

Company No. 02827835 (England & Wales)
Charity No. 1040962

TOWER HAMLETS EDUCATION BUSINESS PARTNERSHIP LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

For the Year Ended 31 August 2018

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TOWER HAMLETS EDUCATION BUSINESS PARTNERSHIP LIMITED

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TOWER HAMLETS EDUCATION BUSINESS PARTNERSHIP LIMITED

Legal and Administrative Information

For the Year Ended 31 August 2018

TRUSTEES/DIRECTORS

Mark Campbell	(Chair)	Clifford Chance
Christine McInnes		London Borough of Tower Hamlets
Richard Foley		Sir John Cass Foundation
Michael Furtado	(resigned March 2018)	Bank of America
Emily Huns	(resigned October 2017)	Queen Mary University of London
Gerry McDonald		New City College (Principal)
David Pack		Corporation of London
Michelle Quest		KPMG
Esra Turk		Barclays
Sarah Barnes	(Appointed on 21 March 2018)	Queen Mary University of London
Saïam Ahmed	(Appointed on 21 March 2018)	UCL Institute of Clinical Trials & Methodology
Jennie Bird	(Appointed on 21 March 2018)	Harry Gosling School
Jemima Reilly		Morpeth School
Iveren Yongo	(Appointed on 21 March 2018)	Travelers
Jonathan Bendall	(Appointed on 21 March 2018)	Morgan Stanley

SECRETARY

Helen Sanson

REGISTERED OFFICE

Norvin House, 45-55 Commercial Street, London, E1 6BD

COMPANY NUMBER

02827835

CHARITY NUMBER

1040962

BANKERS

HSBC, 75 Whitechapel Road, London E1 1DU

Santander, 298 Deansgate, Manchester M3 4HH

Close Brothers, 10 Crown Place, London EC2A 4FT

SOLICITORS

Russell-Cooke, 2 Putney Hill, Putney, London SW15 6AB

AUDITORS

Goldwins, 75 Maygrove Road, West Hampstead, London NW6 2EG

TOWER HAMLETS EDUCATION BUSINESS PARTNERSHIP LIMITED

Trustees' Report

For the Year Ended 31 August 2018

The trustees (who are also the directors) present their report and the audited financial statements of the charitable company for the year ended 31 August 2018. The statutory information is shown on Page 1.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Tower Hamlets Education Business Partnership is a registered charity and company limited by guarantee. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. The governing document is the Articles of Association which was amended in November 2014 to incorporate the Memorandum and to change our articles to include the provision of working nationally.

The Articles of Association (Section 32) define who should be Trustees of Tower Hamlets Education Business Partnership. Trustees are recruited against the criteria laid out in Section 32.

New Trustees are briefed by the Chief Executive and the Chairman.

Trustees take decisions affecting the strategy of the Education Business Partnership and issues affecting the statutory responsibilities of the organisation. The Chief Executive takes decisions affecting the day to day running of the organisation.

As a charity reliant on securing year on year funding, the major risk facing the Education Business Partnership is financial. We are continuing to focus on seeking new and alternative income streams to fund activities and have implemented a new partnership model to provide more sustainable corporate income.

OBJECTS AND ACTIVITIES

Tower Hamlets Education Business Partnership seeks to encourage businesses and their employees to invest time and other resources in all Tower Hamlets Primary, Secondary and Special Needs schools to help raise aspirations and achievement and develop students' basic, employability, enterprise and financial literacy skills. In addition, following the change to the Articles of Association, our strategic aim is to deliver our programmes and core activities in other geographical areas which face similar levels of economic and social deprivation. A target area for growth is Royal Greenwich, and work has continued this year in some Greenwich Secondary schools after securing two small grants. We have continued to deliver and support programmes in Wales, Bournemouth, Essex and Kent. Our vision is that all young people will learn more, do more and become more because of participating in our programmes.

Despite the wealth and employment opportunities in Canary Wharf and the neighbouring City of London, deprivation is widespread in Tower Hamlets. The Borough is one of the most deprived communities in the country and the most deprived of all London's Boroughs. There is entrenched inter-generational unemployment coupled with poverty of experience and aspirations for Tower Hamlets' school children. Our programmes are the catalyst in changing this damaging cycle of deprivation.

