

Enclosure 1

ROYAL DOCKS TRUST (LONDON)

(A Company limited by guarantee without share capital)

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2013

Charity no: 1045057

Company No: 03032232

ROYAL DOCKS TRUST (LONDON)

Report and Financial Statements For the Year Ended 31st March 2013

Contents	Page
Report of the Trustees	3-10
Report of the Auditors	11-12
Statement of Financial Activities	13
Balance Sheet	14
Notes to the Accounts	15-21

ROYAL DOCKS TRUST (LONDON)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2013

The trustees are pleased to present their report together with the financial statements of the charity for the year ended 31st March 2013.

Reference and Administrative Details

<u>Charity Number</u>	1045057
<u>Company Number</u>	03032232
<u>Registered Office</u>	37 Rushey Green Cattford London SE6 4AS
<u>Operational Office</u>	Olive Cottage Station Road St Margaret's at Cliffe Kent CT15 6AY

Directors and Trustees

The directors of the charitable company (the charity) are its trustees for the purposes of charity law and throughout this report are collectively referred to as its trustees.

The trustees who served during the year and since the end of the year were as follows:-

Elected Trustees	Eric Sorensen (Chair of the Trust) Robert Michael Heaton William Thomas Sidney Keys Stephen William Nicholas Alan Taylor (subject to restricted voting rights in accordance with the articles of association)
Trustees elected by business members	Charulata Patel Ken Wilson
Nominated by the London Borough of Newham	Councillor Conor McAuley Councillor Paul William Leslie Schafer (subject to restricted voting rights in accordance with the articles of association)
Representing Community and Voluntary Sector Interests	Dennis Eric James
Appointed by Board to represent Business Sector	Richard Ernest Gooding (Executive Committee Chair)
Co-opted	Charulata Patel Kayar Raghavan Amanda Williams

ROYAL DOCKS TRUST (LONDON)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2013

(continued)

Company Secretary

John Brian Parker

Bankers

National Westminster Bank plc.
Beckton Branch
P.O. Box 3238
Frobisher Road
London
E6 4GY

Investment Advisers

Investec (formerly known as
Rensburg Sheppards Investment Management Limited)
2 Gresham Street
London
EC2V 7QN

Senior Statutory Auditor

Anthony Epton

Auditors

Goldwins Ltd
75 Maygrove Road
West Hampstead
London
NW6 2EG

Solicitors

Parker Arrenberg
37 Rushey Green
Catford
London
SE6 4AS

Honorary Treasurer

Deborah Hindson
Director of Finance
London Borough of Newham
Newham Dockside
1000 Dockside Road
London
E16 2QU

ROYAL DOCKS TRUST (LONDON)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2013 (continued)

Structure, Governance and Management

Governing Instrument

The charity is a company limited by guarantee which was incorporated on 7th March 1995 and is governed by its memorandum and articles of association, the latter having been amended by special resolution on the 27th April 2004 following a review by the trustees of the board structure in the light of changing circumstances relevant to the area of benefit. Membership of the charity is open to individuals, voluntary organisations and businesses within the area of benefit. In the event that the charity is at some time wound up, members of the charity may be required to contribute not more than £10 in the case of an individual member and not more than £50 in the case of a corporate member towards the settlement of any debts and liabilities there might be at such time.

Appointment of Trustees

The trustees, who shall be not less than seven nor more than seventeen in number, are appointed in accordance with the articles of association as amended on 27th April 2004. These provide as follows:-

Up to two trustees may be appointed by the London Borough of Newham, one of which is to have restricted voting rights to ensure that the charity does not become a company subject to local authority influence for the purposes of section 69 of the Local Government and Housing Act 1989.

Not more than five trustees may be elected to serve until the end of the third annual general meeting following that at which they are elected but they may then be re-elected if willing to serve for a further period.

Not more than four trustees may be appointed to represent the community and voluntary sector in the area of benefit of the charity, the Board being given authority to determine, by regulations made, how these appointments should be effected. In accordance with authority conferred by the articles, the Board has determined that these four places should be filled by direct appointment by the trustees, although making provision for West Silvertown Village Community Foundation (itself a local charity) to put forward a nominee for consideration. There are currently three vacancies in this category.

Not more than three trustees may be appointed being representatives of developers or others having business interests in the area of benefit of the charity. In accordance with authority conferred by the articles, the Board has determined that one of these places should be filled by direct appointment by the Board and the other two by election by the business members of the charity.

