 8427

Email: info@thcvs.org.uk

www.thcvs.org.uk

Trustees: Sharon Hanooman (Vice Chair, until 27 April 2019)

Eleanor Healy-Birt

Mustafa Ibrahim (Treasurer, until 27 April 2019)

Chris Ley

Yara Marion

Jama Omar

Mohammad Rahman

Jemima Roe

Mike Smith (Vice Chair and Treasurer)

Preeti Udas (Chair)

Selina Uddin

Louisa Vickers-Mills

Eddie Coppinger (resigned 3 November 2018)

Suzanne Firth (resigned 18 September 2018)

Joynul Hoque (resigned 27 February 2019)

Chief Executive: Peter Okali (from 1st April 2019)

Damian Brady (interim Chief Executive to 31 March 2019)

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

Tower Hamlets Council for Voluntary Service Limited

Trustees' Report

For the year ended 31 March 2019

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 2019.

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 Objects of the Charity as stated in our Memorandum and Articles of Association, 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, voluntary organisations and social enterprises operating in Tower Hamlets. We do this by representing charities, voluntary organisations and social enterprises on strategic partnership bodies and by providing a range of services to support the setting up and running of organisations, including conducting and disseminating research findings, providing information, advice and advocacy on funding, governance and managing organisations.

Public benefit

We review our aims, objectives and activities each year. The Trustees have referred to the Charity Commission's general guidance on public benefit when reviewing the aims and objectives and in planning the future activities of THCVS. All our services are provided to voluntary, community and social enterprise groups for the benefit of individuals and communities across the London Borough of Tower Hamlets.

ACHIEVEMENTS AND PERFORMANCE

Our activities in 2018/19

2018/19 has been a successful year for THCVS with our work remaining true to our Mission: *to support the voluntary, community and faith sectors operating in Tower Hamlets, to improve the lives of individuals and communities.*

Our successes were achieved on the back of a challenging year for staff turnover, including the tragic loss of a long-standing member of the staff team. It is therefore, with particular thanks and appreciation of the efforts of the Staff and Trustee team, that we can report on our achievements in the year and that the Charity is in a strong position going into 2019/20.

In delivering on our Mission, our priorities for the year, were to:

- Extend our membership and support to all sizes and types of organisation

Tower Hamlets Council for Voluntary Service Limited

Trustees' Report

For the year ended 31 March 2019

- Help the Voluntary and Community Sector (VCS) to make more connections to each other, the statutory sector and local businesses
- Strive to ensure the Voluntary and Community Sector is, and is perceived to be, a widely trusted partner with statutory bodies.

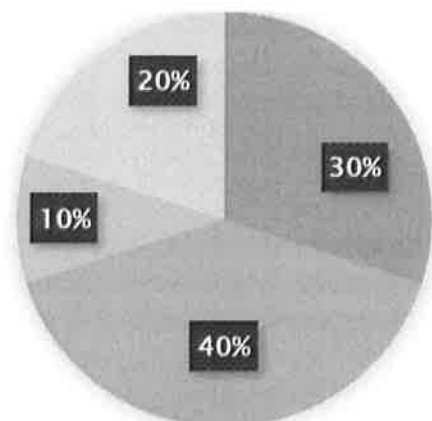
Membership

THCVS membership is by application from organisations and individuals that support our objectives and are based in or active in supporting Tower Hamlets communities.

During the year, our membership increased from 297 to 347 organisations.

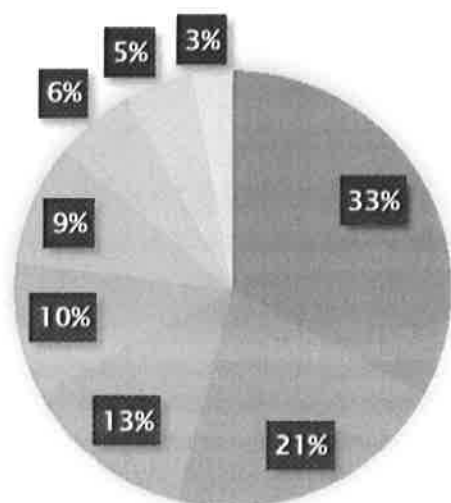
Our members come from all over the Borough and represent the diversity of the Voluntary and Community Sector in Tower Hamlets. The majority, 232, are based in or operate from one ward. 10 organisations operate across two or three wards and 105 operate across four or more wards.

