

TOWER HAMLETS SUMMER EDUCATION LIMITED

**DIRECTORS' AND TRUSTEES' REPORT
AND ACCOUNTS**

FOR THE YEAR ENDED 31ST MARCH 2001

**Company No: 2017713
Charity No: 1048822**



TOWER HAMLETS SUMMER EDUCATION LIMITED

REPORT AND ACCOUNTS

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TOWER HAMLETS SUMMER EDUCATION LIMITED

OFFICERS AND FINANCIAL ADVISORS

Patrons:	Lord Young of Dartington Dr. A F Flower Benjamin Zephaniah Yasmin Alibai-Brown Artful Dodger Baroness Kennedy of Shaw Baroness Pola Manzila Uddin
Directors and Trustees	Mr R Hall The Right Reverend Dr. John Sentamu Mr D James Ms H Mortuza Ms E Lynch Ms J Morgan Ms S Chowdhury - apt 5.10.00 Ms F Downey - apt 5.10.00 Ms K Roberts - apt 5.10.00
Secretary	Mr D J Holloway OBE.
Registered Office	Canon Barnett School Gunthorpe Street London E1 7RQ
Auditors	Ramon Lee & Partners New Roman House 10 East Road London N1 6BG
Bankers	Co-operative Bank Plc. City & London Business Centre P.O. Box 2790 9 Prescot Street London E1 8SG

TOWER HAMLETS SUMMER EDUCATION LIMITED

DIRECTORS' AND TRUSTEES' REPORT

FOR THE YEAR ENDED 31ST MARCH 2001

The Directors and Trustees present their annual report and audited accounts for the year ended 31st March 2001.

STATUS

Tower Hamlets Summer Education Limited is registered under the Companies Act 1985 as a company limited by guarantee and not having a capital divided by shares.

PRINCIPAL ACTIVITIES

The charity's principal activity is to provide a range of educational and social activity programmes for young people in the London Borough of Tower Hamlets during the summer vacation period and at other times. The charity operates under the name 'Tower Hamlets Summer University'.

FUTURE ACTIVITIES

The charity intends to further develop its range of activities in the forthcoming year.

DEVELOPMENT, ACTIVITIES AND ACHIEVEMENTS IN THE YEAR

Tower Hamlets Summer University has developed the range of roles for young people; as peer motivator volunteers, students, programme advisors, peer researchers and educators, event managers and trustees. The NOF funding enabled programme extension, development, innovation and experiment. New courses and activities were included in the main programme, including a range of courses leading to a vibrant multimedia performance for McDonalds Our Town Story in the Millennium Dome.

The Junior Summer University for 12 and 13 year olds was piloted successfully with schools offering programmes ranging from arts appreciation for young people with Special Needs, IT and new media, science, maths and English. Schools invited voluntary attendance for 60 places at each secondary school and for up to 30 young people in Special Needs Schools.

The Peer Motivator Volunteer Scheme provided the opportunity for forty-five 15 – 19 year olds to develop their skills and knowledge in teamwork, equal opportunities, dealing with conflict, customer care, interpersonal skills and disability awareness, enabling them to market the programme and support its delivery. The success of the Peer Motivator Scheme has generated new initiatives for peer researchers, vocational access teams and community based peer teams.

The Summer University Millennium Award Scheme is in its final year. The range and impact of the projects has been exceptional, covering health and education, citizenship, the arts, community relations and mediation, travel and voluntary work. Millennium Award Fellows have attended conferences as speakers, facilitators and guests, represented Britain at the International Youth Parliament 2000 in Australia, gave presentations of their projects at Euro 2000 and in Canada at Stop Racism 2000 won an award for their community relations' workshops.

DIRECTORS AND TRUSTEES

The Directors and Trustees in office in the year are set out on page 2. The Directors and Trustees have no beneficial interest in the charity other than as members.

