

**Registered Charity Number (England & Wales): 271731**  
**Registered Company Number: 1267728**

**TRUST THAMESMEAD LIMITED**  
**(A company limited by guarantee)**

**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 MARCH 2010**

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**Trust Thamesmead Limited**  
**Annual Report and Financial Statements**  
**For the year ended 31 March 2010**

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# **Trust Thamesmead Limited**

## **Legal and administrative information**

<b>Board of Directors</b>	Vic Grimes (Chair) Janice Ward-Wilson (Vice Chair) Mair Garside Keeley Savill Nicola Insley (appointed 12/10/2009) Nayeshh Pitla (appointed 12/10/2009) Ken Miller (appointed 12/10/2009) David Leaf Linda Portis (Appointed 27/3/2010) Joel Ogundayo E Clardge (resigned 10/3/2010)
<b>Secretary</b>	H Webb
<b>Charity Number</b>	271731
<b>Company Number</b>	1267728
<b>Registered Office</b>	19A Joyce Dawson Way Thamesmead Town Centre London SE28 8RA
<b>Auditors</b>	Kingston Smith LLP Devonshire House 60 Goswell Road London EC1M 7AD
<b>Solicitors</b>	TG Baynes Baynes House Market Street Dartford, Kent DA11 1DB  Bates Wells and Braithwaite 2-6 Cannon Street London EC4M 6YH
<b>Bankers</b>	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 2010**

The Board of Trustees submit their report and the financial statements for Trust Thamesmead Limited (Limited by Guarantee) for the year ended 31st March 2010

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

The following have held office since 1 April 2009 except where noted

Vic Grimes (Chair)  
Janice Ward-Wilson (Vice Chair)  
Mair Garside  
Keeley Savill  
Nicola Insley (appointed 12/10/2009)  
Nayeshh Pitla (appointed 12/10/2009)  
Ken Miller (appointed 12/10/2009)  
David Leaf  
Linda Portis (Appointed 27/03/2010)  
Joel Ogundayo  
E Clardge (resigned 10/3/2010)

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

#### **Method of appointment of Trustees**

The Board of Trustees comprises

Up to 13 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 four Sub- Committees including the Finance and Resources sub-committee, the Governance Sub Committee, the Community Services Sub Committee and the Capital Projects and Property Review 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 2010**

(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

#### **ACHIEVEMENTS, PERFORMANCE AND PLANS FOR FUTURE PERIODS**

2009/2010 saw the Trust's Board and staff make significant headway both in the development/growth of the organisation and in the impact that we are making in Thamesmead working constructively with a whole range of partners

Amongst the most significant achievements we would report on the following -

##### **1 Governance**

Through a proactive recruitment exercise the Board of Trustees significantly increased its skills with the appointment of Linda Portis, Nicola Insley, Nayeshh Pitla and Ken Miller. In 2010/2011 we intend to repeat this exercise and we are particularly focused on strengthening the finance skills available to the Board by targeting potential trustees who understand and are committed to what we are trying to do who also have a finance, accounting or commercial business background

The Board, following an away day in October 2009, agreed significant changes to our constitution and governance structures. With the support of our Company Secretary Helen Webb we developed our own action plan and it is pleasing to note that the vast majority of this work has now been successfully implemented

The Board has a shared commitment to demonstrate that we are one of the highest performing governing bodies in our sector. The next stage for us is to agree how we measure and evaluate our progress and the value that we add to the organisation

##### **2. Planning and Review**

As an organisation we have continued to strengthen our planning and review. The Board started the year by endorsing a new three year business plan and a year one (2009/2010) delivery plan

In terms of our 2009-2012 strategy we believe that it is an exemplary piece of work which sets out how as a multi purpose 'Community Anchor' organisation we can clearly demonstrate how we deliver against our charitable objectives

# **Trust Thamesmead Limited**

## **The Report of the Trustees**

### **for the year ended 31 March 2010**

The document sets out the evidence base of need that underpins why the Trust should intervene, what the most effective intervention we can make is, the stakeholder engagement process that supports this approach and what our milestones and targets going forward are. Our 2009-2012 Strategy has become our key planning and evaluation tool and, unlike so many strategies it does not sit idly on the shelf gathering dust but charts our point of departure and intended destination. We are very proud of it.

During 2009/2010 we made further great strides on our monitoring and evaluation procedures, which has historically been an area where we have been weak. We have put in place a range of new databases to capture management information across our services together with a new project planning and evaluation template. In 2010/2011 we will be looking to build on how we use all this additional information to enhance our effectiveness.

### **3. Capital Projects**

The end of 2008/2009 culminated in our success in putting together the £4.6m funding required to move our Sporting Club Thamesmead project to the construction stage.

The successful contractor, chosen through a competitive tender process, was able to start on site in May 2009 with a planned handover of the facility to us in August of this year. Unfortunately the company became a casualty of the banking crisis/economic recession and went into liquidation. The Board of Trustees are very pleased at how well our team handled this very difficult situation. A new contractor was put into position very quickly and at no additional cost to the project. We are now expecting the successful completion of this exciting scheme prior to Christmas 2010.

Our second significant capital scheme 'THE LINK' Thamesmead (formerly Thamesmead Youth Leisure Zone) has also made significant strides forward. We achieved 'in principle' agreement from 'myplace'/The Big Lottery Fund in February 2009 of a grant of £5m towards this £5.5m scheme to create world class youth facilities.

Over the past year we have successfully completed a capital plan (including planning permission), partnership agreements with all key stakeholders and a business plan and we have just heard from 'myplace' that the award has now been confirmed. We have continued apace with the development of this project and our aim is to let the construction contract next month (July 2010) with a completion envisaged by November 2011.

