

TOTTENHAM DISTRICT CHARITY

REPORTS AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

TOTTENHAM DISTRICT CHARITY

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LEGAL AND ADMINISTRATION INFORMATION

<u>Trustees:</u>	Mr Andrew Krokou	Chair
	Dr. S. Whittle	Vice Chair
	Councillor S. Peacock	
	Mr Peter Jones	Left 16 May 2021
	Councillor G Bull	
	Rev Dr Bunmi Fagbemi	Left 16 June 2021
	Cllr Kaushika Amin	Joined 16 May 2021
	Toni Mallett	Joined 24 November 2021
	Rev Andrew Williams	Joined 24 November 2021
	Cllr Lorna Reith	
	Cllr Reg Rice	
	Mark Grosskopf	
	Cllr Bibi Khan	
	Clive Boutle	Left 21 June 2021
	Cllr Tammy Palmer	

Charity Number: 207490

Address: Tottenham District Charity
Town Hall Approach Road
Tottenham
London
N15 4RY

Independent Examiner: A A Bofo - Brewu, FCCA MBA
Augustus & Co.
Chartered Certified Accountants & Registered Auditors
374 Ley Street
Ilford, Essex
IG1 4AE

Investment Managers: Gracechurch Wealth Management LLP
EFX House
1 Boycott Avenue
Oldbrook
Milton Keynes
MK6 2RW

Bankers: Barclays Bank PLC
Wood Green
London
N22 6QQ

TOTTENHAM DISTRICT CHARITY

Trustees Annual Report for the year ended 31 March 2022

The trustees submit their annual report together with the financial statements for the year ended 31 March 2022. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities in preparing theirs in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014.

Governing Document

The Charity was registered on 15 May 1962. It is governed by trust deed dated 21 October 1970 and 24 July 1980.

Objectives

The main objects of the charity are the provision of assistance in the form of grants to the poorer residents in Tottenham and those who are house bound due to sickness, particularly old people. In addition, the charity provides grants in the form of monthly pensions to the older and poorer residents in Tottenham, North London to supplement the State pension.

Review of Activities

The accounts for the year under review are attached. The main incomes of the charity are dividends from investments and rent from investment properties. The investments are a combination of Restricted and Unrestricted Funds. Income from investment properties, restricted and unrestricted funds are expended to achieve the objectives of the charity. The total income for the year under review was £220,577 and expenditure was £161,672.

Trustees Selection Method

The board of Trustees consist when complete of twelve persons made up of seven Nominative and five Co-optative Trustees. The Trustees are persons who through residence, occupation, or employment, or otherwise have special knowledge of Tottenham area. The Council of London Borough of Haringey appoints the Nominative Trustees for a term of four years. Co-optative Trustees are appointed for a term of five years by a resolution of the Trustees passed at a special meeting.

Achievement and Activities During the Year

The charity currently has around 102 active pensioners on its list who are paid £400 each annually. These are paid half yearly in April and October. The maximum number of pensioners the charity can offer the pension at a time is 150 and they must be resident in Tottenham, North London. The total spent in pensions and bonuses during the year under review amounted to £43,265. In addition, grant-in-aid totalling £83,488 was given out to approved applicants during the year which comprises of General grant of £40,958 and Covid-19 Relief Grant of £42,500 received from London Borough of Haringey for the provision of food and essential items to the poorest and most vulnerable in Tottenham

How our activities deliver public benefits

Our main activities and who we try to help are as described in objectives and activities. All the charitable activities focus on those objectives to further our charitable purposes for the public benefit.

Reserve Policy

The current policy of the Charity is to distribute all income generated during the year to fulfil its objectives. The Trustees will review this policy from time to time. The current unrestricted reserve of the charity is £684,047.

Grant Making Policy

Grants are generally given to residents in Tottenham whose applications are assessed by the Grants Sub-Committee based on laid down criteria and conditions.

Plans for the future

The charity will continue in the foreseeable future to help alleviate the financial burden on the vulnerable and the old who are resident in Tottenham, North London.

Investment policy and performance

The investment policy of the charity will continue to be the mixed portfolio of properties and stock. The overall performance has been good and the annual returns adequate for income needs. The trustees' financial advisor is Gracechurch Wealth Management LLP.

