

Wakefield and Tetley Trust  
Annual Report and Accounts  
31 December 2021

Registered Charity Number:

1121779

Website address: [www.wakefieldtrust.org.uk](http://www.wakefieldtrust.org.uk)

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## **Charity Information**

### **Reference and Administrative Details**

#### **Registered Address**

Marshall House, 66 Newcomen Street, London SE1 1YT

#### **Trust Deed Made**

A Charity Commission Scheme dated 12 October 2007 (entered into force 01 January 2008), governs the Trust, which brings together the former Wakefield (Tower Hill Trinity Square) Trust (Trust Deed made 25 May 1937, registered charity number 209123), the former Lady Wakefield Benevolent Trust (registered charity number 2091230-1) and the former Charity of Charlotte Tetley in connection with Toc H (Trust Deed made 27 April 1931, registered charity number 209122).

#### **Trustees**

Dr Stuart Morganstein (Chair)	Retired as Chair, 07 October 2021
The Venerable Peter Delaney MBE	
Mohima Kamaly	Appointed 07 October 2021
Patrick Kelly	Appointed Chair, 07 October 2021
Lawrence Kilshaw	
Tim McNally	
Clare Murphy	
Clare Payne	Appointed 07 October 2021
Dawn Plimmer	
Susan Reardon Smith	

#### **Bankers**

HSBC, 60 Fenchurch Street, London EC3M 4BA

#### **Solicitor (governance)**

Stone King, 13 Queen Square, Bath BA1 2HJ

#### **Solicitor (properties)**

Wedlake Bell, 71 Queen Victoria Street, London EC4V 4AY

#### **Auditor**

Buzzacott LLP, 130 Wood Street, London EC2V 6DL

#### **Investment Advisors**

CCLA Investment Management Ltd, 85 Queen Victoria Street, London EC4V 4ET  
Investec Wealth and Investment Limited, 30 Gresham Street, London EC2V 7QN

#### **Principal Officers**

Cherry Bushell, Joint Clerk to the Trustees (job-share)  
Elaine Crush, Joint Clerk to the Trustees (job-share)

**Registered charity:** 1121779

**Website address:** [www.wakefieldtrust.org.uk](http://www.wakefieldtrust.org.uk)

## **Foreword from the Chair of Trustees**

I was delighted to be appointed Chair of Trustees in October, taking over from Stuart Morganstein who has provided such consistent and supportive leadership in recent years. My thanks go to him as he steps down from that role to continue as a Trustee. At the same time, we welcome the appointment of Tim McNally as Chair of the Finance and General Purposes Sub-Committee. Trustees were pleased to formally appoint two new Trustees, Mohima Kamaly and Clare Payne in the year. Both had spent a year shadowing the Board prior to their formal appointments and we were grateful for their enthusiasm and advice during that period. We look forward to working with our new colleagues in the years to come.

2021 saw the ongoing Covid-19 pandemic continue to cause disruption and increased need across our area of benefit. As in 2020, we decided that Tower Hamlets must take priority for our funding to charities and community groups and that we should continue our responsive approach during this difficult and unpredictable period. We targeted the majority of our funding towards advice charities who were under pressure of demand from families and individuals struggling with an array of financial hardship issues. A significant grant was £50,000 to Citizens Advice East End for a pilot project to deliver advice from within schools in Tower Hamlets, reaching out to families in need. This was the largest Main Grant the Trust has given in many years and these funds given to advice services were a response to the worrying impact of rising levels of personal debt and the affordability of food and utilities for communities who were already struggling prior to the Covid-19 pandemic. Our Fast Track Grant programme was tweaked to offer a higher level of funding and we were sympathetic to requests for essential core costs, especially salaries; for grassroots organisations, this core funding could enable services to stay open. We hope that the emergency status of the Covid-19 pandemic is drawing to a close and we plan to direct our funds to address the increased needs of local communities most affected in the past two years.

Patrick Kelly  
**Chair to the Trustees**

## **Trustees' Report**

### **Structure, Governance and Management**

By a Charity Commission Scheme of 12 October 2007, as amended by resolutions of 29 September 2009 and 01 October 2012, the former Wakefield (Tower Hill Trinity Square) Trust (registered charity number 209123), the former Lady Wakefield Benevolent Trust (registered charity number 2091230-1), and the former Charity of Charlotte Tetley in connection with Toc H, or Tetley Trust (registered charity number 209122), have since 01 January 2008 been administered as one charity, Wakefield and Tetley Trust.

The Charity is governed by a Board of Trustees. The Scheme gives Trustees the power to adopt amendments to the text of the Scheme, subject to certain limitations. The power has been used twice, once in 2009 to clarify the position regarding the operation of the Trust's bank accounts, and again in 2012 to improve the clarity of the document, to correct certain inaccurate cross-references, and to make specific provision for the execution of documents to which the charity and/or its Trustees are party. The power was not used during 2021.

The maximum number of Trustees is twelve. At the beginning of the year there were eight Trustees. The Trust's governing instrument states that Trustees are appointed for life and several remaining Trustees have been in post for ten years or more. Two Trustee applicants, Mohima Kamaly and Clare Payne were selected in 2020 from an open recruitment process and their probationary period was extended in 2021 due to the ongoing Covid-19 pandemic. Both Trustee appointments were approved by the Board of Trustees in June 2021 and the Deed of Appointment was formally updated on 07 October 2021. We intend to start recruitment in 2022 for the remaining two Trustee vacancies. New Trustees are always appointed by the existing Board of Trustees and future Trustees will be invited to serve for an initial term of three years, and to extend their term if they feel they can commit, subject to an appraisal of each Trustee by fellow Trustees every third year. In recruiting, choosing and appointing new Trustees, the Trustees seek to ensure that the Board contains a suitable balance of experience, expertise, and knowledge of the Trust's area of benefit. Before new Trustees are appointed, they are provided with documentation about the Trust, and are invited to meet the existing Trustees and to familiarize themselves with the work of the Trust. Trustees are always encouraged to attend relevant courses and seminars to improve their knowledge of charity law and of good practice. The Trust is a member of the Association of Charitable Foundations and of London Funders, both provide training and networking opportunities for Trustees and staff.

The Board meets quarterly, to discuss Trust governance and strategy, and to ensure the Trust complies with charity law. Additionally, there are two sub-committees. The Grants Sub-Committee meets regularly and makes recommendations for grants to the quarterly meetings of Trustees, with delegated authority to award Fast Track grants up to £5,000. The Finance and General Purposes Sub-Committee meets regularly to deal with finance, property, personnel and investment matters, and makes recommendations on these to the quarterly meetings of Trustees. During the special circumstances of 2021, several of the Sub-Committee meetings continued to be subsumed into the main Board meetings, and all but one meeting was held virtually with no interruption to business continuity.

The staff work as a job-share, and are responsible for all day-to-day administrative matters, and for making recommendations to the Trustees, but all significant decisions are taken by the Board. The Trustees therefore consider that they alone comprise the key management personnel of the Trust. Trustees are not remunerated for their services to the charity.

Staff deliver a part-time support service to a separate charitable trust, Tower Hill Trust, as part of their employment. The cost of that service is reimbursed to the Trust by way of an annual fee, and the level is set at the agreement of both parties as part of a Memorandum of Understanding agreed in 2020.