Our third major success of the year was our work with the London Borough of Greenwich that saw over £1m invested into our Waterway's Nursery site to create a wonderful Children's Centre for Central Thamesmead and this opened to the public in February 2010.

We have most recently endorsed 'in principle' our staff team's aspirations for both our stock of buildings around Kale Road (a project which has a working title of 'Parkview Community Hub') and a community led project to bring back into charitable use our substantial social space known as 'The Moonrings Social Club'. The success of these projects will require the support of our key stakeholders Gallions Housing Association and the London Boroughs of Bexley and Greenwich.

We are obviously very excited by this aspirational agenda and our success to date but as guardians of the organisation our key focus is on managing risk, supporting our staff team and ensuring that we have the capacity to deliver successfully across all our priorities.

In driving this ambition we are particularly conscious of the economic times we live in and the likely public sector cuts ahead. We are already thinking about how we can best deal with these potential threats and also what opportunities this and the new Government's 'Big Society' agenda offers to us and the groups and people we work with.

# **Trust Thamesmead Limited**

## **The Report of the Trustees**

### **for the year ended 31 March 2010**

#### **4. Service targets achieved against our agreed plans**

Our current three year strategic plan is set out under four themes and the Board would like to highlight the following key achievements in the first year of our new approach to transforming Thamesmead and the lives of the most disadvantaged who live here

##### **4.1 Theme One – An inclusive community**

- 87 Thamesmead community groups surveyed to start to build up our picture of the strength (or otherwise) of the local voluntary/community sector 35 community groups supported with issues such as governance, funding, policies and procedure 12 groups identified as 'priority partners' and provided with a named Relationship Manager at the Trust
- 36 community organisations able to regularly access our community halls
- Successful delivery of a major summer festival supported by the creation of a new "community forum" to input residents' ideas
- 12 community events supported
- 25 Trust lead events delivered
- Initiated and led a new Thamesmead 'Health and Wellbeing' Forum involving all local G P practices and both Bexley and Greenwich PCT
- Growing Greenwich' project supported and four project sites in Thamesmead identified for the coming year to take the project forward Development plan agreed for our "fruit and veg" stall at the Moorings and increased levels of volunteering and community engagement agreed Project to be extended to Discovery School this year
- Supported the delivery of 10 new activities which increased physical activity/healthy eating/improved health prevention

##### **4.2 Theme Two – Skill for Life and Work**

- 1656 Thamesmead residents received a service from our Building Futures team of which 892 were referred to our partners at our Head Office "One Stop Shop"
- 194 residents supported into employment
  - 94 residents via Building Futures core project
  - 75 residents via Building Futures contract with the London Development Agency
  - 2 residents via Building Futures contract with Groundworks (project just started)
  - 18 residents via our partnership with Gllab (London Borough of Greenwich)
  - 5 residents via our partnership with Resources Plus (London Borough of Bexley)
- 4 new accredited qualification courses supported and delivered in Thamesmead (59 residents participating)
- 9 new non accredited qualifications supported and delivered in Thamesmead (166 residents participating)

# **Trust Thamesmead Limited**

## **The Report of the Trustees**

### **for the year ended 31 March 2010**

- Training
  - 480 residents supported into training in total
  - 188 residents via Building Futures core project
  - 116 residents via Building Futures contract with the London Development Agency
  - 5 residents via Building Futures contract with Groundworks (just started)
  - 6 residents via our partnership with Resources Plus (London Borough of Bexley)
  - 11 residents via our partnership with Gllab
  - 171 residents part funded or free training sourced by Building Futures
- Supported free advice sessions at our embryonic 'One Stop Shop' to the following agencies -
  - Age UK – fuel poverty and other advice sessions for the elderly
  - Her Centre – domestic violence against women
  - Advocacy for Older People – supporting older people to enforce their rights
  - Cross Street Law Centre – housing advice
  - Blenheim CDP – drugs advice, information and support for adults
- Delivered and evaluated a taster course in Community Development with Greenwich Community College Service level Agreement signed and agreed with the College for 2010/2011

#### **4 3 Theme Three – Improving the community infrastructure of Thamesmead**

- See capital projects above
- Invested £160k into improved sporting provision in Crossways Park and agreed a lease with Gallions Housing Association for the facilities for 25 years
- Detailed discussions with Bexley and Greenwich Council re the links between their Ridgeway enhancement project and our Sporting Club Thamesmead and 'THE LINK' schemes
- Delivery of a first phase report on the creation of an Urban Farm at Southmere Park in partnership with Gallions Housing Association
- Agreed with the Environment Agency, Gallions Housing Association and Tilfen Land the outcome of feasibility work to improve Thamesmead's canal scheme and local residents engagement and appreciation of it We are hopeful that this work will lead up to £5m of improvements to this exceptional network
- Commissioned a major feasibility study known as Parkview Community Hub on the potential of converting the Limestone Community Centre, Dashwood Social Club, 1 Limestone Walk (former hairdressers) and Kale Road workshops into a major new community resource for the residents of Tavy Bridge, Parkview and Lesness
- We carried out roof repairs at our Jubilee, Broadwater and Moorings community centres, pigeon preventative measures at Manor Close, provided new boilers to the Pop in Parlour and Arnott Pre School and also carried out works at Glimpsing Green (Acorn), the Limestone and Greenmead
- Major security works were put in place at the Moorings Social Club when the leaseholders handed us back the keys
- We worked with Tilfen Land Limited to create a new police base which has been established in the Town Centre and 'Heads of Terms' have been agreed between the Trust and the Metropolitan Police Authority for a new police base in Thamesmead East/Lesness ward We would like to thank Gallions Housing for their support for this initiative