TOWER HAMLETS SUMMER EDUCATION LIMITED

DIRECTORS' AND TRUSTEES' REPORT (Cont/d)

FOR THE YEAR ENDED 31ST MARCH 2001

DIRECTORS' AND TRUSTEES' RESPONSIBILITIES

The Directors and Trustees are required by law to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of its results for that period. In preparing those accounts, the Directors and Trustees are required to:

- (a) select suitable accounting policies and apply them consistently;
- (b) make judgements and estimates that are reasonable and prudent;
- (c) follow applicable and accounting standards, subject to any material departures disclosed and explained in the accounts;
- (d) prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Directors and Trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

TANGIBLE FIXED ASSETS

Details of movements in fixed assets are recorded in the notes to the accounts.

RESERVES POLICY

The Trustees consider it prudent to maintain an adequate balance of unrestricted reserves to cover contractual commitments and provide a sound base for the future. Ideally, these should be equivalent to a minimum level of 2 months of the annual budget.

CHARITABLE AND POLITICAL DONATIONS

During the year the charity made no political or charitable donations.

RISK AND RISK MANAGEMENT

The Directors and Trustees have identified the major risks to which the charity is exposed and believe that the systems in place are adequate to mitigate those risks. The Directors are concerned at the low level of unrestricted reserves and are endeavouring to increase these reserves.

AUDITORS

The auditors, Ramon Lee & Partners, will be proposed for reappointment in accordance with Section 385 of the Companies Act 1985.

The above report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

APPROVAL

This report was approved by the Board of Directors and Trustees on and signed on its behalf by:



**D J HOLLOWAY OBE
SECRETARY**

13TH NOVEMBER 2001

**AUDITORS' REPORT TO THE DIRECTORS AND TRUSTEES OF
TOWER HAMLETS SUMMER EDUCATION LIMITED**

We have audited the financial statements on pages 6 to 12, which have been prepared in accordance with the accounting policies set out on page 8.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND TRUSTEES AND AUDITORS

As described on page 3, the charity's Directors and Trustees are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

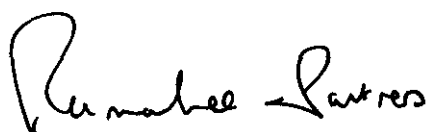
BASIS OF OPINION

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit included examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of significant estimates and judgements made by the Directors and Trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion, the financial statements give a true and fair view of the state of affairs of the charitable company as at 31st March 2001 and of its incoming resources and application of resources, including the income and expenditure for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**RAMON LEE & PARTNERS
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS**

**NEW ROMAN HOUSE
10 EAST ROAD
LONDON N1 6BG**

13TH NOVEMBER 2001

TOWER HAMLETS SUMMER EDUCATION LIMITED

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31ST MARCH 2001

SUMMARY INCOME AND EXPENDITURE ACCOUNT

	<u>Notes</u>	<u>Unrestricted Funds</u> £	<u>Restricted Funds</u> £	<u>2001</u> £	<u>2000</u> £
INCOMING RESOURCES					
Grants receivable	2	93,321	423,655	516,976	633,668
Other income		14,831	-	14,831	17,569
TOTAL INCOMING RESOURCES		<u>108,152</u>	<u>423,655</u>	<u>531,807</u>	<u>651,237</u>
RESOURCES EXPENDED					
Direct charitable expenditure	3	82,438	406,918	489,356	592,951
Management and administration	4	17,257	13,965	31,222	26,927
TOTAL RESOURCES EXPENDED		<u>99,695</u>	<u>420,883</u>	<u>520,578</u>	<u>619,878</u>
NET MOVEMENT IN FUNDS BEFORE TRANSFERS		8,457	2,772	11,229	31,359
Transfer between funds		(23,843)	23,843	-	-
NET MOVEMENT IN FUNDS AFTER TRANSFERS BEFORE EXCEPTIONAL ITEM		<u>(15,386)</u>	<u>26,615</u>	<u>11,229</u>	<u>31,359</u>
Exceptional item	7	(13,939)	-	(13,939)	-
NET MOVEMENT IN FUNDS AFTER EXCEPTIONAL ITEM		<u>(29,325)</u>	<u>26,615</u>	<u>(2,710)</u>	<u>31,359</u>
Surplus, brought forward		45,188	1,065	46,253	14,894
Surplus, carried forward		<u>15,863</u>	<u>27,680</u>	<u>43,543</u>	<u>46,253</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the above two financial years.