## **Objectives and Activities for the Public Benefit**

In making grants and setting priorities, the Trustees have regard to the Charity Commission's general guidance on public benefit. The objects of the Trust are defined by the Charity Commission Scheme as:

1. To relieve the inhabitants of the area of benefit (defined as the London Borough of Tower Hamlets and Southwark and the City of London as their boundaries exist from time to time) who are in need by virtue of their age, financial hardship or sickness, by the provision or support of appropriate facilities, programmes or other initiatives.
2. Any other charitable purpose in connection with the Anglican parish of All Hallows by the Tower or Toc H.

The Trust seeks to do these things not by making grants to individuals or by carrying out programmes of its own, but by making grants to registered charities, community groups, not-for-profit companies, and the church of All Hallows by the Tower, for activities and projects which in the view of the Trustees will help to advance the objects. In making grants, the Trust always looks at the question of who will be the ultimate beneficiaries, and what will be the benefit to them.

The Trust aims to support work that will 'make a positive difference to the lives of people who face significant disadvantage and have limited choices and opportunities', for example because they lack skills, have difficulty in accessing resources or face discrimination.

Funding is targeted to charities and community groups with incomes of less than £500,000. Most charities working in our communities are small and locally focused, understanding the needs of local people and how to reach vulnerable groups. The Trust aims to support their vitally important work.

The Trust is happy to consider requests to fund core costs, project costs and associated training. These may include revenue costs such as staff salaries and overheads; however, the Trust is unlikely to support equipment or capital costs. At present, we award grants for a maximum period of one year (although grants may be renewed annually for a finite period of three years). There are two grant programmes: Main Grants, offering amounts over £5,000, Fast Track Grants, offering amounts up to £5,000 for time-limited projects and emergency requests, awarded within 8 weeks, and targeted at organisations with an annual income under £300,000. In 2021 Trustees decided to use Main Grant funds to support applications made via the London Community Response Fund Covid-19 emergency programme. Further details of this programme and the grants made can be found below.

The strategy is to maximise the proportion of the Trust's income which is used for grant-giving, while ensuring that there is proper provision for future years, that the Charity is efficiently administered, and that its investments are properly safeguarded.

## **Achievements and Performance – grants awarded during the year**

Total income was £420,838 (£377,155 - 2020). Expenditure on grants, including the support costs for grant giving activities, was £463,609 (£442,959 - 2020). Staff worked with a portfolio of just over 40 'active' grants; making payments, reviewing activities and progress and providing occasional support around a range of issues including governance, financial management and fundraising. The total amount awarded as grants in the year was £276,423; of this £148,800 was for Main Grants, £55,000 was awarded as core funding for All Hallows by the Tower Church and £72,623 was for Fast Track Grants.

## 2021 Grant programmes

The Trust delivers grant programmes to help charities and community groups respond to acute social needs, and we worked to quickly adapt our programmes to respond to new and emerging issues in light of the Covid-19 pandemic, when it first started to have an impact on communities back in March 2020. Trustees prioritised funding for emergency work in the London Borough of Tower Hamlets where there were fewer funding opportunities for the charity and not-for-profit sector in the borough compared to London Borough of Southwark and the City of London.

Tower Hamlets is one of the most ethnically diverse local authorities in the country, with significant Bangladeshi and Somali communities alongside the White British population. Over the last few decades, the borough has experienced one of the fastest growing populations nationally, however, there is also significant endemic deprivation. For example, over a third of children in Tower Hamlets live in poverty (the highest rate in London), the borough has (by far) the highest proportion of older people in receipt of adult social care in England and one of the highest proportions of years spent in disability in the country for both males and females. In-work poverty continues to be an issue with a high proportion of means tested financial support now going to people in-work. The Covid-19 pandemic has exacerbated this and may have a long-term impact on the extent and nature of poverty and deprivation within the borough.

The Trust's longstanding Main and Fast Track Grant programmes were adapted once again, to respond to immediate and anticipated needs as a result of the Covid-19 pandemic. The **Fast Track** grant programme re-opened to new applicants in March 2021, and the priorities were to:

- Support urgent work with marginalised individuals and communities most affected by the Covid-19 crisis;
- Fund core activities and services, to enable organisations working with vulnerable communities to adapt or maintain their work in light of Covid-19;
- Make a practical difference to the work of organisations and/or to the lives of the people they support.

Some examples of these grants and their public benefit can be found below:

**Friends of Tower Hamlets Cemetery Park** A grant of £3,000 was made for core funding to enable the charity to continue to provide vital therapeutic gardening sessions to those most in need, and assist with the restoration of wellbeing for those with mental ill health in Tower Hamlets. 215 people were assisted, primarily local residents who were furloughed or working from home and had time to spare to join organised, staff-led volunteer sessions in the Cemetery Park. So many people still had little to no human contact with others, and volunteering allowed people to mix with like-minded individuals, socialise, chat and get active.

**Limehouse Town Hall Consortium Trust** A grant of £4,200 was awarded to help widen access and reduce barriers for local people to the community space at Limehouse Town Hall; the grant made a remarkable difference to the accessibility of the Town Hall benefitting over 220 people, including 50 building residents, 4 local Bangladeshi women (opening up the hall for ease of use and employment as duty managers), 50 new users of the hall through local groups (who now have affordable, accessible space), and 100 local people who attended a community day in May. The Co-ordinators trained 20 local people and building residents to duty manage the hall for London Living Wage. They also supported the creation of a Hall Management Group, made up of building users and residents. The group collaboratively wrote a manifesto for the hall, prioritising access to local community groups, and organised a community day in May, collaborating with Limehouse Causeway TRA; this brought 100 local residents including local muslim women, young people and groups including The Wheelers (who share skills and tools for fixing bikes) and Concrete Action (who share carpentry and tool using skills).

**Ocean Women's Association (OWA)** A grant of £4,610 was made to support core costs and re-launch women's coffee mornings at Stepney City Farm in August 2021, benefitting elderly and vulnerable Bangladeshi women from the local area over six months. A total of 55 women were supported overall, with an

average weekly attendance of 12 people at the sessions. Pre-pandemic, OWA clients were women, aged between fifty and eighty years, from the Stepney and Limehouse areas. 23 women from this group resumed attendance, albeit on an irregular basis due to illness, and the charity set up a telephone befriending service to support women who were unable to return. The coffee morning engaged 22 new people, some of whom had additional needs such as employment, housing, financial and legal advice. Five were referred to external agencies, including Praxis. In addition there were three asylum clients with highly complex needs, which proved challenging for this small charity. It was evident that the pandemic had taken its toll on the women, physically, mentally and emotionally; this was challenging to manage and the service needed to adapt, but overall the feedback received from the women attending demonstrated that the project helped alleviate people's isolation and provided a much needed space for support and companionship.

**Our Time** A grant of £4,000 for drama workshops for children whose parents have a mental illness, or mental health difficulty during the school holidays. In collaboration with the Half Moon Theatre, they delivered part time workshops over a week and, later in the year, a three-day workshop was joined by children with similar lived experiences who had been referred by local schools and social services. In the sessions, the children played games, practiced drama techniques and explored the themes of bullying, empathy, friendships, supporting friends through difficult times and responsibility. The output of the sessions included a poem about bullying which was written and performed by the children; the themes identified by the children also laid the foundations for an awareness raising play about having a parent with a mental illness, which Our Time and the Half Moon Theatre will try to develop further and take into schools.

