

**ROYAL DOCKS TRUST (LONDON)**  
*(A Company limited by guarantee without share capital)*

**REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31<sup>ST</sup> MARCH 2004**

*Charity No: 1045057*

*Company No: 03032232*

# **ROYAL DOCKS TRUST (LONDON)**

## **Report and Financial Statements**

**For the Year Ended 31<sup>st</sup> March 2004**

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# ROYAL DOCKS TRUST (LONDON)

## OFFICERS and ADVISERS

Members of the Board of Trustees  
(who are also Directors of the Company)

Eric Sorenson – Chairperson  
Steve Nicholas  
Sid Keys  
Richard Gooding  
Mubin Haq (until 29.4.03)  
Councillor Marie Collier  
Councillor Patricia Holland  
(subject to restricted voting rights in accordance  
with the Articles)  
Dennis Hone (until 23.10.03)  
Michael Grier  
Jonathan Edward Swan  
John Ringwood  
Andrea Miller Chan  
Graham Collins

Company Secretary

John Parker  
Church Cottage  
Darenth Hill  
Darenth  
Dartford  
Kent DA2 7QY

Registered Office

37 Rushey Green  
Catford  
London  
SE6 4AS

Bankers

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

Investment Advisors

Merrill Lynch Investment Managers Limited  
33 King William Street  
London EC4R 9AS

Auditors

Gotham Erskine  
Chartered Accountants & Registered Auditors  
Friendly House  
52-58 Tabernacle Street  
London EC2A 4NJ

Solicitors

Parker Arrenberg  
37 Rushey Green  
Catford  
London  
SE6 4AS

Honorary Treasurer

Robert Heaton  
Executive Director of Resources  
London Borough of Newham  
Newham Town Hall  
London, E6 2RP

# **ROYAL DOCKS TRUST (LONDON)**

## **REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2004**

### **INTRODUCTION**

The Directors have pleasure in presenting their report together with the Accounts for the year ended 31<sup>st</sup> March 2004 which comply with the requirements of the Companies Act 1985 and the Company's governing documentation.

During the year 1<sup>st</sup> April 2003 to 31<sup>st</sup> March 2004 and in the period to signing the accounts, the members of the Board of Trustees (directors) were as indicated on page 3.

### **SHARE CAPITAL AND LIABILITY OF THE MEMBERS**

The company is limited by guarantee of the members and does not have share capital. In terms of paragraph 7 of the Memorandum of Association, in the event of winding up, every member of the company is liable to contribute, such amount as may be required, not exceeding £10 and in the case of a corporate member, an amount not exceeding £50.

### **OBJECTS, PRINCIPAL ACTIVITIES**

The principal purpose of the Trust is to support the community in that part of the London Borough of Newham, which lies to the south of the London - Tilbury Trunk Road (A13) known as Newham Way.

### **ASSETS**

The assets of the Trust, 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 a cash management account. During the year these assets, other than bank deposits, were managed by Merrill Lynch Investment Managers.

The trust also holds freehold investment properties valued as follows, all of which are let on lease to local community organisations under the terms shown:

Docklands Equestrian Centre – leased for a term expiring in 2196 - valued at £1

Stansfeld Road Livery Yard – leased for a term expiring in 2196 - valued at £1

Explorer Scouts Hut site, Eastbury Road – leased for a term expiring in 2095 - valued at £25,000

Former S & M Club building, Stansfeld Road – tenant holding over after expiration of lease – valued at £90,000.

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

### **FUNDS AND RESERVE POLICY**

#### **Endowments**

The Trust has a two-part endowment totalling £2.7million from the 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 Trust'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 endowment can be used toward the Trust's charitable objectives.

# ROYAL DOCKS TRUST (LONDON)

## REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2004 (continued)

### LDDC "LEGACY" FUNDS

Shortly before the LDDC ceased operations on 31<sup>st</sup> March 1998 the Trust entered into agreements with it under which the LDDC placed funds with the Trust to enable it to secure the implementation of projects for the benefit of the community within its area, together with a grant of £5,000 which has been used to promote the Trust and seek the support of local businesses.

