

TRUST THAMESMEAD LIMITED
(A company limited by guarantee)
Registered Charity Number (England & Wales): 271731
Registered Company Number: 1267728

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2012

THURSDAY



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Trust Thamesmead Limited
Annual Report and Financial Statements
For the year ended 31 March 2012

Contents

Page

1	Legal and Administrative Information
2	Report of the Trustees
11	Report of the Independent Auditors
12	Consolidated Statement of Financial Activities
13	Charity Statement of Financial Activities
14	Balance Sheets
15	Notes forming part of the financial statements

Trust Thamesmead Limited

Legal and administrative information

Board of Directors

Vic Grimes (Chair)
Janice Ward-Wilson (resigned 13/03/2012)
Mair Garside (resigned 09/06/2011)
Keeley Savill (resigned 23/01/12)
Nicola Insley
Nayeshh Pitla (resigned 09/05/2011)
Ken Miller
Linda Portis
Jonathan Telfer (appointed 03/05/2011)
Lourenco Antonio Joanes(resigned 21/03/12)
Elaine Harrison (appointed 20/07/11)
Michael Cleaver (appointed 24/02/12)
Steven Boxall (appointed 18/04/12)
David Leaf (appointed 25/05/2011)

Secretary

H Webb

Charity Number

271731

Company Number

1267728

Registered Office

19A Joyce Dawson Way
Thamesmead Town Centre
London
SE28 8RA

Auditors

Kingston Smith LLP
Devonshire House
60 Goswell Road
London
EC1M 7AD

Solicitors

TG Baynes
Baynes House
Market Street
Dartford, Kent
DA11 1DB

Bates Wells and Braithwaite
2-6 Cannon Street
London
EC4M 6YH

Bankers

National Westminster Bank Plc
Woolwich branch
1-7 Powis Street
London
SE18 6LE

Trust Thamesmead Limited

The Report of the Trustees

for the year ended 31 March 2012

The Board of Trustees submit their report and the financial statements for Trust Thamesmead Limited (Limited by Guarantee) for the year ended 31st March 2012

STRUCTURE, GOVERNANCE AND MANAGEMENT

The following have held office since 1 April 2011 except where noted

Vic Grimes (Chair)

Janice Ward-Wilson (resigned 13/03/2012)

Mair Garside (resigned 9/06/2011)

Keeley Savill

Nicola Insley

Nayeshh Pitla (resigned 09/05/2011)

Ken Miller

David Leaf (appointed 25/0/2011)

Linda Portis

Johathan Tefler (appointed 3/05/2011)

Laurenco Antonio Joanes (resigned 21/03/2012)

Elaine Harrison (appointed 20/05/2011)

Michael Cleaver (appointed 24/02/2012)

Steven Boxall (appointed 18/04/2012)

All members of the Board of Management are Trustees of the Charity

Method of appointment of Trustees

The Board of Trustees comprises

Up to 12 independent trustees who serve a three year term New trustees are appointed by the existing members of the Board of Trustees

Organisational Structure

The Trust is governed by a Board of Trustees (who are also its only members), supported by staff managed by a Chief Executive

The role of the Board is to direct the development policy of the Trust and monitor the performance of the Executive in turning policy into action It is the role of the Chief Executive and the officers to manage the operation of the Trust

Within the framework established by the Board of Trustees, management of the day-to-day and operational matters is delegated to the Chief Executive, supported by a Senior Management Team and the staff

Certain trustees are also members of the Trust Sub Committees There are three Sub- Committees including the Finance and Resources Sub-Committee, the Governance Sub Committee

OBJECTIVES AND ACTIVITIES

The Charity is established for general charitable purposes for the benefit of the inhabitants of Thamesmead and the surrounding area ("the area of benefit") and in particular

- (i) To advance education,
- (ii) To relieve financial need,
- (iii) To promote health
- (iv) To promote amateur sport

Trust Thamesmead Limited

The Report of the Trustees

for the year ended 31 March 2012

(v) To promote for the public benefit community safety and the prevention of crime

(vi) To relieve unemployment for the public benefit in such ways as may be thought fit including assistance to find employment,

(vii) To develop the capacity and skills of members of the community in such a way that they are better able to identify and help meet their needs and to participate more fully in society, and

(viii) To provide or assist in the provision of facilities in the interests of social welfare for recreation or other leisure time occupation of members of the community who have need of such facilities by reason of their youth, age, infirmity or disability, financial hardship or social circumstances with the object of improving their conditions of life

PUBLIC BENEFIT

In setting our objectives and planning our activities, the Board of Trustees has given careful consideration to the Charity Commission's general guidance on public benefit and we can confirm that we have met this criteria

ACHIEVEMENTS, PERFORMANCE AND PLANS FOR FUTURE PERIODS

2011/2012 was another positive year where the Trust made progress in most areas. It was at the same time a frustrating year in that we were not able to open our two major capital projects (Sporting Club Thamesmead and The Link Thamesmead) due to the slowness in the construction work or bring in the new investment to our major asset Tilfen Land Limited that we would like to see

The Board's energies were very much focused on managing these significant risks but at the same time we devoted a very substantial amount of our time to clarifying our mission and values and agreeing our priorities for the next three years. These discussions culminated in the publication of our 2012-2015 Strategic Plan "Transforming Thamesmead"

Against this big picture we are very proud to have successfully delivered a large part of our 2011-2012 Operational Plan within budget. Against the most significant achievements we would wish to highlight the following -

1. Governance

Four new trustees (Elaine Harrison, Michael Cleaver, David Leaf and Jonathan Telfer) were recruited and inducted on to the Board of Trustees to further strengthen our complement of skills

As well as leading the process that developed our new strategy we carried out a self evaluation exercise of our Board effectiveness and implemented our action plan which included a full review of our Board Policies and a review of our Sub Committee structure and membership, our procedure for appointing Chairs and for appointing Board Champions to cover specific service areas

2. Planning and Review

We have continued to strengthen our planning and review process. This year as well as signing off our new strategy we have agreed with the staff a set of Key Performance Indicators which are reported to us on a quarterly basis

In view of the imminent opening of our two large capital projects we have also invested in a new Management Information System (Legend) which will provide us with powerful information about the effectiveness of these new services

In the coming year we will focus on (a) introducing a staff performance appraisal system (b) launching the Pqasso Quality Assurance framework within the Trust and (c) developing an evaluation toolkit so that we can better capture the quality of our services and the impact they have on the lives of Thamesmead people

3 Service achievements against our agreed 2011/2012 Operational Plan

2011/12 was the last year of our 2009/2012 strategy. Our previous strategy was set out under four themes and the Board would like to highlight the following progress and achievements in year three against the objectives and targets we set