# **Trust Thamesmead Limited**

## **The Report of the Trustees**

### **for the year ended 31 March 2010**

#### **4.4 Theme Four – Improving the lives of children, young people and their families**

- Successful partnership with the London Borough of Greenwich has led to the £1m+ investment in Waterways Children's Centre which opened in February 2010
- Continued to provide significant support to Greenmead and Discovery Children's Centre and played a key role in the creation and further development of these Surestart facilities
- 82 three and four year olds received early year's foundation education at the Trust's two pre schools last year. Both units are full and Arnott increased its offer to parents up to 15 hours per week. A similar offer at our Acorn facility will be available from September 2010
- New quality assurance system put in place to track all under five's progress in our provision
- The Trust has continued to provide space for other pre school providers at Manor Close and Thamesmead Children's Centre in Harrow Manor Way
- With the Trust's support Waterways Nursery was temporarily located at our Harrow Manor Way site to enable a new Children's Centre to be built at Waterways. 75 children benefited from full or part time childcare, employment was provided for 20 staff, 5 accessed NVQ Level 3 in Care, Learning and Development and 7 student placements were also provided
- Cross borough partnership group established between the Trust, Bexley and Greenwich to support better coordination of youth provision in Thamesmead
- Thamesmead Youth Voice core membership increased from 11 to 22 with 32 attending on an occasional basis
- 3 additional youth programmes delivered for Thamesmead's young people with providers supported by the Trust
- All primary and secondary schools in Thamesmead supported so that they are able to meet the Government's Extended Schools core offer by September this year
- 700 Thamesmead school children participated in the Trust Thamesmead education curriculum programme "Traffic Thamesmead"

#### **5 Service targets not achieved against our agreed plans**

On reviewing our 2009-2010 delivery plan the Trust's Board of Trustees came to a view that the Trust and its partners had not been successful in delivering against agreed targets set at the start of the year in the following areas -

- Enhancing the number and quality of volunteering/volunteering opportunities in Thamesmead
- Developing and implementing our strategy in a more locality based way with clear area based priorities that would be endorsed and understood by local people
- Capacity building and bringing better coordination to older people's groups and services in Thamesmead
- Promoting a better offer of financial inclusion services and a more coordinated approach to advice, information and guidance services to those facing the greatest barriers to participating in local life
- Evidencing a much stronger link between the services in our seven community halls and our eight charitable objectives

# **Trust Thamesmead Limited**

## **The Report of the Trustees**

### **for the year ended 31 March 2010**

At the start of this new financial year agreed plans are in place to address the last four of these five issues with our partners and we remain committed to working with the volunteer bureaux in Bexley and Greenwich to meet our aspirations for better volunteering opportunities in Thamesmead to meet the increasing demand for these

#### **6 Organisational achievements**

The Board of Trustees also oversaw a range of “enabling” or “internal” improvements which will be key to ensuring that year on year we are improving and making a greater impact. Space does not allow us to mention all of these but we would like to highlight the following -

- We retained our 'Investors in People' quality Chartermark for staff management and development
- Our staff engagement survey evidenced a strongly committed workforce and our key priority of a 20% increase in staff satisfaction with our managers approach to supervision was achieved
- Performance objectives have been rolled out from just the 18 most senior staff to all staff. This work will be evaluated at the end of this year
- We have established much improved credit control procedures and there is clear evidence that this is working
- Our reserves policy was reviewed and changed
- We have reviewed and strengthened both our risk control and our budget control procedures in light of the risk created by our £10m capital projects which are under development and our future greater reliance on generating our own trading income
- We have upgraded our Finance Systems and completed a full review of our financial procedures and our asset register
- We have worked with Tilfen and Gallions Housing Association to reduce our potential LPFA pension liability and established a £1m cash deposit to more than cover our current liability
- We have agreed a new three year IT development plan and following a competitive tender exercise appointed a new IT support company to assist us to ensure our IT investment is value for money
- An average of 3092 people visited our community website every month and stayed on site for over two minutes
- We distributed 48 press releases during the year and over 100 articles involving the Trust were published in local newspaper
- We created 4 issues of our E-Newsletter “Trust Talk” which was sent to 470 external subscribers
- In house we created 54 pieces of promotional material including Newsletters for parents and carers who use our Childcare facilities
- All building inspections and PAT testing was carried out to schedule

#### **7 Key objectives for 2010/2011**

Building on the success of the first year of our revised three year strategy the Board has signed off a very ambitious operational plan for the organisation for 2010/2011 which is available from the Trust's Head Office

# **Trust Thamesmead Limited**

## **The Report of the Trustees**

### **for the year ended 31 March 2010**

The plan has a broad range of programmes and targets we want to see achieved and key amongst those are -

- The successful opening of our Sporting Club Thamesmead project as our first social enterprise. We are very confident that our charitable ambitions for this project will be exceeded but the key to its success will be to achieve the challenging income targets that we have set without jeopardising access to this very exciting project
- Achieving clarity about the nature of our partnership arrangements with at least ten of our most important local community groups
- Publishing four area based plans that complement our strategy and are meaningful for the residents who live in those localities
- Being able to evidence how we are contributing to strengthening the community and voluntary sector in Thamesmead
- Working with Bexley and Greenwich's volunteer bureaux to create more and high quality volunteering opportunities in Thamesmead
- Leading on the delivery of an innovative financial inclusion, family support and information and advice service at Tavy Bridge which will help inform our plans for the Parkview Community Hub
- Bringing in new resources to provide greater support to vulnerable older people
- Supporting at least 250 unemployed Thamesmead residents into work
- Supporting the delivery of at least 15 new adult education courses in Thamesmead
- Training 15 local residents in Community Development skills of which a minimum of 5 will gain accredited qualifications and 5 will have local opportunities to develop their skills
- Letting a contract for the construction of our £5m plus "THE LINK Thamesmead" world class youth facility, capacity building our key providers whilst ensuring the voice and concerns of young people continues to drive this project forward
- Being much clearer about how our stock of community buildings currently support our charitable objectives and our plans for the future development of this portfolio
- Reopening 'the Cave' as a wonderful indoor and outdoor activity centre for young people incorporating activities on Southmere Lake
- Strengthening our relationships with the three children's centres in Thamesmead and being clearer as to how our own directly provided childcare provision adds value to our charitable objectives and significantly enhances the early lives of the 90+ children we will help in their earliest years of learning
- Ensuring that our work with schools is clearly linked to improving educational outcomes
- At least another 700 children will benefit from our joint work with schools from our wonderful 'T'riffic Thamesmead' project
- Internally the Board wants to build our strong support functions and, in particular, wants to see the successful start to the implementation of our new IT development plan and the relationship with our new IT support company
- We want to see a high quality marketing and communications plan for both 'Sporting Club Thamesmead' and 'THE LINK Thamesmead'