TOTAL RECOGNISED GAINS AND LOSSES

The charity has no recognised gains or losses other than the above movement in funds for the above two financial years.

The notes on pages 8 to 12 form part of these accounts.

TOWER HAMLETS SUMMER EDUCATION LIMITED

BALANCE SHEET AS AT 31ST MARCH 2001

	Notes	£	2001 £	£	2000 £
FIXED ASSETS					
Tangible assets	8		22,812		10,342
CURRENT ASSETS					
Debtors	9	61,322		51,809	
Cash at bank and in hand		<u>68,901</u>		<u>27,015</u>	
		130,223		78,824	
CREDITORS: amounts falling due within one year	10	<u>109,492</u>		<u>42,913</u>	
NET CURRENT ASSETS			20,731		35,911
NET ASSETS			<u>43,543</u>		<u>46,253</u>
INCOME FUNDS					
Unrestricted funds	12		15,863		45,188
Restricted funds	13		<u>27,680</u>		<u>1,065</u>
			<u>43,543</u>		<u>46,253</u>

These accounts were approved by the Trustees on 13th November 2001 and were signed on its behalf by:

..... *Rex Hall* MR R HALL

..... *Janet M. Morgan* Ms J MORGAN

The notes on pages 8 to 13 form part of these accounts.

TOWER HAMLETS SUMMER EDUCATION LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 2001

1. ACCOUNTING POLICIES

1.1 Basis of preparation of accounts

The accounts are prepared under the historical cost convention and include the results of the charity's operations which are described in the Directors and Trustees' Report and all of which are continuing.

The accounts have been prepared in compliance with Statement of Recommended Practice on Charity Accounts.

The charity has taken advantage of the exemption in Financial Reporting Standard No. 1 from the requirement to produce a cash flow statement.

1.2 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated at cost less depreciation.

The cost of fixed assets, which have been capitalised in the balance sheet is depreciated as follows:

Furniture and equipment - 25% of cost – straight line basis.

1.3 CAPITAL GRANTS

Assets held under finance leases and hire purchase contracts are capitalised and depreciated over their useful lives. The corresponding lease or hire purchase obligation is treated in the balance sheet as a liability. The interest element of rental obligations is charged to profit and loss account over the period of the lease at a constant proportion of the outstanding balance of capital repayments.

1.4 CAPITAL GRANTS

Grants received as a contribution towards the purchase of capital equipment are taken to the Summary Income and Expenditure Account over the useful lives of the assets concerned. The amount of the grant still to be taken to the Summary Income and Expenditure Account is shown in the accounts as deferred income.

1.5 TAXATION

The charity is a registered charity and, therefore, is not liable for Income Tax or Corporation Tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

1.6 EXPENDITURE ON MANAGEMENT AND ADMINISTRATION OF THE CHARITY

Direct charitable expenditure comprises direct expenses incurred on the defined charitable purposes of the charity and includes direct staff costs attributable to the activity and an allocation of the general management and overhead costs.

Management and administration costs include expenditure on general administration, and management and of compliance with constitutional and statutory requirements.

TOWER HAMLETS SUMMER EDUCATION LIMITED

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 31ST MARCH 2001

2. GRANTS RECEIVABLE

Grants receivable represent monies received from Charitable Trusts and other bodies and are shown at the agreed level of funding for the year 2000/01.