Trust Thamesmead Limited

The Report of the Trustees

for the year ended 31 March 2012

3.1 Theme One – An Inclusive Community

- In March 2012 we completed our fourth annual survey of community groups based in Thamesmead
- We now have successful partnership / capacity building agreements in place with 17 of them
- In the Thamesmead community last year we led or supported 31 local events and delivered 6 events with a specific 'themed' focus for the whole community, 2 on health and wellbeing, 1 aimed at younger people, 2 at the older population and 1 promoted volunteering
- Our 4 neighbourhood plans (available to download from our website at www.trustthamesmead.co.uk) were all reviewed and updated. We have made very significant progress against a lot of our locally identified priorities
- We appointed a dedicated member of staff to improve volunteering opportunities both within the Trust and around Thamesmead. We have made good progress throughout the year. We now have 46 local groups signed up with either Bexley or Greenwich Volunteer Centres, on our own database we have 117 active volunteers who contributed 775 hours of volunteering to the Trust. This does not include contribution of trustees. These figures plus the range of volunteering opportunities in both the Trust and Thamesmead will grow dramatically in future years
- Since last January we have developed a very strong dialogue with the Health Prevention team in Greenwich. Together we are aiming to make an evidenced improvement in those areas where we can have the most significant impact (eg physical activities, obesity and mental wellbeing). However our interventions have been delayed due to the late opening of Sporting Club Thamesmead, The Link Thamesmead and the slow progress on achieving funding for the Good Life Centre in Birchmere Park
- 2011/2012 also finally saw our work around improving the quality of life for older people move forward again by the appointment of a lead worker. Last year we embarked on a lot of consultation with older people's groups and older people themselves to identify the best role we can play. From this consultation, an action plan is being developed for implementation this year
- We also made good progress in another area where in recent years we have been stalled, that area is improving financial inclusion services to those facing the harshest financial barriers. In 2011/2012 we held very successful discussions with a social enterprise called Fair Finance which will enable us to commence a Financial Inclusion service from September 2012. This is a very exciting development

3.2 Theme Two – Skills for life and work

- 2779 residents received some form of employment support from the Trust and its partners
- With our partners we supported 439 Thamesmead residents into work. The Trust directly supported 205 residents (93 through our ESF funded project with Groundwork London) whereas Gllab assisted 144 and Resources Plus a further 90
- The Trust directly provided accredited training opportunities to 444 residents (187 through our ESF funded project with Groundwork London). We also sourced free training for a further 246 clients of our 'Building Futures' service
- Our Community Development Team supported 2 neighbourhood groups with a programme of skills development and part funded 31 local residents to undertake community development training at both 'taster' and 'accredited' levels
- Our Building Futures team, through its partnership work with Adult Education College Bexley and the Business Unit of Greenwich Community College supported the delivery of 21 accredited courses in our community halls and a further 20 non accredited courses

Trust Thamesmead Limited

The Report of the Trustees

for the year ended 31 March 2012

3.3 Theme Three- Improving the Community Infrastructure of Thamesmead

In 2011/2012 as stated above we were not able to achieve any of our service targets at either Sporting Club Thamesmead or The Link Thamesmead due to the continuing delays in opening these facilities. We did however -

- Appoint two high quality Centre Managers to lead each project
- Signed a partnership agreement with Charlton Athletic Community Trust around both facilities. This led to the joint funding of a Sports Development Worker for Thamesmead
- Procured a new Management Information System for both projects
- Develop a charging policy for both facilities which we believe will successfully balance our income and charitable objectives
- At Sporting Club Thamesmead we have developed exciting indoor and outdoor programmes through partnerships with (so far) eleven providers. These include a new BTEC leisure industry qualification with Bexley College
- At The Link Thamesmead we have agreed lease and partnership arrangements with the London Borough of Bexley, Archway Project, Thamesmead Gym, Charlton Athletic Community and Theatre Street School of Performing Arts
- We have worked very constructively with the London Borough of Bexley, Gallions Housing Association and the Homes and Community Agency to agree the South Thamesmead Regeneration Framework
- With Groundwork London and Gallions Housing Association we created a 'Thamesmead Public Realm Coordination' Group
- We delivered 11 open air events with local community groups together with two canal clean up events. The Trust also assisted Thames 21 and Gallions Housing Association to attract volunteers interested in environmental volunteering. We have also supported Greenwich Cooperative Development Agency's 'Growing Greenwich' project to work with 4 primary schools in Thamesmead
- We have put together a major capital funding bid to develop the Birchmere Good Life Project and invested in fencing the whole site (£15k) so that early work on this project can commence
- With Groundwork London we have secured £10k funding from Transform Fund to create a community garden at Titmuss Avenue on the Moorings Estate

3.4 Theme four- Improving the lives of children, young people and their families.

- 78 children (aged 2 to 5) benefited from a space in Arnott and Acorn Pre School on 2011/2012 and both settings are currently full
- Both pre schools offer the Government's 15 hours foundation stage education offer, every child benefitted from the 'Every Child a Talker' programme and each received an initial CAF assessment
- Constituted parents groups have been developed at both Pre School units
- Our early years services completed the Pre School Learning Alliance's Quality Assurance Scheme to level three (the top level)
- Early years service were also launched at our Village Hall Broadwater to complement those available at Waterways, Greenmead and Manor Close. We are not the direct providers of those services

Trust Thamesmead Limited

The Report of the Trustees

for the year ended 31 March 2012

- Thamesmead Youth Voice was supported to get stronger and more independent When The Link Thamesmead opens they will be the key voice of young people in what will be world class provision Our priority now is to see the group grow in its membership, skills, diversity and its influence
- 18 members of TYV received a Level 1 accreditation in Community Development or an OCN accreditation in Film and Journalism They have delivered three Team V campaigns through funding through the V Inspired Fund
- Significant organisational and service delivery improvements have been achieved by our two youth providers operating out of our Northern Arches (Crossway Gym and Thamesmead School of Dance)
- 390 Thamesmead school children last year participated in our 'T'riffic Thamesmead' projects at Linton Mead, Heronsgate and Windrush Primary schools Since January 4 primary schools (Hawksmoor, Heronsgate, Jubilee and Linton Mead) have signed up to our 'Pupil Voice' project
- 5 pupils from Woolwich Polytechnic achieved some wonderful personal development outcomes through a photography training course funded by Trust Thamesmead

5. Organisational Achievements

The Trust has continued its commitment to building organisational excellence during 2011/2012 In preparation for the opening of Sporting Club Thamesmead and The Link Thamesmead the Board have overseen a range of 'enabling' or 'internal' improvements to the important support functions of the organisation and also to some of our key policies Space does not allow us to mention all of these but we would like to highlight the following

- Our 5 year financial strategy has been regularly updated and reported to us by senior staff
- We have managed our reserves well in light of the on-going problems with our capital project construction timetables and signed off a full review of our reserves policy last March We praised the staff for the continuing excellence of this work
- Our strategic risk register is regularly updated and reported to our Finance Committee on a quarterly basis Again this work has drawn a lot of complements from the Board to the Senior Management Team
- Our financial procedures have been revised and the new procedures signed off by our Finance Sub Committee
- We have completed our first Business Continuity / Disaster Recovery Plan
- Our HMRC VAT review/inspection was successfully delivered
- Our LPFA pension liability issue was successfully resolved strengthening our General Reserve position
- We procured our new Management Information System (Legend) for Sporting Club Thamesmead and The Link Thamesmead
- We evaluated our IT support contract and implemented our IT action plan
- A new Safeguarding Policy was agreed with the support of trustees and a training plan developed
- Customer Service standards and a revised Complaints Policy was adopted A programme of training will soon be developed to support this work
- Our Trust brand guidelines were reviewed and updated
- Our Annual Report for 2010/2011 was produced in a new format and well received 1800 copies were distributed