Our members reflect the different sizes of Voluntary and Community Sector organisations operating in Tower Hamlets:



Micro/start-ups < £50,000	30%
Small > £50,000 to £250,000 <	40%
Medium > £250,000 to £1,000,000 <	10%
Large > £1,000,000	20%

Members also represent the diversity of beneficiaries supported by Voluntary and Community Sector organisations across Tower Hamlets:



General	33%
Black, Minority Ethnic and Refugee	21%
Children and Young People	13%
Local Community	10%
Older People	9%
Disability	6%
Women	5%
Other	3%

Tower Hamlets Council for Voluntary Service Limited

Trustees' Report

For the year ended 31 March 2019

Development Support

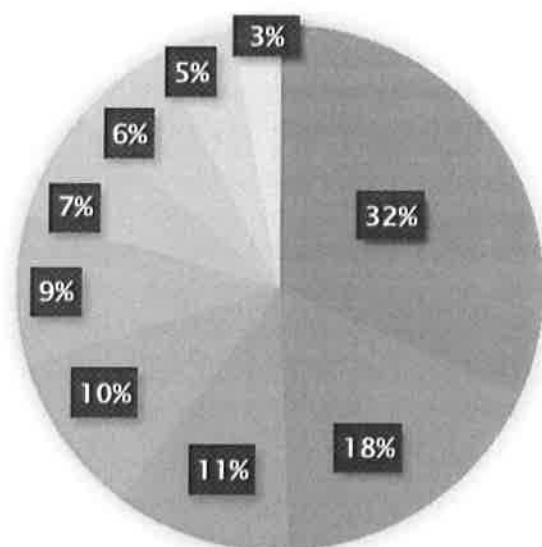
During the year, we delivered 24 training events and 18 workshops, attended by 796 individuals from 383 organisations.

Because of this course I am going to:

'get on with my project much more confidently' Introduction to Impact training, May 2018.

'Ask more questions when reviewing accounts': Financial management & control for trustees, Jan 2019

153 organisations received over 369 hours of one-to-one development support. The main areas of development support we provided were:



Funding	32%
Charity start up	18%
Premises	11%
Business Planning	10%
Governance	9%
Management	7%
Crisis Intervention	6%
Marketing	5%
Enterprise	2%

Feedback about funding support given:

Very helpful - restructured questions in the application, reviewed finance section and gave tips on how to make the application tighter and have a better narrative.

In March 2019, we organised our first jointly-run 'Meet the Funders' event with Redbridge and Hackney Councils for Voluntary Services. 162 people from 113 organisations attended the event, which was supported by 15 local and regional funding organisations and connecting them with local Voluntary and Community Sector organisations

Feedback about the 'Meet the Funders' event:

Excellent – we need more of these!

Connecting and Going Digital

During the year we organised 15 theme-based forum events, attended by 180 organisations, working across a range of key issues including: premises; health and wellbeing; training, employment and enterprise; and leadership.

We also delivered a programme of six networking events connecting voluntary groups across the sector with funders to promote closer collaboration between groups around thematic and project interests.

Tower Hamlets Council for Voluntary Service Limited

Trustees' Report

For the year ended 31 March 2019

Across all activities, we continued to make greater use of digital tools for engaging and getting feedback from our members and in meetings, like Slido, Menti, and SurveyMonkey. As a result, we also increased our digital presence with 1,949 Twitter followers, and 2,131 subscribers (from 239 organisations) signed up to receive our four e-bulletins (General, Health and Wellbeing, Funding and Development, Policy). Over 48,000 unique visitors made 112,194 visits to our website last year.