Total growth on the portfolio over the 5-year period up until 31st March 2022 has been **39.64%**. This remains well ahead of our benchmark, and despite the restrictions imposed by an Ethical mandate, the portfolio has significantly outperformed the average fund in the peer group. The average fund has increased by **18.33%** over the same period thus outperformance over the past 5 years has been **21.31%**. To put this another way; the portfolio has returned over twice that of the average fund in the sector over the period.

In monetary terms, the portfolio decreased by **£135,356** between the valuations dated 01/11/2021 and 31/03/2022.

The CAP 'Balanced Ethical' portfolio has faced a number of significant challenges since the beginning of 2022. Soaring inflation and concerns over tightening monetary policy have weighed heavily on the financial markets. The Russian invasion of Ukraine has then added further complexity to an already uncertain economic scenario. We have seen commodity prices steadily rising; China's zero policy on Covid infection has prompted further lockdown in China adding more pressure to the constrained supply chain issue, and Central banks across the developed world have started to raise interest rates to try and help tackle inflation.

The portfolio has come under pressure this year due to the significant focus on growth companies. In the current environment of rising interest rates, growth equities have been hit the hardest, which is reflected in the current valuation. Whilst the Balanced Ethical portfolio isn't immune from poor markets, we have been able to limit to the downside by making a series of tactical changes. We have an overweight position in 'infrastructure', which is one of the very few asset classes that has returned positively during the period. We have also decreased our overall equity allocation to help dampen the volatility.

Whilst it is disappointing to report our first loss, it has been good to see the changes we have made to the portfolio over the period contributing so positively to protecting the valuation.

Despite the downturn in both the equity and bond market, the infrastructure and sustainable property allocation to the portfolio has contributed positively to performance. We also have exposure to the Healthcare sector which has been one of the best performing sectors in the equity market over the period.

Overall the portfolio has held up well in what has been a particularly challenging period for the markets.

Risk management

The charity does not envisage any operational risk in view of its small size. The area of possible risk is return on investment and performance, but it is hoped that with the appointment of a professional financial advisor this will be mitigated.

Statement of Trustees Responsibilities

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 & 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 charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- a) select suitable accounting policies and apply them consistently;
- b) observe the methods and principles in the Charities SORP;
- c) make judgments and estimates that are reasonable and prudent;
- d) state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- e) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

Declaration

I declare, in my capacity of charity trustee that:

1. The trustees have approved the report above on 30 June 2022 and
2. Have authorised me to sign on their behalf



Name Andrew Krokou
Position: Chair

TOTTENHAM DISTRICT CHARITY

Independent Examiner's Report to the Trustees of Tottenham District Charity

I report to the trustees on my examination of the financial statements of Tottenham District Charity ('the charity') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet and related notes.

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in this report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my work, for this report, or for the opinions I have formed.

Responsibilities and basis of report

As the trustees of the charity, you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the financial statements. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently, I express no opinion as to whether the financial statements present a 'true and fair' view and my report is limited to those specific matters set out in the independent examiner's statement.

Independent examiner's statement

If the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011. Your income for the year was below this amount. I confirm that I am qualified to undertake the examination because I am a member of ACCA which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- accounting records were not kept in respect of the charity as required by section 130 of the Act; or
- the financial statements do not accord with those records; or
- the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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 to enable a proper understanding of the financial statements to be reached.