Trust Thamesmead Limited

The Report of the Trustees

for the year ended 31 March 2012

- Our press releases produced 181 pieces of coverage in the local press
- Currently 1081 subscribers receive our quarterly e-newsletter 'Trust Talk'
- We have made significant strides forward with social media and we currently have 2072 friends on Facebook and our Twitter followers have increased to 225 and are growing all the time
- New occupancy arrangements were successfully negotiated with six new or existing tenants
- All preventive maintenance was undertaken except electrical testing which will be done this year. All our building inspections were carried each quarter and all electrical appliances were PAT tested
- A significant amount of work has been carried out to capture the impact /quality of our work and to capture the progress of 'Together We Can' partnership work

6. Key Objectives 2012/2015

The Board have agreed a new three year strategy together with an operational plan and budget for 2012/13. The three year and one year plan are both available from the Trust's Head Office (020 8320 4470)

The new strategy has identified 15 priorities for the Trust over the next three years. These are to -

- Bring about transformational change in Thamesmead through collaborative working with our key strategic partners, by exploiting the strength of our balance sheet and by being creative around regeneration and other funding opportunities
- Continue to grow our property income and charitable benefits it supports via our partnership with Tilfen Land and the further enhancement of our own community property portfolio
- Deliver a community engagement strategy which enables local voices to be heard, needs to be identified and for local leaders and neighbourhood groups to be supported
- Make a significant and evidenced improvement to the local community and voluntary sector through our 'Together We Can' partnership work. Our key partners will be stronger, more sustainable and able to offer more effective services
- Create new alliances with an increasing number of private businesses to promote increased Corporate Social Responsibility in Thamesmead
- Be an organisation that provides the highest quality of support to a growing number of volunteers and which maximises its resources and support to provide the highest number of quality volunteering opportunities throughout Thamesmead
- Know how many local residents have benefited from our services and our reputation amongst local people and stakeholders will continue to get better and better
- Develop a cross-Thamesmead plan where, working with the Thamesmead Health and Wellbeing Partnership Forum and other partners, we will make an evidenced improvement in the health of Thamesmead's residents
- Continue to deliver the very best Early Years Foundation Stage education (2012) for children aged 2-5 and invest in the growing networks that we are involved in to provide quality opportunities to both our children and their parents
- Increase year on year the number of Thamesmead residents we support into work. We will do this by enhancing their skills and confidence, collaborating with others and whenever appropriate by seeking external funding
- Work with our partners to develop a programme which recognises and supports the contribution of Thamesmead elders, and enables those who are most vulnerable and isolated to become more involved in their community

Trust Thamesmead Limited

The Report of the Trustees

for the year ended 31 March 2012

- In partnership with Fair Finance, bring a range of financial inclusion products and services designed to meet the needs of residents who are financially excluded
- Successfully launch, manage and operate The Link Thamesmead It will be nationally recognised as ground breaking in its partnership working, in the development of Thamesmead's young people and also the sustainability of its funding model
- Successfully launch, manage and operate Sporting Club Thamesmead It will provide sports, health and fitness programmes and a range of community activities that will offer something for everyone
- Maintain and build on our continued commitment to organisational excellence e.g. governance, staff management and development, planning and review We will get substantially better at evaluating the impact of our services

Finally we would like to pay tribute to everyone involved in the Trust (staff, trustees and our growing army of volunteers) and our partners and all our beneficiaries We hope that the above evidences that Thamesmead is benefitting from our clear sense of purpose and direction

Reserves Policy

The Board of Trustees has set a policy whereby the company will maintain for the time being a General Reserve of between £800,000 and £1000,000 to cover any shortfalls in Gift Aid or dividends and additional reserves to allow us to develop new community projects and community assets

Trust free reserves, which are defined as those reserves which are not committed, restricted or designated and which specifically exclude fixed assets, totalled £791,264 at the year end

The Trust wishes to maximise the returns achieved from the deployment of surplus cash resources whilst seeking to access funding from external sources including Charitable Trusts and Foundations, where there is clear benefit to the residents of Thamesmead

Risk Management

The Board of Trustees has implemented an active risk management strategy which comprises

- A regular review of the risks which the charity may face
- The establishment of systems and procedures to mitigate these risks, and
- The implementation of procedures designed to minimise any potential impact on the charity should any of

A thorough risk review was carried out in the year of strategic and operational risks and mitigating actions taken where appropriate This is overseen by our Finance Sub-Committee and reported to the Board

Trust Thamesmead Limited

The Report of the Trustees

for the year ended 31 March 2012

INVESTMENTS

The investment in Tilfen Land Limited is deemed to be strategic to the charity, and as such partly represents a programme related investment

The trading subsidiary, Thamesmead Community Developments Limited, did not trade during the year

The Board of Trustees monitors the Investment Policy. This is managed by the Finance Sub-Committee whose responsibilities include the monitoring of performance and the evaluation of various options as they arise

Related Parties

The Trust has a close working relationship with Greenwich Council and Bexley Council, although the trust receives no funding from either local authority. The Trust has also paid rent to Tilfen Land Limited, a company in which the charity has a 50% interest

Statement of Trustees' Responsibilities

The trustees (who are also directors of Trust Thamesmead Limited for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Company law requires trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and the group and of the incoming/outgoing resources and application of resources, including the income and expenditure, of the charitable group 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 have been followed, subject to any material departures
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the

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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

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

Audit information

In so far as the trustees are aware

- there is no relevant audit information of which the charitable company's auditor is 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 auditor is aware of that information

Trust Thamesmead Limited
The Report of the Trustees
for the year ended 31 March 2012

Auditors

The auditors, Kingston Smith LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006

Small Company Rules

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 small companies

This report was approved by the Board of Trustees on 17/10/12
and signed on its behalf by.



V Grimes
Chair

Independent Auditors' Report to the Members of Trust Thamesmead Limited

We have audited the financial statements of Trust Thamesmead Limited for the year ended 31st March 2012 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company'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 charitable company's members and trustees those matters which we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement, the trustees (who are also the directors of the charitable company for the purposes of the company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees and the overall presentation of the financial statements. In addition we read all the financial and non financial information in the Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2012 and of the group's incoming/outgoing resources and application of resources, including its income and expenditure, for the year then ended, and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

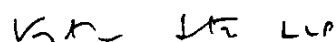
Opinion on other matters prescribed by Companies Act 2006

In our opinion the information given in the Trustees Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report

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

- the parent charitable company has not kept adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns, or
- certain disclosures or trustees' remunerations specified by law are not made, or
- we have not received all the information and explanations we require for our audit.