The most popular web pages were those related to funding, training and the Local Community Fund. The need for support with funding remains high according to feedback in our Annual State of the Sector survey, which also found that over 40% of members responding to the survey are using reserves for operating costs.

Partnership and influence

THCVS worked with Council officers to support Co-operate, which is the forum for collaboration between the Voluntary and Community Sector and Tower Hamlets Council. In November 2018, we successfully increased and diversified Voluntary and Community Sector representation on the forum.

We contributed to the Tower Hamlets Partnership and the continued development of Tower Hamlets Together, the integration Board for the Council and NHS services in the Borough.

We supported the development of the Council's new Local Community Fund grant programme and Voluntary Sector Small Grants Programme, including hosting consultation events.

We contributed to the launch of the Tower Hamlets Social Value Exchange Project, including producing a toolkit and fact sheet to support groups to benefit from this programme.

We contributed to the design and launch of the Council's Co-production framework

We also co-produced a Quality Assurance Framework for Community Research with the Council's Public Health Team, Community Researchers and Voluntary and Community Sector organisations delivering community research in Tower Hamlets

Plans for the future

In considering our plans for the year ahead, Trustees have considered feedback from our members and the operating context for the Voluntary and Community Sector in Tower Hamlets. This will be affected by changes to the Local Authority's Voluntary and Community Sector Grants programme, which opened for applications in April 2019 and was significantly oversubscribed. 2019/20 is also the last year of the current THCVS strategic plan. In the next year our priorities are to:

- Continue to support the diversity of Voluntary and Community Sector organisations in Tower Hamlets to be sustainable, with an emphasis on support with funding, premises and leadership
- Continue to diversify and strengthen Voluntary and Community Sector representation and 'voice' on key strategic bodies across Tower Hamlets
- Support the Voluntary and Community Sector to influence and deliver services, with the involvement of their service users
- Develop a new strategic plan for THCVS and the wider Voluntary and Community Sector in Tower Hamlets, in conjunction with our members and key stakeholders.

Tower Hamlets Council for Voluntary Service Limited

Trustees' Report

For the year ended 31 March 2019

FINANCIAL REVIEW

During the year, total income was £431,249 (2017-18: £421,999) and total expenditure was £505,086 (2017-18: £446,034), resulting in a deficit of £73,836 (2017-18: deficit of £24,035). This loss was anticipated and was covered by unrestricted contract and grant income received in the previous financial year.

The London Borough of Tower Hamlets continues to provide our main core funding, with an extension of this funding now secured until September 2021 or, subject to review, 2022. Other major funding sources for the year were a Commissioning Support contract with the London Borough of Tower Hamlets and for the second year running, we received a grant from the Tower Hamlets Clinical Commissioning Group to support Voluntary and Community Sector organisations to engage with health services.

During the year, in line with Charity Commission guidance and the Charities SORP, Trustees have reviewed the Charity's policies on restricted and unrestricted income and the allocation of income between legacies and donations, and charitable activities, in the Statement of Financial Activity (SOFA). As a result of that review, including of the underlying grant or contractual documentation, a number of grants and contracts that were previously shown as restricted have been recategorised as unrestricted. The majority of THCVS income is now treated as Charitable Activity rather than income from Legacies and Donations. Where individual sources of income were recategorised, the corresponding income sources and related expenditure were restated in the opening balances, including in respect of reserves, to enable meaningful comparison.

As at the year-end, total bank and cash balances were £101,352 (2017-18: £251,112). The unrestricted reserves were £89,055 (2017-18: £155,050, restated) and restricted reserves were £20,000 (2017-18: £18,842, restated).

Managing Risk

The Charity's risk register is regularly updated and discussed by Trustees, with Key Risks and mitigation plans reviewed quarterly at Board meetings.

In the coming year, we have identified the key risks facing the Charity as uncertainty over our annual grant from the Tower Hamlets Clinical Commissioning Group (THCCG), Brexit, reducing public sector income, the likelihood of fewer contracting opportunities with the Council, and the impact that loss of key THCVS staff could have.

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.