TOWER HAMLETS EDUCATION BUSINESS PARTNERSHIP LIMITED

Trustees' Report

For the Year Ended 31 August 2018

Students in Tower Hamlets and Royal Greenwich experience a range of social and economic inequalities. For example, for 74% of Tower Hamlets pupils English is a second language and in January 2018 41% of pupils qualified for free school meals against a national average of 18%. In Royal Greenwich 48% of 19 year olds have no qualifications, the highest rate in London and 12 percentage points higher than the national average. Educational attainment is a key determinant of lifetime earnings, poverty risk and social mobility. Low pay and employment status are associated with lower levels of educational qualification. The large improvements in education in London over the past decade are rightly celebrated in improving the life chances of its young people, especially as increasing attainment by disadvantaged pupils has been a key driver. Our services are the necessary supplement to ensure that young people growing up in poverty have the best chances to succeed in adult life.

Business volunteers are used in our programmes to provide that crucial first-hand experience of work. They also act as mentors encouraging and motivating young people to pursue their ambitions and to help them explore the career opportunities available to them and the skills needed to succeed.

Core programmes delivered into Schools include the 'Partner' programmes, mentoring, work experience, Getting Ahead, Head to Head, enterprise, financial literacy, Aim2Attain and other aspirational programmes such as our entrepreneurs business school.

Work experience remains in high demand from the schools, especially for 6th form students, though the challenge remains to find enough aspirational placements among the business community, particularly for pupils under 16 years old.

ACHIEVEMENTS AND PERFORMANCE

The programmes delivered by the Education Business Partnership seek to help schools raise academic achievement amongst young people and help young people develop their employability skills and aspirations. In the last year we delivered

- 16,130 student opportunities
- 7,808 volunteer opportunities
- 87 schools worked with
- 553 employers supporting

THEBP also plays a part in raising awareness nationally of the importance of education business engagement. A member of the AEBP (Association of Education Business Professionals) steering committee, we are working with the Edge Foundation to link Education Business Partnerships around the Country and campaign for central government funding for our work. We are also about to embark on a joint project with Hackney and Newham EBPs to address young people at risk of becoming NEET.

As part of our commitment to refresh our brand and our messaging we have made much progress in the wider communications piece. We have been able to commission a new website this year which includes special functionality to make it easier for businesses to volunteer directly onto our programmes. It will also be a useful tool in marketing the charity to potential new business partners. To supplement this, we have a range of new publicity and marketing resources.

TOWER HAMLETS EDUCATION BUSINESS PARTNERSHIP LIMITED

Trustees' Report

For the Year Ended 31 August 2018

FINANCIAL REVIEW

The most significant achievement this year is a financial one. Following an organisational restructure in August 2017 the charity introduced a partnership model to secure funding from businesses. Companies now must make a financial contribution commensurate with the costs of the volunteering opportunities they participate in. This has meant that we have been able to deliver a balanced budget, reversing two years of deficit budgets. The unrestricted reserves of the Education Business Partnership equate to a little over 12 months expenditure. This level of reserve was agreed by the Trustees providing an essential buffer as the EBP needs to be able to deliver its programmes for the length of an academic year. Reserves are held in notice interest bearing accounts with Santander, Close Bros and HSBC.

Within the unrestricted reserves the Board has designated £100,000 to ensure the Aim2Attain programme could be delivered for at least a further 12 months should we be unable to secure funding for the project.

Funding sources for THEBP are a combination of private sector and Charitable Trust grants, local public-sector funding and income from Schools. The 2018/2019 Budget is forecasting a modest surplus position for the coming year.

It is to be noted that the 16-17 year-end figures in this set of accounts relate to a 17 month accounting period following the change in the year end date to align with the academic year.

PLANS FOR FUTURE PERIODS

THEBP will continue to deliver its portfolio of secondary school programmes focusing keenly on enterprise and employability skills. We will further evolve our work with 6th forms now that all young people are required to remain in education or training until 18.

We will continue our close alignment to Tower Hamlets Children's Services, supporting the borough and the newly formed Tower Hamlets Education Partnership. We are active stakeholders in the borough's Voluntary and Community Strategic Partnership, with a focus on supporting employer engagement in Tower Hamlets.

In primary schools, we will continue to support the literacy and numeracy development of pupils through the weekly partner schemes and will continue to push the financial literacy agenda through BEE (Business Enterprise Education) and Abacus family finance programme. THEBP has signed Service Level Agreements with the secondary and primary schools for both education business link activities and enterprise activities.

We will continue to seek opportunities for expansion into Royal Greenwich and will offer partner businesses support in getting schemes off the ground in their regional offices.