Neil Finlayson (Senior Statutory Auditor)
for and on behalf of Kingston Smith LLP, Statutory Auditors

Date 23/10/2012

Devonshire House
60 Goswell Road
London EC1M 7AD

Trust Thamesmead Limited
Consolidated Statement of Financial Activities
for the year ended 31 March 2012

Income and Expenditure Account	Note	Unrestricted funds £	Restricted funds £	Total 2012 £	Total 2011 £
Incoming resources					
Incoming resources from generated funds					
Voluntary income		2,037,572	-	2,037,572	1,993,655
Activities for generating funds					
Commercial trading activities	3	5,513,500	-	5,513,500	5,602,000
Investment income	4	118,723	-	118,723	117,974
Incoming resources from charitable activities		202,209	3,647,847	3,850,056	1,620,151
		<u>7,872,004</u>	<u>3,647,847</u>	<u>11,519,851</u>	<u>9,333,780</u>
Less Share of incoming resources from joint venture	10b	<u>(5,513,500)</u>	<u>-</u>	<u>(5,513,500)</u>	<u>(5,602,000)</u>
Total incoming resources		<u>2,358,504</u>	<u>3,647,847</u>	<u>6,006,351</u>	<u>3,731,780</u>
Resources expended					
Cost of charitable activities		2,156,944	243,892	2,400,836	2,177,947
Governance costs		48,691	-	48,691	57,756
Total resources expended	6	<u>2,205,635</u>	<u>243,892</u>	<u>2,449,527</u>	<u>2,235,703</u>
Net income for the year before gains & losses		152,869	3,403,955	3,556,824	1,496,077
Net interest in retained (loss) of joint venture	10b	(1,121,500)	-	(1,121,500)	(505,000)
Unrealised gains of joint venture	10b	135,500	-	135,500	2,070,000
Actuarial (loss)/gain on defined benefit schemes	16&10b	(797,500)	-	(797,500)	235,000
Net movements in funds	5	<u>(1,630,631)</u>	<u>3,403,955</u>	<u>1,773,324</u>	<u>3,296,077</u>
Fund balances brought forward		<u>53,973,364</u>	<u>1,941,556</u>	<u>55,914,920</u>	<u>52,618,844</u>
Fund balances carried forward	13	<u>52,342,733</u>	<u>5,345,511</u>	<u>57,688,244</u>	<u>55,914,920</u>

All amounts relate to continuing activities

There were no recognised gains or losses other than those dealt with in the Statement of Financial Activities

The notes on pages 16 to 27 form part of the financial statements

Trust Thamesmead Limited
Statement of financial activities
for the year ended 31 March 2012

Income and Expenditure Account	Note	Unrestricted funds £	Restricted funds £	Total 2012 £	Total 2011 £
Incoming resources					
Incoming resources from generated funds					
Voluntary income		2,037,572	-	2,037,572	1,993,655
Activities for generating funds					
Investment income	4	118,723	-	118,723	117,974
Incoming resources from charitable activities		202,209	3,647,847	3,850,056	1,620,151
Total incoming resources		2,358,504	3,647,847	6,006,351	3,731,780
Resources expended					
Cost of charitable activities		2,156,944	243,892	2,400,836	2,177,947
Governance costs		48,691	-	48,691	57,756
Total resources expended	6	2,205,635	243,892	2,449,527	2,235,703
Net income for the year before gains & losses		152,869	3,403,955	3,556,824	1,496,077
Actuarial (loss)/gain on defined benefit scheme	16	(211,000)	-	(211,000)	235,000
Net movements in funds	5	(58,131)	3,403,955	3,345,824	1,731,077
Fund balances brought forward		24,728,092	1,941,556	26,669,648	24,938,571
Fund balances carried forward	13	24,669,961	5,345,511	30,015,472	26,669,648

All amounts relate to continuing activities

There were no recognised gains or losses other than those dealt with in the above Statement of Financial Activities

The notes on pages 16 to 27 form part of the financial statements

Trust Thamesmead Limited
Balance sheets
at 31 March 2012

	Note	Group 2012 £	Group 2011 £	Charity 2012 £	Charity 2011 £
Fixed assets					
Tangible assets	9	9,836,984	5,623,279	9,836,984	5,623,279
Investment in joint venture	10	-	-	17,297,227	17,297,227
- share of net assets	10b	44,970,000	46,542,500	-	-
Other investments				1	1
		<u>54,806,984</u>	<u>52,165,779</u>	<u>27,134,212</u>	<u>22,920,507</u>
Current assets					
Debtors	11	1,343,097	2,087,622	1,343,097	2,088,383
Cash at bank and in hand		<u>2,275,111</u>	<u>2,689,388</u>	<u>2,275,111</u>	<u>2,689,388</u>
		<u>3,618,208</u>	<u>4,777,010</u>	<u>3,618,208</u>	<u>4,777,771</u>
Creditors: amounts falling due within one year	12	<u>771,948</u>	<u>571,868</u>	<u>771,948</u>	<u>572,630</u>
Net current assets		<u>2,846,260</u>	<u>4,205,142</u>	<u>2,846,260</u>	<u>4,205,141</u>
Provisions					
Defined benefit scheme asset/(liability)	16	35,000	(456,000)	35,000	(456,000)
Net assets		<u>57,688,244</u>	<u>55,914,921</u>	<u>30,015,472</u>	<u>26,669,648</u>
Unrestricted funds					
Designated funds					
Fixed asset reserve		4,491,473	3,633,327	4,491,473	3,633,327
Capital reserve		44,969,999	44,977,500	17,297,227	17,297,227
Pension obligation fund		-	1,000,000	-	1,000,000
Other designated funds		2,089,997	2,095,680	2,089,997	2,095,680
General funds		<u>791,264</u>	<u>2,266,858</u>	<u>791,264</u>	<u>701,857</u>
	13	<u>52,342,733</u>	<u>53,973,365</u>	<u>24,669,961</u>	<u>24,728,091</u>
Restricted income funds	13	<u>5,345,511</u>	<u>1,941,556</u>	<u>5,345,511</u>	<u>1,941,556</u>
		<u>57,688,244</u>	<u>55,914,921</u>	<u>30,015,472</u>	<u>26,669,648</u>

The financial statements were approved by the Board and authorised for issue on 17/10/12 and signed on its behalf by



V. Grimes
Trustee

The notes on pages 16 to 27 form part of the financial statements

Company number 1267728

Trust Thamesmead Limited

Notes forming part of the financial statements

for the year ended 31 March 2012

1 Accounting policies

a) Basis of preparation

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with the Companies Act 2006, the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in February 2005 and applicable UK accounting standards.

The financial statements have been prepared on a going concern basis. All of the following accounting policies remain unchanged from the previous year and have been applied consistently.

b) Group financial statements

These financial statements consolidate the results of the charity and its subsidiary undertaking. The results of the wholly owned subsidiary, Thamesmead Community Developments Limited, are consolidated on a line-by-line basis. In the group financial statements the joint venture, Tilfen Land Limited, is accounted for using the gross equity method. The consolidated SOFA includes the group's 50% share of joint venture profits less losses, while the group's share of the net assets of the joint venture is shown in the consolidated Balance Sheet. The results included for the joint venture are derived from audited accounts.