# **Trust Thamesmead Limited**

## **The Report of the Trustees**

### **for the year ended 31 March 2010**

#### **RESERVES POLICY**

The Board of Trustees has set a policy whereby the company will maintain for the time being a General Reserve of between £850,000 and £1,100,000 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 £1.0 million 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 these risks materialise

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

#### **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,

# **Trust Thamesmead Limited**

## **The Report of the Trustees**

### **for the year ended 31 March 2010**

- state whether applicable UK Accounting Standards 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 charitable company will continue in business

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

#### **Auditors**

Kingston Smith LLP have indicated their willingness to continue in office. A resolution proposing their re-appointment will be submitted at the Annual General Meeting.

#### **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 ..... 16/11/10 .....  
and signed on its behalf by:



**V Grimes**  
Chair

## **Independent Auditors' Report to the Members of Trust Thamesmead Limited**

We have audited the consolidated and parent charitable company's financial statements of Trust Thamesmead for the year ended 31st March 2010 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charitable Balance Sheets and the related notes. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the charitable company's members, as a body, in accordance with Sections 495 and 496 of the Companies Act 2006 and in respect of the consolidated financial statements, to the charitable company's trustees, as a body, in accordance with regulations made under section 43 of the Charities Act 1993. Our audit work has been undertaken for no purpose other than to draw to the attention of the charitable company's trustees and members those matters which we are required to include in an auditor's report addressed to them. 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 Auditors**

The trustees' (who are also the directors of the charitable company for the purposes of company law) responsibilities for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statement give a true and fair view are set out in the Statement of Trustees' Responsibilities.

We have been appointed auditors under the Companies Act 2006 and section 43 of the Charities Act 1993 and report to you in accordance with those Acts. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and have been properly prepared in accordance with the Companies Act 2006 and the Charities Act 1993. We also report to you whether, in our opinion, the information given in the Trustees' Report is consistent with the financial statements. In addition we report to you if in our opinion the information given in the Trustees' Annual Report is consistent with those financial statements.

In addition we report to you if, in our opinion, the charitable company has not kept adequate accounting records, if the charitable company's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of trustees' remuneration specified by law are not made.

We read the Trustees' Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

### **Basis of Audit Opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group's and charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### **Opinion**

In our opinion:

- the financial statements give a true and fair view of the state of the group's and parent charitable company's affairs as at 31st March 2010 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended,
- the financial statements have been properly prepared in accordance with the United Kingdom Generally Accepted accounting Practice,
- the financial statements have been prepared in accordance with the Companies Act 2006 and the Charities Act 1993,
- the information provided in the Trustees' Annual Report is consistent with the financial statements.

*Neil Finlayson*

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

Date *20/12/2010*

Devonshire House  
60 Goswell Road  
London EC1M 7AD

**Trust Thamesmead Limited**  
**Consolidated Statement of Financial Activities**  
**for the year ended 31 March 2010**

<b>Income and Expenditure Account</b>	<b>Note</b>	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Total 2010 £</b>	<b>Total 2009 £</b>
<b>Incoming resources</b>					
Incoming resources from generated funds					
Voluntary income		3,973,606	-	3,973,606	3,755,406
Activities for generating funds					
Commercial trading activities	3	6,350,000	-	6,350,000	7,171,603
Investment income	4	134,564	-	134,564	330,666
Incoming resources from charitable activities		180,512	703,928	884,440	834,178
		<u>10,638,682</u>	<u>703,928</u>	<u>11,342,610</u>	<u>12,091,853</u>
Less Share of incoming resources from joint venture 10b		<u>(6,350,000)</u>	<u>-</u>	<u>(6,350,000)</u>	<u>(8,405,000)</u>
<b>Total incoming resources</b>		<b><u>4,288,682</u></b>	<b><u>703,928</u></b>	<b><u>4,992,610</u></b>	<b><u>3,686,853</u></b>
<b>Resources expended</b>					
Cost of charitable activities		2,238,102	86,415	2,324,517	2,971,408
Governance costs		63,786	-	63,786	117,227
<b>Total resources expended</b>	6	<b><u>2,301,888</u></b>	<b><u>86,415</u></b>	<b><u>2,388,303</u></b>	<b><u>3,088,635</u></b>
<b>Net income for the year before gains &amp; losses</b>		<b>1,986,794</b>	<b>617,513</b>	<b>2,604,307</b>	<b>598,219</b>
Net interest in retained profit/(loss) of joint venture	10b	(1,974,500)	-	(1,974,500)	(2,623,000)
Unrealised gains/(loss) of joint venture	10b	4,654,425	-	4,654,425	(13,501,456)
Actuarial gain/(loss) on defined benefit schemes	15	14,000	-	14,000	(47,000)
<b>Net movements in funds</b>		<b><u>4,680,719</u></b>	<b><u>617,513</u></b>	<b><u>5,298,232</u></b>	<b><u>(15,573,237)</u></b>
Fund balances brought forward		<u>47,320,612</u>	<u>-</u>	<u>47,320,612</u>	<u>62,893,851</u>
<b>Fund balances carried forward</b>		<b><u>52,001,331</u></b>	<b><u>617,513</u></b>	<b><u>52,618,844</u></b>	<b><u>47,320,613</u></b>