Our main focus for the year ahead is to build on the success of the new funding model and ensure the sustainability of the Charity. We will continue to seek new business partners to ensure that we will continue to thrive. As part of our focus on business partners we introduced a relationship management approach to consolidate our partnerships ensuring companies receive a first-class service. THEBP will continue to review its portfolio of programmes to ensure they remain both consistent with the needs of schools and business and are cost effective and fully funded.

TOWER HAMLETS EDUCATION BUSINESS PARTNERSHIP LIMITED

Trustees' Report

For the Year Ended 31 August 2018

TRUSTEES

Trustees who served during the year are shown below: -

Mark Campbell (Chair)
Richard Foley
Emily Huns (resigned October 2017)
Sarah Barnes
David Pack
Michael Furtado (resigned March 2018)
Esra Turk
Gerry McDonald
Michelle Quest
Christine McInnes
Saïam Ahmed
Jennie Bird
Jemima Reilly
Iveren Yongo
Jon Bendall

The trustees have delegated responsibility for the day to day management of The Tower Hamlets Education Business Partnership Limited to the Director, Helen Sanson.

Statement of responsibilities of the trustees

The trustees confirm that the financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

TOWER HAMLETS EDUCATION BUSINESS PARTNERSHIP LIMITED

Trustees' Report

For the Year Ended 31 August 2018

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

Statement as to disclosure to our auditors

Insofar as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware; and
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

RELATED PARTIES

Related parties are shown in Note 21 to the financial statements.

AUDITORS

The auditors, Goldwins Chartered Accountants, offer themselves for appointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 21 November 2018 and signed on their behalf.



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Mark Campbell
Director and Chairman

TOWER HAMLETS EDUCATION BUSINESS PARTNERSHIP LIMITED

Independent Auditors' Report

To the Members of Tower Hamlets Education Business Partnership Limited

Opinion

We have audited the financial statements of Tower Hamlets Education Business Partnership Limited (the 'Charity') for the year ended 31 August 2018 which comprise the Statement of Financial Activities, the Balance Sheet, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. 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 financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 August 2018 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

TOWER HAMLETS EDUCATION BUSINESS PARTNERSHIP LIMITED

Independent Auditors' Report

To the Members of Tower Hamlets Education Business Partnership Limited

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements 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 financial statements 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report (incorporating the directors' report) have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

TOWER HAMLETS EDUCATION BUSINESS PARTNERSHIP LIMITED

Independent Auditors' Report

To the Members of Tower Hamlets Education Business Partnership Limited

Responsibilities of the trustees

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

In preparing the financial statements, 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.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements 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 financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [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 members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charity's members 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's members as a body, for our audit work, for this report, or for the opinions we have formed.

Anthony Epton

**Anthony Epton (Senior Statutory Auditor)
for and on behalf of
Goldwins Limited
Statutory Auditor
Chartered Accountants
75 Maygrove Road
West Hampstead
London NW6 2EG**

22 November 2018

TOWER HAMLETS EDUCATION BUSINESS PARTNERSHIP LIMITED

Statement of Financial Activities (Incorporating Income and Expenditure Account) For the Year Ended 31 August 2018

		Unrestricted Funds	Restricted Funds	Total Funds Year ended 31 August 2018 £	Total Funds 17 months to 31 August 2017 £
	Note	Year ended 31 August 2018 £	Year ended 31 August 2018 £		
INCOME FROM:					
Donations	3	1,090	14,802	15,892	98,931
Charitable activities	4	540,057	406,971	947,028	1,152,407
Investment income		8,299	-	8,299	8,638
TOTAL INCOME		549,446	421,773	971,219	1,259,976
EXPENDITURE ON:					
Charitable activities	5	572,621	397,803	970,424	1,650,895
TOTAL EXPENDITURE		572,621	397,803	970,424	1,650,895
Net income / (expenditure) for the year		(23,175)	23,970	795	(390,919)
Transfers between funds		45,623	(45,623)	-	-
Net movement in funds		22,448	(21,653)	795	(390,919)
Total funds brought forward		795,286	288,907	1,084,193	1,475,112
Total funds carried forward	13	817,734	267,254	1,084,988	1,084,193

The attached notes form part of these financial statements.