The **Main Grant** programme re-directed funds towards the London Community Response (LCR) emergency programme coordinated by London Funders. This fund was launched on 27 March 2020 to provide coordinated funding support for organisations responding to the needs of communities in the capital affected by the Covid-19 pandemic. The Trust joined this alliance of funders and committed to four main ways of working as follows:

1. Adapting activities – acknowledging that agreed outcomes may not be achieved in the timeframes originally set.
2. Discussing dates – not adding pressure on organisations to meet tight reporting deadlines.
3. Financial flexibility – allowing organisations to use money differently e.g. buying equipment and covering staff sickness.
4. Listening – encouraging frank conversations between funders and grantees, with funders being supportive of their needs.

As an affiliated funder, the Trust was able to align its funding with the scheme and gain priority access to relevant applications in our area of benefit. The LCR scheme was widely promoted and its priorities were developed in consultation with the sector, using the latest research and intelligence. Examples of grants made under Wave 5 of the programme can be found below:

**East End Citizens Advice** £50,000 over 12 months, to extend the social welfare advice pilot in Mulberry School for Girls, Manorfield and Marner schools in Tower Hamlets, providing social welfare advice direct to families to resolve their benefit, debt, housing, employment and immigration problems and to increase family incomes. The pilot aims to meet the huge and increasing demand for advice and support as a result of the impact of the Covid-19 pandemic. The pilot will test several approaches to make advice more accessible for parents, with input from school safeguarding leads.

**East London Cares** £12,500 over 12 months, to support a service connecting older neighbours (65+) and younger volunteers (18-35) to reduce isolation and loneliness, supporting individual needs and bridging divides. The service will be delivered through group social clubs, a one to one friendship matching programme and proactive outreach work. The grant matched funding of £12,500 committed by London Borough of Hackney.



**Island Advice Centre** £37,500 over 12 months, to support a new full-time adviser to act as first point of contact for clients and referrers accessing services by telephone or online. The Centre needed to increase capacity in response to a 150% increase in referrals and a loss of volunteer time as a result of the pandemic. The new adviser will assist up to 520 clients with emergency fund applications, make referrals to food bank banks and other emergency support, carry out income maximisation assessments and identify underlying issues such as benefit entitlements, indebtedness and risk to housing, making referrals to appropriate specialist advisers.

### **Analysis of grants made**

Trustees want to ensure that grant programmes are accessible to new applicants and 40% (57% 2020) of all grants awarded were to organisations not previously supported by the Trust.

Of the total awarded to Main Grant and Fast Track Grants in the year, 97% was for work in Tower Hamlets (61% 2020) to the value of £217,423, with 3% (4 grants) for work in Southwark to the value of £8,000. Outside of these programmes, funding was awarded to All Hallows by the Tower Church, benefitting people in both the City of London and Tower Hamlets. The Trust's grant programmes support work or activities which address disadvantage in a targeted way. In 2021:

- 10% of all grant funding supported people living with disabilities and ill health (5 grants)
- 37% of all grant funding supported initiatives to improve mental health and wellbeing (12 grants)
- 12% of all grant funding supported vulnerable women and families (5 grants)
- 50% of all grant funding supported advice and welfare support initiatives (8 grants)
- 13% of grant funding was targeted at children and young people (8 grants)
- 57% of all grants supported the work of organisations run by and for Black, Asian and minority ethnic communities (11 grants), including three projects specifically targeting asylum seekers and refugees.

A proportion of payments made during 2021 were for grants awarded in previous years and similarly, a proportion of grants awarded in 2021 will be paid out in subsequent years. The amount shown in the Statement of Financial Activities under "Grants for Charitable Purposes" is the total of grants awarded during 2021, irrespective of when those grants will be paid. Appendix A to the accounts shows the detail of new grants awarded and historical grants paid out in 2021.

### **Examples of Public Benefit: Main Grants completed during the year**

Public benefit is measured against the achievements of the organisations and activities funded. We expect grant recipients to provide regular or one-off progress reports, depending on the nature of the work and the size of grant awarded. The monitoring process aims to be 'light touch', since organisations and projects can struggle under the burden of monitoring requirements from different funders. Grant recipients can devise their own report styles and they may submit information that has been prepared for another funder if this is appropriate. Recipients are asked to reflect on the progress they have made and share any learning that has taken place.

### **All Hallows by the Tower Church**

One of the Objects of the Trust is to support the Anglican parish of All Hallows by the Tower. The Trust leases the Vicarage at 43 Trinity Square, London EC3 to the Church on a peppercorn rent. The Trust also supports the Church with an unrestricted annual grant and in 2021 this grant was set at £39,375 (recorded as a commitment in the 2020 accounts).

All Hallows is in the unique setting of Tower Hill, straddling the City of London and the edge of Tower Hamlets, it serves City workers and visitors from across the world to the World Heritage site of the Tower of

London. However, the Covid-19 pandemic has been hugely challenging for all aspects of the life and ministry of the Church, its congregation, parish and the wider community. Fortunately, they were able to adapt; worship continued throughout the pandemic via virtual live streaming and the Church opened for prayer as soon as was possible. The Church has been involved with the support for the 700 Afghan citizens who have come recently through the resettlement programme, many of whom are housed in a hotel in the parish. As well as donating items, and raising funds for the Afghan charity working alongside the Corporation, they initiated a women's group, which met in the Porch Room at the Church, providing a much-needed place of community and support during this time of transition for the families.

An emergency grant of £30,000 was awarded to the church at the end of 2020 to help them weather the storm in 2021, and cover on-going overheads and staffing costs at a time when other regular sources of income had stopped, including the closure of the Crypt museum, the significant reduction in domestic and international visitors to Tower Hill, and a significant reduction in footfall in the City, with the growth in hybrid working. The Church began building back their events, special services and offerings to visitors in the year, and Rev. Katherine Hedderly, in her role as Chaplain, offered pastoral care to those members who had a particularly difficult time through the year, especially with loss and illness due to Covid-19.

At the end of the year, Trustees agreed an unrestricted annual grant of £55,000 to the Church for payment in 2022.

## **Main Grants**

**Bubble Club** Bubble Club run an arts programme for learning disabled people, with inclusive club nights, creative workshops, podcast sessions and radio shows in and around East London. A grant of £5,800 was made to support 'Bub Hub' - an online programme of 36 creative workshops with Bubble Club members over Zoom, including the production of 12 podcasts across 12 months. Despite some initial set-backs and delays, Bub Hub developed into a positive and very unique offering and was a rewarding project for everyone that contributed. Project delivery shifted a little as the work developed and as circumstances changed coming out of lockdown. Content formats were broadened to include You Tube videos, USB drives and audiograms all helping to improve the accessibility. Bubble Club members who wanted to contribute were in charge of the content and the resulting variety was very broad. Generally episodes were either under the bracket of *meaningful*: eg. mental health, social media, role models, beauty standards & lockdowns, or *entertaining*: e.g. soap operas, movie reviews, food and music. A total of 25 shows (radio and podcasts) were produced; significantly more content than planned, with 1,823 listeners overall. With great overall results Bubble Club are now making plans with new members for future shows.

**Jesuit Refugee Service (JRS)** A grant of £10,000 was made towards the delivery of monthly food and toiletry parcels for the 350 destitute asylum seekers and 75 children previously supported through the charity's day centre in Wapping, over the summer period until 31 October 2021. To ensure refugee friends were not left without basic necessities throughout lockdown and beyond, JRS quickly re-oriented their services and re-deployed team members to form a new Emergency Response Team. The Team – in coordination with a fantastic network of volunteers (many newly recruited) delivered regular parcels to over 300 destitute refugee friends. With the suspension of JRS' Day Centre, and others like it, access to food and hardship funds was very limited, so JRS worked to provide everyone they supported with a pre-paid card, topped up with £15 every two weeks, to assist with food and travel, and much-needed phone credit. At a time of great isolation, this allowed refugee friends to keep in contact with JRS volunteers and the broader team, who provided emotional support and advice over the phone. Refugee friends were also able to attend the virtual activities at JRS; and crucially, keep in touch with family and friends. The Trust's grant specifically helped support people who were based in and around Tower Hamlets.