The trustees appointed/elected as above may co-opt up to three additional trustees, one of whom shall be the representative of an umbrella organisation of voluntary groups active within the charity's area, insofar as one is eligible, available and not already represented under another head. However, a representative of such an organisation has not been available for co-option. The terms of office of co-optees expire at the first meeting of the trustees following each annual general meeting although co-options may be renewed by the trustees at that meeting. There is currently one vacancy in this category.

Trustee Induction and Training

The present trustees are fully familiar with the aims, activities and rules of governance of the charity. All are or have recently been either resident in its area of operation, involved in businesses there, are elected members of the local authority representing local wards or, in one case a former officer of the Trust. Indeed, several have wide experience of working within or serving as trustees of other charitable organisations. In the case of newly appointed trustees, they are supplied with copies of the Charity Commission's and Companies House publications detailing the respective duties and responsibilities of charity trustees and company directors to ensure that they are made aware of their legal obligations. On appointment, new trustees are supplied with a copy of the memorandum and articles of association of the charity and key documents such as the charity's latest annual report and audited accounts, its latest management accounts and sets of minutes covering a relevant period of activity. Further information, including legal and financial advice, is readily available as required to individual trustees and at board meetings through the secretary (a practising solicitor) and professional advisers who also review and report relevant developments in the charity field and provide ad hoc advice as and when appropriate.

Organisation

The full board of trustees meets approximately quarterly but it has appointed a smaller Executive Committee which meets in between the board meetings and receives financial reports, reports on on-going and other matters, particularly issues in respect of which urgent decisions might be required.

The charity has no employees. The trustees are not employed by the charity and receive no remuneration. The charity's external consultants deal with the administration and operation of the charity on a day to day basis and the London Borough of Newham provides a financial administration service for which, with effect from 1st April 2012, a charge is being levied annually, the amount in respect of 2012/13 being £10,000.

ROYAL DOCKS TRUST (LONDON)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2013 (continued)

Related Parties

There were none during the year under review except as referred to in notes 12 and 13 to the financial statements.

Financial Review

Assets

The assets of the charity, which have been acquired in accordance with the powers of the trustees, are held in the form of bank deposits and an investment portfolio comprising fixed interest securities, ordinary shares, unit trusts and cash. During the year these assets, other than bank deposits, were managed by Rensburg Sheppards Investment Management Limited, now known as Investec.

The charity also holds freehold properties valued as follows, all of which have been let on lease to local community organisations for the terms shown:-

Docklands Equestrian Centre - leased to a local charity for a term expiring in 2196 - valued at £1.

Stansfeld Road Livery Yard - leased to a local charity for a term expiring in 2196 - valued at £1.

Explorer Scouts Hut Site, Eastbury Road - leased to a local charity for a term expiring on 10th March 2095 - valued at £1.

Former S & M Club Building, Stansfeld Road - Occupied by a local charity until 31st July 2009 - valued in the accounts at £90,000 reflecting the value at which it was transferred from the LDDC.

Any assets remaining after a winding up or dissolution of the charity shall be given to other charitable institutions with similar objects

Stansfeld Road

The Trust holds the freehold of two adjacent properties located in Stansfeld Road, Beckton. These properties, the Stansfeld Road livery stables and the Beckton REC building (formerly known as the S & M Club) were developed in the 1980s for community purposes.

The Beckton REC building was leased to a local charity, Community Links, and used as a youth centre but, faced with reductions in funding and changes in service demand, Community Links vacated the building at the end of July 2009 since when the RDT has not attracted another long term tenant and the building, which does not form part of the RDT's core activities, remains vacant and surplus to requirements.

The Stansfeld Road livery yard comprises a 36 horse livery stable and has provided "do it yourself" stabling facilities for individual horse owners in return for fees. The Stansfeld Road livery stables are held on a long lease by a local charity, Newham Riding School and Association (NRSA). The NRSA is a community based charity set up by local residents in 1972 which provides recreational and therapeutic horse-riding experience to disabled people and local children on a not-for-profit basis and also provides training opportunities for local youngsters to follow careers as riding instructors and stable managers. Having raised £3,000,000 over the years, it now operates from the Docklands Equestrian Centre (DEC) in Claps Gate Lane, Beckton, where its excellent facilities include a large outdoor manège and an indoor arena.

The operation of the Stansfeld Road stables has not been a core activity of the NRSA. Unfortunately the stables have operated at an increasing loss over recent years. This has been an unsustainable financial drain on the NRSA, which has effectively been subsidising the livery stables. The NRSA trustees reluctantly concluded that they have no reasonable alternative but to close the livery stables and therefore, throughout the year to 31st March, pursued action (still continuing) to recover possession from the occupiers and so effect their closure.