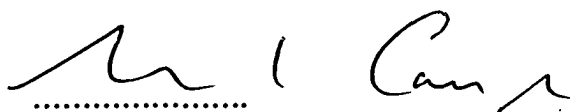
TOWER HAMLETS EDUCATION BUSINESS PARTNERSHIP LIMITED

Balance Sheet As at 31 August 2018

	Notes	2018 £	2018 £	2017 £	2017 £
CURRENT ASSETS					
Fixed assets	8		22,486		28,246
Debtors	9	236,140		227,822	
Cash at bank and in hand		1,358,268		1,324,264	
		<u>1,594,408</u>		<u>1,552,086</u>	
CREDITORS: Amounts falling due within one year	10	<u>(531,906)</u>		<u>(496,139)</u>	
NET CURRENT ASSETS			<u>1,062,502</u>		<u>1,055,947</u>
TOTAL NET ASSETS			<u><u>1,084,988</u></u>		<u><u>1,084,193</u></u>
FUNDS					
Restricted funds			267,254		288,907
Unrestricted funds:					
Designated funds		100,000		100,000	
General funds		<u>717,734</u>		<u>695,286</u>	
Total unrestricted funds			817,734		795,286
TOTAL FUNDS	13		<u><u>1,084,988</u></u>		<u><u>1,084,193</u></u>

The accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.

The accounts were approved by the board of directors on 21 November 2018



Mark Campbell
Director and Chairman

Company Registration No. 02827835

The attached notes form part of these financial statements.

TOWER HAMLETS EDUCATION BUSINESS PARTNERSHIP LIMITED

Statement of Cash Flows For the Year Ended 31 August 2018

	Note	2018 £	2018 £	2017 £	2017 £
Net cash provided by / (used in) operating activities					
	17		26,282		(99,916)
Cash flows from investing activities:					
Interest/ rent/ dividends from investments		8,299		8,638	
Sale/ (purchase) of fixed assets		(577)		(2,094)	
Sale/ (purchase) of investments		-		-	
Cash provided by / (used in) investing activities			7,722		6,544
Change in cash and cash equivalents in the year			34,004		(93,372)
Cash and cash equivalents at the beginning of the year			1,324,264		1,417,636
Cash and cash equivalents at the end of the year	18		1,358,268		1,324,264

TOWER HAMLETS EDUCATION BUSINESS PARTNERSHIP LIMITED

Notes to the Financial Statements

For the Year Ended 31 August 2018

1. ACCOUNTING POLICIES

1.1 Basis of accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The charity is considered as a public benefit entity. The principal accounting policies adopted in the preparation of the financial statements are as follows:

1.2 Taxation

The charitable company is exempt from taxation under section 466 to 493 of the Corporation Tax Act 2010.

1.3 Incoming resources

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably.

Grants are credited to incoming resources when they are receivable as the charity's own money, unless they are for activities that relate to a specific future period, in which case they are deferred to that period.

Income received under contracts for services which cross over the year end are recognised in the financial statements in line with the percentage of completion of the contract at the year end.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

1.4 Resources expended

Partner costs are recognised in the year in which they are incurred all other resources expended are recognised on an accruals basis.

Resources expended are allocated to a particular activity where the cost relates directly to that activity. They include irrecoverable VAT. The administration and management costs of each activity are apportioned, based on an estimate of the staff time attributable, to each of the organisation's projects and activities.

TOWER HAMLETS EDUCATION BUSINESS PARTNERSHIP LIMITED

Notes to the Financial Statements

For the Year Ended 31 August 2018

1. ACCOUNTING POLICIES - (CONTINUED)

1.5 Fund accounting

Unrestricted funds comprise income received, without a specified purpose, and expenditure for the objects of the charity.

Restricted funds comprise income received for specified purpose as laid down by the donor. Expenditure which meets this criteria is identified to the fund, together with a fair allocation of management and support costs.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

1.6 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Computer equipment	-	25% reducing balance
Fixtures and fittings	-	20% reducing balance

1.7 Pensions costs

The company makes pension contributions equivalent to a minimum of 5% of gross salaries on behalf of its employees. Employees are entitled to join the scheme after being in post for three months. The contributions are charged to the Statement of Financial Activities on an accrual basis.

1.8 Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern. No key judgements have been made by the charitable company which have a significant effect on the accounts. The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

TOWER HAMLETS EDUCATION BUSINESS PARTNERSHIP LIMITED

Notes to the Financial Statements

For the Year Ended 31 August 2018

2. DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE PERIOD ENDED 31 AUGUST 2017 (COMPARATIVES)

	Unrestricted Funds 17 Months Period Ended 31 August 2017 £	Restricted Funds 17 Months Period Ended 31 August 2017 £	Total Funds 17 Months Period Ended 31 August 2017 £
INCOME FROM:			
Donations	53,435	45,496	98,931
Charitable activities	442,752	709,655	1,152,407
Investment income	8,638	-	8,638
TOTAL INCOME	504,825	755,151	1,259,976
EXPENDITURE ON:			
Charitable activities	897,402	753,493	1,650,895
TOTAL EXPENDITURE	897,402	753,493	1,650,895
Net income / (expenditure) for the year	(392,577)	1,658	(390,919)
Transfers between funds	90,820	(90,820)	-
Net movement in funds	(301,757)	(89,162)	(390,919)
Total funds brought forward	1,097,043	378,069	1,475,112
Total funds carried forward	795,286	288,907	1,084,193