	Unrestricted Funds £	Restricted Funds £	Total 2001 £	Total 2000 £
Bridge House Trust	-	-	-	25,000
National Lottery - Revenue (NLCB)	-	-	-	11,608
National Lottery - Capital (NLCB)	-	2,313	2,313	7,021
Church Urban Fund	-	1,500	1,500	-
Dept. for Education and Employment	-	-	-	39,600
New Opportunities Fund - Income	-	202,620	202,620	-
New Opportunities Fund - Capital	-	4,880	4,880	-
St. Katharine & Shadwell Trust	10,000	-	10,000	10,000
London Borough of Tower Hamlets	30,321	36,680	67,001	83,482
London Borough of Brent	-	-	-	2,000
Thames Valley Match Fund	-	-	-	2,000
The Bernie Grant Centre	3,000	-	3,000	-
Esmee Fairbairn Foundation	-	-	-	15,000
Bright Street Project	-	-	-	17,483
The Monument Trust	20,000	-	20,000	20,000
Cityside Regeneration	-	7,002	7,002	-
Leaside Regeneration	-	-	-	4,577
Morgan Stanley	5,000	-	5,000	5,000
London Borough of Hackney	-	-	-	2,560
London Arts Board	-	3,300	3,300	-
The Equitable Trust	20,000	-	20,000	-
Spitalfields Market Community Trust	-	-	-	12,500
Paul Hamlyn Foundation	5,000	-	5,000	5,000
The Millennium Commission	-	86,562	86,562	124,611
Southark Partner Income	-	-	-	2,000
Newham Partner Income	-	-	-	2,000
The Carnegie UK Trust	-	10,000	10,000	-
Canary Wharf	-	-	-	5,000
City Fringe Partnership	-	-	-	23,334
Summer Education (UK) Limited	-	-	-	92,096
Millennium Awards	-	-	-	23,238
News International Plc	-	10,000	10,000	10,000
The Roald Dahl Foundation	-	-	-	5,000
Credit Suisse (First Boston)	-	-	-	2,000
Fishmongers' Trust	-	-	-	1,000
Westminster City Match Income	-	13,798	13,798	2,000
Thames Festival	-	-	-	5,150
Dulverton Trust	-	-	-	10,000
The Ernest Cook Trust	-	-	-	5,000
European Social Fund	-	-	-	13,408
Skills Work	-	45,000	45,000	45,000
	<u>93,321</u>	<u>423,655</u>	<u>516,976</u>	<u>633,668</u>

TOWER HAMLETS SUMMER EDUCATION LIMITED

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 31ST MARCH 2001

3. DIRECT CHARITABLE EXPENDITURE

	Unrestricted Funds	Restricted Funds	Total 2001	Total 2000
	£	£	£	£
Salaries and staff costs	5,151	54,700	59,851	110,986
Programmes and activities	54,322	345,352	399,674	437,452
Office and other costs	22,965	6,866	29,831	44,513
	<u>82,438</u>	<u>406,918</u>	<u>489,356</u>	<u>592,951</u>

4. MANAGEMENT AND ADMINISTRATION EXPENDITURE

	Unrestricted Funds	Restricted Funds	Total 2001	Total 2000
	£	£	£	£
Salary costs	90	12,147	12,237	14,488
Office costs	1,487	-	1,487	682
Financial costs	15,680	1,818	17,498	11,757
	<u>17,257</u>	<u>13,965</u>	<u>31,222</u>	<u>26,927</u>

5. OPERATING DEFICIT

	2001 £	2000 £
Operating profit is shown after charging:		
Depreciation	7,612	5,343
Staff costs	188,613	228,526
Auditors' remuneration	<u>4,935</u>	<u>3,525</u>

6. DIRECTORS AND EMPLOYEES

	2001 £	2000 £
STAFF COSTS		
Salaries	<u>132,031</u>	<u>228,526</u>

The average weekly number of staff employed by the charity during the year was as follows:

Direct charitable work	14	24
Administrative work	2	2

TOWER HAMLETS SUMMER EDUCATION LIMITED

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 31ST MARCH 2001

7. EXCEPTIONAL ITEM

This represents funds of the organisation misappropriated by a former employee. A police investigation is currently on going but the Trustees deem it prudent to write off the whole amount, as it may never be recovered.