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 2010**

<b>Income and Expenditure Account</b>	<b>Note</b>	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Total 2010 £</b>	<b>Total 2009 £</b>
<b>Incoming resources</b>					
Incoming resources from generated funds					
Voluntary income		3,973,606	-	3,973,606	3,755,406
Activities for generating funds					
Investment income	4	134,564	-	134,564	330,666
Incoming resources from charitable activities		180,512	703,928	884,440	834,178
<b>Total incoming resources</b>		<b>4,288,682</b>	<b>703,928</b>	<b>4,992,610</b>	<b>4,920,250</b>
<b>Resources expended</b>					
Cost of charitable activities		2,238,102	86,415	2,324,517	2,971,408
Governance costs		63,786	-	63,786	117,227
<b>Total resources expended</b>	6	<b>2,301,888</b>	<b>86,415</b>	<b>2,388,303</b>	<b>3,088,635</b>
<b>Net income for the year before gains &amp; losses</b>		<b>1,986,794</b>	<b>617,513</b>	<b>2,604,307</b>	<b>1,831,616</b>
Actuarial gain/(loss) on defined benefit scheme	15	14,000	-	14,000	(47,000)
<b>Net movements in funds</b>		<b>2,000,794</b>	<b>617,513</b>	<b>2,618,307</b>	<b>1,784,616</b>
Fund balances brought forward		22,320,264	-	22,320,264	20,535,649
<b>Fund balances carried forward</b>		<b>24,321,058</b>	<b>617,513</b>	<b>24,938,571</b>	<b>22,320,264</b>

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 2010**

	Note	Group 2010 £	Group 2009 £	Charity 2010 £	Charity 2009 £
<b>Fixed assets</b>					
Tangible assets	9	2,870,097	1,579,451	2,870,097	1,579,451
Investment in joint venture	10	-	-	17,297,227	17,297,227
- share of net assets	10b	44,977,500	42,297,000	-	-
Other investments		-	-	1	1
		<u>47,847,597</u>	<u>43,876,451</u>	<u>20,167,325</u>	<u>18,876,679</u>
<b>Current assets</b>					
Debtors	10	2,137,101	323,191	2,137,957	250,600
Cash at bank and in hand		<u>3,706,723</u>	<u>4,207,262</u>	<u>3,705,866</u>	<u>4,133,739</u>
		<u>5,843,824</u>	<u>4,530,453</u>	<u>5,843,823</u>	<u>4,384,339</u>
<b>Creditors: amounts falling due within one year</b>	11	<u>381,577</u>	<u>381,292</u>	<u>381,577</u>	<u>235,754</u>
<b>Net current assets</b>		<u>5,462,247</u>	<u>4,149,161</u>	<u>5,462,246</u>	<u>4,148,585</u>
<b>Provisions</b>					
Defined benefit pension scheme liability	15	(691,000)	(705,000)	(691,000)	(705,000)
<b>Net assets</b>		<u>52,618,844</u>	<u>47,320,612</u>	<u>24,938,571</u>	<u>22,320,264</u>
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
Fixed asset reserve		2,252,584	4,708,494	2,252,584	1,579,451
Capital reserve		44,977,500	20,269,954	17,297,227	17,529,497
Pension obligation fund		1,000,000	358,421	1,000,000	358,421
Other designated funds		2,749,971	1,750,000	2,749,971	1,750,000
General funds		<u>1,021,276</u>	<u>20,233,743</u>	<u>1,021,276</u>	<u>1,102,895</u>
	-	<u>52,001,331</u>	<u>47,320,612</u>	<u>24,321,058</u>	<u>22,320,264</u>
<b>Restricted income funds</b>	-	<u>617,513</u>	<u>-</u>	<u>617,513</u>	<u>-</u>
		<u>52,618,844</u>	<u>47,320,612</u>	<u>24,938,571</u>	<u>22,320,264</u>

The financial statements were approved by the Board and authorised for issue on 14 September 2010 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~~ 1267728

# **Trust Thamesmead Limited**

## **Notes forming part of the financial statements for the year ended 31 March 2010**

### **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 undertakings. 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 2010

### 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 2010

### 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

	2010 £	2009 £
Share of joint venture turnover - Tilfen Land	6,350,000	8,405,000
Rental income	-	(1,233,397)
	<u>6,350,000</u>	<u>7,171,603</u>

### 4 Investment income

	2010 £	2009 £
Preference dividend receivable from joint venture	80,000	80,000
Bank deposit interest	54,564	250,666
	<u>134,564</u>	<u>330,666</u>

### 5 Net incoming resources for the year are after charging

	2010 £	2009 £
Net incoming resources for the year are arrived at after charging		
Auditors' remuneration	18,971	22,582
Pension costs	36,941	19,017
Depreciation of owned fixed assets	12,100	10,669
Operating lease charge - land and buildings	<u>48,012</u>	<u>26,518</u>