Provision is made within the majority of these agreements for the Trust to retain the income earned from investment of the funds, the first call on such income to be the costs incurred by the Trust in discharging its obligations under them. Once an individual scheme has been completed, the interest earned on the relevant legacy funds is available to the Trust for use toward its charitable objectives. Details of the funds received from the LDDC for the projects covered by these agreements are:

Ascension Church, Leyes Road - improvements to site	£95,763
Drew Road - leisure facilities	£664,053
St John's Church Centre - leisure and recreation facilities	£275,947
Folkstone Road - improvement works to site for the Impstart Trust	£451,000
Royal Docks Community School - community facilities	£5,200,000
Royal Victoria Dock - Watersports Centre	£900,000
Former S & M Club Building, Stansfield Road - improvements	£80,000
Theatre Venture - Sculpture Garden	£29,375
Water-ski Centre - King George V Dock	£812,000

All the above amounts received from the LDDC have been held on deposit by the Trustees pending further project expenditure. During the year to 31<sup>st</sup> March 2004 a total of £40,015 was expended out of the "Legacy" funds as detailed in Note 2 on page 14 of the Financial Statements.

In the event that, for reasons beyond the control of the Trust, any of the above projects cannot proceed, the respective grant agreements provide for the funds to be retained by the Trust and employed by it for its charitable purposes, either in general or for specified activities within them as decided by the Trustees.

### Unrestricted Funds

The income generated on the endowment is used to support a community grants programme and the Trust's administration costs. Any amounts in reserves are retained for future grant expenditure.

### Investment Powers

The memorandum of association of the Trust includes power 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 Trust have been acquired in accordance with such power.

## REVIEW OF THE YEAR

### Financial Review

The results for the Year are as shown in the Statement of Financial Activities on page 11 together with the supporting notes.

# **ROYAL DOCKS TRUST (LONDON)**

## **REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2004 (continued)**

### **Grants**

The Trust approved grants of £181,021 (2003: £201,739) during the year under the joint grants programme operated with the London Borough of Newham, the proportion of the expenditure on these grants met by the Trust being £104,789 (2003: £132,283). The grants were paid to a range of community and voluntary groups active in the Trust's area of benefit. The grants paid are analysed in Note 3 on pages 15 and 16 of the Financial Statements.

### **Statue**

In 2003/2004 work on the Dock Workers statue has continued to progress. In May 2004 the Trust's project group overseeing the development of the project approved stage three of the design process following the sculptor's production of a two foot maquette. Work on stage four of the design commenced, the "blocking in" of a full size model which was completed and approved by the Trust in December 2003. The sculptor commenced the final stage of the modelling process, the production of the final fully detailed full size model. Following the Trust's approval of the final model the statue will progress to the foundry stages for the casting of the statue in bronze. The project's completion is on target for early 2005.

### **FUNDS AVAILABLE**

The Company's assets are available and adequate to fulfil the obligations of the company and the Trustees consider the financial position of the company to be satisfactory.

### **FUTURE DEVELOPMENTS**

The Trust'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 of benefit.

### **DIRECTORS, VOLUNTEERS AND STAFF COSTS**

There were no employees during the year. The directors are not employed by the Trust and receive no remuneration for their services to the Trust. The London Borough of Newham and external consultants deal with the administration of the Trust on a day-to-day basis.

### **CONNECTED ORGANISATIONS**

There were no connected organisations during the year under review.

### **RESERVES POLICY**

The Royal Docks Trust understands its obligation to use its financial resources toward achievement of its charitable objectives, and that it should not hold onto such resources unnecessarily.

However, it is also 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 known as "Reserves").

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

# ROYAL DOCKS TRUST (LONDON)

## REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2004 (continued)

The Trust may require Reserves to enable it to achieve its charitable objectives as follows:

### 1. Operational

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

### 2. Investment (and Investment Policy)

To provide for the continued investment of the endowed sum received from the former LDDC as set out in the endowment agreement(s) and their subsequent interpretation. The Trust's endowed sum is invested through its Investment Advisers (Merrill Lynch Investment Managers Ltd), with 80% held in UK Equities. The Trust receives regular reports from its investment advisers and gives full consideration to the advice received. The Trust's investment policy is to seek capital growth in the endowed sum, which can be realised and applied in the longer term (5 years or more) toward its charitable objectives, whilst also generating sufficient income (£125,000 per annum) to fund its share of the Community Grants Programme. For this reason, and acting upon advice from its investment advisers, the Trust will maintain the majority of its investment in Equities, despite the recent falls in values, as it believes this to be the most appropriate way in which to achieve its twin objectives.

### 3. Commitments

To enable the Trust to meet its obligations under the LDDC Legacy Agreements and any other similar arrangements e.g. Dockworkers Commemorative Statue.