For the year ahead, Trustees have agreed a policy to close the designated fund and maintain an unrestricted reserve fund equivalent to three months operating costs.

In agreeing this policy, Trustees have considered that there has been no activity in the Trading subsidiary and developing this subsidiary is not a priority for the time being.

With our core Local Authority grant secured, Trustees have considered that two months operating costs would provide sufficient funds to maintain services if there is a delay in receiving our core grant, and that an additional one month of operating costs would be required to cover the costs of restructuring if one is needed due to unexpected changes in funding.

Tower Hamlets Council for Voluntary Service Limited
Trustees' Report
For the year ended 31 March 2019

Both cash flow and reserves are monitored by the finance committee on a regular basis and kept up-to-date to reflect a true representation of current operating costs.

In the short to medium term, three months operating costs is equivalent to £90,000. At the year-end, unrestricted reserves amounted to £89,055 (2018: £155,050).

While Trustees are pleased to have achieved their objective on reserve fund levels, during the year ahead Trustees will develop a medium-term reserves policy to support the longer-term sustainability of the Charity.

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 (number 1137143); and a company limited by guarantee (number 07251141) and is governed by its' 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. Trustees are elected for a term of three years by the Charity's membership at Annual General Meetings. A third of Trustees must stand down by rotation at each Annual General Meeting. Trustees may be re-elected for a maximum of four further terms.

Building links with the business sector has been a long-term objective for THCVS and in November three Trustees from the corporate sector, with close personal links to Tower Hamlets, were recruited through an East London Business Association (ELBA) facilitated Board Match programme. These three co-opted Trustees will be standing for election at the AGM.

Trustees meet quarterly as a Board and a further two times a year to plan the activities of the Charity. Greater scrutiny of Board agenda items is provided by three sub-committees (finance, HR and operations) that also meet quarterly in advance of each Board meeting. Additional meetings are held as necessary.

Officers of the Trustee Board and Sub-Committee Chairs are selected at the first Trustee meeting following an AGM. All Trustees are expected to join one or more Committees.

During the year, Trustees introduced a new succession planning approach for the role of Chair and Sharon Hanooman stepped down as Vice Chair, with the appreciation of the Board for her significant contribution to setting up and sustaining THCVS over the last nine years.

Three other Trustees resigned during the year, for a variety of personal reasons, and they are also thanked for their contribution and support to the Charity.

Trustees have delegated the day-to-day management of the organisation to the Chief Executive Officer, Peter Okali.

Related parties and relationships with other organisations

THCVS has one subsidiary company, THCVS Trading Ltd. There was no financial activity within the subsidiary in 2018/19, which also has a nil balance sheet. There were no related party transactions.

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
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for keeping proper accounting records that 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. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.


Small company exemptions

This report has been prepared and delivered in accordance with the provisions in Part 15 of Companies Act 2006 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 **18 September 2019** and signed on their behalf by:


..... 02/09/19

Preeti Udas, Chair

**Independent Examiner's Report
To the Members of Tower Hamlets Council for Voluntary Service Limited
For the year ended 31 March 2019**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2019.

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

10 - Oct - 2019

Tower Hamlets Council For Voluntary Service Ltd
Statement of Financial Activities (including Income and Expenditure account)
For the year ended 31 March 2019

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2019 £	Total 2018 As restated £
Income and endowments from:					
Charitable activities					
To promote and train for public benefit	3	150,955	280,000	430,955	421,827
Investment income	4	294	-	294	172
Total income		151,249	280,000	431,249	421,999
Expenditure on:					
Charitable activities					
To promote and train for public benefit	5	226,244	278,842	505,086	446,034
Total expenditure		226,244	278,842	505,086	446,034
Net Income / (expenditure) before transfers	6	(74,995)	1,158	(73,837)	(24,035)
Net movement in funds		(74,995)	1,158	(73,837)	(24,035)
Reconciliation of funds:					
Total funds brought forward at start of period		164,050	18,842	182,892	206,927
Total funds carried forward at end of period		89,055	20,000	109,055	182,892

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

The attached notes form part of these financial statements.