The charity has availed itself of Statutory Instrument 2008 No 409 The Small Companies and Groups (Accounts and Directors' Report) Regulations 2008 Part 2 paragraph 3(1) and adapted the Companies Act formats to reflect the special nature of the Charity's activities. No separate SOFA or Income and Expenditure Account have been presented for the Charity alone as permitted by section 408 of the Companies Act 2006 and paragraph 397 of the SORP.

c) Fund accounting

Unrestricted funds - these are accumulated surpluses and deficits on general funds which can be used in furtherance of the general objectives of the charity at the discretion of the trustees.

Designated funds - these are unrestricted funds which have been set aside by trustees for specific future purposes or projects.

Restricted funds - these are funds that have restrictions imposed by donors and can only be applied for the particular purposes specified by donors. The construction and purchase of fixed assets with restricted funds are deemed to be satisfied once the construction or purchase has taken place and therefore these restricted fund balances are released to unrestricted general funds once the construction or purchase is complete unless the restriction is deemed to be on a permanent basis.

d) Incoming resources

All incoming resources are accounted for in the SOFA when the charity is legally entitled to the income and the amount can be quantified with reasonable certainty. The following specific policies apply to categories of income.

Commercial trading activities - income from commercial activities are accounted for on a receivable basis.

Voluntary income - donated income is taken into account on a receivable basis.

Other income - interest, rental and project income is taken into account when receivable by the charity.

Deferred income - in accordance with the SORP, grants received in advance and specified by the donor as relating to specific accounting periods or alternatively which are subject to conditions which are still to be met, and which are outside the control of the charity or where it is uncertain whether the conditions can or will be met, are deferred on an accruals basis to the period to which they relate. Such deferrals are shown in the notes to the accounts and the sums involved are shown as creditors in the accounts.

Trust Thamesmead Limited
Notes forming part of the financial statements
for the year ended 31 March 2012

1 Accounting policies (continued)

e) Resources expended

Expenditure is accounted for on an accruals basis, inclusive of any VAT which cannot be recovered, and classified under headings in the accounts that aggregate all costs related to the category

Charitable activities - some resources expended, including staff costs, are apportioned across different categories of expenses, where appropriate, on the basis of time incurred on the projects

Governance costs are those expenses related to the costs of governing the charity and include a relevant proportion of senior management time

Grants and donations payable are taken into account the earlier of when they were paid or become enforceable

Provisions are only provided for on contractual liabilities which exist at the balance sheet date

f) Tangible fixed assets

Freehold land and buildings represent properties acquired from Thamesmead Town on its demerger in April 2000, which were professionally valued by Chartered Surveyors on an existing use open market value basis at this date. The assets were subsequently transferred to Trust Thamesmead from its subsidiary during 2009 at their net book value. In line with FRS 15 the directors have not adopted a policy of annual revaluations and the freehold buildings are depreciated on an annual basis

Other tangible fixed assets are included at cost less accumulated depreciation. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost less estimated residual value of each asset on a straight line basis over its expected useful economic life. The rates are as follows

Freehold land and buildings	over 50 years
Leasehold land and buildings	over the length of the lease
Office equipment and machinery	25% straight line
Fixtures and fittings	10% straight line

g) Investments

Investments in the subsidiary are stated at cost

The 50% interest held in the programme related joint venture, Tilfen Land Limited, is stated at fair value as at the transfer of the investment in April 2000

h) Operating leases

Expenditure on operating leases is charged to the Statement of Financial Activities in the period in which the lease charge arises

i) Taxation

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

j) Retirement benefits

Some employees within the pension scheme are members of the Local Government Superannuation Fund. From 1 April 1990 the responsibility for the Fund has been transferred to a unitary authority with a separate Board of Trustees, the London Pension Fund Authority

Trust Thamesmead Limited

Notes forming part of the financial statements for the year ended 31 March 2012

1 Accounting policies (continued)

j) Retirement benefits (continued)

For this defined benefit scheme the amount charged to the Statement of Financial Activities in respect of pension costs and other post retirement benefits is estimated regular cost of providing the benefits accrued in the year, adjusted to reflect variations from that cost. Current service costs, interest costs and expected return on assets are included within charitable expenditure. Past service costs and the costs of curtailments and settlements are included within other support costs.

Actuarial gains and losses arising from new valuations and from updating valuations to the balance sheet date are recognised in the Statement of Financial Activities under the heading of actuarial gains and losses on defined benefit scheme.

Defined benefit schemes are funded, with the assets held separately from the group in separate trustee administered funds. Full actuarial valuations, by a professionally qualified actuary, are obtained at least every three years, and updated to reflect current conditions at each balance sheet date. The pension scheme assets are measured at fair value. The pension scheme liabilities are measured using the projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency. A pension scheme asset is recognised on the balance sheet only to the extent that the surplus may be recovered by reduced future contributions or to the extent that the trustees have agreed a refund from the scheme at the balance sheet date. A pension scheme liability is recognised to the extent that the Charity has a legal or constructive obligation to settle the liability.

For defined contribution schemes the amount charged to the Statement of Financial Activities in respect of pension costs and other post retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

2 Winding up or dissolution of the charity

If upon winding up or dissolution of the charity there remain any assets, after satisfaction of all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having similar objects to the charity.

3 Commercial Trading Operations

	2012 £	2011 £
Share of joint venture turnover - Tilfen Land	5,513,500	5,602,000
Rental income	-	-
	<u>5,513,500</u>	<u>5,602,000</u>

4 Investment Income

	2012 £	2011 £
Preference dividend receivable from joint venture	80,000	80,000
Bank deposit interest	38,723	37,974
	<u>118,723</u>	<u>117,974</u>

5 Net Movement in Funds

	2012 £	2011 £
Net movements in funds is stated after charging		
Auditors' remuneration	12,000	14,748
Depreciation of owned fixed assets	223,672	130,724
Operating lease charge - land and buildings	<u>39,808</u>	<u>39,192</u>

Trust Thamesmead Limited
Notes forming part of the financial statements
for the year ended 31 March 2012

6 Analysis of total resources expended

a) Resources expended	Direct costs £	Support costs £	Total 2012 £	Total 2011 £
<i>Charitable activities</i>				
Building capacity of group and individuals	441,350	192,007	633,357	459,237
Children, young people & families	446,724	194,345	641,069	518,229
Employment and employability	297,803	129,558	427,361	311,063
Improving sports	197,895	86,093	283,988	259,296
Community cohesion	286,635	124,699	411,334	630,122
Other charitable activities	2,598	1,130	3,728	-
	<u>1,673,005</u>	<u>727,831</u>	<u>2,400,836</u>	<u>2,177,947</u>
<i>Governance</i>				
Appropriate proportion of staff costs	17,039	-	17,039	22,595
External audit and legal fees	14,315	-	14,315	26,248
Board costs	17,337	-	17,337	8,913
	<u>48,691</u>	<u>-</u>	<u>48,691</u>	<u>57,756</u>
Total resources expended	<u>1,721,696</u>	<u>727,831</u> (note 6b)	<u>2,449,527</u>	<u>2,235,703</u>

b) Support costs	2012 £	2011 £
Administration costs	195,073	55,285
Staff costs	456,346	444,803
Other costs	3,466	2,951
Premises costs	72,946	76,472
	<u>727,831</u>	<u>579,511</u>

Costs directly attributable to charitable activities are allocated to direct costs. Those costs not directly attributable are included in support costs. Support costs are then apportioned based on the staff time incurred on each charitable activity.