**Trust Thamesmead Limited**  
**Notes forming part of the financial statements**  
**for the year ended 31 March 2010**

**6 Analysis of total resources expended**

<b>a) Resources expended</b>	<b>Direct costs £</b>	<b>Support costs £</b>	<b>Total 2010 £</b>	<b>Total 2009 £</b>
<i>Charitable activities</i>				
Building capacity of group and individuals	677,323	235,386	912,709	682,410
Children, young people & families	268,891	93,446	362,337	336,232
Employment and employability	242,407	84,242	326,649	310,336
Improving sports	211,279	73,424	284,703	960,769
Community cohesion	309,977	107,724	417,701	395,510
Other charitable activities	15,152	5,266	20,418	286,151
	<u>1,725,029</u>	<u>599,488</u>	<u>2,324,517</u>	<u>2,971,408</u>
<i>Governance</i>				
Appropriate proportion of staff costs	20,761	-	20,761	18,400
External audit and legal fees	35,742	-	35,742	85,871
Board costs	7,283	-	7,283	12,956
	<u>63,786</u>	<u>-</u>	<u>63,786</u>	<u>117,227</u>
<b>Total resources expended</b>	<u>1,788,815</u>	<u>599,488</u> (note 6b)	<u>2,388,303</u>	<u>3,088,635</u>

**b) Support costs**

	<b>2010 £</b>	<b>2009 £</b>
Administration costs	57,073	202,843
Staff costs	457,683	475,750
Other costs	12,100	3,471
Premises costs	72,632	60,684
	<u>599,488</u>	<u>742,748</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**

	<b>2010 £</b>	<b>2009 £</b>
Wages and salaries	1,135,238	1,003,772
Social security costs	93,240	72,200
Pension contributions	60,154	39,630
	<u>1,288,632</u>	<u>1,115,602</u>
The average number of employees during the year was as follows		
	<b>2010 No.</b>	<b>2009 No.</b>
Charitable activities	26	37
Management, administration and support services	11	9
	<u>37</u>	<u>46</u>

**Trust Thamesmead Limited**  
**Notes forming part of the financial statements**  
**for the year ended 31 March 2010**

**7 Staff costs and emoluments (continued)**

	2010 No.	2009 No.
Emoluments of higher paid staff within the following scales were		
£60,000 - £69,999	1	1
£80,000 - £89,999	<u>1</u>	<u>1</u>

Emoluments includes salary but excludes pensions scheme contributions There are no benefits in kind

**8 Trustees remuneration and expenses**

No remuneration was paid to any trustee in the year In 2009 one trustee, Jackie Smith, received remuneration of £3,333 in line with prior agreement with the Charity Commission and was for services rendered to the Trust which were not related to her roles as a Trustee

Reasonable expenses for travel, subsistence and incidentals reimbursed to 2 trustees during the year totalled £90 (2009 - £nil)

**9 Group and Trust Tangible Fixed Assets**

	Freehold land and buildings £	Freehold buildings under construction £	Leasehold land and buildings £	Fixtures, fittings and equipment £	Total £
<b>Cost or market value</b>					
At 1 April 2009	1,572,087	-	42,518	119,324	1,733,929
Additions	-	1,357,797	-	3,546	1,361,343
At 31 March 2010	<u>1,572,087</u>	<u>1,357,797</u>	<u>42,518</u>	<u>122,870</u>	<u>3,095,272</u>
<b>Depreciation</b>					
At 1 April 2009	34,850	-	34,373	85,255	154,478
Charge for the year	31,441	27,156	1,672	10,428	70,697
At 31 March 2010	<u>66,291</u>	<u>27,156</u>	<u>36,045</u>	<u>95,683</u>	<u>225,175</u>
<b>Net book value</b>					
At 31 March 2010	<u>1,505,796</u>	<u>1,330,641</u>	<u>6,473</u>	<u>27,187</u>	<u>2,870,097</u>
At 31 March 2009	<u>1,537,237</u>	<u>-</u>	<u>8,145</u>	<u>34,069</u>	<u>1,579,451</u>

All assets are held for charitable purposes

**10 Fixed asset investments**

	Group		Charity	
	2010 £	2009 £	2010 £	2009 £
Thamesmead Community Developments Limited <b>a</b>	-	-	1	1
Tilfen Land Limited <b>b</b>	-	-	17,297,227	17,297,227
	<u>-</u>	<u>-</u>	<u>17,297,228</u>	<u>17,297,228</u>

**a) Results of subsidiaries**

The charity has a wholly owned trading subsidiary, Thamesmead Community Developments Limited, a

**Trust Thamesmead Limited**  
**Notes forming part of the financial statements**  
**for the year ended 31 March 2010**

**10 Fixed asset investments (continued)**

**a) Results of subsidiaries**

	2010 £	2009 £
Turnover	-	-
Cost of sales	-	-
Operating profit/loss	-	-
Grants received	-	79,707
Profit/loss before tax	-	79,707
Gift aid payment	-	(1,313,104)
	-	(1,233,397)
<b>Current assets</b>		
Debtors	-	5,695
Cash at bank and in hand	857	73,523
	857	79,218
<b>Creditors' amounts falling due within one year</b>	(856)	(79,217)
<b>Total net assets</b>	1	1
Share capital	1	1
Profit and loss account	-	-
<b>Equity shareholders' funds</b>	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

<b>Share of Profit and Loss account</b>	<b>2010 £</b>	<b>2009 £</b>
Turnover	6,350,000	8,405,000
Cost of sales	(2,335,500)	(7,586,500)
<b>Share of gross profit</b>	<b>4,014,500</b>	<b>818,500</b>
Operating expenses	(1,641,500)	(1,665,500)
Interest payable and similar charges	(665,000)	(682,000)
Interest receivable and similar income	54,500	734,000
<b>Loss on ordinary activities before taxation and dividends</b>	<b>1,762,500</b>	<b>(795,000)</b>
Gift aid payable	(3,753,500)	(2,212,500)
Tax credit on ordinary activities	16,500	384,500
<b>Share of retained loss for the year</b>	<b>(1,974,500)</b>	<b>(2,623,000)</b>
Actuarial gains and loss	(269,000)	(102,000)
Retained profits brought forward	26,024,000	28,749,000
<b>Share of retained profits carried forward</b>	<b>23,780,500</b>	<b>26,024,000</b>

