
ROGER SUTTON & CO

—Chartered Accountants—

LIMEHOUSE PROJECT LIMITED

1817676

**FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 31st MARCH 2013**

**COMPANY REGISTRATION NUMBER 1817676
CHARITY NUMBER 295857**

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Chartered Accountants and Registered Auditors

79 High Street Teddington Middlesex TW11 8HG

Limehouse Project Limited

Financial statements for the year ended 31st March 2013

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Limehouse Project Limited

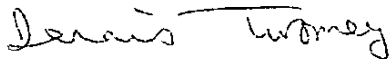
Message from the chair

This was a difficult year for the Limehouse Project. As a result of cuts in local authority and other funding our income fell by over 50%, reducing from £868,652-£414,339. Prompt and fairly drastic action was taken to achieve a major reduction in costs. Although we were not able to manage a cut of £450,000 in one year, we did manage to reduce our expenditure by £350,000. This left a deficit of a little over £100,000, which we were able to meet from our reserves. The remaining reductions were implemented at the start of this year and, as at December 31, 2013 income and expenditure were in balance.

What has happened to the Limehouse Project is a reflection of what has been happening in recent years to the thousands of people who use our service. The changes to Disability Living Allowance, the bedroom tax, the real term reduction in benefits and the benefits cap have had a major effect locally.

Despite a significant reduction in their number and a major increase in demand, our staff team continue to provide a personal, high-quality and effective service to the local community. We recognise that the pressure on them has increased dramatically not least because the people they are seeking to help are increasingly desperate, increasingly frustrated and, in some cases, increasingly angry.

On a more positive note, despite many problems with water ingress caused by poor quality building work in the flats above, we have finally moved into our new premises. After 30 years, the Limehouse Project finally has a permanent home.



Dennis Twomey
Chairman

Limehouse Project Limited

Regulatory and administrative details

Directors

Dennis Twomey
Shepu Miah
Antonia Osborne
Shaiek Ahmed

Company Secretary

Farida Yesmin

Management Committee

Dennis Twomey – Chair and Acting Treasurer
Farida Yesmin – Committee Member
Shepu Miah – Committee Member
Antonia Osborne – Committee Member
Shaiek Ahmed – Committee Member
Amin Miah – Committee Member

Senior Management Team

Farida Yesmin – Chief Executive Officer
Anthony Kungu – Finance Officer
Farhad Ahmed – Advice service Manager
Hassan Haque – Training and Development Manager

Registered Office

Cheadle Hall
Cheadle House
Copenhagen Place
London
E14 7EY

Registered Numbers

Charity Number – 295857
Company Number – 1817676

Auditors

Roger Sutton & Co.
79 High Street
Teddington
Middlesex
TW11 8HG

Bank

NatWest Bank

Solicitor

Russell Cooke

Limehouse Project Limited

Report of the management and trustees for the year ended 31st March 2013

1 Structure, Governance and Management

i) Governing Document

The organisation is a charitable Company Limited by Guarantee, incorporated on 18th May 1984 and registered as a Charity on 7th January 1987

The company was established under a Memorandum of Association which outlines the objects and powers of the charitable company. The Charity is also a Limited Company by Guarantee. It is governed by its Articles of Association which detail the aims and objectives of the organisation as well as the mechanisms through which its Management Committee is elected. In the event of the company's dissolution, members of the organisation are required to contribute an amount not exceeding £1 annually.

ii) Aims and Objectives

To identify, highlight and meet the needs of the inhabitants of Tower Hamlets and, at the discretion of the Trustees, other areas of London, regardless of sex, sexual orientation, race, religion, political affiliation or opinions held of the aforementioned inhabitants, by working both independently and through joined partnerships with local authorities, Third Sector, voluntary and other organisations in a common and united effort to advance education, relieve poverty, meet needs, advance good health, and provide those facilities as required for the progression of social welfare, recreation, leisure and community development, thereby improving the conditions of life for residents and their families.

2 Service Outcomes

Last year marked an eventful year for Limehouse Project (LHP) not only did we have to relocate our teams twice but for the first time after 27 years, invested and purchased our very own accommodation. Our services have also faced a multitude of challenges with our advice services in particular having to adapt and adjust to growing demands and internal cuts. With a number of welfare reforms coming into place – from cuts to child tax credit to caps on housing allowances and significant changes to unemployment benefit qualification criteria – demand for our services has never been greater. With an average of 60 calls per day and countless approaches made in person every hour by people desperately seeking help or wishing to secure an appointment with our reduced team of advisers, the LHP has had to act swiftly to ensure cuts made to our core services did not impede the quality or delivery of a service that continues to be crucial to the wellbeing and progression of thousands of local residents.

A) Advice Services

Our weekly drop-in sessions are preceded by an average of 25 - 30 clients queuing from the very early morning in the hopes of being seen. For most know we are only able to deal with a maximum of 16 clients in our current state of reduced capacities.