7 Staff costs and emoluments

	2012 £	2011 £
Wages and salaries	1,218,240	1,157,126
Social security costs	107,564	95,382
Pension contributions	67,180	75,348
	<u>1,392,984</u>	<u>1,327,856</u>

Employers Pension contributions to higher paid employees 14,082

	2012 No.	2011 No.
The average number of employees during the year was as follows		
Charitable activities	22	22
Management, administration and support services	19	19
	<u>41</u>	<u>41</u>

Trust Thamesmead Limited

Notes forming part of the financial statements for the year ended 31 March 2012

7 Staff costs and emoluments (continued)

	2012 No.	2011 No
Emoluments (Excluding pensions) of higher paid staff within the following scales were		
£60,000 - £69,999	-	2
£70,000 - £79,999	1	-
£80,000 - £89,999	1	1

Pensions paid to higher paid staff amounted to £14,082 (2012) and £13,805 (2011)

8 Trustees remuneration and expenses

No remuneration was paid to any trustee in the year

Reasonable expenses for travel, subsistence and incidentals " (£96)" were reimbursed to 2 trustees

9 Group and Trust Tangible Fixed Assets

	Freehold land and buildings £	Freehold buildings under construction £	Leasehold land and buildings £	Fixtures, fittings and equipment £	Total £
Cost or market value					
At 1 April 2011	1,572,087	4,223,979	42,518	113,032	5,951,616
Additions	-	4,411,262	-	26,116	4,437,378
Disposals				(16,704)	(16,704)
At 31 March 2012	<u>1,572,087</u>	<u>8,635,241</u>	<u>42,518</u>	<u>122,444</u>	<u>10,372,290</u>
Depreciation					
At 1 April 2011	97,733	111,636	38,190	80,779	328,338
Charge for the year	31,442	174,629	1,088	16,513	223,672
Disposals				(16,704)	(16,704)
At 31 March 2012	<u>129,175</u>	<u>286,265</u>	<u>39,278</u>	<u>80,588</u>	<u>535,306</u>
Net book value					
At 31 March 2012	<u>1,442,912</u>	<u>8,348,976</u>	<u>3,240</u>	<u>41,856</u>	<u>9,836,984</u>
At 31 March 2011	<u>1,474,354</u>	<u>4,112,343</u>	<u>4,328</u>	<u>32,253</u>	<u>5,623,278</u>

All assets are held for charitable purposes

10 Fixed asset investments

	Group 2012 £	2011 £	Charity 2012 £	2011 £
Thamesmead Community Developments Limited a	-	-	1	1
Tilfen Land Limited b	44,970,000	46,542,500	17,297,227	17,297,227
	<u>44,970,000</u>	<u>46,542,500</u>	<u>17,297,228</u>	<u>17,297,228</u>

Trust Thamesmead Limited

Notes forming part of the financial statements for the year ended 31 March 2012

a) Results of subsidiaries

The charity has a wholly owned trading subsidiary, Thamesmead Community Developments Limited, a company registered in England and Wales. The company was dormant during the year and did not trade. A summary of its results is shown below.

	2012 £	2011 £
Turnover	-	-
Cost of sales	(94)	(94)
Operating profit/loss	(94)	(94)
Grants received	94	94
Profit/loss before tax	-	-
Current assets		
Debtors	1	-
Cash at bank and in hand	-	763
	1	763
Creditors' amounts falling due within one year		(762)
Total net assets	1	1
Share capital	1	1
Profit and loss account	-	-
Equity shareholders' funds	1	1

b) Share in joint venture - programme related investments

The investment represents a 50% interest in Tilfen Land Limited, a commercial property and development company which is accounted for in the consolidated accounts of the Trust as a joint venture.

The Trust's share of the results in Tilfen Land are as follows:

	2012 £	2011 £
Share of Profit and Loss account		
Turnover	5,513,500	5,602,000
Cost of sales	(1,782,000)	(1,753,500)
Share of gross profit	3,731,500	3,848,500
Operating expenses	(1,577,500)	(1,725,500)
Interest payable and similar charges	(1,434,500)	(883,500)
Interest receivable and similar income	17,000	40,500
Loss on ordinary activities before taxation and dividends	736,500	1,280,000
Gift aid payable	(1,858,000)	(1,835,500)
Tax credit on ordinary activities	-	50,500
Share of retained loss for the year	(1,121,500)	(505,000)
Actuarial gains and loss	(586,500)	(59,000)
Retained profits brought forward	23,216,500	23,780,500
Share of retained profits carried forward	21,508,500	23,216,500

Trust Thamesmead Limited
Notes forming part of the financial statements
for the year ended 31 March 2012

b) Share in joint venture - programme related investments (continued)

Share of Balance Sheet	2012 £	2011 £
Fixed assets	53,932,500	53,827,000
Current assets	18,716,000	18,478,000
Share of gross assets	72,648,500	72,305,000
Current liabilities due within one year	(7,097,500)	(13,006,000)
Liabilities due after one year	(19,956,000)	(12,647,500)
Provisions for defined benefit pension schemes	(625,000)	(109,000)
Total assets less total liabilities - share of net assets	44,970,000	46,542,500
Called up share capital	9,623,000	9,623,000
Share premium account	1,674,000	1,674,000
Revaluation reserve	11,809,000	11,673,500
Profit and loss account	21,864,000	23,572,000
Share of capital and reserves	44,970,000	46,542,500

11 Debtors	Group 2012 £	Group 2011 £	Charity 2012 £	Charity 2011 £
Trade debtors	62,750	20,952	62,750	20,952
Due from joint venture and subsidiary undertaking	-	-	-	762
Other debtors	1,247,392	2,048,465	1,247,392	2,048,465
Prepayments	32,955	18,205	32,955	18,204
	<u>1,343,097</u>	<u>2,087,622</u>	<u>1,343,097</u>	<u>2,088,383</u>

12 Creditors: amounts falling due within one year	Group 2012 £	Group 2011 £	Charity 2012 £	Charity 2011 £
Trade creditors	520,779	370,782	520,779	370,782
Social security and other taxes	31,844	-	31,844	-
Other creditors	146,405	164,541	146,405	165,303
Accruals	72,920	36,545	72,920	36,545
	<u>771,948</u>	<u>571,868</u>	<u>771,948</u>	<u>572,630</u>

Included within the accruals is an amount of £8,171 relating to outstanding pensions contributions at the end of the year (2011 "Nil")

Trust Thamesmead Limited
Notes forming part of the financial statements
for the year ended 31 March 2012