TOWER HAMLETS EDUCATION BUSINESS PARTNERSHIP LIMITED

Notes to the Financial Statements

For the Year Ended 31 August 2018

3. INCOME FROM DONATIONS

	Unrestricted Funds	Restricted Funds	Total Funds Year Ended	Total Funds 17 Months Period Ended
	2018	2018	2018	31.08.2017
	£	£	£	£
Allen and Overy	-	-	-	5,000
Amazon Community Investment Team,	-	-	-	1,000
Arthur J Gallagher	-	-	-	750
Beazley Management Ltd	-	-	-	50
Carter Backer Winter	150	-	150	-
Charities Trust	180	-	180	415
Co-op Local Community Fund	-	1,815	1,815	-
Clifford Chance	-	-	-	14,000
Concur	-	-	-	600
Faraday	750	-	750	1,500
KPMG	-	-	-	20,000
Langdon Park	-	-	-	45
Lightspeed	-	-	-	538
Lloyds	-	-	-	21,250
Local Giving	-	-	-	3,007
Prudential PLC	-	-	-	55
RBS	-	12,987	12,987	30,000
United Trust Bank	-	-	-	651
Other donations	10	-	10	70
TOTAL	1,090	14,802	15,892	98,931

TOWER HAMLETS EDUCATION BUSINESS PARTNERSHIP LIMITED

Notes to the Financial Statements

For the Year Ended 31 August 2018

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds 2018 £	Restricted Funds 2018 £	Total Funds Year Ended 2018 £	Total Funds 17 Months Period Ended 31.08.2017 £
ADM Investor Services Ltd	-	4,500	4,500	6,242
Aldgate & Allhallows	-	-	-	4,500
Allen and Overy	-	5,850	5,850	-
Ashurst LLP	-	12,250	12,250	12,500
Bank of America Merrill Lynch	-	-	-	23,143
Bank of England	-	10,000	10,000	-
Barclays	2,000	25,491	27,491	158,245
Big Potential	-	-	-	28,781
Bloomberg	-	4,800	4,800	-
Buzzacott	-	4,200	4,200	-
City of London	-	-	-	10,000
Clifford Chance	8,500	4,550	13,050	-
Clyde & Co LLP	-	6,500	6,500	5,000
Commerzbank AG	-	4,200	4,200	-
Credit Suisse	-	-	-	4,500
Herbert Smith	-	12,000	12,000	-
ING	-	4,200	4,200	-
Inspire!	-	-	-	6,185
J P Morgan	-	4,605	4,605	-
INTO Giving	-	-	-	4,000
Kirkland & Ellis	-	4,200	4,200	-
KPMG	-	10,000	10,000	10,000
Lloyds	-	158,836	158,836	166,491
London Borough of Tower Hamlets	23,664	-	23,664	53,663
Man Group PLC	-	25,000	25,000	25,000
Memery Crystal	-	4,200	4,200	-
Morgan Stanley & Co International Plc	34,667	250	34,917	5,644
Nomura	-	4,200	4,200	22,100
Rothschild	-	12,374	12,374	12,313
Royal Bank of Scotland	-	8,000	8,000	-
Royal Borough of Greenwich	3,600	-	3,600	14,400
Sir William Boreman's Foundation	5,000	-	5,000	-
Skadden, Arps, Slate, M&F (UK) LLP	-	4,200	4,200	-
Talbot Underwriting Ltd	1,500	5,000	6,500	4,413
TH Real Estate	-	4,200	4,200	-
The Big Half	21,104	-	21,104	-
The John Roan School	-	5,000	5,000	-
Thomson Reuters	-	4,200	4,200	-
Travers Smith	-	6,900	6,900	-
Carried forward	100,035	359,706	459,741	577,120