Each drop-in session therefore involves LHP advisers usually having to turn away already distressed clients in the hopes that any of the partnering referral agencies we attempt to signpost them to, may be able to see them in our stead. Travel, language and time restrictions however, cause further anguish with many clients.

Limehouse Project Limited

Report of the management and trustees for the year ended 31st March 2013

2 Service Outcomes (continued)

A) Advice Services (continued)

often becoming emotionally upset – something our advisers are dealing with on an almost daily basis

To meet increasing demand whilst simultaneously offset reductions in core funds, the LHP has set into motion a number of new working systems to safeguard both our onsite and offsite advice services. This has not only included actively recruiting and training volunteers from the local community to add to our body of expert advisers available and ready to meet with clients, but taking our teams through the rigour of reviewing and rejuvenating our existing delivery model to

- Incorporate new elements of flexibility, thereby enabling our advisers to expand their outreach where possible,
- Introduce an effective triage system to ensure issues and problems being faced by each and every client is not only accurately identified, but the root causes also explored. This system has enabled our advisers and volunteers to assess each client in a uniform, efficient method, record findings on a protected online system which can be accessed by permitted advisers from any offsite location, and track progress through to the very end of the client's time with us
- Expand upon our bespoke CRM system to ensure any changing trends in key issues being brought to us are quickly brought to the attention of not just our internal Advice team, but local partnering organisations. By being able to self-identify a new area of potential advice that is being signified as a core need by clients, our teams and partnering organisations are enabled to deal with them head on
- Establish yet stronger partnerships with local providers including Island Advice, Bromley-By-Bow-Centre, Toynbee Hall etc to put into place an effective active referral system, thereby ensuring those clients we are unable to see due to a lack of resources, are not kept waiting endlessly to deal with urgent issues

These new instigations have meant that despite reductions to our core resources and even a major office relocation, the LHP has exceeded its set targets by 25%, with our hard-working team having assisted 3,157 clients to date, over a target of 2,517. The categories of problems assisted with are as follows:

- Welfare rights 59% (1857)
- Money and Debt 13% (426)
- Housing 10% (302)
- Immigration 3% (109)
- Family 2% (63)

Others including education, employment utility bills, consumer issues 13% (400)

Health & Advice Link Project: This is a long running successful partnership initiative led by Social Action for Health (SAfH) with the LHP acting as a core delivery partner. The Health and Advice Links project has been running since 2004 and provides advice sessions at 17 surgeries across Tower Hamlets. Trained advisors provide advice on a wide range of issues ranging from welfare benefits, housing and debt. The advisors also actively refer patients onto self-management of chronic condition courses, employment and training courses, ESOL and volunteering opportunities where required.

Limehouse Project Limited

Report of the management and trustees for the year ended 31st March 2013

2 Service Outcomes (continued)

A) Advice Services (continued)

Research has shown that aside from clinical issues, there are a number of key contributors to people's ill health, such as housing, low income, debt, rent arrears, and immigration problems: these underlying problems are all significant in increasing people's stress levels and causing high levels of anxiety and depression. These problems are all too often brought to the attention of GP's who simply do not have the time, resources or knowledge required to advise clients on such matters. The Project enables GP's and their staff to refer these patients to qualified advisors based at the very practices they work in and who are experienced in helping clients dealing with these very issues. Our advisors cover 5 GP surgeries that include Mission, Blithale, Shajalal, Jubilee Street and the Limehouse Practices

Through this Project, the LHP has supported 1,146 patients with their social welfare issues and referred 112 patients on to other specialist services or access new opportunities

Money & Debt Advice Service: Recent changes to the national welfare system at a time of economic austerity and amidst increasing levels of unemployment, have continued to have huge repercussions upon local residents – particularly those who are already financially vulnerable and are now living in spiralling debt. Working in partnership with Tower Hamlets Homes (THH), we have developed a targeted approach for tackling the financial exclusion and isolation of local THH residents which includes

- identifying the causes of financial and other concerns;
- giving clients access to practical, accessible and realistic solutions; and
- tackling the long-term underlying causes of their current problems with a view to helping them obtain long-term financial stability / security

In this past year, we received and assisted over 190 residents with rent arrears following direct referrals from THH front-line advisers

BBC Children In Need Project: This project is an extension of our advice service aimed at hard to reach young people from local deprived areas, and was established three years ago with funding support from BBC Children In Need. Advice sessions are well attended by local young people and in addition to the two weekly advice sessions we provide, we have also carried out outreach sessions from various youth clubs to extend our outreach capacities to local young people across the borough

Over the past two years, we have noted a number of key changes / impacts on young people's lives due to the series of changes being introduced by the government on the welfare system. The increase of non-dependent deductions on their parents housing benefits have in turn placed young people in financial difficulties, added to by cuts on benefits, caps on local housing allowances at a time of increasing rental charges in Central London areas, and a lack of employment. These issues have had a significant impact on the outlook, prospects and ambitions of young people and constitute just some of the issues being reported to our advisers

Limehouse Project Limited

Report of the management and trustees for the year ended 31st March 2013

2 Service Outcomes (continued)

A) Advice Services (continued)

A majority of the young people we came across were residing with parents in social housing and up to 70% of our young people came from households who were surviving on benefits. Therefore those who were not studying or claiming benefits, were financially burdening their families with day-to-day costs such as food, personal expenses and non-dependent charges a fact that was causing serious conflicts in their households between themselves and their parents. As a consequence, many of the young people approaching us for help were arriving to our sessions extremely stressed and frustrated and wholly unaware of what actions they could take to deal with the issues they were facing. Our advisers were able to break matters down, explain how changes and charges were being applied and what they could do in order to deal with difficulties by working alongside with their parents, rather than ignoring or running away from these problems.