### 4. Match Funding

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

### 5. Risk Management (and Risk Management Policy)

To provide the Trust with a way of managing risks such as those associated with major capital works project and investment decisions.

The Trust is aware that it faces a number of risks when making decisions over the investment and application of its funds. It is a registered charity and company (limited by guarantee), and has recognised the following key risks that may adversely affect the achievement of its charitable objectives:

- Fall in value in the investment of its endowed sum – 80% of the investment is in UK Equities, and stock market falls had previously reduced the value of the investment. This position was, to some extent, reversed in the year 2003/04 and the upward trend has continued in the six months after the year end. However, the Trust engages external expert advisers to manage its investments and advise upon actions needed. It receives quarterly reports from the advisers and at least one presentation per annum at which trustees are able to raise matters of concern.
- Increased costs of legacy projects. The Trust is only contractually committed to provide grant support to these projects to the extent of the amount of the legacy sum provided by the former LDDC (page 5 provides further details). However, the Trust would wish to ensure as far as it can reasonably do so that the individual projects are successfully completed. This can sometimes lead to the Trust being asked to increase its support above the original legacy sum. The Trust engages advisers who monitor the progress on each individual scheme and act upon the Trust's instructions in order to secure their successful completion. Also the legacy funds are invested in short-term deposits pending their release toward the original project, thereby producing additional income. This income is retained until the relevant project is completed, thereby enabling the Trust to consider further funding toward items such as increased costs etc.

# ROYAL DOCKS TRUST (LONDON)

## REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2004 (continued)

In assessing the need to retain Reserves, and at what level, the Trust 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 Trust across all its activities
  2. Its ability to manage and respond to those risks.

At 31<sup>st</sup> March 2004, the Trust had assessed the Reserves needed to provide for the above. This assessment is shown in the table below:

REQUIREMENT	£000
<b>Operational – 5 year Horizon</b>	
Potential operating deficit at current “core” level	130
Allowance for additional development activities	250
<b>Investment</b>	
Continued investment of LDDC Endowment in “real terms”	3,256
<b>Meeting Commitments</b>	
Meeting obligations under Legacy Agreements and others that have been agreed since.	2,579
<b>Match Funding</b>	
To enable the Trust to seek additional funding.	300
<b>Risk</b>	
To provide a “contingency” against business risks associated with Legacy Projects and other obligations (assessed at 10% of the outstanding commitment).	<u>258</u>
<b>TOTAL REQUIREMENT</b>	<b>£6,773</b>

At 31<sup>st</sup> March 2004, the Trust’s accumulated Reserves, excluding property and monies held in the Statue Account amounted to £6.642m, a shortfall of £131,000. This compares with a shortfall of £700,000 at March 2003. The improvement has been due to increased equity values and new sources of revenue income from the leases of property owned by the Trust

## AUDITORS

A resolution concerning the appointment of auditors will be put to the Annual General Meeting.

This report has been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities and in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small entities.

## ACKNOWLEDGEMENTS

The Trust wishes to acknowledge the support and professional advice provided by its advisers.

# ROYAL DOCKS TRUST (LONDON)

## REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2004 (continued)

### STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors 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 directors 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; and prepare the accounts on a going concern basis unless it is inappropriate to assume that the company will continue in business.

The directors are responsible for keeping proper accounting records, which 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 1985 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 accounts were approved by the directors on **25 January 2005** and signed on their behalf by:

.....  
J. Parker  
Secretary

# ROYAL DOCKS TRUST (LONDON)

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ROYAL DOCKS TRUST (LONDON)

We have audited the accounts of The Royal Docks Trust for the year ended 31 March 2004 comprising the Statement of Financial Activities, Balance Sheet and the related notes. These accounts have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), under the historical cost convention as modified by the valuation of fixed assets held for investment purposes and the accounting policies set out on page 13.

This report is made solely to the company's members, as a body in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, or for the opinion we have formed.

### Respective Responsibilities of the Board of Trustees and Auditors

As described in the Statement of Trustee Responsibilities, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the accounts in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and United Kingdom Accounting Standards.

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985 and the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities", published in October 2000. We also report to you if, in our opinion, the Trustees Report is not consistent with the accounts, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Trustees remuneration and transactions with the company is not disclosed.

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

### Basis of Opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the Trustees in the preparation of the accounts, and of whether the accounting policies are appropriate to the 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 accounts 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 accounts.