Tower Hamlets Council For Voluntary Service Ltd
Balance sheet
As at 31 March 2019

Company no. 07251141


	Notes	£	2019 £	2018 As restated £
Fixed assets				
Tangible assets	8		2,143	-
Current assets				
Debtors	9	87,813		9,960
Cash at bank and in hand		<u>101,352</u>		<u>251,112</u>
		189,165		261,072
Liabilities				
Creditors:				
amounts falling due within one year	10	<u>(82,252)</u>		<u>(78,180)</u>
Net current assets			<u>106,913</u>	<u>182,892</u>
Net assets			<u>109,055</u>	<u>182,892</u>
Funds:				
Unrestricted funds	12		89,055	155,050
Designated funds	12		-	9,000
Restricted funds	12		20,000	18,842
Total charity funds			<u>109,055</u>	<u>182,892</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2019.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 March 2019 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 **18 September 2019**
and signed on their behalf by:


02/09/19

Preeti Udas, Trustee

The attached notes form part of the financial statements.

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.

The charitable company is exempted from preparing a cash flow statement due to the exemption available to the charities with income less than £500,000.

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:

Office equipment	33% straight line basis on cost
Computer equipment	33% straight line basis on cost

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 2018 <i>As restated</i> £
Income from:			
Charitable activities:			
To promote and train for public benefit	115,160	306,667	421,827
Investment income	172	-	172
Total incoming resources	<u>115,332</u>	<u>306,667</u>	<u>421,999</u>
Resources expended:			
Charitable activities:			
To promote and train for public benefit	133,483	312,551	446,034
Total resources expended	<u>133,483</u>	<u>312,551</u>	<u>446,034</u>
Net incoming/(outgoing) resources before transfers	(18,151)	(5,884)	(24,035)
Transfers between funds	<u>(2,021)</u>	<u>2,021</u>	<u>-</u>
Net incoming/(outgoing) resources	(20,172)	(3,863)	(24,035)
Reconciliation of funds			
Total funds brought forward at start of the period	184,222	22,705	206,927
Total funds carried forward at end of the period	<u><u>164,050</u></u>	<u><u>18,842</u></u>	<u><u>182,892</u></u>

Tower Hamlets Council For Voluntary Service Ltd
Notes to The Financial Statements
For the year ended 31 March 2019

3 Income from charitable activities

	Unrestricted Funds	Restricted Funds	Total 2019	<i>Total 2018 As restated</i>
	£	£	£	£
To promote and train for public benefit				
London Borough of Tower Hamlets - MSG	-	260,000	260,000	260,000
London Borough of Tower Hamlets - Other	17,333	-	17,333	16,667
THCCG - Better Care Fund	20,002	-	20,002	20,000
City of London (City Bridge Trust)	-	-	-	46,667
Other membership Fees	-	-	-	200
CEPN	-	-	-	3,500
CIN - QAF	4,500	-	4,500	-
LBTH Commissioning Support Contract	66,668	-	66,668	-
Healthwatch	-	20,000	20,000	-
TH Clinical Commissioning Group (THCCG)	42,000	-	42,000	69,734
Training Income	452	-	452	3,688
Consultancy	-	-	-	1,371
	<u>150,955</u>	<u>280,000</u>	<u>430,955</u>	<u>421,827</u>

4 Investment Income

	Unrestricted Funds	Restricted Funds	Total 2019	<i>Total 2018</i>
	£	£	£	£
Bank Interest	294	-	294	172
	<u>294</u>	<u>-</u>	<u>294</u>	<u>172</u>

Tower Hamlets Council For Voluntary Service Ltd
Notes to The Financial Statements
For the year ended 31 March 2019