This programme of works has markedly helped reduce levels of anxiety in not just the young people we see directly, but according to them, their parents too, and has enabled them to actively consider taking up education and employment opportunities they may otherwise not have considered.

A large section of the young people we see come with financial and student grant problems resultant of the withdrawal of the Maintenance Allowance by Central Government. However, as Tower Hamlets Council continues to provide this financial aid to local young people in their further education, we have supported 42 young people with Education Maintenance Grant & hardship funds to help them with their study costs.

In total we have engaged with 273 children and young people between 2011 and 2013. This includes 113 young people engaged up to September 2012, and 160 young people seen between September 2012 and December 2013, accessed through our outreach works carried out in youth clubs and our own venue/s.

B) Skills & Confidence Building

We strongly believe that supporting our clients in building their self-confidence, raising their personal aspirations and empowering them to take control of their lives are crucial in each of their journeys from welfare into paid employment.

Our dedicated team carry out detailed assessments of each client's skills and offers them a tailored Personal Implementation and Action Plan, and basic literacy, numeracy and other life skills training courses are arranged to support/empower particularly marginalised groups within the community.

ESOL: We began delivering ESOL courses in partnership with local primary schools over four years ago and have continued this very successful initiative of providing access to ESOL classes to parents of children attending 4 schools in LAP 7&8. The main aim of this partnership is to build confidence and learn English language capacities in parents so as to enable them to support their children through primary education.

Over this past year, 150 parents registered for the service and 53 achieved ESOL qualifications.

Limehouse Project Limited

Report of the management and trustees for the year ended 31st March 2013

2 Service Outcomes (continued)

B) Skills & Confidence Building (continued)

Money Mentoring Training Course with One-to-One support: Financially Inclusive Tower Hamlets (FITH) is a collaborative, grass-roots approach to tackling the effects of financial exclusion on Tower Hamlets residents as well as housing providers and banks across the borough. The project's key aim is to put financial confidence at the heart of the community. The LHP is an active steering committee member of this partnership.

In 2012 FITH launched the Money Mentors project to train up a community network of Money Mentors. Money Mentors are made up of local people who complete an accredited course leading to a Community Certificate in Money Management. Not only are they trained to be astute in accessing and using financial services, but they are also given the knowledge and peer relations training they need to help others in their community manage their money effectively.

As one of the four delivery partners of this initiative, the LHP has supported 73 people in one-to-one sessions.

Overall, the project has directly seen 217 clients in one-to-one sessions and trained 49 money mentors in gaining their Community Certificate in Money Management. This is a nationally recognised qualification in money management and all 49 trained money mentors gained the confidence they need to face the challenges of the ongoing economic recession and welfare reforms.

The key outcomes/outputs for this project in Year one are as follows:

- 49 local residents have completed the Money Mentors training, and shared their knowledge with at least one other person.
- Up to 250 households have received financial capability training (through one-to-one sessions, outreach, or money mentors) and will have greater confidence in managing their money and increasing control over their family budgets by the end of Year 1.
- At least 6 participating organisations (including the Local authority) have formulated individual action plans to support service users access and use of financial services.
- Up to 200 households have been supported in becoming financially included and guided on how to use better financial products, which will lead to securer home finances by the end of Year 1.

This project has made a significant difference to people's lives with:

- All one-to-one clients having reported that they have more control over their household finances,
- All money mentors having reported that they have more control over their household finances; and
- All money mentors having reported an increased level of confidence.

Health & Wellbeing Services - Weekly Luncheon Service: We have been delivering our weekly Luncheon Club services to local elders for the last five years, and have an average of 30-35 local elders attend activities delivered from our Harford Street centre. The Luncheon Club is delivered with the aim of achieving long-term benefit of these older men and women aged over 50, with an especial focus on older

Limehouse Project Limited

Report of the management and trustees for the year ended 31st March 2013

2 Service Outcomes (continued)

B) *Skills & Confidence Building*

people from Black & Asian Minority Ethnic (BAME) backgrounds, living in Tower Hamlets. As well as sharing a meal, all participants take part in a variety of activities including chess, bowls, kramboard, badminton and craftwork. There are also opportunities to keep fit and we regularly invite local health professionals to run sessions on basic health and food hygiene issues, and have recently delivered sessions on healthy diets for those suffering with diabetes, how to manage chronic health conditions and smoking cessation.