ROYAL DOCKS TRUST (LONDON)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2013 (continued)

In considering how these sites might better be used for the benefit of the communities served by the NRSA and the Royal Docks Trust both charities, having taken into account their charitable obligations, came to the view that, in the absence of any demand for them to be occupied for further community uses, it would be preferable to dispose of them and thereby realise their substantial value, thus generating additional funds to employ in furtherance of their respective charitable objects. However, being concerned that the designation of the sites as Green Space to be protected (although not in an area of local park deficiency) would adversely affect their value, the RDT, jointly on behalf of itself and the NRSA, appointed planning consultants to explore the prospect of securing a change of planning designation to residential with a view to maximising the potential proceeds on their disposal. After protracted discussions with council planners, the trustees are pleased to report that the Council's Local Development Committee have approved the grant of outline planning permission for a scheme of residential development subject to the RDT entering into an Agreement under section 106 of the Town and Country Planning Act 1990 which the RDT have agreed to do.

Following a marketing exercise and having taken legal advice to ensure that there would be no adverse tax implications, terms have been provisionally agreed with a potential purchaser, the detailed provisions of which are now in course of being settled.

As required by section 36 of the Charities Act 1993 (now section 119 of the Charities Act 2011) both charities have, with Charity Commission approval, jointly appointed an independent duly qualified and experienced surveyor to advise them in regard to the marketing strategy and he has confirmed that the sites were adequately advertised and a sufficient amount of market interest shown in them to justify the conclusion that the terms provisionally agreed for their sale represent full market value.

The development in recent years of the NRSA's Docklands Equestrian Centre facility at Claps Gate Lane, Beckton, has required the NRSA to take out a loan from the HSBC bank. The RDT agreed to assist the NRSA with the repayment of this loan and as a consequence provided funding to the NRSA of £5,750 in 2007/2008; £18,718 in 2008/2009 and £22,800 in 2009/2010. Following the closure of the Stansfeld Road livery yard and sale of the site it is intended that the NRSA will repay those amounts out of the proceeds due to them.

Endowments

The charity has a two-part endowment totalling £2.7 million from the former London Docklands Development Corporation (LDDC). The original capital sum is to be preserved with the investment income being used to fund a community grants programme in the Royal Docks area and the charity's administration costs. The successor body to the LDDC has agreed, in accordance with provisions included in the Endowment Agreements, that capital profits arising from the endowments can be used towards the charity's objects.

LDDC Legacy Funds

Shortly before the LDDC ceased operations on 31st March 1998, the charity entered into agreements with it under which the LDDC placed restricted funds with the charity to enable it, so far as proved feasible, to secure the implementation of nine projects for the benefit of the community within the charity's area of benefit. These were:-

- Ascension Church
- St John's Centre
- Impstart Trust
- Royal Docks Community School
- Former S & M Club Building
- Theatre Venture
- Drew Road / St John's Centre (Kennard Street)
- Watersports Centre, Royal Victoria Dock
- Waterski Centre, King George V Dock

All but the last two were successfully completed but, in the case of the Watersports Centre, Royal Victoria Dock, and the Waterski Centre, King George V Dock, it proved impossible, for reasons outside the control of the Trust, to bring these to fruition and the Homes and Communities Agency (HCA) (as successor to the LDDC) agreed that the legacy funds then remaining (in total £1,622,611) should be redesignated as unrestricted pursuant to clauses in the respective Legacy Agreements which provided that, if completion was not achieved within defined timescales (long exceeded), the funds should be released to the Trust for use in furtherance of its general charitable purposes.

Investment Powers

The memorandum of association of the charity includes powers to invest monies not immediately required for its purposes in or upon such investments, securities or property as may be thought fit, subject nevertheless to such conditions (if any) and such consents (if any) as may from time to time be imposed or required by law. All investments held by the charity have been acquired in accordance with such power.

ROYAL DOCKS TRUST (LONDON)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2013 (continued)

Risk Management

The charity is aware that it faces a number of risks when making decisions on the investment and application of its funds and has recognised the following as a key risk which may adversely affect the achievement of its charitable objectives:-

Fall in value in the investment of its endowed sum

60% of the investments have been in UK equities and stock market. The value has made steady growth throughout the year. The charity engages external experts to manage its investments and advise upon actions needed. It receives regular valuations from its advisers at each meeting and at least one detailed presentation to the board each year at which trustees are able to raise matters of concern.

Reserves Policy

The charity understands its obligations to use its financial resources towards the achievement of its charitable objectives and that it should not hold on to such resources unnecessarily. However, it is committed to the prudent management of its financial resources and, under certain conditions this will involve the retention of resources over a number of years, these resources being known as "reserves".