**Trust Thamesmead Limited**  
**Notes forming part of the financial statements**  
**for the year ended 31 March 2010**

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

**Share of Balance Sheet**

	£	£
Fixed assets	51,739,000	37,119,000
Current assets	20,410,000	26,927,000
Share of gross assets	72,149,000	64,046,000
Current liabilities due within one year	(8,594,500)	(3,833,000)
Liabilities due after one year	(10,897,500)	(10,748,500)
Provisions for defined benefit pension schemes	(7,679,500)	(7,167,500)
<b>Total assets less total liabilities - share of net assets</b>	<b>44,977,500</b>	<b>42,297,000</b>
Called up share capital	9,623,000	9,623,000
Share premium account	1,674,000	1,674,000
Revaluation reserve	9,900,000	4,976,000
Profit and loss account	23,780,500	26,024,000
<b>Share of capital and reserves</b>	<b>44,977,500</b>	<b>42,297,000</b>

**10 Debtors**

	Group 2010 £	Group 2009 £	Charity 2010 £	Charity 2009 £
Due within one year				
Trade debtors	46,962	-	46,962	-
Due from joint venture and subsidiary undertaking	-	-	856	-
Other debtors	2,075,908	309,902	2,075,908	237,311
Prepayments	14,231	13,289	14,231	13,289
	<b>2,137,101</b>	<b>323,191</b>	<b>2,137,957</b>	<b>250,600</b>

**11 Creditors amounts falling due within one year**

	Group 2010 £	Group 2009 £	Charity 2010 £	Charity 2009 £
Trade creditors	119,904	128,199	119,904	126,324
Social security and other taxes	-	29,886	-	29,886
Other creditors	170,500	207,802	170,500	64,139
Accruals	91,173	15,405	91,173	15,405
	<b>381,577</b>	<b>381,292</b>	<b>381,577</b>	<b>235,754</b>



**Trust Thamesmead Limited**  
**Notes forming part of the financial statements**  
**for the year ended 31 March 2010**

**12. Statement of Funds**

GROUP	1 <sup>st</sup> April 2009 £	Incoming Resources £	Outgoing Resources £	Gains & (Losses) £	Fund Transfers £	31st March 2010 £
<b>Restricted Funds</b>						
Sporting Club Thamesmead	-	256,409	-	-	-	256,409
Link Thamesmead	-	361,104	-	-	-	361,104
London Development Agency	-	77,407	(77,407)	-	-	-
ESF	-	9,008	(9,008)	-	-	-
<b>Total Restricted Funds</b>	-	<b>703,928</b>	<b>(86,415)</b>	-	-	<b>617,513</b>
<b>Designated Funds</b>						
Building improvements	150,000	-	-	-	-	150,000
Sporting Club Thamesmead	1,600,000	-	-	-	499,971	2,099,971
Link Thamesmead	-	-	-	-	500,000	500,000
Pension obligation fund	358,421	-	-	-	641,579	1,000,000
Capital reserve	20,269,954	-	(1,974,500)	4,653,568	22,028,478	44,977,500
Fixed asset reserve	4,708,494	-	-	-	(2,455,910)	2,252,584
<b>Total Designated Funds</b>	<b>27,086,869</b>	-	<b>(1,974,500)</b>	<b>4,653,568</b>	<b>21,214,118</b>	<b>50,980,055</b>
<b>Unrestricted Funds</b>						
Unrestricted general funds	20,233,743	4,288,682	(2,301,888)	14,857	(21,214,118)	1,021,276
<b>Total GROUP Funds</b>	<b>47,320,612</b>	<b>4,992,610</b>	<b>(4,362,803)</b>	<b>4,668,425</b>	-	<b>52,618,844</b>
<b>TRUST</b>						
	1 <sup>st</sup> April 2009 £	Incoming Resources £	Outgoing Resources £	Gains & (Losses) £	Fund Transfers £	31st March 2010 £
<b>Restricted Funds</b>						
Sporting Club Thamesmead	-	256,409	-	-	-	256,409
Link Thamesmead	-	361,104	-	-	-	361,104
London Development Agency	-	77,407	(77,407)	-	-	-
ESF	-	9,008	(9,008)	-	-	-
<b>Total Restricted Funds</b>	-	<b>703,928</b>	<b>(86,415)</b>	-	-	<b>617,513</b>
<b>Designated Funds:</b>						
Building improvements	150,000	-	-	-	-	150,000
Sporting Club Thamesmead	1,600,000	-	-	-	499,971	2,099,971
Link Thamesmead	-	-	-	-	500,000	500,000
Pension obligation fund	358,421	-	-	-	641,579	1,000,000
Capital reserve	17,529,497	-	-	-	(232,270)	17,297,227
Fixed asset reserve	1,579,451	-	-	-	673,133	2,252,584
<b>Total Designated Funds</b>	<b>21,217,369</b>	-	-	-	<b>2,082,413</b>	<b>23,299,782</b>
<b>Unrestricted Funds</b>						
Unrestricted general funds	1,102,895	4,288,682	(2,301,888)	14,000	(2,082,413)	1,021,276
<b>Total TRUST Funds</b>	<b>22,320,264</b>	<b>4,992,610</b>	<b>(2,388,303)</b>	<b>14,000</b>	-	<b>24,938,571</b>

# Trust Thamesmead Limited

## Notes forming part of the financial statements for the year ended 31 March 2010

### 12 Statement of Funds (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.

Pension obligation fund - this has been set aside to support the defined benefit pension scheme obligations and has been placed in an Escrow account.

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.

