



# Reports and Financial Statements

For the year ended 31 March 2009

**The Spitalfields Market  
Community Trust**

## **The Spitalfields Market Community Trust**

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**TRUSTEES:**

H Abbas  
M Bear  
S E M Currie (Chairman)  
L Rahman  
F Islam

**SECRETARY:**

Mr M Bear

**REGISTERED OFFICE:**

65 Brushfield Street  
LONDON  
E1 6AA

**COMPANY REGISTRATION NUMBER:**

2459631

**CHARITY REGISTRATION NUMBER:**

1004003

**INDEPENDENT EXAMINER:**

Nicola Wakefield  
Mazars LLP  
Chartered Accountants  
Times House  
Throwley Way  
Sutton  
Surrey, SM1 4JQ

# **The Spitalfields Market Community Trust**

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# **The Spitalfields Market Community Trust**

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## **TRUSTEES' ANNUAL REPORT**

The trustees present their report and the financial statements for the year ended 31 March 2009, which have been prepared in accordance with the Companies Act 1985, Statement of Recommended Practice 'Accounting and Reporting by Charities 2005' (SORP 2005), published in March 2005, and applicable UK accounting standards.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

The Trust was established as part of the planning negotiations on the development of Spitalfields Market. It was decided that a Community Trust should be established for the benefit of the residents the London Borough of Tower Hamlets. The Trust was endowed with two donations, one of £3,750,000 by Spitalfields Developments Limited (the developers of the market site) and one of £1,250,000 by the Corporation of London (the freeholders of the market).

### **Governing Document**

The Trust is a company limited by guarantee and is governed by its memorandum and articles of association. It is registered as a charity with the Charity Commission.

### **Appointment of Trustees**

The Board of the Trust consists of five members comprising:-

- a) three residents of the London of Borough of Tower Hamlets nominated by the Council
- b) a resident or a ratepayer of the City of London nominated by the Corporation; and
- c) a resident of the London Borough of Tower Hamlets or a resident or rate payer of the City of London and nominated by Spitalfields Developments Limited.

Initially each member of the Board was appointed for a period of three years but on 13<sup>th</sup> January 2006 a Special Resolution was passed stating that the trustees nominated by the Council shall hold office for a period of one year or for such lesser period of time as they shall be residents of the London Borough of Tower Hamlets. The other two trustees continue to hold office for a period of three years.

Stella Currie the member appointed by the Corporation of London has been a trustee since the formation of the Trust. She is a solicitor, a member of the Court of Common Council of the Corporation of London and has had extensive interests in the charity field.

Mike Bear, the member appointed by the Developer, is a Chartered Civil Engineer, Company Director, Alderman of the Corporation of London and a member of the Institute of Directors.

Helal Abbas, one of the members appointed by the Council, is employed by a major London Charity and has been a resident and councillor of the London Borough of Tower Hamlets for many years.

Lutfur Rahman, another of the members appointed by the Council, is a solicitor, longstanding resident and a councillor of the London Borough of Tower Hamlets. He is currently the Leader of the Council

Sirajul Islam, the remaining member appointed by the Council, is a longstanding resident and a councillor of the London Borough of Tower Hamlets. He is currently Deputy Leader of the Council.

The professional and work experience of the trustees and their knowledge of the projects and needs of the area are of the utmost benefit to the operation and running of the Trust.

# **The Spitalfields Market Community Trust**

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## **TRUSTEES' ANNUAL REPORT (continued)**

### **Trustees**

The trustees set out below have held office during the whole of the period from 1 April 2008 to the date of this report.

H Abbas  
M Bear  
S E M Currie (Chairman)  
L Rahman  
S Islam

### **Trustees' induction and training**

All the trustees have now been trustees for a number of years. On appointment each of the trustees were handed copies of the Trust's Memorandum and Articles of Association, recent Annual Accounts and they were briefed on the working of the Trust but it was already well known to them.

### **Organisation**

The Trust has employed no staff during the year, administration of the Trust is looked after on a voluntary basis by Toby Brown Estates Director for the Spitalfields Development Group.

### **Risk Management**

Major risks facing the Trust have been considered and appropriate procedures are in place to mitigate the exposure to these risks.

### **Public benefit**

It is the aim of the Spitalfields Market Community Trust to alleviate poverty in Spitalfields through education, training and other programmes. These aims are targeted directly at the local community in Spitalfields and are intended to help the local organisations serving the public to maximise employment opportunities for local people.

All Trustees give their time voluntarily and receive no benefit from the charity. None of the Trustees were reimbursed any expenses and this is disclosed in the notes to the financial statements. The trustees have complied with the duty in section 4 of the Charities Act 2006 to have due regard to Public Benefit guidance published by the Charities Commission.

Potential projects and activities might include:

- Supporting young people to improve their educational achievement, boost their self-esteem and confidence, raise their aspirations, improve their skill levels, and ultimately to access employment in their chosen fields
- Improving the physical environment of the local area to help attract businesses, encourage communities to make full use of local services, help improve perceptions about safety and generate greater pride in the area
- Raising local people's levels of employability through outreach, skills development, CV preparation, interview training, etc

# **The Spitalfields Market Community Trust**

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## **TRUSTEES' ANNUAL REPORT (continued)**

- Improving the health and well-being of the local community through social, cultural, lifestyle projects
- Enhancing the connections, relationships, and levels of understanding between Spitalfields and the City through joint events, mentoring, share and learn sessions, etc
- Building the capacity of local organisations to increase their ability to deliver services to the local community.