**Legal Advice Centre** A grant of £10,000 was made to support a Covid-19 Special Support Project - providing a new model of advice and advocacy for users with complex health and social issues who are in

crisis and have complex health and social needs. A Caseworker was funded to offer on-going structured support over six months, via regular meetings or remote contact where necessary. The support included legal advice and casework, income maximisation and debt management, with an 80% success rate on appeals for all disability related benefit appeals. Cases were also kept open so ongoing support could be provided until all matters were resolved. LAC has found that this user-group repeatedly calls upon their services seeking help on a wide range of issues. The initiative supported 160 people with income maximisation and debt solutions, and more effective referral pathways were created between agencies. Users were also assisted with life management skills; empowering them to improve their own circumstances long term and reduce the need for third-party involvement.

**Women's Trust** A grant of £10,000 was made towards the salary costs of a Domestic Violence counsellor in Tower Hamlets, from April 2020 – August 2021. The funding enabled the charity to provide 221 counselling sessions for 22 Tower Hamlets women. This was an increase on the initial target (180 sessions for 18 women) since all provision was by telephone, and not face-to-face. Clients received up to 18, weekly sessions, provided by the same counsellor on the same day and time every week. The grant funded 26% of counselling sessions provided to 70 Tower Hamlets women overall. Women's Trust could have seen more people, but there were periods when they had to close referrals due to insufficient capacity. 56% of women were self-referrals, with 14% from Victim Support, 14% from statutory mental health services, 6% from refuges and the remainder from a variety of organisations including Children's Centres and the council. Women also came from diverse backgrounds, but the largest groups, at 29% were of Bangladeshi heritage. 41% of women had experienced more than 5 years of abuse, and on arrival, 97% of women were suffering moderate-significant stress & anxiety, 38% were suicidal, 25% were self-harming, 54% were depressed. The service adapted well during the pandemic, and women continued to achieve positive outcomes; for example 94% experienced reduced stress and anxiety and 63% less traumatised. For those clients who were unable to make a weekly timeslot, they offered check-ins rather than formal counselling, with calls of up to 30 minutes at convenient times. A significant challenge was the increase in trauma women experienced due to worsened abuse and also lockdown conditions, so the charity brought in more experienced, employed counsellors to help support women with complex issues.

## Financial Review

The Trust's overall financial position is relatively strong. The total level of the reserves as at 31 December 2021 was £8,905,368, of which £8,738,303 was restricted and £167,065 was unrestricted. Assets in the form of property and securities are held to produce income for grant-giving, and to give support to the Anglican parish of All Hallows by the Tower. Partly for historical reasons, most of the assets are held in property, with six commercial head leases relating to properties in the vicinity of Tower Hill in the City of London. The property assets were revalued after year-end and that revised value at 31 March 2022 is included in these accounts. The re-valuation was conducted by Gerald Eve LLP, external valuers, in accordance with the Royal Institute of Chartered Surveyors Valuation Guidance Standards, Red Book Global.

The valuation resulted in a 29% decrease in the value of the investment property portfolio to £6,655,000 (balance sheet value £9,370,000 in 2020, so a fall of £2,715,000). In part this related to the recent expiry of two leases, which left those buildings empty and awaiting refurbishment, which inevitably suppressed their value. Trustees noted that the portfolio value should improve within a year if those buildings are re-let or redeveloped and there are potential new head leases for two properties on Trinity Square.

However, Trustees recognise that the ongoing effects of the Covid-19 pandemic means that we still face an unprecedented set of circumstances. Trustees will keep the status of our property portfolio under review and will seek a re-valuation in 2023.

One of the Trust's properties, 43 Trinity Square, is let at a peppercorn rent to All Hallows by the Tower Church as a Vicarage, apart from the basement, which is let commercially. The Trustees are the legal owners of 43

Trinity Square. However, except for the basement, which is included in the accounts as an investment property carried at fair value, there has been no value attributed in these accounts to the remainder of this property, which is used exclusively by the parish of All Hallows Church as a Vicarage. The Parish was granted a 99-year lease in January 1986, for which a peppercorn rent is payable for the ground and upper floors of this property, these areas of this property are not susceptible to meaningful valuation and are therefore excluded from the accounts.

The Trust's other properties are let on a commercial basis to provide an income, on leases of 150 or 152 years from 1987 or 1988, with (upward only) rent reviews every 5 years. Most of the properties are sub-let by the head tenants and, in these cases, the share of rent received by the Trust can be affected when sub-leases come to an end. Regular rental income from property during the year amounted to £327,298 (2020: £283,909). We are expecting income to fall in 2022 as two leases are ending and the properties will need to under go refurbishment. Trustees have unrestricted reserves to manage the expected drop in income in 2022 and 2023 and minimise the impact that this might have on grant-making.

For investment other than in properties, the Trustees have the power to invest in such assets as they see fit and have concluded that the most appropriate vehicle for the Trust's funds is specialised unit trusts, designed for the charity sector, which meet the requirement to generate both income and capital growth. The Trust's reserves have for some years been held in funds managed by CCLA Investment Management Ltd. At the end of 2021, the total market value of these investments (excluding cash in the COIF Charities Deposit Fund) was £2,083,303 (2020: £1,824,357), of which approximately 86% was held in Charities Investment Fund units and 14% in Charities Property Fund units. A small proportion of the listed investments are also managed by Investec (see below). Trustees are mindful of the economic impact of the Covid-19 pandemic and the wider geo-political factors impacting portfolios, which might mean the possibility of a reduction in investment income in the short to medium term.

With respect to the £200,000 settlement earned from the loss of rights to light in November 2015 and placed with Investec to manage, this was invested in a range of funds, equity holdings and other securities. The market value of these investments stood at £126,541 as at 31 December 2021 (2020: £114,988). £82,162 is now held in cash at Investec; an amount was drawn down in June 2020 to boost unrestricted cash reserves in light of fluctuations to Trust income in 2020-22 and the remaining balance will be drawn on to support grant expenditure in 2022 and 2023.

## **Fundraising**

The Trust does not work with any commercial or professional fundraisers and does not solicit donations from the general public.

## **Reserves Policy**

The charity's reserves are divided between the expendable endowment, consisting of investments held for the purposes of income generation, and the income reserves. The Trustees may, if necessary, draw on the expendable endowment to further the objects of the charity, but their policy is to retain these funds to support income generation.

The income reserves are money which has been received as income generated by the permanent endowment and the expendable endowment. In general, the Trustees' policy is that income reserves should be held at a level equivalent to between 3 and 6 months' normal expenditure (including expenditure on grants), and this is deemed to be £108,000.

If for any reason a fall in income is anticipated, then the utilisation of the capital value of expendable endowment funds may be increased to ensure that grant expenditure can be maintained during the trough in

income. When there is no reason to anticipate a future drop in income, and income reserves rise above the level of 6 months' normal expenditure including expenditure on grants, the Trust will take steps to increase its spending on grants to ensure that cash is not unnecessarily accumulated. Income reserves must always be held in accounts which can be accessed immediately, so that they can be drawn upon at any time.