The Luncheon Club continues to prove one of our most popular programmes and as well as exceeding all projected outputs consistently by +50%, we now have a dedicated number of regular attendees

Evaluation of the Luncheon Club's clients highlighted the startling fact that many of our attendees were in fact living considerably more isolated lives than we had first estimated. The main reason for this was a notable lack of self-confidence. The project aims to address this issue by expanding the activities of the Club to specifically build confidence and encourage our beneficiaries to take advantage of the opportunities available to them within their community. For participants who attend the Club's activities in full and over a sustained period of time, our officers have noted increased levels of confidence and capacity to communicate with peers of different backgrounds, as their interaction with other locals have led to the creation of new friendships.

C) *Preparing For Work: National Career Service*

Delivered at the third stage of our overall welfare to work programme, this service is open to everyone but a particular emphasis is placed on particular groups such as the low-skilled, and JSA / WRAG clients. The service offers:

- General careers advice,
- Counselling on learning / work issues
- Help in exploring careers that are best suited to the client's skill sets and aspirations,
- Help and guidance on searching for jobs and helping clients to improve their interview skills,
- Support in formatting / editing their CV's, job applications and letters of introduction,
- Support in any job-related / employment support / training / education concerns – including referrals to welfare related worries where required, particularly for clients on JSA.

Between 2012 -13, we have supported 700 individuals through 1,100 one-to-one careers advice and guidance sessions, of which we have had 83 positive outcomes. This includes 76 individuals who had gone on to accredited and further adult training, and 7 of whom who have now entered sustainable employment.

Limehouse Project Limited

Report of the management and trustees for the year ended 31st March 2013

2 Service Outcomes (continued)

D) *Supporting Clients in Their Transition Into Employment*

Delivered at the fourth and final stage of our overall welfare into employment programme, the LHP delivers an employability support service to those of our previously long-term unemployed clients who have recently moved into or are just about to move into paid employment. This service includes:

- Understanding the 'costs' of work (e.g. travel / food / clothes etc.), budgeting accordingly, accessing necessary funds where possible or required, and prevent themselves from incurring new debts in the run-up to starting their new work positions,
- Guiding people through the transition of gradually coming off benefits and staying within the limits of their earned income. In some cases, this requires helping clients to enable their families to adjust the household expenditures etc. too,
- Giving advice and guidance on any issues that may arise upon their having entered work e.g. Interaction/communication problems with peers, travel difficulties etc
- Referrals / access to further training or education where required.

This past year, this service has helped 56 people in understanding how to adjust their personal and household actions to adapt to their new status as an employed person

3 Management Structure

The Limehouse Project is governed by a voluntary and elected Management Committee composed of local people and individuals with professional expertise relevant to the scope of our service delivery. Management Committee members are elected annually to serve for a period of one year, after which they must be re-elected at the next Annual General Meeting.

The current Committee includes seven members from a variety of professional backgrounds relevant to the Charity's work. The Organisation's Chief Executive Officer is also the Secretary for the Charity.

The Management Committee meets bi-monthly and oversees the strategic direction and policies guiding the work of the Charity. They also provide guidance on matters of service delivery and human resources.

4 Inductions of New Trustees

Most trustees are familiar with the day-to-day work of the Charity prior to being appointed to its Management Committee (MC). Many have also been involved with the work of the Charity prior to joining the MC.

Upon their appointment, new trustees are issued with an induction pack and invited to attend short training sessions to familiarise themselves with the Charity and the context in which it operates. The Limehouse Project also holds an Annual Planning Day which offers incoming trustees an opportunity to learn about and discuss the Charity's priorities for the forthcoming financial year. The Charity's

Limehouse Project Limited

Report of the management and trustees for the year ended 31st March 2013

4 Inductions of New Trustees (continued)

constitution, financial and operational framework as well as Management Committee members' roles and responsibilities within the organisation are addressed through both of these mechanisms

5 Principal Funding Sources

The principle funding sources for the Limehouse Project are raised by way of grants and Service Level Agreements (SLA's) with public service authorities including Tower Hamlets Council, Tower Hamlets Primary Care Trust and Tower Hamlets Homes. Additional funding is also sought from a range of private trusts and agencies.

The organisation is also involved in a range of borough-wide partnership initiatives set up both as service delivery initiatives as well as information-sharing initiatives. Current partnerships include a LAP (Local Area Partnership) 3 & 4 and LAP 7 Advice Network for the delivery of generalist advice service in these areas, the GP initiative networking advice and health agencies; Financial Inclusive Tower Hamlets partnership under Toynbee Hall and other agencies which provide information about potential funding sources and partnership initiatives. Together, these help ensure the future financial stability and capacities for delivery of the Limehouse Project.

6 Financial Review

Limited resources and ongoing funding insecurities experienced by grant funded organisations such as the Limehouse Project, inevitably dictates that the planning and development of longer-term services involves a number of challenges. With the aid of sound financial management and the support of staff and volunteers, however, the Charity has restructured and managed to reduce the expenditure promptly and drastically in-order to minimise the financial risks and bring the expenditure close to the level of much reduced income.