## **OBJECTIVES AND ACTIVITIES**

The objects for which the Trust is established are:

- a) the advancement of education and the relief of poverty in the London Borough of Tower Hamlets;
- b) to promote any other charitable purposes for the benefit of the community or of an appreciably important class of the community consisting of the inhabitants of the London Borough of Tower Hamlets.

In the early years of the Trust, only the net annual income of the Trust was distributed each year in grants. In 1994 this policy was changed as the trustees wanted the Trust to make a greater impact on the area and they began to distribute the Trust's capital as well. This policy continued until 2004 when the capital of the Trust was greatly diminished.

The Trust has decided that it will continue to run the Trust on the interest arising from the capital invested in the CAF bank. All interest remaining after costs will be distributed in small grants of less than £5,000 to local training and education organisations. The trust will seek to reduce all costs to a minimum so that the maximum amount of the interest can be distributed in Grants.

All debts to the Trust have now been settled. The original loan of £120,000 to the Tower Hamlets Business Development Centre Trust has now been repaid in full with a final payment to the Trust of £90,443 which was settled in July 2009.

## **GRANT MAKING POLICY**

The policy for grant making has now been reviewed and amended. From September 2009 the Trust will again begin to distribute small grants funded from interest accrued on the capital reserves. The grants will be publicised through a dedicated section on the Spitalfields.co.uk website and distributed three times each year following the approval of the Board of Trustees. The grants will be awarded to local organisations that are delivering enterprise, employability and skills related activities for the benefit of the local community generally the London Borough of Tower Hamlets wards of Spitalfields, Banglatown and Bethnal Green South and no single grant will exceed £5,000.

## **ACHIEVEMENTS AND PERFORMANCE**

No grants were issued in the period, however the Trust has recommenced grant award funding with three grants being approved in September 2009.

### **Financial review**

The Statement of Financial Activities shows income of £13,913 (2008: £25,962) and expenditure of £993 (2008: £1,343).

The results for the year are set out on page 6 of the financial statements.

# The Spitalfields Market Community Trust

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## TRUSTEES' ANNUAL REPORT (continued)

### Reserves policy

The Trust's free reserves at 31 March 2009 were £565,049 (2008: £552,129).

The Trustees' policy is to retain a minimum of £500,000 in reserves and any funds in excess of this can be used for grants and any running costs. This policy will be kept under review and modified as appropriate in the light of changing circumstances.

### STATEMENT OF TRUSTEES' RESPONSIBILITIES

Company law requires the trustees, who are also directors for the purposes of company law, to prepare statements for each financial year which give a true and fair view of the state of affairs of the Trust and of the excess or deficiency of the Trust's income over expenditure for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- comply with applicable accounting standards subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Trust will continue.

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the Trust and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### FUTURE PLANS

It is proposed that the Trust's remaining capital should remain invested with CAF Bank and that the resultant income will continue to be used for Education and Training grants. The Trustees will continue to see whether there is any opportunity for further funds being advanced to the Trust.

Approved by the Board on ...12<sup>th</sup> January 2010  
and signed on its behalf by:



M Bear  
Secretary

65 Brushfield Street  
London, E1 6AA

# **Independent Examiner's Report to the members of The Spitalfields Market Community Trust**

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I report on the financial statements of the charity for the year ended 31 March 2009, which are set out on pages 6 to 10.

## **Respective responsibilities of trustees and examiner**

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the financial statements. The trustees consider that an audit is not required for this year under section 43(2) of the Charities Act 1993 (the 1993 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the financial statements under section 43 of the 1993 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 43(7)(b) of the 1993 Act; and
- to state whether particular matters have come to my attention.

## **Basis of independent examiner's report**

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the financial statements present a 'true and fair view' and the report is limited to those matters set out in the statement below.

## **Independent examiner's statement**

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
- to prepare financial statements which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Name: *N J Wakefield*  
*Nicola Wakefield*

Relevant professional qualification or body: Fellowship of the Institute of Chartered Accountants in England and Wales

Times House, Throwley Way, Sutton, Surrey, SM1 4JQ

Date: *28 January 2010*



# The Spitalfields Market Community Trust

## STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 March 2009

	Notes	General Fund 2009 £	General Fund 2008 £
<b>Incoming Resources</b>			
Interest receivable		13,913	25,962
<b>TOTAL INCOMING RESOURCES</b>		<b>13,913</b>	<b>25,962</b>
<b>Resources Expended</b>			
<b>Charitable activities:</b>			
Governance	2	993	1,343
<b>TOTAL RESOURCES EXPENDED</b>		<b>993</b>	<b>1,343</b>
<b>NET INCOMING RESOURCES</b>	9	<b>12,920</b>	<b>24,619</b>
<b>NET MOVEMENT IN FUNDS</b>		<b>12,920</b>	<b>24,619</b>
<b>FUND BALANCES BROUGHT FORWARD at 1 April 2008</b>		<b>552,129</b>	<b>527,510</b>
<b>FUND BALANCES CARRIED FORWARD at 31 March 2009</b>		<b>565,049</b>	<b>552,129</b>

All amounts relate to continuing activities.