In order to provide a framework within which it can consider the need to retain reserves, the charity has adopted the following reserves policy, which will be reviewed annually unless circumstances warrant more frequent review.

The charity may require reserves to enable it to achieve its charitable objectives as follows:

1. Operational

To enable it to continue to meet its charitable objectives over a reasonable period of time, which will include continued commitment to its Community Grants Programme and associated activities.

2. Match Funding

To enable the charity to attract additional external investment into its area through its ability to provide "match funding".

In assessing the need to retain reserves, and at what level, the charity will take into consideration the following factors:-

Current Operations and Obligations

1. Spending commitments
2. Estimates of income

New Developments

1. Additional spending proposals and their timing
2. Generation of additional income - opportunities, likelihood and timing

Risks

1. The business risks faced by the charity across all its activities
2. Its ability to manage and respond to those risks.

ROYAL DOCKS TRUST (LONDON)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2013 (continued)

At 31st March 2013, the charity had assessed the reserves needed to provide for the above. This assessment is shown in the table below:

REQUIREMENT	£'000
Operational - 5 year horizon	
Potential operating deficit at current "core" level	180
Allowance for additional development activities	125
Investment	
Continued investment of LDDC Endowments in "real terms"	4,188
Meeting Commitments	
Meeting obligations under former Legacy Agreements and others that have been agreed since	1,623
Match Funding	
To enable the Trust to seek additional funding	300
Risk	
To provide a "contingency" against business risks associated with its obligations (assessed at 10% of the outstanding commitment)	162
TOTAL REQUIREMENT	6,578

At 31st March 2013, the charity's accumulated reserves, excluding property, amounted to £7,115,822 a surplus of £538,000 compared to the reserves target. This compares with a surplus of £382,000 at 31st March 2012 and is a reflection of the steady recovery that the funds have made over the last two years. The situation is being kept under review by the Trust's fund managers.

Objectives and Activities

The charitable objects of the charity are in summary to promote the following within that part of the London Borough of Newham which lies between the A13 trunk road (Newham Way) and the River Thames:-

- (1) advancement of education including vocational training
- (2) relief of poverty and sickness
- (3) provision of or assistance with providing facilities for recreation and leisure
- (4) provision of or assistance with providing housing for needy persons, including the disabled and handicapped
- (5) advancement of public education in the Arts
- (6) Preservation, repair and maintenance for public benefit of buildings of historical, architectural or constructional interest
- (7) general support of any religious order solely and specifically of its charitable work
- (8) improvements to the physical and social environment.

In accordance with the terms of the endowment agreements entered into with the LDDC, the charity has continued to operate a joint grants programme with the London Borough of Newham.

Public Benefit Statement

In planning their activities for the financial year 2012/13, the trustees considered the Charity Commission's guidance on public benefit and were satisfied that in operating the joint grants programme and pursuing other activities, they were not only acting within their charitable objects but that all the activities would confer substantial and worthwhile benefit on the public within the Trust's area of benefit. Furthermore all projects approved under the joint grants programme were carefully monitored through the year and the trustees were satisfied in all cases that their implementation complied with the duty in section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit, Charities and Public Benefit'.

Achievements and Performance

The financial results for the year are as shown in the Statement of Financial Activities on page 13 together with the supporting notes on pages 15 - 21.

Grants

The charity approved a grant programme totalling £204,735 (£211,992 in 2011/12) under the joint grants programme operated with the London Borough of Newham, the proportion of the expenditure on these grants met by the charity being £137,235. The grants were paid to a range of community and voluntary groups active in the charity's area of benefit. The grants paid are analysed in note 3 on pages 17 and 18 of the Financial Statements.

ROYAL DOCKS TRUST (LONDON)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2013

(continued)

Plans for Future Periods

The charity's main aim in the short to medium term is to continue to build a sound basis for an extended grant-making programme over the whole of its area. However, the trustees have recognised that, with the completion of the LDDC legacy projects (save for those which, for reasons beyond their control, it has proved impossible to implement) and the re-designation as unrestricted of the funds hitherto held for the two aborted watersports projects (£1,622,611), the Trust has reached a pivotal point in its operations and they accordingly embarked on an in-depth review of the priorities, activities and future mission of the Trust. A "brainstorming" meeting was held in July 2012 when a range of issues and ideas emerged and consideration of these is currently on-going.

Preparation of the report

This report of the Board of Trustees has been prepared taking advantage of the small companies' exemption of section 415A of the Companies Act 2006.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who act as directors for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company and charity law applicable to Charities in England and Wales requires the Trustees to prepare accounts for each financial year, which give a true and fair view of the state of affairs of the company and of the income or expenditure of the company for that period.