Therefore, despite a considerable deficit in this transitional year, the outlook is therefore that the Charity will return to making an annual surplus from the next financial year.

7 Reserve Policy

The Limehouse Project's Management Committee has examined the Charity's requirements for reserves as part of an organisational risk assessment and has established a policy whereby unrestricted funds, not committed or invested into tangible fixed assets held by the Charity, should be retained to cover between 3 to 6 months' expenditure for the organisation's staffing and administrative overheads. Current unrestricted general reserves of £413,435 represent 100% of our targeted holdings to ensure that in the event of financial difficulties or the organisation's closure, the organisation is able to effectively meet all its financial and contractual obligations.

Limehouse Project Limited

Report of the management and trustees for the year ended 31st March 2013

8 Risk Management

The Management Committee has conducted a review of major risks to which the Charity is exposed and has established a risk register which is updated at least once a year

Systems and procedures have been established to mitigate risks faced by the Charity in the course of routine operations. These procedures are periodically reviewed by the Management Committee's Policy Sub-Committee to ensure that they continue to address the needs of the Charity.

This year for the first time the Charity has invested its own resources and taken loans to purchase a new building. LHP was successful in raising necessary funds for the fitting out programme of this new site from the community Builders

Procedures are in place to ensure the Charity's compliance with health and safety requirements for staff, volunteers, clients and visitors to the centre

To ensure a consistent quality of delivery for all operational aspects of the Charity, the Legal Service Commission Quality Kite Mark Standard has been implemented for the advice service and the Matrix standard for the Charity's Training and Development programme

Internal financial control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Significant external risks to funding have also led to the development of a strategic plan which allows for the diversification of the Charity's funding and activities

9 Planning for the future

Subject to satisfactory funding arrangements, the Limehouse Project intends to continue facilitating activities outlined above over the forthcoming year. The Charity's development aims, as identified in the Business Plan, include

- Develop the new centre as a community resource which is sustainable, safe, accessible and available for local people,
- enhancing the community development focus of the project and ensuring the Charity's community works help to enable local people to positively influence their lives and that of others in the locality,
- achieving a streamlined and well-supported Community Advice Centre that meets the advice needs of the community, particularly in relation to income maximisation, secure housing and solid relationships, and
- increasing effective communication between the Limehouse Project and new potential users through the effective promotion of its services to ensure local people are aware of its services and encouraged to make use of them

Limehouse Project Limited

Report of the management and trustees for the year ended 31st March 2013

10 Trustees Responsibilities in Relation to the Financial Statements

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 charity as at the end of the financial year and of the surplus or deficit of the charity for the financial year. 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 departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act. It is their responsibility to safeguard the assets of the company and hence to take reasonable steps to prevent and detect fraud and other irregularities.

Approved by the trustees on **27th of January 2014** and signed on its behalf by



Dennis Twomey
Director/Trustee

Limehouse Project Limited

Independent auditors' report to the trustees' of Limehouse Project Limited

We have audited the financial statements of Limehouse Project Limited for the year ended 31st March 2013, which comprises the statement of financial activity, balance sheet and related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (UK Generally Accepted Accounting Practice)

Respective responsibilities of trustees' and auditor

The trustees (some of whom are also directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view

The financial statements are required to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly we have been appointed as auditor under Section 144 of the Charities Act 2011 and report in accordance with the regulations made under Section 154 of that Act

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements

In addition, we read all the financial and non-financial information in the Report of the Management and Trustees' to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st March 2013, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Limehouse Project Limited

Independent auditors' report to the trustees' of Limehouse Project Limited

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements, or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit



Roger Sutton
For and on behalf of Roger Sutton & Co.
Registered Auditors and Chartered Accountants

79 High Street
Teddington
Middlesex
TW11 8HG

30 JANUARY 2017

Limehouse Project Limited

Statement of financial activities (including income and expenditure account) for the year ended 31st March 2013

		Unrestricted	Restricted		
	Notes	Funds	Funds	2013	2012
		£	£	£	£
Incoming resources					
Incoming resources from generated funds					
Voluntary income					
Grants and contracts	3	12,750	8,294	21,044	321,585
Activities for generating funds:					
Investment income	4	3	-	3	42
Incoming resources from charitable activities	5	76,180	317,112	393,292	547,025
Total incoming resources		88,933	325,406	414,339	868,652
Resources expended					
Costs of generating funds					
Costs of generating voluntary income	6	200	-	200	756
Charitable activities	7	181,291	317,112	498,403	856,829
Governance costs	8	26,545	-	26,545	15,326
Total resources expended		208,036	317,112	525,148	872,911
Net incoming resources before transfers		(119,103)	8,294	(110,809)	(4,259)
Transfers					
Gross transfers between funds	18	8,294	(8,294)	-	-
Net movement in funds		(110,809)	-	(110,809)	(4,259)
Reconciliation of funds					
Total funds brought forward		524,244	-	524,244	528,503
Total funds carried forward		413,435	-	413,435	524,244

The statement of financial activities includes all gains and losses in the year. All incoming resources expended derive from continuing activities.

