

Charity Registration No. 1110403

Company Registration No. 05425527 (England and Wales)

CANAAN PROJECT
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

CANAAN PROJECT

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Hannah Genn	
	Rebecca White	
	Bethany Jennings	(Appointed 28 September 2019)
	Naznin Robinson	(Appointed 31 July 2020)
	Barbara Workman	(Appointed 31 July 2020)
Charity number	1110403	
Company number	05425527	
Principal address	Lansbury Lodge 117 Ricardo Street London E14 6EQ	
Registered office	Lansbury Lodge 117 Ricardo Street London E14 6EQ	
Independent examiner	Richard F Hopper Chinthurst 30 St Stephens Hill Launceston Cornwall PL15 8HN	

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CANAAN PROJECT

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 AUGUST 2020

The trustees present their report and financial statements for the year ended 31 August 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's constitution, the Companies Act 2006 and "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) (effective 1 January 2019)".

Objectives and activities

The charity's objects are to promote the provision of recreational facilities and education in life skills. The policies adopted in furtherance of these objects are the provision of activities for vulnerable children and young people, and there has been no change in these during the year.

The Project's aims are to work collaboratively with marginalised girls and young women in Tower Hamlets to see them flourish, have broadened horizons and raised aspirations, by providing experiences and opportunities through innovative approaches to youth work.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

We have impacted a total of 127 young women in the Bethnal Green and Isle of Dogs areas of Tower Hamlets this year, across four sites: three secondary schools and the local estate. This is a sharp decline in previous years' numbers due in large part to the Covid-19 Pandemic and subsequent restrictions. Wherever possible we have continued to develop our provision through activities including:

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 AUGUST 2020**

Lunch Clubs:

Morpeth School

From September 2019 until mid-March 2020 we ran three Drop-In Lunch Clubs a week in Morpeth School offering a safe space to do a range of crafts, games and other activities for young women through Year 7 up to Year 11. In Morpeth School we have worked with 270 different young women across all of our Lunch Clubs.

Our Year 7 Lunch Club saw an average of 24 young women each week, whereas our Year 8-9 Lunch Club saw 34 young women on average. Many of these young women made the transition from Lunch Clubs to Cranbrook Girls Club which takes place after school.

We had a fairly consistent attendance of 10-12 young women at our Year 9-11 Lunch Club. Although this is a smaller amount in comparison with our other Lunch Clubs, we had a much deeper relationship with these young women as many already attend our out-of-school activities.

Raines Foundation School

Tower Hamlets Local Authority took the decision to close Raines Foundation School. Whilst we were sad to see the end of this partnership, we were grateful for the opportunity to provide some support to the young women who were transitioning into new schools, and especially to provide some stability for the girls who waited longest to move, as it was difficult for them to see everyone moving one while they awaited what was to come next.

We were able to run two: one for younger year groups (8-9) and one for the older year groups (10-11). The Year 8-9 club saw an average of 15 girls per week, whilst the 10-11 club saw slightly lower average numbers of 9 girls per week.

We were delighted to host a Cooking course just before the first lockdown began which had 5 students sign up for it. Sadly we did not get to complete this course due to the lockdown.

George Green's School

We were able to host a Year 7 girls lunch club as well as an enrichment club at this school. On average 20 girls attended the lunch club. Our enrichment programs saw an average of 15 girls attending weekly. We hosted the program Girls Who Code, which developed IT skills in your women, and partnered with 13 Moons, an organisation which aims to promote healthy discourse and attitudes towards menstrual health.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 AUGUST 2020**

Cranbrook Girls Club:

Our Cranbrook Girls Club continued to run weekly from September to March, and had an average weekly turnout of 15 young women. During term time and in the school holidays we offered a wide variety of activities as well as a safe space to access peer and youth worker support.

This year we have worked with an incredible 154 young women who are now regularly accessing the Cranbrook Girls Club, be it weekly or through our trips, excursions and special events. Many of these young women have transitioned to the Cranbrook Girls Club from Lunch Club provision at both Raines and Morpeth School.

Cafe Forever Girls Club

As we transitioned to work on the Isle of Dogs we began to offer after-school clubs at a community centre called Cafe Forever. The aim of these sessions was similar to the Cranbrook Estate clubs detailed above. The first session was offered in November 2019 and the clubs met weekly until March 2020. As this was a new venture the numbers were lower, but we had an average of 4-5 young women attending at this time.