TOWER HAMLETS EDUCATION BUSINESS PARTNERSHIP LIMITED

Notes to the Financial Statements

For the Year Ended 31 August 2018

4. INCOME FROM CHARITABLE ACTIVITIES (CONTINUED)

	Unrestricted Funds 2018 £	Restricted Funds 2018 £	Total Funds Year Ended 2018 £	Total Funds 17 Months Period Ended 31.08.2017 £
Brought forward	100,035	359,706	459,741	577,120
WorldPay	-	4,200	4,200	-
Others	5,306	43,065	48,371	41,461
XL Catlin	-	-	-	-
Bursaries	35,150	-	35,150	43,150
DBS Check	19,939	-	19,939	29,160
Work experience fees	202,627	-	202,627	192,566
<i>Service Level Agreements:</i>				
SLA – Primary	33,000	-	33,000	52,450
SLA – Secondary	144,000	-	144,000	216,500
TOTAL	540,057	406,971	947,028	1,152,407

TOWER HAMLETS EDUCATION BUSINESS PARTNERSHIP LIMITED

Notes to the Financial Statements

For the Year Ended 31 August 2018

5. ANALYSIS OF EXPENDITURE

	Basis of allocation	Raising funds	Charitable activities	Support costs	Governance costs	Total 12 Months to 31.08.2018	Total 17 Months to 31.08.2017
		£	£	£	£	£	£
Staff costs	Direct	-	460,605	174,794	-	635,399	1,099,656
Training & recruitment	Direct	-	-	9,640	-	9,640	10,991
Direct project expenditure	Direct	-	68,701	-	-	68,701	173,146
Consultancy	Direct	-	-	5,986	-	5,986	16,501
Depreciation	Direct	-	-	6,337	-	6,337	11,730
Advertisement	Direct	-	-	17,867	-	17,867	2,128
IT Costs	Direct	-	-	45,103	-	45,103	72,780
Rent and rates	Direct	-	-	53,970	-	53,970	71,383
Telephone	Direct	-	-	-	-	-	1,381
Cleaning services	Direct	-	-	4,499	-	4,499	5,297
Insurance / health & safety	Direct	-	-	7,881	-	7,881	8,997
Repairs & maintenance	Direct	-	-	-	-	-	-
Printing, postage & stationery	Direct	-	-	10,430	-	10,430	22,420
Legal & professional fees	Staff time	-	18,042	31,504	-	49,546	91,029
Bank charges	Direct	-	-	-	288	288	458
Audit fees	Direct	-	-	-	4,300	4,300	4,000
Other governance costs	Direct	-	-	-	-	-	(200)
Bursaries paid	Direct	-	35,099	-	-	35,099	43,150
Other sundry expenses	Direct	-	-	15,378	-	15,378	16,048
		-	582,447	383,389	4,588	970,424	1,650,895
Support costs	Staff time	-	383,389	(383,389)	-	-	-
Governance costs	Staff time	-	4,588	-	(4,588)	-	-
Total expenditure 2018		-	970,424	-	-	970,424	
Total expenditure 2017		57,718	1,205,257	-	-	1,650,895	

Support and governance costs refer to the costs involved in operational activity which support the delivery of the charitable aims. They are allocated on the basis of projected time spent by staff on each activity. Of the total expenditure, £572,621 was unrestricted (2017: £753,493) and £397,803 was restricted (2017: £897,402).

TOWER HAMLETS EDUCATION BUSINESS PARTNERSHIP LIMITED

Notes to the Financial Statements

For the Year Ended 31 August 2018

6. NET INCOME / (EXPENDITURE)

	Year ended 2018	17 months period ended 31.08.2017
	£	£
This is stated after charging:		
Operating lease rentals on property	27,214	38,550
Depreciation of tangible fixed assets	6,337	11,730
Auditors' remuneration - audit services	4,300	4,150

During the year, no Trustees received any remuneration or any benefits in kind (2017 – Nil), and no Trustee was reimbursed for expenses (2017 – Nil).

7. STAFF COSTS

	Year ended 2018	17 months period ended 31.08.2017
	£	£
Employee costs during the year amounted to:		
Salaries	557,100	967,605
Social security costs	51,439	87,181
Pension costs	24,563	40,975
Health care costs	2,297	3,895
	<u>635,399</u>	<u>1,099,656</u>

The number of employees whose total employee benefits (excluding employer pension costs) for the reporting period amounted to over £60,000 was as follows:

	2018 No.	2017 No.
£60,000 - £69,999	1	1
£100,000 - £109,999	-	1

The average monthly numbers of employees during the year were 17 (2017 – 26).

The total employee benefits including pension contributions of the key management personnel for the year were £194,527 (2017: £330,950 for 17 months period).