The notes on pages 16 to 24 form part of these financial statements.

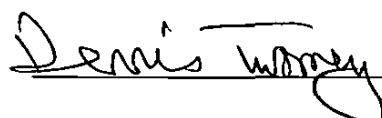
Limehouse Project Limited
Balance sheet at 31st March 2013

	<u>Notes</u>	<u>2013</u> £	<u>2012</u> £
Fixed assets			
Tangible assets	11	789,105	526,789
Current assets			
Debtors	12	220,128	216,256
Cash at bank and in hand		5,461	65,065
		225,589	281,321
Creditors: amounts falling due within one year	13	(143,687)	(68,270)
Net current assets		81,902	213,051
Total assets less current liabilities		871,007	739,840
Creditors: amounts falling due after more than one year	14	(457,572)	(215,596)
		413,435	524,244
Funds			
Restricted funds	16	-	-
Designated unrestricted funds	17	74,167	74,167
General unrestricted funds	17	339,268	450,077
Total funds carried forward		413,435	524,244

The directors are satisfied that the company was entitled to exemption from audit under section 477 of the Companies Act 2006 and that members have not required an audit in accordance with section 476 of the same act. However, an audit is required in accordance with section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for (1) ensuring that the company keeps accounting records which comply with section 386 of the Companies Act 2006, and (2) preparing accounts which give a true and fair view of the state of affairs of the charitable company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 396 of the Companies Act 2006 and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the charitable company.

Approved by the Trustees on **27th January 2014** and signed on their behalf by

 **Dennis Twomey - Trustee**

Company Registration No: 1817676

The notes on pages 15 to 23 form part of these financial statements

Limehouse Project Limited

Notes to the financial statements for the year ended 31st March 2013

1 Accounting policies

The principal accounting policies are set out below. The accounting policies have been adopted consistently throughout the year.

a) Going concern

The Charity's ability to continue as a going concern is dependent on its success in raising funds from Government, other public authorities and donations, none of which can be guaranteed. The volume of services that can be provided is directly dependent on funding levels.

b) Basis of accounting

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain fixed assets, if applicable and are in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities issued in March 2005 and the Financial Reporting Standard for Smaller Entities (effective April 2008).

c) Incoming resources from generated funds

Incoming resources from generated funds represent voluntary income, such as donations and legacies, which are credited in the year in which they are received, and grants which provide core funding or which are of a general nature provided by government and charitable foundations, and are credited in the year to which the grant relates; and investment income, including bank interest, which is credited in the year in which it is received.

d) Income resources from charitable activities

Incoming resources from charitable activities represent grants which have conditions attaching to them, such as service agreements with local authorities, and are accounted for when they are receivable.

e) Resources expended

Resources expended on charitable activities comprise salaries and other resources applied by the charity in undertaking its work to meet its charitable objectives.

Resources expended on governance costs are the costs of arrangements which relate to the general running of the charity, as opposed to the direct management functions inherent in service delivery and project work, and include such items as external audit, the cost of trustee meetings and other costs associated with constitutional and statutory requirements.

Limehouse Project Limited

Notes to the financial statements for the year ended 31st March 2013

1 Accounting policies (continued)

f) Tangible Fixed Assets and Depreciation

Depreciation has been charged, so as to write off each asset's cost or valuation, less any residual value over its anticipated useful economic life. The following rates of depreciation have been used:

- Office equipment - 25% reducing balance
- CRM Software - 3 years
- Leasehold Property - Over the length of the lease (125 years at purchase)

g) VAT

The charity is not registered for VAT and accordingly expenditure includes VAT where appropriate.

h) Fund structure

The funds held by the charity fall into the following categories.

Unrestricted general funds

Funds which can be used in accordance with the charitable objectives at the discretion of the trustees.

Designated funds

Funds earmarked by the trustees out of unrestricted general funds for specific future purposes or projects.

Restricted funds

Funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

2 Taxation

As a charity, Limehouse Project is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

LIMEHOUSE PROJECT LIMITED

Notes to the financial statements for the year ended 31st March 2013

3 Voluntary income: donations and grants

	Unrestricted Funds £	Restricted Funds £	2013 £	2012 £
Training and Development				
Esmee Fairbairn Trust	-	-	-	2,460
Lloyds TSB Foundation Trust	12,750	-	12,750	17,000
Big Lottery Transitional Fund	-	-	-	52,407
	<u>12,750</u>	<u>-</u>	<u>12,750</u>	<u>71,867</u>
Other				
Big Lottery Transitional Fund	-	-	-	249,174
Office move jumble sale	-	-	-	544
Community Builders	-	8,294	8,294	-
	<u>-</u>	<u>8,294</u>	<u>8,294</u>	<u>249,718</u>
Total voluntary income	<u>12,750</u>	<u>8,294</u>	<u>21,044</u>	<u>321,585</u>