The charity's reserves which are available for spending do not include its permanent endowment, invested in the investment properties. These properties are owned to provide income for the charity. If any of them were to be sold at any time, the proceeds could not be spent for the purposes of the charity, except with the express consent of the Charity Commission, but would have to be re-invested to continue to provide income.

An analysis of the distribution of the Trust's net assets between its permanent endowment, its expendable endowment, and its income reserve, is contained in note 10 to the accounts. The Trustees confirm the availability to Wakefield and Tetley Trust of assets to fulfil all its charitable obligations, and to ensure that all plans and commitments can be carried out. The value of income reserves i.e. the unrestricted funds was £167,065 explicitly, compared to the target of £108,000 so trustees are content that this is sufficient.

### **Policy on Ethical Investment**

Since the Trust's properties are let on long leases to head tenants who can in turn sub-let, the Trust is not able to adopt any ethical policy in relation to this part of its assets. The CCLA COIF Charity Funds are promoted as responsible funds that consider the economic, social and environmental impacts of the companies in which the Funds invest. The Funds avoid direct investment in armaments, gambling and tobacco, and have a proactive engagement policy on such issues as supply chain management, environmental impacts, human rights and labour standards.

### **Risks and Uncertainties**

The Trustees have assessed the major risks to which the Trust is exposed, particularly those relating to the operations and finances of the Trust, and are satisfied in general that systems are in place to protect grant-making activities and to guard against the possibility of fraud. The Trustees review the Risk Register annually. The financial risks to the Trust are assessed as low, since the Trust has large and diversified endowments which produce a secure and regular income, while most of the Trust's expenditure is on grants, and can be relatively easily and quickly adjusted if at any time there is a reduction in income. However, like any grant-giving charity, the Trust must face the possible risk of fraud, and the risk that grants might be used for purposes outside the Trust's objects. Procedures are in place to guard against these risks so far as possible, and there have been no identified cases in recent years of fraud or of inappropriate use of the Trust's grants. The 2021 Risk Register noted no risks assessed as major or needing urgent mitigating action.

### **Going Concern**

The Trustees believe that there are no material uncertainties that may cast significant doubt about the ability of the Trust to continue as a going concern. Even given the ongoing challenges of the pandemic emergency, and the impact this still continues to have on the commercial property market in London, and now concerns about the wider economic outlook, which has resulted in significant falls in capital values in 2022, the Trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

### **Plans for Future Periods**

The Trustees' plan to hold a financial and strategic review was delayed by the pandemic crisis and that review will now be held during 2022, to help determine a new three-year strategic plan. The review will look at the needs of communities in the three boroughs of Tower Hamlets, Southwark and the City of London. We will consult with local authorities, charities and community groups as well as other local funders, to assess the

priorities for our support and how to achieve the best outcomes with our funds. Another priority during the year will be to recruit two further new Trustees, to bring the Board to maximum capacity. The Trustees will also work to ensure that income from investments and commercial property rents is maximized to support grant-making ambitions.

### **Trustees' responsibilities in relation to the financial statements**

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales 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 Trust and of the income and expenditure of the Trust for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in 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);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom accounting standards have been followed, subject to any material 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 Trust will continue in operation.

The Trustees are responsible for keeping proper records which disclose with reasonable accuracy the financial position of the Trust and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the Trust's assets and hence taking reasonable steps for the prevention and detection of fraud and breaches of law and regulations.

The Trustees are responsible for the maintenance and integrity of the Trust and financial information included on the Trust's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### **Statement of disclosure to auditor**

So far as the Board of Trustees is aware:

- a) there is no relevant audit information of which the Trust's auditors are unaware; and
- b) they have taken all steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the Trust's auditors are aware of that information.

Patrick Kelly

Tim McNally

09/09/2022

22/09/2022

Date

Date

## **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF WAKEFIELD AND TETLEY TRUST**

### **Opinion**

We have audited the accounts of Wakefield and Tetley Trust (the 'Trust') for the year ended 31 December 2021 which comprise the statement of financial activities, the balance sheet, principal accounting policies and the notes to the accounts. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- ◆ give a true and fair view of the state of the charity's affairs as at 31 December 2021 and of 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 Charities Act 2011.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

In auditing the accounts, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the accounts is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the accounts are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.



### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report and accounts, other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the accounts or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which 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 accounts; or
- ◆ sufficient accounting records have not been kept; or
- ◆ the accounts 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.

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the accounts**

Our objectives are to obtain reasonable assurance about whether the accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these accounts.



### **Auditor's responsibilities for the audit of the accounts (continued)**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

How the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We identified the laws and regulations applicable to the charity through discussions with management and from our knowledge and experience of the charity sector;
- We focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to the Charities Act 2011, Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102), and those laws and regulations that relate to the ownership and rental of real estate in the UK; and
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries with management and those charged with governance and review of minutes of trustees' meetings.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- Making enquiries of management and those charged with governance as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships;
- Reviewed journal entries to identify unusual transactions;
- Tested the authorisation of expenditure including grant awards;
- Assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- Investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures

which included, but were not limited to:

- Agreeing financial statement disclosures to underlying supporting documentation;
- Reading the minutes of meetings of trustees; and
- Enquiring of as to actual and potential litigation and claims.

As a result of our procedures we did not identify any key audit matters relating to irregularities.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Buzzacott LLP  
Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL

Date 29 September 2022

Buzzacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

# Statement of Financial Activities (Incorporating Income and Expenditure Account)

For the year ended 31 December 2021

Wakefield and Tetley Trust

	Notes	Unrestricted Funds	Endowment Funds	Total Funds 2021	Unrestricted Funds	Endowment Funds	Total Funds 2020
		£	£	£	£	£	£
<b>Income and Endowments from:</b>							
Investments	2	389,086	-	389,086	346,942	-	346,942
Other income	2	31,752	-	31,752	30,213	-	30,213
<b>Total</b>		<b>420,838</b>	<b>-</b>	<b>420,838</b>	<b>377,155</b>	<b>-</b>	<b>377,155</b>
<b>Expenditure on:</b>							
Raising Funds	3	9,076	-	9,076	20,354	-	20,354
Charitable Activities	3	454,533	-	454,533	422,605	-	422,605
<b>Total</b>		<b>463,609</b>	<b>-</b>	<b>463,609</b>	<b>442,959</b>	<b>-</b>	<b>442,959</b>
<b>Net expenditure before investment gains and losses</b>		<b>(42,771)</b>	<b>-</b>	<b>(42,771)</b>	<b>(65,804)</b>	<b>-</b>	<b>(65,804)</b>
Gains (losses) on investments	6c	9,381	258,946	268,327	(12,320)	80,483	68,163
Unrealised (loss) on revaluation of fixed assets		-	(2,715,000)	(2,715,000)	-	-	-
<b>Net (expenditure)/income</b>		<b>(33,390)</b>	<b>(2,456,054)</b>	<b>(2,489,444)</b>	<b>(78,124)</b>	<b>80,483</b>	<b>2,359</b>
<b>Reconciliation of Funds</b>							
Funds brought forward	9,10	200,455	11,194,357	11,394,812	278,579	11,113,874	11,392,453
Funds carried forward		<b>167,065</b>	<b>8,738,303</b>	<b>8,905,368</b>	<b>200,455</b>	<b>11,194,357</b>	<b>11,394,812</b>