13. Movement on reserves

GROUP	1 st April 2011 £	Incoming Resources £	Outgoing Resources £	Gains & (Losses) £	Fund Transfers £	31st March 2012 £
Restricted Funds						
Sporting Club Thamesmead	682,302	253,977	(62,491)	-	-	873,788
Link Thamesmead	1,259,254	3,301,494	(89,025)	-	-	4,471,723
European Integration Fund	-	26,597	(26,597)	-	-	-
ESF	-	65,779	(65,779)	-	-	-
Total Restricted Funds	1,941,556	3,647,847	(243,892)	-	-	5,345,511
Designated Funds						
Building improvements	100,000	-	-	-	-	100,000
Sporting Club Thamesmead	1,703,627	-	(23,113)	-	(1,378,517)	301,997
Link Thamesmead	292,053	-	-	-	395,947	688,000
Business Development Fund	-	-	-	-	1,000,000	1,000,000
Pension obligation fund	1,000,000	-	-	-	(1,000,000)	-
Capital reserve	44,977,500	-	-	-	(7,501)	44,969,999
Fixed asset reserve	3,633,327	-	-	-	858,146	4,491,473
Total Designated Funds	51,706,507	-	(23,113)	-	(131,925)	51,551,469
Unrestricted Funds:						
Unrestricted general funds	2,266,857	2,358,504	(2,182,522)	(1,783,500)	131,925	791,264
Total GROUP Funds	55,914,920	6,006,351	(2,449,527)	(1,783,500)	-	57,688,244
TRUST	1st April 2011 £	Incoming Resources £	Outgoing Resources £	Gains & (Losses) £	Fund Transfers £	31st March 2012 £
Restricted Funds						
Sporting Club Thamesmead	682,302	253,977	(62,491)	-	-	873,788
Link Thamesmead	1,259,254	3,301,494	(89,025)	-	-	4,471,723
European integration Fund	-	26,597	(26,597)	-	-	-
ESF	-	65,779	(65,779)	-	-	-
Total Restricted Funds	1,941,556	3,647,847	(243,892)	-	-	5,345,511
Designated Funds.						
Building improvements	100,000	-	-	-	-	100,000
Sporting Club Thamesmead	1,703,627	-	(23,113)	-	(1,378,517)	301,997
Link Thamesmead	292,053	-	-	-	395,947	688,000
Business Development Fund	-	-	-	-	1,000,000	1,000,000
Pension obligation fund	1,000,000	-	-	-	(1,000,000)	-
Capital reserve	17,297,227	-	-	-	-	17,297,227
Fixed asset reserve	3,633,327	-	-	-	858,146	4,491,473
Total Designated Funds	24,026,234	-	(23,113)	-	(124,424)	23,878,697
Unrestricted Funds:						
Unrestricted general funds	701,858	2,358,504	(2,182,522)	(211,000)	124,424	791,264
Total TRUST Funds	26,669,648	6,006,351	(2,449,527)	(211,000)	-	30,015,472

Trust Thamesmead Limited
Notes forming part of the financial statements
for the year ended 31 March 2012

13 Movement on reserves (continued)

Restricted Funds

Sporting Club Thamesmead and Link Thamesmead were received for the construction of these projects. They currently represent the part of the fixed assets under construction.

Funding from the LDA and ESF was used to support the provision of employment advice and support to residents of Thamesmead.

Designated Funds

Building improvements - this fund is for the future improvement to buildings.

Sporting Club Thamesmead and Link Thamesmead - this money has been set aside to support the proposals on each of these development projects.

Business Development Fund - this has been set aside to support the development of new initiatives which will help the Trust to increase its income.

The capital reserve represents the investment held in Tilfen Land of which Trust Thamesmead Limited has a 50%. It is a programme related investment whose principal activity is commercial property and development company.

The fixed asset reserve represents funds tied up in fixed assets, excluding those held in restricted funds, and are not therefore readily available to the Trust in the short term.

14 Analysis of net assets between funds at 31 March 2012

Group

	Unrestricted Funds £	Capital Funds £	Designated Funds £	Restricted Funds £	Total Funds £
Tangible fixed assets	-	-	4,491,473	5,345,511	9,836,984
Investments	1	44,969,999	-	-	44,970,000
Current assets	1,528,211	-	2,089,997	-	3,618,208
Current liabilities	(771,948)	-	-	-	(771,948)
Provisions	35,000	-	-	-	35,000
	<u>791,264</u>	<u>44,969,999</u>	<u>6,581,470</u>	<u>5,345,511</u>	<u>57,688,244</u>

Charity

	Unrestricted Funds £	Capital Funds £	Designated Funds £	Restricted Funds £	Total Funds £
Tangible fixed assets	-	-	4,491,473	5,345,511	9,836,984
Investments	1	17,297,227	-	-	17,297,228
Current assets	1,528,211	-	2,089,997	-	3,618,208
Current liabilities	(771,948)	-	-	-	(771,948)
Provisions	35,000	-	-	-	35,000
	<u>791,264</u>	<u>17,297,227</u>	<u>6,581,470</u>	<u>5,345,511</u>	<u>30,015,472</u>

15 Related party transactions

Rent totalling £39,808 (2011 £39,192) was paid to Tilfen Land Limited, a company in which the Trust has a 50% interest.

15b Capital Commitments

Authorised Capital expenditure which was contracted but not provided for in these financial statements is as follows:

	2012	2011
Property - Sporting Club Thamesmead	797,402	2,234,807
Property - The Link Thamesmead	<u>1,406,433</u>	<u>3,875,628</u>

Trust Thamesmead Limited

Notes forming part of the financial statements for the year ended 31 March 2012

16 Pension commitments

Defined benefit scheme

Some employees of Trust Thamesmead Limited who are former employees of Thamesmead Town may participate in the London Pensions Fund Authority (LPFA) Pension Fund, part of the Local Government Pension Scheme, which is a defined benefit statutory scheme. The fund is administered by London Pensions Authority in accordance with the Local Government Pensions Scheme Regulations 1997 as amended. The last full actuarial

The valuation was carried out using the projected unit method and the value of the combined fund were taken at £2,284,000,000. The ratio of assets to liabilities was 82%. The key assumption used for the purpose of this valuation were

Rate of return/discount rate	4.6% per annum
Salary increases	4.2% per annum
Price inflation/pension increases	3.3% per annum

The contributions made to the Scheme over the financial year were £3,843. The contribution rate was 50.7% of pensionable salaries (inclusive of employee contributions).

Following the full actuarial valuation as at 31 March 2004, produced by the fund's actuary in March 2005, it was determined that target a funding level of 100% over a period of 20 years the common employers' total contribution rate is 18.8% of pensionable pay.