8. TANGIBLE FIXED ASSETS

	<u>2001</u>	<u>2000</u>
	£	£
NET BOOK VALUES		
Furniture and equipment	22,812	10,342
	<u>22,812</u>	<u>10,342</u>

MOVEMENTS IN YEAR

<u>Cost</u>	<u>Opening</u> <u>Balances</u>	<u>Additions</u>	<u>Disposals</u>	<u>Closing</u> <u>Balances</u>
	£	£	£	£
Furniture and equipment	20,972	20,082		41,054
	<u>20,972</u>	<u>20,082</u>	-	<u>41,054</u>
 <u>Depreciation</u>	 <u>Opening</u> <u>Balances</u>	 <u>Charge</u> <u>For Year</u>	 <u>Disposals</u>	 <u>Closing</u> <u>Balances</u>
	£	£	£	£
Furniture and equipment	10,630	7,612	-	18,242
	<u>10,630</u>	<u>7,612</u>	-	<u>18,242</u>

The net book value of furniture and equipment includes £10,604 (2000 – £ Nil) in respect of assets held under finance leases. The amount of depreciation in respect of such assets amounted to £ nil for the year (2000 £ Nil).

9. DEBTORS

	<u>2001</u>	<u>2000</u>
	£	£
Grants	17,510	51,066
Other debtors	39,653	104
Prepayments	4,159	639
	<u>61,322</u>	<u>51,809</u>

10. CREDITORS: amounts falling due within one year

	<u>2001</u>	<u>2000</u>
	£	£
Grants in advance	23,000	10,000
Creditors and accruals	82,808	32,913
Taxation and social security	3,684	-
	<u>109,492</u>	<u>42,913</u>

TOWER HAMLETS SUMMER EDUCATION LIMITED

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 31ST MARCH 2001

11. SHARE CAPITAL

The company is limited guarantee and does not have a share capital divided by shares.

12. UNRESTRICTED FUNDS

Unrestricted funds represent the remaining balance of funds received from donors, which are not tied to any specific project and may be applied at the discretion of the Trustees.

13. RESTRICTED FUNDS

	Opening Balance 01/04/2000	INCOME	EXPENDITURE	TRANSFER	Closing Balance 31/03/2001
	£	£	£	£	£
Millennium award scheme	(8,863)	100,360	69,917	-	21,580
Equipment grant	-	7,193	1,798	-	5,395
Project Charlie	-	28,682	27,977	-	705
Programme & activities	9,928	287,420	321,191	23,843	-
	<u>1,065</u>	<u>423,655</u>	<u>420,883</u>	<u>23,843</u>	<u>27,680</u>

Restricted funds represent the remaining balance of funds received from donors for specific project expenditure and any surplus/deficit on those ongoing projects.

14. ANALYSIS OF FUND BALANCES BETWEEN NET ASSETS

	Unrestricted Income £	Restricted Income £	Total £
Tangible fixed assets	17,417	5,395	22,812
Net current assets/(liabilities)	<u>(1,554)</u>	<u>22,285</u>	<u>20,731</u>
	<u>15,863</u>	<u>27,680</u>	<u>43,543</u>

15. RELATED PARTY TRANSACTION

For the whole of the year, the charity was under the control of the Directors and Trustees as shown on page 2.

As at the balance sheet date the charity was owed £39,653 (2000 – Creditor £5,592) by Summer Education (UK) Limited, a company limited by guarantee and registered with the Charity Commission and in which some of the Directors and Trustees are also Directors and Trustees.