### 13 Analysis of group net assets between funds at 31 March 2010

	Unrestricted Funds £	Capital/ Fixed asset Funds £	Designated Funds £	Restricted Funds £	Total Funds £
Tangible fixed assets	-	2,252,584	-	617,513	2,870,097
Investments	-	44,977,500	-	-	44,977,500
Current assets	2,093,853	-	3,749,971	-	5,843,824
Current liabilities	(381,577)	-	-	-	(381,577)
Provisions	(691,000)	-	-	-	(691,000)
	<u>1,021,276</u>	<u>47,230,084</u>	<u>3,749,971</u>	<u>617,513</u>	<u>52,618,844</u>

### 14 Related party transactions

Rent totalling £48,012 (2009 £26,518) was paid to Tilfen Land Limited, a company in which the Trust has a 50% interest. Tilfen Land contributed £30,000 (2009 £30,000) as sponsorship of the Trust's Summer Festival.

# Trust Thamesmead Limited

## Notes forming part of the financial statements for the year ended 31 March 2010

### 15 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

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	5.5% per annum
Salary increases	5.4% per annum
Price inflation/pension increases	3.9% 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

	2010	2009	2008
	% per annum	% per annum	% per annum
Inflation/pension increase rate	3.90	3.10	3.60
Salary increase rate	5.40	4.60	5.10
Pension increases	3.90	3.10	3.60
Discount rate	5.50	6.90	6.90

The value of the gross asset share in respect of Trust Thamesmead Limited as at 31 March 2010 and the expected rate of return were

	Long-term rate of return expected		
	2010	2009	2008
	% p.a	% p.a	% p.a
Equities	7.50	7.00	7.50
Target return portfolio	4.50	5.50	6.30
Alternative assets	6.50	6.00	6.70
Cash	3.00	4.00	4.80
Corporate bonds	5.50	-	-
Expected return of assets	6.80	6.40	7.00

The value of the net asset share in respect of Trust Thamesmead Limited as at 31 March 2010 was

	31/03/10	31/03/09	31/03/08
	£	£	£
Assets	458,000	349,000	443,000
Present value of liabilities	(988,000)	(621,000)	(649,000)
Present value of unfunded liabilities	(161,000)	(433,000)	(452,000)
Net pension deficit	<u>(691,000)</u>	<u>(705,000)</u>	<u>(658,000)</u>

# Trust Thamesmead Limited

## Notes forming part of the financial statements

### for the year ended 31 March 2010

**15 Pension commitments**  
No adjustment has been made for deferred tax

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 31/03/10 £000s	Year to 31/03/09 £000s
Current service cost	5	6
Expected return on Scheme assets	(22)	(31)
Interest on obligation	72	75
Past service cost	-	2
Total	<u>55</u>	<u>52</u>
Actual return on plan assets	<u>104</u>	<u>(93)</u>

**Reconciliation of defined benefit obligation**

	Year to 31/03/10 £000s	Year to 31/03/09 £000s
Opening defined benefit obligation	1,054	1,101
Service cost	5	6
Interest on obligation	72	75
Contribution by Scheme participants	3	3
Actuarial losses/(gains)	32	(91)
Past service cost	-	2
Unfunded pension payments	(7)	(25)
Estimated benefits paid (not of transfers in )	<u>(10)</u>	<u>(17)</u>
Closing defined benefit obligation	<u>1,149</u>	<u>1,054</u>

**Reconciliation of fair value of Scheme assets**

	Year to 31/03/10 £000s	Year to 31/03/09 £000s
Opening fair value of Scheme assets	349	443
Expected return on Scheme assets	22	31
Contribution by Scheme participants	3	3
Contribution by employer in respect of unfunded benefits	20	39
Actuarial gains/(losses)	81	(125)
Estimated benefits paid including unfunded benefits	<u>(17)</u>	<u>(42)</u>
Fair value of Scheme assets at end of year	<u>458</u>	<u>349</u>

**Reconciliation of opening and closing surplus**

	Year to 31/03/10 £000s	Year to 31/03/09 £000s
Surplus/(deficit) at beginning of year	(705)	(662)
Current service cost	(5)	(6)
Contribution by employer	13	14
Unfunded pension payments	7	25
Past service cost	-	2
Other finance income	(50)	(44)
Actuarial gains/(losses)	<u>49</u>	<u>(34)</u>
Surplus/(deficit) at end of the year	<u>(691)</u>	<u>(705)</u>

**Trust Thamesmead Limited**  
**Notes forming part of the financial statements**  
**for the year ended 31 March 2010**

**15 Pension commitments (continued)**

**Amounts for the current and previous periods**

	Year to 31/03/10 £000s	Year to 31/03/09 £000s	Year to 31/03/08 £000s	Year to 31/03/07 £000s	Year to 31/03/06 £000s
Defined benefit obligation	(1,149)	(1,054)	(1,101)	(1,569)	(1,609)
Scheme assets	458	349	443	743	686
Deficit	(691)	(705)	(658)	(826)	(923)
Experience adjustments on Scheme liabilities	387	1	382	(12)	(10)
Percentage of liabilities assets	33 70%	-0 10%	-34 70%	-0 80%	-0 60%
Percentage of assets	81	(125)	(373)	7	90
Cumulative actuarial gain/(loss)	17 70%	-35 80%	-84 20%	0 90%	13 10%
	145	96	130	(24)	(125)

**Amount recognised in the Statement of Total Recognised Gains and Losses**

	Year to 31/03/10 £000s	Year to 31/03/09 £000s
Actual return less expected return on pension scheme assets	81	(124)
Experience gain	387	-
Changes in assumptions underlying the present value of the scheme liabilities	(419)	90
Actuarial gain/(loss) in pension scheme	49	(34)
Actuarial gain/(loss) recognised in STRGL	49	(34)