5 Analysis of expenditure

Current year

	Unrestricted	Restricted	Support	Total	Total
	£	£	Costs	2019	2018
	£	£	£	£	As restated
					£
Direct Service Delivery	22,158	84,886	-	107,044	114,207
Salaries	173,484	140,642	-	314,125	262,449
Other staff costs	2,919	3,641	-	6,561	8,241
Premises costs	-	-	26,156	26,156	26,286
Office costs	-	-	10,975	10,975	9,434
Legal & professional	-	-	30,163	30,163	13,477
IT & software	-	-	2,161	2,161	4,011
Marketing & subsc	-	-	1,460	1,460	191
Independent examination fees	-	-	1,560	1,560	1,560
Governance	-	-	4,881	4,881	6,178
	<u>198,561</u>	<u>229,169</u>	<u>77,356</u>	<u>505,086</u>	<u>446,034</u>
Support costs allocation	<u>27,683</u>	<u>49,673</u>	<u>(77,356)</u>	<u>-</u>	<u>-</u>
	<u>226,244</u>	<u>278,842</u>	<u>-</u>	<u>505,086</u>	<u>446,034</u>

Analysis of expenditure

Prior year

	Unrestricted	Restricted	Support	Total
	£	£	Costs	2018
	£	£	£	As restated
				£
Direct Service Delivery	446	113,761	-	114,207
Salaries	75,716	186,733	-	262,449
Other staff costs	3,928	4,313	-	8,241
Premises costs	-	-	26,286	26,286
Office costs	-	-	9,434	9,434
Legal & professional	-	-	13,477	13,477
IT & software	-	-	4,011	4,011
Marketing & subsc	-	-	191	191
Independent examination fees	-	-	1,560	1,560
Governance	-	-	6,178	6,178
	<u>80,090</u>	<u>304,807</u>	<u>61,137</u>	<u>446,034</u>
	<u>53,393</u>	<u>7,744</u>	<u>(61,137)</u>	<u>-</u>
	<u>133,483</u>	<u>312,551</u>	<u>-</u>	<u>446,034</u>

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6 Net Income/ (expenditure)

	2019	2018
	£	£
Net income/ (expenditure) is stated after charging:		
Independent examiner's fee (excluding VAT)	1,300	1,300
Depreciation	<u>1,056</u>	<u>-</u>

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

	2019	2018
	£	£
Wages and salaries	273,398	227,003
Social security costs	24,734	19,220
Pension costs	15,994	16,226
	<u>314,126</u>	<u>262,449</u>

No member of staff received emoluments of more than £60,000 in this year (2018: None)

The total employee benefits including pension contributions of the key management personnel were £61,646 (2018: £84,933). During the year there were no redundancy payments.

The average monthly numbers of employees during the year was 9 (2018: 9).

The trustees of the charitable company were not paid or received any other benefits from employment with the charity in the year (2018: £nil) neither were they reimbursed expenses during the year (2018: £nil). No charity trustee received payment for professional or other services supplied to the charity (2018: £nil).

8 Tangible Fixed Assets

	Computer Equipment £	Office Equipment £	Total £
Cost			
At 1 April 2018	2,087	516	2,603
Additions in the period	1,542	1,656	3,198
At 31 March 2019	<u>3,629</u>	<u>2,172</u>	<u>5,801</u>
Depreciation			
At 1 April 2018	2,087	516	2,603
Charge for the period	510	546	1,056
At 31 March 2019	<u>2,596</u>	<u>1,062</u>	<u>3,659</u>
Net book value			
At 31 March 2019	<u>1,033</u>	<u>1,110</u>	<u>2,143</u>
At 31 March 2018	<u>-</u>	<u>-</u>	<u>-</u>

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9 Debtors	2019	2018
	£	£
Trade Debtors	85,572	7,842
Other Debtors and prepayments	2,241	2,118
	<u>87,813</u>	<u>9,960</u>

Majority of trade debtors were paid after the yearend. The charity is not expecting any bad debts.