4 Investment Income

	Unrestricted Funds £	Restricted Funds £	2013 £	2012 £
Bank interest receivable	3	-	3	42
	<u>3</u>	<u>-</u>	<u>3</u>	<u>42</u>

Limehouse Project Limited

Notes to the financial statements for the year ended 31st March 2013

4 Incoming resources from charitable activities

	Unrestricted Funds £	Restricted Funds £	<u>2013</u> £	<u>2012</u> £
Advice				
London Borough of Tower Hamlets:				
- Advice Service Consortium (LAP 3&4)	-	98,574	98,574	107,045
- Advice Service Consortium (LAP 7)	-	55,576	55,576	62,980
- Family Advice & Support Project	-	15,800	15,800	33,500
- Tower Hamlets Homes Project	-	-	-	2,392
PCT - Social Action for Health	-	43,406	43,406	47,525
PCT - Pain Clinic	-	-	-	7,473
Next Step - Prospects Career	43,241	-	43,241	44,668
East Thames Housing	(2,000)	-	(2,000)	8,762
Dominion Developments 2005 Ltd	550	-	550	9,391
Toynbee Hall	-	8,277	8,277	-
	<u>41,791</u>	<u>221,633</u>	<u>263,424</u>	<u>323,736</u>
Training and Development				
London Borough of Tower Hamlets:				
- Mainstream Lifelong Learning	-	9,105	9,105	8,174
- Skills for training programme	-	26,376	26,376	36,100
- Corporate Match Funding (CMF)	-	-	-	15,000
- Sports 4 Women	-	8,222	8,222	5,670
- Capacity Building	-	-	-	971
- Tower Hamlets Homes Project	2,028	12,769	14,797	-
- Luncheon Club	-	2,000	2,000	-
Tower Hamlets College	(7,394)	-	(7,394)	13,225
NIACE Community Learning Champion	-	-	-	57,745
Luncheon Club	2,599	13,946	16,545	17,080
Swan H A	(2,413)	-	(2,413)	6,439
Care First Training (Over fifties)	(5,200)	-	(5,200)	(906)
Primary schools' ESOL projects	21,571	-	21,571	14,376
ACA Institute	(1,467)	-	(1,467)	1,467
BBC Children in Need	-	22,993	22,993	17,028
Community Alliance	-	-	-	2,000
Dominion Developments 2005 Ltd	3,650	-	3,650	-
Carillion	500	-	500	-
Toynbee Hall	-	68	68	-
Learning Skills Council	(9,977)	-	(9,977)	-
	<u>3,897</u>	<u>95,479</u>	<u>99,376</u>	<u>194,369</u>

Limehouse Project Limited

Notes to the financial statements for the year ended 31st March 2013

5 Incoming resources from charitable activities (continued)

	Unrestricted Funds £	Restricted Funds £	2013 £	2012 £
Other income				
Room hire	-	-	-	17,948
Concordia Rent	10,051	-	10,051	10,022
Miscellaneous	1,340	-	1,340	950
Next Step - Prospects Career	7,071	-	7,071	-
The 29th May 1961 Charitable Trust	7,500	-	7,500	-
London Borough of Tower Hamlets	690	-	690	-
ACA Institute	3,840	-	3,840	-
	<u>30,492</u>	<u>-</u>	<u>30,492</u>	<u>28,920</u>
Total income from charitable activities	<u>76,180</u>	<u>317,112</u>	<u>393,292</u>	<u>547,025</u>

6 Costs of generating voluntary income

	Unrestricted Funds £	Restricted Funds £	2013 £	2012 £
Advertising	200	-	200	756
	<u>200</u>	<u>-</u>	<u>200</u>	<u>756</u>

7 Charitable activities - Centre Operation

	Unrestricted Funds £	Restricted Funds £	2013 £	2012 £
Direct costs				
Staff costs	126,705	221,632	348,337	472,667
Other direct costs	29,257	51,177	80,434	282,677
Premises costs	4,320	7,556	11,876	26,811
Client services	4,454	7,791	12,245	19,891
Volunteers	635	1,110	1,745	2,060
Travel	287	502	789	1,878
Training and recruitment	298	521	819	4,610
	<u>165,956</u>	<u>290,289</u>	<u>456,245</u>	<u>810,594</u>
Support costs				
General office	6,843	11,969	18,812	18,239
Professional fees	1,532	2,680	4,212	10,834
Depreciation	6,960	12,174	19,134	17,162
	<u>15,335</u>	<u>26,823</u>	<u>42,158</u>	<u>46,235</u>
	<u>181,291</u>	<u>317,112</u>	<u>498,403</u>	<u>856,829</u>

Limehouse Project Limited

Notes to the financial statements for the year ended 31st March 2013

8 Governance

	<u>2013</u>	<u>2012</u>
	£	£
Audit and accountancy	7,680	9,000
Bank charges and interest	18,642	5,830
AGM & Planning Day	223	496
	<u>26,545</u>	<u>15,326</u>