Mentoring:

Our staff have mentored 4 different young women this year on an ongoing, time-bound and one-off basis. We know that other services had struggled to engage with several of these young women, highlighting the trust our workers were able to build and valuable role this work has played in those young women's support. We also recognise that we have a unique role in the referral process, and can advocate for young women who need extra support from other services.

Trips/Residentials:

Trips have been a popular part of our programme this year -- approximately 60 different young women joined us for a variety of activities including a two trips to see Wicked musical, laser tag, roller skating, trampolining, cinema trip and trampoline park. Sadly both our annual residential trip and our summer outreach days were not able to happen due to the Covid-19 pandemic.

Young Volunteers Project:

Our Young Volunteers Project is for sixth-form students, offering volunteering opportunities within our Lunch Clubs alongside training and one-to-one mentoring designed to develop their leadership and communication skills whilst providing valuable role models for our younger girls. Due to the pandemic we were not able to run this aspect of our provision.

This year we have employed a full-time Project Manager (as a job-share between two members of staff), 2 Young Women's Workers, and 1 Finance Administrator.

Financial review

The income and expenditure of the charity for the year and its financial position at the end of the year are shown in the attached accounts. The trustees consider the financial position to be satisfactory and are grateful for the work put in by Richard Lucas as honorary treasurer and Natalie Kwan as finance administrator.

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks. This includes the safeguarding of vulnerable young people.

Structure, governance and management

The charity is a company limited by guarantee.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 AUGUST 2020*

Lucy Delderfield	(Resigned 2 October 2019)
Richard Lucas	(Resigned 19 February 2021)
Hannah Genn	
Danielle Goodwin	(Resigned 5 October 2020)
Rebecca White	
Bethany Jennings	(Appointed 28 September 2019)
Naznin Robinson	(Appointed 31 July 2020)
Barbara Workman	(Appointed 31 July 2020)

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up. New trustees are appointed with the agreement of the existing trustees.

The charity is overseen by the trustees, with four paid members of staff and the essential help of volunteer workers in Tower Hamlets.

The trustees' report was approved by the Board of Trustees.

.....
Rebecca White

Trustee

Dated:

CANAAN PROJECT

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF CANAAN PROJECT

I report to the trustees on my examination of the financial statements of Canaan Project (the charity) for the year ended 31 August 2020.

Responsibilities and basis of report

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

Having satisfied myself that the financial statements of the charity 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 the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable 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 that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements 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 financial statements to be reached.

Richard F Hopper

Chartered Accountant
Chinthurst
30 St Stephens Hill
Launceston
Cornwall
PL15 8HN

Dated:

CANAAN PROJECT

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2020

		Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
	Notes						
Income from:							
Donations and legacies	3	2,939	-	2,939	2,184	-	2,184
Charitable activities	4	51,736	61,227	112,963	41,484	71,300	112,784
Investments	5	98	-	98	124	-	124
Total income		54,773	61,227	116,000	43,792	71,300	115,092
Expenditure on:							
Charitable activities	6	48,943	62,553	111,496	27,839	74,406	102,245
Net income/(expenditure) for the year/ Net movement in funds		5,830	(1,326)	4,504	15,953	(3,106)	12,847
Fund balances at 1 September 2019		65,084	3,586	68,670	49,131	6,692	55,823
Fund balances at 31 August 2020		70,914	2,260	73,174	65,084	3,586	68,670

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

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BALANCE SHEET

AS AT 31 AUGUST 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	10		1,000		664
Current assets					
Debtors	11	749		2,112	
Cash at bank and in hand		93,799		82,369	
		<u>94,548</u>		<u>84,481</u>	
Creditors: amounts falling due within one year	12	<u>(22,374)</u>		<u>(16,475)</u>	
Net current assets			72,174		68,006
Total assets less current liabilities			<u>73,174</u>		<u>68,670</u>
Income funds					
Restricted funds	14		2,260		3,586
Unrestricted funds			70,914		65,084
			<u>73,174</u>		<u>68,670</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 August 2020.

The directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on

.....
Rebecca White
Trustee

Company Registration No. 05425527

CANAAN PROJECT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

Charity information

Canaan Project is a private company limited by guarantee incorporated in England and Wales. The registered office is Lansbury Lodge, 117 Ricardo Street, London, E14 6EQ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006 and "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) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Resources expended

Financial liabilities and expenditure are recognised in the accounts at the time when a commitment to make payment is incurred.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	25% p.a. on cost
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

CANAAN PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2020 £	2019 £
Donations and gifts	2,939	2,184

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

4 Charitable activities

	Grants receivable 2020 £	Grants receivable 2019 £
Performance related grants	112,963	112,784
	<u> </u>	<u> </u>
Analysis by fund		
Unrestricted funds	51,736	41,484
Restricted funds	61,227	71,300
	<u> </u>	<u> </u>
	112,963	112,784
	<u> </u>	<u> </u>

5 Investments

	Unrestricted funds 2020 £	Unrestricted funds 2019 £
Interest receivable	98	124
	<u> </u>	<u> </u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

6 Charitable activities

	Youth activities 2020 £	Youth activities 2019 £
Staff costs	89,428	75,695
Direct project costs	10,787	16,126
	<u>100,215</u>	<u>91,821</u>
Share of support costs (see note 7)	10,214	9,167
Share of governance costs (see note 7)	1,067	1,257
	<u>111,496</u>	<u>102,245</u>
Analysis by fund		
Unrestricted funds	48,943	27,839
Restricted funds	62,553	74,406
	<u>111,496</u>	<u>102,245</u>
For the year ended 31 August 2019		
Unrestricted funds	27,839	
Restricted funds	74,406	
	<u>102,245</u>	

CANAAN PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

7 Support costs

	Support costs £	Governance costs £	2020 £	Support costs £	Governance costs £	2019 £
Staff costs	4,709	-	4,709	4,216	-	4,216
Depreciation	505	-	505	296	-	296
Premises and equipment expenses	2,556	-	2,556	2,287	-	2,287
Administrative expenses	2,444	-	2,444	2,368	-	2,368
Accountancy	-	948	948	-	936	936
Trustees' expenses	-	119	119	-	321	321
	<u>10,214</u>	<u>1,067</u>	<u>11,281</u>	<u>9,167</u>	<u>1,257</u>	<u>10,424</u>
Analysed between Charitable activities	<u>10,214</u>	<u>1,067</u>	<u>11,281</u>	<u>9,167</u>	<u>1,257</u>	<u>10,424</u>

Governance costs includes payments to the independent examiner of £948 (2019- £936) for independent examination and accountancy fees.

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or reimbursement of expenses during the year.

9 Employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
Youth work	4	4
Administration	1	1
Total	<u>5</u>	<u>5</u>

Employment costs

	2020 £	2019 £
Wages and salaries	86,628	74,598
Social security costs	3,028	2,877
Other pension costs	4,481	2,436
	<u>94,137</u>	<u>79,911</u>

There were no employees whose annual remuneration was £60,000 or more.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

10 Tangible fixed assets

	Fixtures, fittings & equipment £
Cost	
At 1 September 2019	4,583
Additions	841
Disposals	(859)
At 31 August 2020	4,565
Depreciation and impairment	
At 1 September 2019	3,919
Depreciation charged in the year	505
Eliminated in respect of disposals	(859)
At 31 August 2020	3,565
Carrying amount	
At 31 August 2020	1,000
At 31 August 2019	664

11 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Other debtors	69	1,487
Prepayments and accrued income	680	625
	749	2,112

12 Creditors: amounts falling due within one year

	Notes	2020 £	2019 £
Deferred income	13	19,692	12,921
Other creditors		1,654	2,538
Accruals		1,028	1,016
		22,374	16,475

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

13 Deferred income

	2020 £	2019 £
Other deferred income	19,692	12,921

Deferred income is grant income received from funders which they intend to be spent in the next financial year.

14 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds			
	Balance at 1 September 2018 £	Incoming resources £	Resources expended £	Balance at 1 September 2019 £	Incoming resources £	Resources expended £	Balance at 31 August 2020 £
Youth workers	4,408	64,548	(68,956)	-	57,767	(57,767)	-
Other direct project costs	1,800	6,752	(5,289)	3,263	3,460	(4,625)	2,098
Equipment	484	-	(161)	323	-	(161)	162
	<u>6,692</u>	<u>71,300</u>	<u>(74,406)</u>	<u>3,586</u>	<u>61,227</u>	<u>(62,553)</u>	<u>2,260</u>

15 Analysis of net assets between funds

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
Fund balances at 31 August 2020 are represented by:						
Tangible assets	838	162	1,000	341	323	664
Current assets/ (liabilities)	70,076	2,098	72,174	64,743	3,263	68,006
	<u>70,914</u>	<u>2,260</u>	<u>73,174</u>	<u>65,084</u>	<u>3,586</u>	<u>68,670</u>

16 Related party transactions

There were no disclosable related party transactions during the year (2019 - none).