10 Creditors: Amounts falling due within one year	2019	2018
	£	£
Trade creditors including taxation and social security	12,013	10,230
Other creditors/Pension	1,175	-
Accruals	6,835	3,720
Deferred income	62,229	64,230
	<u>82,252</u>	<u>78,180</u>

	2019	2018
	£	£
Balance at the beginning of the year	64,230	43,964
Amount released to income in the year	(62,001)	(43,964)
Amount deferred in the year	60,000	64,230
Balance at the end of the year	<u>62,229</u>	<u>64,230</u>

**11 Analysis of Net Assets between Funds
Current year**

	Unrestricted Funds £	Restricted Funds £	Designated Funds £	Total 2019 £
Tangible fixed assets	2,142	-	-	2,142
Current assets	86,913	102,252	-	189,165
Current liabilities	-	(82,252)	-	(82,252)
	<u>89,055</u>	<u>20,000</u>	<u>-</u>	<u>109,055</u>

Analysis of Net Assets between Funds (prior year)

	Unrestricted Funds £	Restricted Funds £	Designated Funds £	Total 2018 <i>As restated</i> £
Tangible fixed assets	-	-	-	-
Current assets	155,050	97,022	9,000	261,072
Current liabilities	-	(78,180)	-	(78,180)
	<u>155,050</u>	<u>18,842</u>	<u>9,000</u>	<u>182,892</u>

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12 Movements in Funds

	At 1 April 2018 As restated	Incoming Resources	Outgoing Resources	Transfers	At 31 March 2019
	£	£	£	£	£
Restricted Funds					
Healthwatch	-	20,000	-	-	20,000
LBTH MSG	18,842	260,000	(278,842)	-	-
	<u>18,842</u>	<u>280,000</u>	<u>(278,842)</u>	<u>-</u>	<u>20,000</u>
Unrestricted Funds					
General funds	155,050	151,249	(226,244)	9,000	89,055
Designated Funds					
THCVS Trading Limited	9,000	-	-	(9,000)	-
Total Funds	<u>182,892</u>	<u>431,249</u>	<u>(505,086)</u>	<u>-</u>	<u>109,055</u>

Movements in Funds (prior year)

	At 1 April 2017	Incoming Resources	Outgoing Resources	Transfers	At 31 March 2018 As restated
	£	£	£	£	£
Restricted Funds					
LBTH MSG	13,445	260,000	(254,603)	-	18,842
City Bridge Trust	9,260	46,667	(57,948)	2,021	-
	<u>22,705</u>	<u>306,667</u>	<u>(312,551)</u>	<u>2,021</u>	<u>18,842</u>
Unrestricted Funds					
General funds	175,223	115,332	(133,483)	(2,021)	155,050
Designated Funds					
SPV (Development of TH3 and THCVS Trading Limited)	9,000	-	-	-	9,000
Total Funds	<u>206,927</u>	<u>421,999</u>	<u>(446,034)</u>	<u>-</u>	<u>182,892</u>

Restricted funds are for the following purposes:

London Borough of Tower Hamlets (LBTH MSG) – our main grant agreement which enables us to carry out our charitable activities for the volunteer and community organisations in the borough.

City Bridge Trust enabled us to provide organisations with in-depth, tailored advice and guidance relating to governance, finance and measuring impact.

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13 Prior year adjustment

During the year, in line with Charity Commission guidance and the Charities SORP, trustees have reviewed the Charity's policies on income classification in the Statement of Financial Activity (SOFA). As a result of that review, including review of the underlying grant or contractual documentation, a number of grants and contracts that were previously classified as restricted have been recategorised as unrestricted. The majority of THCVS income is now reported under Charitable Activities rather than income from Donations. Where individual sources of income were recategorised, the corresponding income and related expenditure were also restated for the previous year.

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Reserves at 1 April 2017			
As previously reported	113,588	93,339	206,927
Reclassification of funds balances	70,634	(70,634)	-
As restated	184,222	22,705	206,927

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Reserves at 31 March 2018			
As previously reported	108,442	74,450	182,892
Reclassification of funds balances	55,608	(55,608)	-
As restated	164,050	18,842	182,892

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Net movement in funds for year ended 31 March 2018			
As previously reported	(5,146)	(18,889)	(24,035)
Reclassification of income	110,122	(110,122)	-
Reclassification of expenses	(125,148)	125,148	-
As restated	(20,172)	(3,863)	(24,035)

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 (2018: 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.