All recognised gains and losses are included in the statement of financial activities.

# The Spitalfields Market Community Trust

## BALANCE SHEET as at 31 March 2009

	Notes	2009 £	2008 £
<b>CURRENT ASSETS</b>			
Debtors	5	90,443	92,053
Cash at bank and in hand	6	476,331	460,938
		<u>566,774</u>	<u>552,991</u>
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	7	(1,725)	(862)
<b>NET CURRENT ASSETS</b>		<u>565,049</u>	<u>552,129</u>
<b>NET ASSETS</b>		<u>565,049</u>	<u>552,129</u>
<b>STATEMENT OF GENERAL FUND</b>			
Unrestricted general fund	8	565,049	552,129
		<u>565,049</u>	<u>552,129</u>

In preparing these financial statements:

- (a) The trustees are of the opinion that the charity is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- (b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- (c) The trustees acknowledge their responsibilities for:
  - (i) ensuring that the charity keeps accounting records which comply with Section 221 of the Companies Act 1985, and
  - (ii) preparing accounts which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of its surplus for the financial year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the charity.

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the Board on 12<sup>th</sup> January 2010  
and signed on its behalf by:



Trustee

# **The Spitalfields Market Community Trust**

## **Notes to the financial statements For the year ended 31 March 2009**

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### **1. ACCOUNTING POLICIES**

#### **(a) Basis of Accounting**

The financial statements are prepared under the historical cost convention and in accordance with the Companies Act 1985, and the Statement of Recommend Practice (SORP) "Accounting and Reporting by Charities" published in March 2005 and applicable UK accounting standards.

#### **(b) Bank interest**

Interest on bank deposits is accounted for on the accruals basis.

#### **(c) Grants payable**

Grants are provided when the relevant conditions have been met by the balance sheet date. Where conditions have not been met at the balance sheet date, the grants have been agreed in principal and have been disclosed by way of note.

#### **(d) Support Costs**

Support costs have been allocated between charitable activity and governance. Support costs related to charitable activity have been apportioned based on the individual number of grants made in recognition that the administrative burden of awarding, monitoring, and assessing grants.

#### **(e) Governance**

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

# The Spitalfields Market Community Trust

## Notes to the financial statements

For the year ended 31 March 2009 (continued)

### 2. GOVERNANCE

	2009 £	2008 £
Independent Examiner's fee	862	-
Accountants' fee	-	862
Bank charges	131	312
Other costs	-	169
	<u>993</u>	<u>1,343</u>

### 3. TRUSTEES' REMUNERATION

No trustees received any remuneration or reimbursed expenses in respect of the charity during the year.

### 4. TAXATION

The company is exempt from direct taxation as a charity, under Section 505 of the Income and Corporation Taxes Act 1988.

### 5. DEBTORS

	2009 £	2008 £
Due within one year:		
Other debtors	90,443	90,443
Prepayments and accrued income	-	1,610
	<u>90,443</u>	<u>92,053</u>

Included in other debtors due within one year is £90,443 advanced to the Tower Hamlets Business Development Centre (THBDC). The loans are secured by legal charges over the properties occupied by THBDC. The loan is currently interest free.

### 6. CASH AT BANK AND IN HAND

	2009 £	2008 £
Cash at bank balances include amounts held in:		
Overnight fixed deposit accounts		
Income accounts	<u>476,331</u>	<u>460,938</u>

### 7. CREDITORS: AMOUNT FALLING DUE WITHIN ONE YEAR

	2009 £	2008 £
Accruals and deferred income	<u>1,725</u>	<u>862</u>

# **The Spitalfields Market Community Trust**

## **Notes to the financial statements**

**For the year ended 31 March 2009 (continued)**

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### **8. STATEMENT OF MOVEMENT ON GENERAL FUNDS**

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Balance at 1 April 2008	552,129	527,510
Surplus for financial year	12,920	24,619
	<hr/>	<hr/>
Balance at 31 March 2009	<u>565,049</u>	<u>552,129</u>

### **9. NET INCOMING RESOURCES**

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
This is stated after charging or crediting:		
Independent Examiner's fee	862	-
Reporting Accountant's fee	-	862
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# The Spitalfields Market Community Trust

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## DETAILED INCOME AND EXPENDITURE ACCOUNT For the year ended 31 March 2009 (not part of the statutory financial statements)

	2009 £	2008 £
INCOME		
Interest receivable	<u>13,913</u>	<u>25,962</u>
EXPENDITURE		
Independent Examiner's fee	862	-
Accountancy	-	862
Bank charges	131	312
Other expenses	-	169
	<u>993</u>	<u>1,343</u>
Net incoming resources	<u>12,920</u>	<u>24,619</u>
NET MOVEMENT IN FUNDS	<u>12,920</u>	<u>24,619</u>