# Balance Sheet

As at 31 December 2021

## Wakefield and Tetley Trust

	Notes	2021 £	2020 £
<b>Fixed Assets:</b>			
Tangible fixed assets	5	3,433	4,540
Investments	6a	8,947,006	11,411,834
<b>Total Fixed Assets:</b>		<b>8,950,439</b>	<b>11,416,374</b>
<b>Current assets:</b>			
Debtors	7	40,857	53,211
Cash at bank and in hand		136,992	213,151
<b>Total Current assets:</b>		<b>177,849</b>	<b>266,362</b>
<b>Liabilities</b>			
Creditors: Amounts falling due within one year	8	222,920	287,924
<b>Total Liabilities</b>		<b>222,920</b>	<b>287,924</b>
<b>Net current liabilities</b>		<b>(45,071)</b>	<b>(21,562)</b>
<b>Total net assets</b>		<b>8,905,368</b>	<b>11,394,812</b>
<b>Total funds of the charity</b>			
Endowment funds	9,10	8,738,303	11,194,357
Unrestricted funds	9,10	167,065	200,455
<b>Total Funds of the Charity</b>		<b>8,905,368</b>	<b>11,394,812</b>

Registered Charity Number : 1121779

The financial statements on pages 19 to 29 were approved by the Trustees and signed on its behalf by:

Patrick Kelly Name: \_\_\_\_\_ Signature: \_\_\_\_\_ Date: \_\_\_\_\_

09/09/2022

Tim J McNally Name: \_\_\_\_\_ Signature: \_\_\_\_\_ Date: \_\_\_\_\_

22/09/2022

# Notes to the Accounts

For the year ended 31 December 2021

Wakefield and Tetley Trust

## 1. Accounting Policies

### Basis of Preparation and assessment of going concern

The accounts are prepared for the year to 31 December 2021 with comparative information provided in respect of the year to 31 December 2020. All figures are presented in Sterling to the nearest pound.

The financial statements have been prepared under the historical cost convention, with the exception that investments and functional freehold properties are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and the Charities Act 2011.

The Trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern. With respect to the next reporting period, the most significant areas of uncertainty that affect the carrying value of assets held by the Trust are the level of investment return and the performance of investments.

The Charity constitutes a public benefit entity as defined by FRS 102.

### Critical accounting estimates and areas of judgment

Preparation of the accounts require the Trustees and management to make significant judgments and estimates. The items in the accounts where these judgment and estimates have been made include:

- The Trustees' assessment of fair value of investment properties. Also, see policy note 'Investments' below for further commentary on the basis of valuation;
- The basis of allocating support costs across different categories of charitable expenditure;
- The rates of depreciation being applied in order to write off tangible fixed assets over their useful economic lives.

### Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably. Rental income is recognised on the accruals basis; rent free periods are apportioned over the life of the lease. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment managers of the dividend yield of our holdings.

### Expenditure and irrecoverable VAT

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings. For more information on this attribution refer to note 3 below.

Irrecoverable VAT is charged against the category of expenditure for which it was incurred.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Trust. In the case of an unconditional grant offer, this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the grant.

### Raising Funds

Expenditure on raising funds includes the cost of managing the Trust's listed investments and the cost of upkeep of the Trust's investment properties.

### Charitable Activities

Costs of charitable activities includes grants, support and governance costs.

### Allocation of overhead and support costs

Overhead and support costs are allocated between support costs and governance. It is considered that more is spent monitoring and assessing grants of greater value. The allocation of overhead and support costs is analysed in note 3.

### Governance costs

Governance costs comprise all costs involving the public accountability of the Trust and its compliance with regulation and good practice. These costs include costs related to statutory audit fees together with an apportionment of overhead and support costs.

### **Tangible fixed assets**

The freehold properties used for the purpose of the Trust's beneficiaries are carried on the balance sheet at valuation. The properties were revalued last by the Trust's professional advisers in March 2022 and the Trustees consider that this is a fair reflection of the value at 31 December 2021. The Trustees are of the opinion that any potential depreciation charge would be immaterial as the estimated useful life of the properties is very long and the estimated residual values of the assets are close to the carrying amounts as the properties undergo a regular programme of maintenance. Office equipment, defined as those assets with an ongoing use to the Trust are shown at cost, and written off over their useful lives.

For the Vicarage, 43 Trinity Square, the Parish was granted a 99-year lease in January 1986, for which a peppercorn rent is payable for the ground and upper floors of this property. These areas of the property are not susceptible to meaningful valuation and are therefore excluded from the valuation of tangible fixed assets.

Depreciation is calculated to write off the cost of fixed tangible assets by equal annual instalments over their estimated useful lives at the following rates:

Fixtures and fittings - 25% straight line

Office equipment - 25% straight line

### **Investments**

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Trust does not acquire put options, derivatives or other complex financial instruments. The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk and changes in sentiment concerning equities and within particular sectors or sub-sectors.

Investment properties are shown in the accounts at their market value based on the last independent revaluation in March 2022 which is considered to be the best estimate of the properties' fair value as at 31 December 2021. They are held for the long term to provide income for future grant payments.

### **Realised gains and losses**

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

### **Fund accounting**

The Permanent Endowment Fund represents the original investment of the capital of the Trust in properties. Gains and losses on disposals and on revaluation of these properties are recognised in the statement of financial activities. The Expendable Endowment Fund represents the original investment of the capital of the Trust in the functional property and other investments. Gains and losses on disposals and on revaluation of these properties and investments are recognised in the statement of financial activities.

The Income Fund represents the unrestricted funds of the Trust, with all income generated being spent in accordance with the terms of the Trust's constitution. Gains and losses on disposal or revaluation of properties and other investments held within this fund are recognised in the Statement of Financial Activities and taken to the Income Fund.

### **Pension costs**

The Trust does not run its own separate scheme but regular payments are made into the employees' own personal pension plans.

### **Cashflow**

The disclosure exemptions permitted by the Charities SORP FRS 102 have been taken advantage of in these financial statements and a statement of cash flows has not been prepared.

### **Leases**

Rental income from operating leases is recognised on a straight-line basis after adjusting for any lease incentive over the term of the relevant lease.

**2. Income**

	2021 £	2020 £
	Unrestricted Funds	Unrestricted Funds
<b>Investments</b>		
Rental income from investment properties	327,298	283,909
Income from dividends	61,783	62,883
Bank interest	5	150
<b>Total investments</b>	<b>389,086</b>	<b>346,942</b>
Other income	31,752	30,213
<b>Total Income</b>	<b>420,838</b>	<b>377,155</b>

All income is unrestricted.

**3. Analysis of expenditure****(a) Expenditure on raising funds**

	2021 £	2020 £
Investment management fees	1,156	1,766
Maintenance of investment properties	7,920	18,588
<b>Total expenditure on raising funds</b>	<b>9,076</b>	<b>20,354</b>

**(b) Expenditure on charitable activities**

	2021 £	2020 £
Grants (note 3c)	276,423	254,391
Provision of facilities	11,755	7,286
<b>Direct grant giving activities</b>	<b>288,178</b>	<b>261,677</b>
Support costs	140,766	131,375
Governance costs	25,589	29,553
<b>Support and Governance costs</b>	<b>166,355</b>	<b>160,928</b>
<b>Total charitable expenditure</b>	<b>454,533</b>	<b>422,605</b>

The charity has allocated the share of staff and office costs according to the percentage of time spent on activities. These figures are inclusive of the costs of providing a service to Tower Hill Trust, which reimbursed £31,752 (2020: £30,213) in the year as a contribution to staff and pension costs, office and rental costs (included within Other Income). For governance, the Trust holds at least four formal meetings each year and staff time is calculated for the arrangement of those meetings and governance associated activities. No Trustees received any remuneration in the year (2020: £Nil).