TOWER HAMLETS EDUCATION BUSINESS PARTNERSHIP LIMITED

Notes to the Financial Statements

For the Year Ended 31 August 2018

8. TANGIBLE FIXED ASSETS

	Computer Equipment £	Fixtures Fittings & Equipment £	Total £
COST			
At the beginning of the year	34,381	37,712	72,093
Additions	577	-	577
At the end of the year	34,958	37,712	72,670
DEPRECIATION			
At the beginning of the year	20,619	23,228	43,847
Charge for the year	3,440	2,897	6,337
At the end of the year	24,059	26,125	50,184
NET BOOK VALUE			
At the end of the year	10,899	11,587	22,486
At the beginning of the year	13,762	14,484	28,246

9. DEBTORS

	Year ended 2018 £	17 months period ended 31.08.2017 £
Grants and contract debtors	209,498	202,643
Prepayments	8,414	16,993
Other debtors	18,228	8,186
	236,140	227,822

10. CREDITORS: Amounts falling due within one year

	Year ended 2018 £	17 months period ended 31.08.2017 £
Trade creditors	13,291	12,004
Accruals	18,142	8,325
Taxation and social security	13,848	11,903
Deferred income	482,537	458,074
Other creditors	4,088	5,833
	531,906	496,139

TOWER HAMLETS EDUCATION BUSINESS PARTNERSHIP LIMITED

Notes to the Financial Statements

For the Year Ended 31 August 2018

14. MOVEMENT IN FUNDS FOR THE 17 MONTHS PERIOD ENDED 31 AUGUST 2017

	At the start of the year £	Income £	Expenditure £	Transfers £	At the end of the year £
Restricted funds:					
Aim 2 Attain	127,228	154,023	(116,092)	-	165,159
Alumni	35,000	-	-	(35,000)	-
BAML	-	23,143	(46,443)	23,300	-
Barclays- Enterprise	3,500	-	-	-	3,500
BOAML - Enterprise	90,125	-	-	(90,125)	-
Business mentoring	25,886	45,097	(52,388)	-	18,595
Conflict Resolution	5,370	-	-	-	5,370
Lloyds	-	122,488	(65,326)	(27,391)	29,771
Lloyds - Curriculum	6,003	-	-	(6,003)	-
Lloyds Public Speaking	3,438	-	-	(3,438)	-
NNP-Curriculum	61,582	28,240	(60,063)	-	29,759
Pathways to Apprenticeships	5,375	-	-	-	5,375
Pathways to Success	6,053	-	-	-	6,053
Phoenix	-	4,000	(15,005)	11,005	-
Post	-	75,621	(75,646)	25	-
Primary projects - Other	-	107,821	(144,653)	36,832	-
Subjects in the City	8,509	-	-	-	8,509
Work related learning	-	194,718	(177,877)	(25)	16,816
Total restricted funds	378,069	755,151	(753,493)	(90,820)	288,907
Unrestricted funds:					
Designated funds:					
Aim 2 Attain	100,000	-	-	-	100,000
Total designated funds	100,000	-	-	-	100,000
General funds	997,043	504,825	(897,402)	90,820	695,286
Total unrestricted funds	1,097,043	504,825	(897,402)	90,820	795,286
Total funds	1,475,112	1,259,976	(1,650,895)	-	1,084,193

TOWER HAMLETS EDUCATION BUSINESS PARTNERSHIP LIMITED

Notes to the Financial Statements

For the Year Ended 31 August 2018

15. PURPOSE OF RESTRICTED FUNDS

Aim 2 Attain

To provide a portfolio of aspiration and educational activities for pre and post-16 students in Tower Hamlets, designed to encourage our young people to consider the choice and opportunities open to them to further their education and training.

Business Mentoring

The Business Mentoring scheme aims to equip pupils with better understanding of career opportunities, develop their employability skills and widen their view of the opportunities available to them.

Lloyds - Curriculum

Various projects which are managed by Lloyd's Community Programme, an employee volunteer scheme run by Lloyd's on behalf of Lloyd's insurance market ("LCP"). Main projects include: Words and Numbers; Aiming Higher; and Sporting Chances

Primary Projects

Project aim is to improve the numeracy, literacy, IT skills and strategic thinking skills of young people while at the same time bring them into contact with role models from the world of work.

Conflict Resolution

The Ashurst Conflict Resolution Programme consists of an interactive workshop that uses restorative theatre to develop students':

- Communication, collaboration and problem-solving skills
- Ability to influence a situation through positive communication and behaviour
- Overall resilience, self-awareness and self-responsibility
- Leadership and assertiveness skills.