The Accounting Standard FRS 17 has been adopted in the year. The assets of the scheme have been taken at estimated market value and the liabilities have been calculated using the following principal actuarial assumptions:

	2012	2011	2010
	% per annum	% per annum	% per annum
Inflation/pension increase rate	3.30	3.50	3.90
Salary increase rate	4.20	4.50	5.40
Pension increases	2.50	2.70	3.90
Discount rate	4.60	5.50	5.50

The value of the gross asset share in respect of Trust Thamesmead Limited as at 31 March 2012 and the expected rate of return were

	Long-term rate of return expected		
	2012	2011	2010
	% p.a.	% p.a.	% p.a.
Equities	6.30	7.40	7.50
Target return portfolio	4.50	4.50	4.50
Alternative assets	5.30	6.40	6.50
Cash	3.00	3.00	3.00
Corporate bonds	n/a	5.50	5.50
Total	5.90	6.70	6.80

The value of the net asset share in respect of Trust Thamesmead Limited as at 31 March 2012 was

	31/03/12	31/03/11	31/03/10
	£	£	£
Assets	1,308,000	627,000	458,000
Present value of liabilities	(1,273,000)	(931,000)	(988,000)
Present value of unfunded liabilities	-	(152,000)	(161,000)
Net pension surplus / (deficit)	<u>35,000</u>	<u>(456,000)</u>	<u>(691,000)</u>

Trust Thamesmead Limited

Notes forming part of the financial statements for the year ended 31 March 2012

16 Pension commitments (continued)

In addition to the liability disclosed above, there are certain legacy members of the LPFA Pension Fund (former employees of Thamesmead Town) for whom a pension deficit exists, and for which a contingent liability may exist for the Trust. As the precise quantum and nature of this sum has yet to be established, no amount has been provided in these financial statements

Recognition in the profit or loss

	Year to 31/03/12 £000s	Year to 31/03/11 £000s
Current service cost	9	12
Expected return on Scheme assets	(65)	(40)
Interest on obligation	59	61
Losses (gains) on curtailments and settlements	-	33
Past service cost	-	(144)
Total	3	(78)
Actual return on plan assets	10	42

Reconciliation of defined benefit obligation

	Year to 31/03/12 £000s	Year to 31/03/11 £000s
Opening defined benefit obligation	1,083	1,149
Service cost	9	12
Interest on obligation	59	61
Contribution by Scheme participants	3	3
Actuarial losses/(gains)	155	(30)
Past service cost	-	(144)
Unfunded pension payments	(11)	(10)
Liabilities assumed in a business combination	-	65
Estimated benefits paid (not of transfers in)	(25)	(23)
Closing defined benefit obligation	1,273	1,083

Reconciliation of fair value of Scheme assets

	Year to 31/03/12 £000s	Year to 31/03/11 £000s
Opening fair value of Scheme assets	627	458
Expected return on Scheme assets	65	40
Contribution by Scheme participants	3	3
Contribution by employer in respect of unfunded benefits	705	23
Actuarial gains/(losses)	(56)	104
Receipt/(payment) of bulk transfer value	-	32
Estimated benefits paid including unfunded benefits	(36)	(33)
Fair value of Scheme assets at end of year	1,308	627

Reconciliation of opening and closing surplus

	Year to 31/03/12 £000s	Year to 31/03/11 £000s
Surplus/(deficit) at beginning of year	(456)	(691)
Current service cost	(9)	(12)
Contribution by employer	694	13
Unfunded pension payments	11	10
Past service cost	-	144
Other finance income	6	(21)
Settlements and Curtailments	-	(33)
Actuarial gains/(losses)	(211)	134
Surplus/(deficit) at end of the year	35	(456)

Trust Thamesmead Limited
Notes forming part of the financial statements
for the year ended 31 March 2012

16 Pension commitments (continued)

Amounts for the current and previous periods

	Year to 31/03/12 £000s	Year to 31/03/11 £000s	Year to 31/03/10 £000s	Year to 31/03/09 £000s	Year to 31/03/08 £000s
Defined benefit obligation	(1,273)	(1,083)	(1,149)	(1,054)	(1,101)
Scheme assets	1,308	627	458	349	443
Deficit	35	(456)	(691)	(705)	(658)
Experience adjustments on	(12)	5	387	1	382
Percentage of liabilities	-0.90%	0.50%	33.70%	-0.10%	-34.70%
Experience adjustments on					
Scheme assets	(56)	104	81	(125)	(373)
Percentage of assets	-4.30%	16.60%	17.70%	-35.80%	-84.20%
Cumulative actuarial gain/(loss)	68	279	145	96	130

Amount recognised in the Statement of Total Recognised Gains and Losses

	Year to 31/03/12 £000s	Year to 31/03/11 £000s
Actual return less expected return on pension scheme assets	(56)	2
Experience gain	(12)	107
Changes in assumptions underlying the present value of	(143)	25
Actuarial gain/(loss) in pension scheme	<u>(211)</u>	<u>134</u>
Actuarial gain/(loss) recognised in STRGL	<u>(211)</u>	<u>134</u>

Projected Pension Expense for the year to 31 March 2013

	Year to 31/03/12 £000s
Service cost	11
Interest cost	58
Return on assets	<u>(97)</u>
Total	<u>(28)</u>
Employer Contributions	7

16b The CARE Scheme

Trust Thamesmead Limited participates in the CARE scheme (The Scheme), which is a funded multi-employer defined benefit scheme. As at the Balance Sheet date, there were 18 active members of the scheme employed by Trust Thamesmead Limited. The annual pensionable payroll in respect of these members was £668,014. Trust Thamesmead Limited continues to offer membership of the scheme to new entrants.

The last formal valuation of the scheme was performed as at 30th September 2010 by professionally qualified actuaries using the 'Project Unit' method. The market value of the scheme's assets at the valuation date was £21.3m. The valuation revealed a deficit of assets compared to liabilities of £2.6m, equivalent to a past service funding level of 89%.

Trust Thamesmead Limited

Notes forming part of the financial statements for the year ended 31 March 2012

16 Pension commitments (continued)

The financial assumptions underlying the valuation as at 30 September 2010 were as follows

	% p a
Rate of return pre retirement (non-orphans)	6.5
Rate of return post retirement (non-orphans)	4.3
Rate of return pre retirement (orphans)	3.0
Rate of return post retirement (orphans)	3.5
Rate of pension increase pre 5 April 2005	2.6
Rate of pension increase post 5 April 2006	2.1
Rate of price inflation	3.0

If an actuarial valuation reveals a shortfall of assets compared to liabilities, the Trustees must prepare a Recovery Plan setting out the steps to be taken to make up the shortfall. Following consideration of the results of the actuarial valuation, it was agreed that the shortfall of £2.6m would be dealt with by the payment of deficit contributions of £208,000 per annum, increasing each year by 3% from 1 April 2012 to 31 March 2022.

Trust Thamesmead Limited share of these deficit contributions is £3,900 per annum, payable in monthly instalments of £325. These deficit contributions are in addition to the contribution rates set out above. The present value of the obligation has been estimated to be £40,000. In addition, £8171 in respect of contributions to the CARE Scheme for the month of March 2012 was still outstanding as at 31 March 2012. This amount was accounted for as part of current liabilities on the balance sheet.

Trust Thamesmead Limited has been notified by The Pensions Trust of the estimated employer debt on withdrawal from the CARE Scheme, based on the financial position of the Scheme as at 30th September 2010. At this date the estimated employer debt for Trust Thamesmead was £692,000. The Trust has no intention of withdrawing from the scheme.