In preparing those accounts, the Trustees are required to: select suitable accounting policies and then apply them consistently; make judgements and estimates that are reasonable and prudent; state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; prepare the accounts on a going concern basis unless it is inappropriate to assume that the company will continue in business and observe the methods and principles in the Charities SORP.

The Trustees are responsible for ensuring the Charity has an appropriate system of controls, financial and otherwise; keeping proper accounting records, which are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006 and other statutory requirements. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees 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.

Statement of disclosure of information to auditors

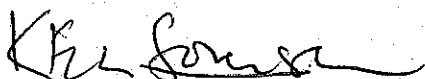
The trustees have confirmed that, so far as they are aware, there is no relevant audit information of which the Company's auditors are unaware, and that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditor

Goldwins Limited Chartered Accountants and Registered Auditor will be proposed for re-appointment in accordance with Section 485 of the Companies Act 2006.

This report was approved and authorised for issue by the Trustees on

and signed on their behalf by:



30/10/13

Eric Sorensen, Chairperson

ROYAL DOCKS TRUST (LONDON)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ROYAL DOCKS TRUST (LONDON) Company registered No 03032232

We have audited the financial statements of The Royal Docks Trust (London) for the year ended 31 March 2013 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the 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 Company's trustees those matters 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 anyone other than the Company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of the Board of Trustees and Auditors

As explained more fully in the Responsibilities Statement of the Trustees, the Trustees (who are also the directors of the Royal Docks Trust (London) for the purposes of 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 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 charitable company'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 Report of the Trustees 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.

Basis of Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2013, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to small entities; and
- have been prepared in accordance with the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

ROYAL DOCKS TRUST (LONDON)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ROYAL DOCKS TRUST (LONDON) Company registered No 03032232

Continued..

Matters on which we are required to report by exception

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::

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us;
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made;
- we have not received all of the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Report of the Trustees.

Anthony Epton

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

30/10/13

ROYAL DOCKS TRUST (LONDON)

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31ST MARCH 2013

(INCORPORATING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES)

	Note	2013 Unrestricted Funds £	2013 Endowment £	2013 Total £	2012 Total £
Incoming Resources					
Voluntary Income:					
In-Kind Time	3	-	-	-	10,015
Activities for generating funds:					
Bank Interest		188	-	188	648
Listed Investment Income:					
Dividends and Interest		214,343	-	214,343	169,442
Commission Rebate		-	-	-	376
Grant Income		67,500	-	67,500	-
Other income		-	-	-	562
		<u>282,031</u>	<u>-</u>	<u>282,031</u>	<u>181,043</u>
Resources Expended					
Direct Charitable Expenditure:					
Grants Programme	3	222,621	-	222,621	160,982
Special Projects		55,551	-	55,551	83,522
Area Teams		500	-	500	500
Other		6,824	-	6,824	41,070
Management fees		46,910	-	46,910	-
Governance		35,147	-	35,147	34,483
		<u>367,553</u>	<u>-</u>	<u>367,553</u>	<u>320,557</u>
Net (Expenditure) / Income before transfers		(85,522)	-	(85,522)	(139,514)
Realised and Unrealised (losses)/ gains on revaluation of investments		274,474	405,078	679,552	(63,599)
Net movement in funds		<u>188,952</u>	<u>405,078</u>	<u>594,030</u>	<u>(203,113)</u>
Funds brought forward		2,385,340	4,203,055	6,588,395	6,791,508
FUNDS CARRIED FORWARD		<u><u>2,574,292</u></u>	<u><u>4,608,133</u></u>	<u><u>7,182,425</u></u>	<u><u>6,588,395</u></u>

The notes on pages 15 to 21 form part of these Accounts. All transactions are derived from continuing activities. All recognised gains and losses are included in the Statement of Financial Activities.

ROYAL DOCKS TRUST (LONDON)

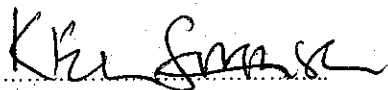
BALANCE SHEET AT 31ST MARCH 2013

	Note	2013 £	2013 £	2012 £	2012 £
Fixed Assets					
Freehold Property	5	66,603		68,403	
Listed Investments	6	<u>7,120,197</u>		<u>6,482,492</u>	
			7,186,800		6,550,895
Current Assets					
Debtors & Prepayments	7	1,474		624	
Cash	8	<u>170,127</u>		<u>245,141</u>	
		171,601		245,764	
Creditors: amount falling due within one year	9	<u>(175,976)</u>		<u>(208,265)</u>	
Net Current (Liabilities)/Assets			(4,375)		37,500
Total Assets less Current Liabilities			<u>7,182,425</u>		<u>6,588,395</u>
Funds					
Unrestricted Funds					
General Funds	10		951,681		762,729
Designated Funds	11		<u>1,622,611</u>		<u>1,622,611</u>
			2,574,292		2,385,340
Endowment Funds	12		4,608,133		4,203,055
			<u>7,182,425</u>		<u>6,588,395</u>