During 2021, an amount of £6,621 (2020: £2,400 restated) was paid to maintain the Vicarage at 43 Trinity Square.

**(c) Grants reconciliation**

	<b>2021</b>	<b>2020</b>
	£	£
Outstanding obligations at 1 January (note 8)	131,885	164,546
Grants approved in the year	276,423	260,731
Grants withdrawn in the year	-	(6,340)
Grants paid in the year	(301,558)	(287,052)
<b>Outstanding obligations at 31 December (note 8)</b>	<b>106,750</b>	<b>131,885</b>

A list of approved grants for 2021 are shown in Appendix A.

**(d) Allocation of support costs and overhead**

	<b>Support Costs</b>	<b>Governance</b>	<b>Total Allocated</b>
	£	£	£
<b>Cost type</b>			
Staff costs	102,188	11,354	113,542
Pension costs	9,489	1,054	10,543
Office and rental costs	28,270	3,141	31,411
Audit fees	-	10,040	10,040
Legal and professional fees	819	-	819
<b>Total</b>	<b>140,766</b>	<b>25,589</b>	<b>166,355</b>

All expenditure in 2020 and 2021 was from unrestricted funds.

The audit fees of £10,040 consisted of £10,600 for the 2021 fee and an overprovision of £560 relating to the 2020 fee.

The charity has allocated the share of staff and office costs according to the percentage of time spent on activities, as follows:

<b>Cost type</b>	<b>Support costs</b>	<b>Governance costs</b>
Staff costs	90%	10%
Pension costs	90%	10%
Office rental and costs	90%	10%
Audit fees	0%	100%
Legal and professional fees	100%	0%



**4. Employee costs**

	<b>2021</b>	<b>2020</b>
	£	£
Salaries	105,430	99,984
Social security	8,113	7,384
Pensions	10,544	9,998
<b>Total Employee costs</b>	<b>124,087</b>	<b>117,366</b>

No employee earned more than £60,000 in emoluments.

The average weekly number of employees during the period was 2 (2020: 2).

The Trustees consider that they alone comprise the key management personnel of the Trust in charge of directing, controlling, running and operating the Trust. The Trustees are not remunerated for their services to the Trust.

**5. Fixed assets**

	<b>Fixtures and fittings</b>	<b>Office Equipment</b>	<b>Total</b>
	£	£	£
<b>Cost</b>			
At 1 January 2021	1,954	5,825	7,779
Additions	-	1,077	1,077
Disposals	-	-	-
<b>At 31 December 2021</b>	<b>1,954</b>	<b>6,902</b>	<b>8,856</b>
<b>Depreciation</b>			
At 1 January 2021	895	2,344	3,239
Charge for year	488	1,696	2,184
<b>At 31 December 2021</b>	<b>1,383</b>	<b>4,040</b>	<b>5,423</b>
<b>Net book value 31 December 2021</b>	<b>571</b>	<b>2,862</b>	<b>3,433</b>
<b>Net book value 31 December 2020</b>	<b>1,059</b>	<b>3,481</b>	<b>4,540</b>

**6. Investments****(a) Total Investments**

	2021 Unrestricted Fund	2021 Expendable Endowment Fund	2021 Permanent Endowment Fund	Total 2021	2020 Unrestricted Fund	2020 Expendable Endowment Fund	2020 Permanent Endowment Fund	Total 2020
	£	£	£	£	£	£	£	£
Investment Properties note 6 (b)	-	-	6,655,000	6,655,000	-	-	9,370,000	9,370,000
Listed Investments note 6 (c)	208,703	2,083,303	-	2,292,006	217,477	1,824,357	-	2,041,834
<b>Total</b>	<b>208,703</b>	<b>2,083,303</b>	<b>6,655,000</b>	<b>8,947,006</b>	<b>217,477</b>	<b>1,824,357</b>	<b>9,370,000</b>	<b>11,411,834</b>

**b) Investment properties**

	6-7 The Crescent	8-11 The Crescent	41 Trinity Square	42 Trinity Square	42 Crutched Friars	43 Trinity Square (basement)	Total
	£	£	£	£	£	£	£
At 1 January 2021	1,390,000	4,150,000	760,000	2,250,000	590,000	230,000	9,370,000
Impairment	(540,000)	(1,350,000)	(110,000)	(750,000)	(65,000)	100,000	(2,715,000)
At 31 December 2021	<b>850,000</b>	<b>2,800,000</b>	<b>650,000</b>	<b>1,500,000</b>	<b>525,000</b>	<b>330,000</b>	<b>6,655,000</b>
Historic cost	22,047	136,628	-	15,805	9,114	210,000	393,594
<b>Rental income:</b>							
Rents receivable during the year (note 2)	44,850	141,750	36,171	63,309	28,768	12,450	327,298

All properties were externally revalued as at 31 March 2022. The revaluation was prepared Gerald Eve LLP, external valuers, based on market value. The valuation report and valuations were carried out in accordance with the terms of the RICS Valuation - Global Standards (January 2020 edition) and the national standards and guidance set out in the UK national supplement (November 2018 edition) (collectively "the Standards") published by the Royal Institution of Chartered Surveyors (RICS) and IFRS 13 The Financial Reporting Standard applicable in the UK and Republic of Ireland. (Updated Standards were issued post the valuation date). The valuer confirmed the valuation was prepared by RICS Registered Valuers in accordance with the requirements of the Standards.

**(c) Listed Investments**

Investments are held for the purposes of income generation.

	Market value 31 Dec 2020	Additions	Disposals	Realised/ unrealised gains	Market value 31 Dec 2021
	£	£	£	£	£
COIF Charities Investment Fund (Expendable Endowment)	1,566,694	-	-	222,243	1,788,937
COIF Property Fund (Expendable Endowment)	257,663	-	-	36,703	294,366
	<b>1,824,357</b>	<b>-</b>	<b>-</b>	<b>258,946</b>	<b>2,083,303</b>
Investec (Unrestricted)	114,988	13,496	(11,324)	9,381	126,541
	<b>1,939,345</b>	<b>13,496</b>	<b>(11,324)</b>	<b>268,327</b>	<b>2,209,844</b>
Cash of a capital nature (Unrestricted)	102,489				82,162
<b>Total</b>	<b>2,041,834</b>				<b>2,292,006</b>

CCLA income received net of investment management fees, which are £1,156 (2020: £1,766 restated from £548)

**7. Debtors**

	2021	2020
	£	£
	Unrestricted Funds	Unrestricted Funds
Trade debtors	3,180	4,413
Property rental income accrued and owed	31,903	40,504
Prepayments	5,774	8,294
<b>Total Debtors</b>	<b>40,857</b>	<b>53,211</b>

**8. Creditors**

	2021	2020
	£	£
	Unrestricted Funds	Unrestricted Funds
Grants payable (note 3 (c))	106,750	131,885
Tax, social security and pensions	-	10
Trade creditors	904	4,809
Property rental income received in advance	80,874	116,586
Accruals	31,892	32,134
Other creditors	2,500	2,500
<b>Total Creditors</b>	<b>222,920</b>	<b>287,924</b>