### Opinion

In our opinion the accounts give a true and fair view of the state of the charitable company's affairs as at 31<sup>st</sup> March 2004 and of its incoming resources and resources expended, including its income and expenditure for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

.....  
GOTHAM ERSKINE  
Chartered Accountants and Registered Auditors  
Date:

Friendly House  
52-58 Tabernacle Street  
London EC2A 4NJ

# ROYAL DOCKS TRUST (LONDON)

## STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2004 (INCORPORATING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES)

	Note	2004	2004	2004	2004	2004	2003
	1	Unrestricted Funds	Endowment	Restricted Funds Special Projects	Restricted Funds Statue Account	Total	Total
		£	£	£	£	£	£
<b>INCOMING RESOURCES</b>							
Donations					115	115	20,005
Area teams grant from LBN		0				0	46,700
Rent		10,000				10,000	5,100
Bank interest		1,327		127,502	624	129,453	137,327
Listed Investment Income:							
Dividends		107,254				107,254	110,136
Commission rebate		12,684				12,684	11,262
Other		2,115				2,115	250
		133,380	0	127,502	739	261,621	330,780
<b>RESOURCES EXPENDED</b>							
Direct Charitable expenditure:							
Grants	3	104,789				104,789	132,283
Special Projects	2	7,510		40,015		47,525	5,922
Area Teams		8,128				8,128	19,000
Other						0	250
Support Costs	4	26,590		25,430		52,020	51,268
Management and Administration	4	30,659				30,659	30,796
		177,676	0	65,445	0	243,121	239,519
<b>Net Expenditure / Income before transfers</b>		(44,296)	0	62,057	739	18,500	91,261
Transfer	5	14,120		(14,120)		0	0
<b>Net Income / Expenditure before revaluations</b>		(30,176)	0	47,937	739	18,500	91,261
Realised and Unrealised (losses)/gains on revaluation of investments			536,626			536,626	(742,644)
<b>Net movement in funds</b>		(30,176)	536,626	47,937	739	555,126	(651,383)
Funds brought forward		334,355	2,542,414	3,316,981	90,011	6,283,761	6,935,144
<b>FUNDS CARRIED FORWARD</b>		304,179	3,079,040	3,364,918	90,750	6,838,887	6,283,761

The Accounting Policies and Notes on pages 13 to 19 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 31<sup>ST</sup> MARCH 2003

	Note	2004 £	2004 £	2003 £	2003 £
<b>FIXED ASSETS</b>					
Freehold Property	6		105,802		108,102
Listed Investments	7		6,416,837		5,759,801
			<u>6,522,639</u>		<u>5,867,903</u>
<b>CURRENT ASSETS</b>					
Debtors	8	11,210		10,870	
Cash	9	451,437		574,944	
		<u>462,647</u>		<u>585,814</u>	
<b>CREDITORS DUE WITHIN ONE YEAR</b>	10	146,399		169,956	
		<u>146,399</u>		<u>169,956</u>	
<b>NET CURRENT ASSETS</b>			<u>316,248</u>		<u>415,858</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>6,838,887</u>		<u>6,283,761</u>
<b>FUNDS</b>					
Unrestricted Funds	11		304,179		334,355
Restricted Funds -					
Special Projects - Capital	2	2,578,970		2,618,985	
Special Projects - Income	2	680,146		589,894	
Charitable Property		105,802		108,102	
		<u>3,364,918</u>		<u>3,316,981</u>	
Statue		90,750		90,011	
		<u>90,750</u>	<u>3,455,668</u>	<u>90,011</u>	<u>3,406,992</u>
Endowment Funds			<u>3,079,040</u>		<u>2,542,414</u>
			<u>6,838,887</u>		<u>6,283,761</u>

Approved by the Board of Trustees on **25 January 2005**

And signed on their behalf by .....

Eric Sorenson,  
Chairperson

The Accounting Policies and Notes on pages 13 to 19 form part of these Accounts.

# ROYAL DOCKS TRUST (LONDON)

## ACCOUNTING POLICIES

### 1. 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 and freehold investment properties that are included at current market value.

The financial statements have been prepared in compliance with the Statement of Recommended Practice – Accounting by Charities and the Financial Reporting Standard for Smaller Entities (effective March 2000) and the Companies Act 1985.

### 2. Income and Expenditure

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

Support costs comprise costs for administering costs and other general day to day running costs.