A A Bofo – Brewu FCCA. MBA

Augustus & Co
Chartered Certified Accountants & Registered Auditor

Dated: 11 July 2022

374 Ley Street
Ilford
Essex IG1 4AE

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted Funds	Endowment Fund	Total Funds 2022	Total Funds 2021
		£	£	£	£
<u>Income and endowments</u>					
<u>Donations and legacies:</u>					
Donations	2	49,800	-	49,800	250
Investment Income	2	170,777	-	170,777	142,677
Total Incoming resources		220,577	-	220,577	142,927
<u>Expenditure</u>					
Costs of raising funds:					
Investment management cost	4	15,155	-	15,155	13,790
Expenditure on charitable activities:					
Pensions	6	50,045	-	50,045	55,450
Grants	6	96,471	-	96,471	64,248
Sub Total		146,516	-	146,516	119,698
Total expenditure		161,672	-	161,672	133,488
Net income/(expenditure) before gains/(losses) on investments		58,905	-	58,905	9,439
Gains on Land Building	7	-	-	-	-
Gains on Investment	8	9,899	34,791	44,690	421,935
Net movement in funds		68,804	34,791	103,595	431,374
Reconciliation of Funds					
Total Funds brought forward		615,243	2,959,997	3,575,240	3,143,866
Fund balances carried forward at 31 March 2022		684,047	2,994,788	3,678,835	3,575,240

The Notes on pages 8 to 11 form part of these accounts

TOTTENHAM DISTRICT CHARITY

BALANCE SHEET AS AT 31 MARCH 2022

	Notes	Unrestricted Funds	Endowment Fund	Total Funds 2022	Total Funds 2021
		£	£	£	£
<u>FIXED ASSETS:</u>					
Tangible Assets	7	-	1,372,700	1,372,700	1,372,700
Investments	8	461,520	1,622,088	2,083,608	2,038,918
Total Fixed Assets		461,520	2,994,788	3,456,308	3,411,618
<u>CURRENT ASSETS:</u>					
Debtors	9	32,207	-	32,207	49,825
Cash at bank and in hand	9	196,510	-	196,510	130,011
Total Current Assets		228,717	-	228,717	179,836
<u>LIABILITIES:</u>					
Creditors: Amount falling due within one year	10	6,190	-	6,190	16,214
Net Current Assets		222,527	-	222,527	163,622
Net Assets		684,047	2,994,788	3,678,835	3,575,240
<u>Total Fund of the charity</u>					
	11				
Permanent Endowment Fund		-	2,994,788	2,994,788	2,959,997
Unrestricted funds		684,047	-	684,047	615,243
		684,047	2,994,788	3,678,835	3,575,240

Approved and Signed on behalf of Trustees on 30 June 2022

Signature: 
Andrew Krokou - Chair

Signature: 
Dr S. Whittle - Vice Chair

The Notes on pages 8 to 11 form part of these accounts

NOTES TO THE ACCOUNTS

1 Accounting Policies

a) *Basis of preparation and assessment of going concern*

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on July 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

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

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

b) *Funds structure policy*

The charity maintains a general unrestricted fund which represents funds which are expendable at the discretion of the trustees in furtherance of the objects of the charity.

Restricted funds have been provided to the charity for particular purposes, and it is the policy of the board of trustees to carefully monitor the application of those funds in accordance with the restrictions placed upon them.

c) *Income recognition*

All income is recognised once the charity has entitlement to the income, there is sufficient certainty or receipt and so it is probable that the income will be received, and the amount of income received can be measured reliably.

Taxation

As a registered charity, the company is exempt from income and corporation tax to the extent that its income and gains are applicable to charitable purposes only. Value Added Tax is not recoverable by the company, and is therefore included in the relevant costs in the Statement of Financial Activities.

d) *Investments*

Fixed assets investments are shown at market value at the balance sheet date.

e) *Freehold Land Building*

The charity has three freehold properties which are held for investment purposes. During the year under review, no valuation was undertaken by the charity's Honorary Valuer who is the Head of Corporate Property Services of London Borough of Haringey and a member of the Royal Institute of Chartered Surveyors (RICS)

f) *Recognition of Expenditure*

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes VAT as the charity is not registered for VAT and therefore is reported as part of the expenditure to which it relates.

- Costs of generating funds comprise the costs associated with attracting grant income.

- Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities for old residents in Tottenham area. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them. Support cost are therefore not shown separately in the statement of financial activities.

- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Charity and include the independent examiner fees and costs linked to the strategic management of the charity.

g) *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 subsequently 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.

	2022 £	2021 £
Donations and legacies:		
2 Donations	49,800	250
	49,800	250
Investment income:		
Rent Receivable	115,761	87,500
Dividends - Equities	55,000	55,000
Interest on cash deposits	16	177
	170,777	142,677
Investment management cost		
Investment management fees	15,155	13,788
	15,155	13,788

In 2022 all £15,155 (2021: £13,788) of investment management cost were attributed to endowment fund.