The table below details property rental income received in advance

	Balance 1 Jan 2021	Cash received in year	Released to income	Deferred to 2022
41 Trinity Square	13,883	26,103	(36,171)	3,815
42 Trinity Square	15,827	63,309	(63,309)	15,827
6-7 The Crescent	9,907	41,700	(44,850)	6,757
8-11 The Crescent	57,750	126,000	(141,750)	42,000
42 Crutched Friars	12,568	21,600	(28,768)	5,400
The Wine Library	4,150	12,450	(12,450)	4,150
The Peter Minet Trust	2,501	11,168	(10,744)	2,925
	<b>116,586</b>	<b>302,330</b>	<b>(338,042)</b>	<b>80,874</b>

**9. Movement of Funds**

	2021 Unrestricted Fund	2021 Expendable Endowment Fund	2021 Permanent Endowment Fund	Total 2021	2020 Unrestricted Fund	2020 Expendable Endowment Fund	2020 Permanent Endowment Fund	Total 2020
	£	£	£	£	£	£	£	£
Balance 1 January	200,455	1,824,357	9,370,000	11,394,812	278,579	1,743,874	9,370,000	11,392,453
Income	420,838	-	-	420,838	377,155	-	-	377,155
Expenditure	(463,609)	-	-	(463,609)	(442,959)	-	-	(442,959)
Gains and losses	9,381	258,946	(2,715,000)	(2,446,673)	(12,320)	80,483	-	68,163
<b>Balance 31 December</b>	<b>167,065</b>	<b>2,083,303</b>	<b>6,655,000</b>	<b>8,905,368</b>	<b>200,455</b>	<b>1,824,357</b>	<b>9,370,000</b>	<b>11,394,812</b>

**10. Analysis of Funds**

	2021 Unrestricted Fund	2021 Expendable Endowment Fund	2021 Permanent Endowment Fund	Total 2021	2020 Unrestricted Fund	2020 Expendable Endowment Fund	2020 Permanent Endowment Fund	Total 2020
	£	£	£	£	£	£	£	£
Tangible fixed assets	3,433	-	-	3,433	4,540	-	-	4,540
Investment properties	-	-	6,655,000	6,655,000	-	-	9,370,000	9,370,000
Listed investments	208,703	2,083,303	-	2,292,006	217,477	1,824,357	-	2,041,834
Cash at bank and in hand	136,992	-	-	136,992	213,151	-	-	213,151
Debtors	40,857	-	-	40,857	53,211	-	-	53,211
Creditors	(222,920)	-	-	(222,920)	(287,924)	-	-	(287,924)
<b>Total</b>	<b>167,065</b>	<b>2,083,303</b>	<b>6,655,000</b>	<b>8,905,368</b>	<b>200,455</b>	<b>1,824,357</b>	<b>9,370,000</b>	<b>11,394,812</b>

**11. Trustees' Expenses and Related Party Transactions**

No trustees were paid expenses in 2021 (2020 : Nil)

There were no related party transactions in 2021 (2020: None)

**12. Operating lease commitments****Lessee**

At 31 December 2021, the charity had outstanding commitments for future minimum lease payments under non-cancellable leases which falls due as follows:

	2021 £	2020 £
Within one year	21,500	21,500
Between two and five years	26,875	48,375
	<u>48,375</u>	<u>69,875</u>

**Lessor**

At 31 December 2021, the charity had contracted with tenants for all the following minimum lease payments, which fall due as follows:

	2021 £	2020 £
Within one year	134,062	342,142
Between two and five years	342,866	406,277
In over five years	7,473,000	7,553,552
	<u>7,949,928</u>	<u>8,301,971</u>

This page does not form part of the statutory accounts.

## Appendix A

Grantee	Grant purpose	Due at 31 Dec 2020 (£)	Approved in 2021 (£)	Paid in 2021 (£)	Due at 31 Dec 2021 (£)
Ability Bow	Contribution to the cost of annual rent for premises	-	5,000	5,000	-
All Hallows	Core running costs and a Covid-19 emergency grant	39,375	55,000	39,375	55,000
Bancroft TMC	Emergency Covid-19 resources for tenants and leaseholders of Bancroft Estate	9,000	-	9,000	-
Bubble CIC	For the 'Bub Hub' online programme of creative workshops	-	5,800	5,800	-
Burdett FC	To support the establishment of a new Food Pantry in Poplar	10,000	-	10,000	-
Carers Centre Tower Hamlets	Health and wellbeing sessions for carers isolated due to Covid-19	4,400	-	4,400	-
Chain Reaction Theatre	A summer holiday scheme for 11-18 years	-	4,708	4,708	-
Community of Refugees from Vietnam	Vietnamese and Chinese Older People Befriending Service	-	5,000	-	5,000
East End CAB	Accessible advice pilot project in Tower Hamlets schools	10,000	50,000	35,000	25,000
East London Cares	Contribution to salaries and on-costs	-	12,500	12,500	-
English for Action	ESOL Hub and digital infrastructure costs	-	5,000	5,000	-
First Love Foundation	A new telephone triage and welfare advice service for food bank clients	10,000	-	10,000	-
Free to be Kids	Therapeutic nature-based residentials for young people in Southwark	-	2,000	2,000	-
Friends of Tower Hamlets Cemetery Park	Core costs to deliver therapeutic gardening sessions	-	3,000	3,000	-
Globe Community Project	Towards core staffing costs over 6 months	-	4,576	4,576	-
Island Advice Centre	Salary and on-costs for a new full time Advisor	-	37,500	18,750	18,750
Latin America Disabled People's Project	Digital equipment and on-costs for remote working	-	2,000	2,000	-
Legal Advice Centre	Covid-19 Special Support Project for users with complex needs	-	10,000	10,000	-
Limehouse Town Hall Consortium	To reduce barriers and widen access to the community space	-	4,200	4,200	-
London Bubble Theatre	To support a new generation of young female leaders	-	2,000	2,000	-
Neighbours in Poplar	Covid-19 response project for older people	-	3,000	-	3,000
Oceans Women's Association	Remote Covid-19 support project for Bangladeshi women on the Ocean Estate	4,610	-	4,610	-
Our Time	Kids Time Workshops over the summer in Tower Hamlets	-	4,000	4,000	-
Real DPO Ltd	Outreach to isolated disabled people in Tower Hamlets	5,500	-	5,500	-
Renaissance Foundation	Towards core costs over 5 months	-	5,000	5,000	-
Shadwell Community Projects	Outreach and onsite play at Glamis Adventure Playground	-	4,800	4,800	-
Southwark Day Centre for Asylum Seekers	Emergency remote advice service over 1 month	-	2,000	2,000	-
Spitalfields City Farm	Core costs to enable the Farm to provide Covid-19 emergency support services and reopen when safe to do so	-	5,000	5,000	-
St Hilda's East Community Centre	Covid-19 outreach service for at risk older people	-	23,000	23,000	-
St Peter's Community Wellbeing Project	Bangladeshi women's wellbeing project	-	15,000	15,000	-
The Feast Youth Project	Contribution to cost of a new Youth Worker	-	2,500	2,500	-
Toyhouse Centre	Support for up to 100 vulnerable mums to be and babies to flourish	-	3,839	3,839	-
Toynbee Hall	Core delivery costs for the First Response Advice service over 3 months	20,000	-	20,000	-
Clean slate (awarded in 2019)		5,000	-	5,000	-
Splash (awarded in 2019)		(1,000)	-	(1,000)	-
EECF (awarded in 2019)		15,000	-	15,000	-
<b>Total</b>		<b>131,885</b>	<b>276,423</b>	<b>301,558</b>	<b>106,750</b>