The financial statements have been prepared in accordance with the provisions of the Companies Act 2006 applicable to companies subject to the small companies' regime and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

They were approved and authorised for issue by the Board of Trustees on

and signed on their behalf by



30/10/13

Eric Sorensen, Chairperson

The Notes on pages 15 to 21 form part of these Accounts.

Company registration number: 3032232

ROYAL DOCKS TRUST (LONDON)

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

Basis of preparation of the financial statements.

The financial statements are prepared in accordance with applicable accounting standards and under the historical cost convention, with the exception of listed investments that are included at current market value.

The financial statements have been prepared in compliance with the Statement of Recommended Practice - Accounting and Reporting by Charities (revised May 2008) and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities) and the Companies Act 2006.

Income and Expenditure

Income and expenditure is accounted for on an accruals basis. This includes the accrual of income due on listed investments that are quoted ex-dividend on the Balance Sheet date.

Support costs comprise costs for administering and other general day to day running costs. These have been allocated directly amongst the various activities. Administration of the grant programme has been allocated directly to 'Grants' and the legacy element of the consultant's time to 'Special Projects' with the balance of support costs spent by the consultants allocated between the grants programme, other expenditure and governance. Governance costs comprise the audit fee as well as 75% of the non-legacy Administration and Secretarial fee.

The Trust is not registered for VAT. Expenditure is shown inclusive of VAT where applicable.

Grants Payable

Grants are accounted for during the year in which they are approved by the Board of Trustees.

Realised and Unrealised Gains

Realised gains represent the net difference between the sale proceeds and the historical cost of investments disposed of during the year. Unrealised gains represent the amount by which the market value of investments exceeds the historical cost at 31st March 2013 in comparison to that amount at 31st March 2012.

Donations

Donations of goods and services given free to the Trust are not recognised in the Accounts unless the benefit is significant and quantifiable.

Freehold Properties used for charitable purposes

Depreciation is charged on donated freehold buildings estimated so as to write off the estimated useful life over 50 years. No depreciation is charged on freehold land.

Some of the properties are let out rent free to tenants carrying out charitable work in accordance with the Charity's objects. They are held at a nominal value of £1.

Investments

Investments listed on a recognised stock exchange are stated at market value. It is the Board's policy to keep valuations up to date such that when an investment is sold only a small gain or loss arises. The fund manager values investments held as fixed assets annually at the balance sheet date and the gain or loss is taken to the Statement of Financial Activities.

ROYAL DOCKS TRUST (LONDON)

NOTES TO THE ACCOUNTS

FUNDS

The Trust's funds are made up of:

Unrestricted Funds	This may be used to support the Trust's charitable activities at the discretion of the Trustees.
Endowed Funds	<u>Endowment</u> This represents the original endowment from the LDDC. The income generated is used to support a community grants programme and the Trust's administration costs.
Other Unrestricted Funds	<u>Special Projects</u> This fund is made up of monies received from the LDDC in relation to specific projects. The Trust entered into agreements with the LDDC to secure the implementation of these projects but the agreed timeframe on these has now long since passed. The trustees however, were content to continue to earmark these funds for the possible undertaking of significant projects but, as noted in the Trustee report, decided in 2010/11 to approach the successor body to the LDDC, the Homes & Community Agency. Consent was obtained to treat unspent Special Projects funds as unrestricted. The trustees, however, wish to designate part of the fund for capital purposes.

2. SPECIAL PROJECTS

Movements on the Capital Special Project Funds (formerly "restricted", now "designated") in the Year to 31st March 2013 were as follows:

Project	As at 31/03/12	Expenditure	Transfer	As at 31/03/13
<u>Designated</u>				
General Capital Special Project	1,622,611	-	-	1,622,611
Total available for other special projects	1,622,611	-	-	1,622,611

In removing the restrictions on the former legacy funds, the trustees have opted to reallocate all of the interest earned to its general unrestricted purposes, whilst at the same time, the capital sum of £1,622,611, although also unrestricted, has been designated to undertake significant capital type projects. However, if this does not come to pass, the trustees may spend these monies on their general charitable purposes.