9 Total resources expended

This is stated after charging:

	<u>2013</u>	<u>2012</u>
	£	£
Auditors' remuneration	7,680	-
Depreciation	19,134	17,162

10 Staff costs and numbers

Staff costs were as follows

	<u>2013</u>	<u>2012</u>
	£	£
Salaries and wages	314,069	409,351
Seasonal and cover contractors	8,231	24,979
Social security costs	26,037	38,337
	<u>348,337</u>	<u>472,667</u>

No employee received emoluments of more than £60,000

The average number of employees during the year, calculated on the basis of full time equivalents, was as follows:

	<u>2013</u>	<u>2012</u>
	£	£
Core	3.2	3.4
Advice	5.0	4.7
Education	2.7	6.6
Crèche co-ordinator	0.3	0.9
	<u>11.2</u>	<u>15.6</u>

Limehouse Project Limited

Notes to the financial statements for the year ended 31st March 2013

11 Tangible fixed assets

	Office Equipment £	CRM Software £	Leasehold Property £	Total £
Cost				
At 1st April 2012	67,480	26,864	500,265	594,609
Additions	3,113	-	278,337	281,450
At 31st March 2013	<u>70,593</u>	<u>26,864</u>	<u>778,602</u>	<u>876,059</u>
Depreciation				
At 1st April 2012	54,863	8,955	4,002	67,820
Provision for the year	3,932	8,955	6,247	19,134
At 31st March 2013	<u>58,795</u>	<u>17,910</u>	<u>10,249</u>	<u>86,954</u>
Net book value at 31st March 2013	<u>11,798</u>	<u>8,954</u>	<u>768,353</u>	<u>789,105</u>
Net book value at 31st March 2012	<u>12,617</u>	<u>17,909</u>	<u>496,263</u>	<u>526,789</u>

12 Debtors

	<u>2013</u> £	<u>2012</u> £
Grants and contracts receivable	165,632	168,239
Amount owed from a connected entity	19,087	19,087
Other debtors and prepayments	35,409	28,930
	<u>220,128</u>	<u>216,256</u>

13 Creditors: amounts falling due within one year

	<u>2013</u> £	<u>2012</u> £
Bank loans and overdrafts	40,846	18,962
Trade creditors	32,723	9,237
Taxation and social security	4,626	10,503
Partner organisations	485	485
Deferred income	32,400	13,300
Other creditors and accruals	32,607	15,783
	<u>143,687</u>	<u>68,270</u>

14 Creditors: amounts falling due after more than one year

	<u>2013</u> £	<u>2012</u> £
NatWest loan	213,748	215,596
Futurebuilders loan	243,824	-
	<u>457,572</u>	<u>215,596</u>

Limehouse Project Limited

Notes to the financial statements for the year ended 31st March 2013

15 Analysis of net assets between funds

	General Funds £	Designated Funds £	Restricted Funds £	Total Funds £
Tangible fixed assets	789,105	-	-	789,105
Current assets	151,422	74,167	-	225,589
Current liabilities	(143,687)	-	-	(143,687)
Long term liabilities	(457,572)	-	-	(457,572)
	339,268	74,167	-	413,435

16 Restricted Funds

	At 1st April 2012 £	Incoming Resources £	Outgoing Resources £	Transfers £	At 31st March 2013 £
Advice	-	221,633	(221,633)	-	-
Training and Development	-	95,479	(95,479)	-	-
Other restricted	-	8,294	-	(8,294)	-
	-	325,406	(317,112)	(8,294)	-

17 Unrestricted funds

	At 1st April 2012 £	Incoming Resources £	Outgoing Resources £	Transfers £	At 31st March 2013 £
Designated funds					
- Staffing	40,000	-	-	-	40,000
- ICT	34,167	-	-	-	34,167
	74,167	-	-	-	74,167
General funds	450,077	88,933	(208,036)	8,294	339,268
Total unrestricted funds	524,244	88,933	(208,036)	8,294	413,435

18 Transfers between funds

Transfers from restricted to unrestricted funds represent Futurebuilders grant income restricted to expenditure on the renovation of leasehold property matched to the cost paid from general funds.

Limehouse Project Limited

Notes to the financial statements for the year ended 31st March 2013

19 Trustees and related party transactions

Apart from the Chief Executive Officer, Farida Yesmin, no members of the management committee received any remuneration during the year, nor were any expenses reimbursed to them (2012. nil)

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year (2012 £nil).

20 Other professional services provided by auditors

In common with many charities of our size and nature, we use our auditors to assist with the preparation of the financial statements

21 Capital commitments

During the year ended 31st March 2012, the charity purchased leasehold property which required extensive refurbishment to make it fit for purpose. The contract for this was subsequently awarded to IOR group at a total cost of £316,322. During the year ended 31st March 2013 £255,469 was paid with the rest being due in the year ended 31st March 2014