5 Allocation of governance and other support costs

Since the charity has no employees all cost are allocated to governance costs

	2022 £	2021 £
Governance costs		
Secretarial Services	9,345	8,900
Accountancy & Bookkeeping	6,530	6,200
Independent Examiner's fee	2,547	2,426
Sundry Expenses	1,342	2,173
	19,764	19,698

6 Analysis of charitable expenditure

The charity undertakes its charitable activities through grant making to individuals and pensions to old age pensioners who should be resident in Tottenham, North London.

	Grant /Pension Funded activity	Governance cost	2022 Total £	2021 £
Funded from unrestricted fund				
Pensions/Bonus	43,295	6,751	50,045	55,450
Grants	83,458	13,013	96,471	64,249
	126,752	19,764	146,516	119,699

Governance costs are apportioned in proportion to the total cost of Pension and Grants respectively.

NOTES TO THE ACCOUNTS

7 Tangible Fixed Assets

Freehold Land & Buildings	708 High Rd London N17 £	710 High Rd. London N17 £	724-6 High Rd. London N17 £	TOTAL £
Value at 1 April 2021	450,600	296,600	625,500	1,372,700
Revaluation Gain/(Losses)	-	-	-	-
Value at 31 March 2022	<u>450,600</u>	<u>296,600</u>	<u>625,500</u>	<u>1,372,700</u>
Value at 31 March 2021	<u>450,600</u>	<u>296,600</u>	<u>625,500</u>	<u>1,372,700</u>

8 Fixed Asset Investments

Restricted Fund

Permanent Endowment Fund:

	2022 £	2021 £
Market value brought forward at 1 April 2021	1,587,297	1,283,204
Prior Year Adjustment	-	(24,383)
Addition during the year	-	-
	<u>1,587,297</u>	<u>1,258,821</u>
Add: Net gain on revaluation- Investments	34,791	328,477
Market value as at 31 March 2022	<u>1,622,088</u>	<u>1,587,297</u>

Unrestricted Fund

Market value brought forward at 1 April 2021	451,621	365,098
Prior year adjustment	-	(6,936)
Net movement in Unrestricted Funds during year:	<u>451,621</u>	<u>358,162</u>
General Fund	9,899	93,459
Market value as at 31 March 2022	<u>461,520</u>	<u>451,621</u>

Investment at market value comprised:

	2022	2021
Equities	2,083,608	2,038,918
Total	<u>2,083,608</u>	<u>2,038,918</u>

9 Analysis of current assets

Debtors

	2022 £	2021 £
Insurance & Rent income due - 710 High Road	29,707	2,481
Insurance & Rent income due - 708 High Road	5,500	5,549
Rent due - 724-726 High Road	(3,000)	41,795
	<u>32,207</u>	<u>49,825</u>
Cash at bank	196,510	130,010
	<u>228,717</u>	<u>179,835</u>

Debtors and Cash at bank related to unrestricted funds.

10 Creditors under 1 year

Independent Examiner's fee	2,547	2,426
Professional Fee	3,644	13,788
	<u>6,190</u>	<u>16,214</u>

All creditors relate to unrestricted funds

11 Analysis of charitable fund

Analysis of Fund Movements	Balance B/Fwd £	Income	Expenditure	Transfers £	Gain and Losses £	Fund C/Fwd £
Permanent Endowment Fund	2,959,997	-	-	-	34,791	2,994,788
Unrestricted Funds	615,243	220,577	(161,672)	-	9,899	684,047
	<u>3,575,240</u>	<u>220,577</u>	<u>(161,672)</u>	<u>-</u>	<u>44,690</u>	<u>3,678,835</u>

12 Employees' Remuneration

The charity had no employees during the year under review.

13 Related Party Transactions and Trustees' Remuneration & Expenses

No remuneration directly or indirectly out of the funds of the charity was paid or payable to any trustee or to any person or persons known to be connected with any of them.

No reimbursement of expenses has been made or is due to be made to any of the trustees in respect of the year.