In addition to the Special Projects Funds the premises owned by the Trust, but used by projects, are included in the funds shown on the balance sheet as follows:

	2013	2012
Freehold properties (net)	66,603	68,403

These were also transferred to the general funds as there was no continuing restriction on their use.

Furthermore, a sum of £46,677 was spent on the development of Stansfield Road as a special unrestricted project.

ROYAL DOCKS TRUST (LONDON)

NOTES TO THE ACCOUNTS

3. GRANT PROGRAMME

The grant programme is administered by the London Borough of Newham. The Trust makes a contribution to the costs of administering the programme (see note 4). All grant payments are jointly funded by and require the approval of the Royal Docks Trust Board and the London Borough of Newham.

Summary of Grants Approved in the Year ended 31st March 2013

SUMMARY	2013	2012
Total grants approved during year	204,735	211,992
Grants not fully claimed	-	(864)
	<hr/>	<hr/>
Cancelled cheques re 2010/2011	204,735	211,128
	-	(500)
	<hr/>	<hr/>
	204,735	210,628
Less Contribution from London Borough of Newham	-	(67,500)
	<hr/>	<hr/>
Grants met by Trust	204,735	143,128
Support costs allocated to the grant programme	17,886	17,854
	<hr/>	<hr/>
Total costs incurred on the grant programme	222,621	160,982

ROYAL DOCKS TRUST (LONDON)

NOTES TO THE ACCOUNTS

3. GRANT PROGRAMME (continued...)

Grants Approved in the Year ended 31st March 2013

Organisation	Purpose	Grant Expenditure 2013
Ascension Community Trust - Garden Cafe	Running Costs	15,872
Ascension Community Trust - Elders Project	Running Costs	13,681
Ascension Eagles Cheerleaders	Running Costs	30,000
Community Links ASTA Centre	Running Costs	15,000
St Mark's Community Centre	Running Cost	20,000
Royal Docks Learning and Activity Centre	Running Costs	30,000
Thames 21 Angling Action	Running Costs	10,840
West Silvertown Village Community Foundation	Running Costs	29,938
Women United	Running Costs	2,400
Community Links - Outdoors in the City	Running Costs	13,730
Community Links - When Chaplin Met Ghandi	Running Costs	5,000
South West Ham District Horticultural Society	Minor Grant	500
Association for Cultural Advancement through Visual Art	Minor Grant	750
Royal Docks Learning and Activity Centre	Minor Grant	600
Royal Docks Learning and Activity Centre	Minor Grant	1,500
2 nd Beckton Brownie Pack	Minor Grant	927
Tate & Lyle Retired Person's Association	Minor Grant	500
Emergency Exit Arts	Minor Grant	770
Royal Docks Learning and Activity Centre	Minor Grant	595
Leyes Road Allotments	Minor Grant	425
Newham NDP Ltd	Minor Grant	1,310
Custom House & Canning Town (St Luke's Youth Club)	Minor Grant	1,500
Newham Riding School & Association	Minor Grant	1,500
West Silvertown Village	Minor Grant	1,500
Community Links Trust	Minor Grant	1,500
South West Ham Horticultural Society	Minor Grant	500
Newham NDP	Minor Grant	1,478
Newham All Stars Sports Academy	Minor Grant	1,469
Royal Docks Learning & Activity Centre	Minor Grant	950
Total		204,735

The Trust also makes small grants to a number of local groups; of these all were for less than £1,000.

ROYAL DOCKS TRUST (LONDON)

NOTES TO THE ACCOUNTS

4. SUPPORT AND GOVERNANCE COSTS

	2013	2012
	£	£
Administration and Secretarial	43,736	45,406
Administration of Grant Programme	15,600	15,600
Depreciation	1,800	1,800
Bank Charges	5	-
	61,141	62,806

Support costs have been allocated directly amongst the various activities. Administration of the grant programme has been allocated directly to 'Grants' and the legacy element of the consultant's time to 'Special Projects' with the balance of support costs spent by the consultants on governance.

	2013	2012
	£	£
Audit	3,800	5,160

5. FIXED ASSETS - used for charitable purposes

Property assets, as set out below, were transferred to the Trust by the LDDC shortly before it ceased operations on 31st March 1998.

Freehold Properties	Cost Valuation	Depreciation Brought Forward	Depreciation charge for the year	2013 Total	2012 Total
	£	£	£	£	£
Explorer scout Hut site, Eastbury Road	1	-	-	1	1
Docklands Equestrian Centre	1	-	-	1	1
Stansfeld Road Livery Yard	1	-	-	1	1
Former S&M Club building, Stansfeld Road	90,000	(21,600)	(1,800)	66,600	68,400
	90,003	(21,600)	(1,800)	66,603	68,403

Costs shown above represent valuations attributed to the properties by the LDDC at the date of transfer in March 1998 and were agreed by the District Valuer other than the Explorer Scout Hut. This has been revalued to £1 because from 1 April 2006 no further rent is being charged on this property. All the premises have been leased on terms ranging from 2 to 199 years to organisations carrying out charitable work within the Trust's objectives.