Pathways to Success

A project Supported by J.P. Morgan organises workshops for Post 16 students in Tower Hamlet Sixth Form Colleges and institutions. Volunteers work with young people helping them to prepare for life after Sixth Form College.

Pathways to Apprenticeships

A stand-alone careers event for 6th form pupils to learn about apprentice and higher-level apprentice opportunities from a range of different sector employers who host stands and workshops at the event.

Subjects in the City

A cross borough project funded by the City of London Corporation to support teachers to deliver a more work relevant curriculum. Business volunteers were paired with subject teachers to work together to produce curriculum teaching resources that reflect the jobs and skills in the City of London.

Alumni

A network of current and ex Tower Hamlets students who need support and advice on finding employment opportunities. Events are held throughout the year at various businesses to provide the social networking and connection opportunities that are beyond the reach of most of the borough's young people.

TOWER HAMLETS EDUCATION BUSINESS PARTNERSHIP LIMITED

Notes to the Financial Statements

For the Year Ended 31 August 2018

15. PURPOSE OF RESTRICTED FUNDS (Continued)

BAML – An enterprise and entrepreneurship programme restricted to delivery in 3 schools, Swanlea, Mulberry and Bow. The project ended last year and this year an impact evaluation was carried out as it had been running for 13 years.

Lloyds – A portfolio of programmes covering primary and secondary schools across the borough for Lloyd's Community Programme (LCP). The LCP is an umbrella organisation for the Lloyd's market of insurance companies. The funds cover a dedicated LCP relationship manager post at THEBP as well as directing funds to curriculum and employability projects.

Phoenix - A work related learning programme for students with Special Educational Needs who are all diagnosed with disorders on the Autistic Spectrum. The project includes employer visits, work placements and in school sessions.

Post 16 - Any activity related to 6th form work in Tower Hamlets Schools, principally preparing young people for life beyond school, developing aspirations and employability skills.

Work Related Learning – A suite of programmes to develop the employability skills of young people such as practice interviews, enterprise days and work themed conferences.

TRANSFERS BETWEEN FUNDS

Transfers from restricted to unrestricted funds represent incomplete recharge from unrestricted funds in the previous years.

16. PURPOSE OF DESIGNATED FUNDS

Aim 2 Attain

During the year board of trustees designated sum of £100,000 towards Aim2Attain programme to ensure the project could be delivered for at least a further 12 months if THEBP is unable to secure funding for the project.

17. RECONCILIATION OF NET INCOME / (EXPENDITURE) TO NET CASHFLOW FROM OPERATING ACTIVITIES

	2018	2017
	£	£
Net movement in funds for the reporting period (as per the statement of financial activities)	795	(390,919)
Depreciation	6,337	11,730
Interest, rent and dividends from investments	(8,299)	(8,638)
Losses on investments	-	-
(Loss)/ profit on the sale of fixed assets	-	-
(Increase)/ decrease in stock	-	-
(Increase)/ decrease in debtors	(8,318)	(34,146)
Increase/ (decrease) in creditors	35,767	322,057
Net cash provided by / (used in) operating activities	26,282	(99,916)

TOWER HAMLETS EDUCATION BUSINESS PARTNERSHIP LIMITED

Notes to the Financial Statements

For the Year Ended 31 August 2018

18. ANALYSIS OF CASH AND CASH EQUIVALENTS FOR THE YEAR ENDED 31 AUGUST 2018

	At the start of the year £	Cash flows £	Other changes £	At the end of the year £
Cash at bank and in hand	1,324,264	34,004	-	1,358,268
Total cash and cash equivalents	1,324,264	34,004	-	1,358,268

19. ANALYSIS OF CASH AND CASH EQUIVALENTS FOR THE 17 MONTHS PERIOD ENDED 31 AUGUST 2017

	At 1 April 2016 £	Cash flows £	Other changes £	At 31 August 2017 £
Cash at bank and in hand	1,417,636	(93,372)	-	1,324,264
Total cash and cash equivalents	1,417,636	(93,372)	-	1,324,264

20. LEASE COMMITMENT

The charitable company signed a 3-year lease on office premises in East London in August 2018.

The minimum annual rentals payable under the leases are as follows:

	2018 £	2017 £
Within 1 year	65,851	27,214
Within 2-5 years	149,261	27,214
	<u>£ 215,112</u>	<u>£ 27,214</u>

21. RELATED PARTY TRANSACTIONS

The charity does not engage in related party transactions directly with its trustees. Some trustees are employed by organisations which give financial support to the charity. The organisations for which the trustees work are shown on page 1. The funding provided is shown on Notes 3 and 4.