The Market Value of the Former S&M Club Building was estimated at £400,000 at March 2007. As explained in the Trustees Report there is a proposal to develop the site. The other properties do not have a market value as the Board has no plans to change the current rent-free usage.

ROYAL DOCKS TRUST (LONDON)

NOTES TO THE ACCOUNTS

6. FIXED ASSET - Investments	2013	2012
	£	£
Quoted Investments		
Market Value 1 st April 2012	6,482,492	6,840,563
Additions - at cost	846,744	5,741,460
Disposals - at market value	(888,591)	(6,035,932)
Unrealised gains/(losses)	679,552	(63,599)
	<u>7,120,197</u>	<u>6,482,492</u>
Market Value 31 st March 2013	7,120,197	6,482,492
Historical Cost as at 31 st March 2013	<u>6,434,121</u>	<u>6,541,232</u>

The Quoted Investments held are as follows:

	2013	2012
	£	£
UK Fixed Interest	1,369,209	1,228,857
Equities	5,028,982	4,488,265
Property and Infrastructure	703,098	559,616
Cash Instruments	18,908	205,754
	<u>7,120,197</u>	<u>6,482,492</u>

7. DEBTORS

	2013	2012
	£	£
Other Debtors (net of provisions)	624	624
Prepayments	850	-
	<u>1,474</u>	<u>5,659</u>

8. CASH

	2013	2012
	£	£
In hand and at bank	47,268	22,621
With Fund Manager	122,859	222,520
	<u>170,127</u>	<u>245,141</u>

9. CREDITORS

	2013	2012
	£	£
Grants payable	152,835	158,729
Accruals	23,141	49,536
	<u>175,976</u>	<u>208,265</u>

ROYAL DOCKS TRUST (LONDON)

NOTES TO THE ACCOUNTS

10. ANALYSIS OF NET ASSETS BETWEEN FUNDS

FUND	Freehold Properties	Listed Investments	Net Current Assets/ (liabilities)	Total
	£	£	£	£
General Funds	66,603	889,453	(4,375)	951,681
Designated Funds	-	1,622,611	-	1,622,611
Endowed Funds	-	4,608,133	-	4,608,133
	66,603	7,120,197	(4,375)	7,182,425

11. TAXATION

No provision for Corporation tax has been provided as the Trust has received exemption on the grounds of its charitable status.

12. RELATED PARTY AND CONTINGENT ASSET.

The Trust is the owner of a special share in the Winsor Park Management Company Limited which gives it the responsibility to oversee the conduct of the Company and has the power to appoint up to four directors if it sees fit, and has appointed two directors. The special shareholder is also a joint signatory of the Accumulation Fund account held by the Company and has a duty to permit the proper operation of that Account.

The WPMC was established broadly for the purpose of monitoring maintenance and improvement of reclamation works at Winsor Park which is within the trust's area of benefit. The Accumulation Fund was established to meet any expenditure required in respect of failure of, or damage to, the reclamation works at Winsor Park. The fund was established by the LDDC and currently stands at approximately £6,575,629 and attracts £22,025 of interest per year less £25,448 of general expenses. It is to be held by Winsor Park Management Company Limited until 11th April 2070, unless it is required to be spent as above or unless an engineer reports that there is no reasonable likelihood of the fund having to be spent for that purpose. The engineering reports must be obtained every 10 years commencing 11th April 2010. In order to meet its obligations under the Shareholders Agreement in respect of the commissioning of engineering reports and the review of the reclamation works and the continuing need for the accumulation fund the WPMC instructed Card Geotechnics to review the operation and the integrity of the reclamation scheme and to advise WPMC. The WPMC is considering the report provided by Card Geotechnics and the continuing need for the Accumulation Fund and the obligations of the shareholders agreement.

If the fund becomes repayable under either condition above, it is repayable to the special shareholder.

There were no transactions between Winsor Park Management Company Limited and the Trust during the year.

13. TRUSTEES

The trustees were not paid or reimbursed for expenses during the year (2012 - none).

Some trustees will from time to time have an involvement with organisations that are being considered for grant aid but this involvement would not be such as to confer any personal pecuniary benefit on them. Any such involvement is declared to avoid any possibility of a conflict of interest arising.