Management and administration costs comprise the audit fee as well as 75% of the non-legacy Administration and Secretarial fee.

### 3. Grants Payable

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

### 4. 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 31<sup>st</sup> March 2004 in comparison to that amount at 31<sup>st</sup> March 2003.

### 5. Donations

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

### 6. Freehold Properties used for charitable purposes

Depreciation is charged on donated freehold buildings estimated so as to write off the estimated useful life over 40 years. No depreciation is charged on freehold land.

### 7. 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 investments are sold only a small gain or loss arises. The fund manager values investments held as fixed assets 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

### 1. FUNDS

The Trusts funds are made up of:

Unrestricted Funds	Which 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.
Restricted 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. The first call on any income generated by the investment of these Funds is the costs incurred by the Trust in fulfilling its obligations under them.  <u>Statue Fund</u> This fund is held in order to design and erect a commemorative statue to dock working in the Royal Docks.

### 2. SPECIAL PROJECTS

Movements on the Special Project Funds in the Year to 31<sup>st</sup> March 2004 were as follows:

Project	@31/3/03	Expenditure	@31/3/04
	£	£	£
Ascension Church, Leyes Road - improvements to site	2,282		2,282
Drew Road - leisure facilities	664,053		664,053
St John's Church Centre - leisure and recreation facilities	275,947		275,947
Folkstone Road - improvement works to site for the Impstart Trust	0		0
Royal Docks Community School - community facilities	11,400		11,400
Royal Victoria Dock - Watersports Centre	900,000	(40,015)	859,985
Former S & M Club Building, Stansfield Road - improvements	0		0
Theatre Venture - Sculpture Garden	0		0
Water-ski Centre - King George V Dock	765,303		765,303
Trust Business Launch	0		0
<b>Total</b>	<b>2,618,985</b>	<b>(40,015)</b>	<b>2,578,970</b>

## ROYAL DOCKS TRUST (LONDON)

A reconciliation between the unspent balances on Special Project Funds shown above, and the sum shown in the Balance Sheet on page 12 is given below:

	2004	2003
Balance at 1 April	3,208,879	3,146,780
Capital Expenditure	(40,015)	(2,600)
Capital balance transferred	0	(896)
Interest earned in year	127,502	135,342
Interest transferred in year	(14,120)	(50,547)
Administration Expenses	(23,130)	(24,334)
Administration expenses transferred	0	5,134
Total	<u>3,259,116</u>	<u>3,208,879</u>
Made up of:		
Capital	2,578,970	2,618,985
Income	<u>680,146</u>	<u>589,894</u>

### 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 31<sup>st</sup> March 2004

	2004	2003
SUMMARY		
Total grants approved during year	181,021	201,739
Less Contribution from London Borough of Newham	(67,500)	(67,500)
Less adjustments re: previous year's unclaimed grants	(8,732)	(1,956)
Grants met by Trust	<u>104,789</u>	<u>132,283</u>

#### Grants Approved In the Year ended 31<sup>st</sup> March 2004

Organisation	Purpose	Grant Expenditure 2004 £
St John's Church Centre	Running Costs	9,952
Shaw Trust	Running Costs	15,000
Richard House Trust	Running Costs	20,956
Ascension Church - Garden Café Project	Running Costs	15,000
Ascension Church - Lunch Club for the over 50's	Running Costs	20,000
Royal Albert Dock Trust - Schools Rowing Project	Running Costs	20,000
London Cheerleading Academy	Running Costs	6,000
Ascension Eagles Cheerleaders	Running Costs	9,775
Greenwich and Docklands Festival	Running Costs	5,000
Community Links - Britannia Village	Running Costs	20,000
Community Links ASTA	Play Scheme	7,000
Community Links Britannia	Play Scheme	7,000
Community Links Winsor Park	Play Scheme	7,000
Carried Forward		<u>162,683</u>

# ROYAL DOCKS TRUST (LONDON)

Grants Approved  
In the Year ended 31<sup>st</sup> March 2004  
Organisation

	Purpose	Grant Expenditure 2004 £
Brought Forward		162,683
Community Links Globe	Play Scheme	7,000
St John's Community Centre	Minor Grant	1,000
St John's Community Centre	Minor Grant	1,000
Tuesday Tea Dance	Minor Grant	390
Britannia Village Residents Association	Minor Grant	500
Newham Ethnic Minority Disability Alliance	Minor Grant	388
West Silvertown/Britannia Residents Association	Minor Grant	500
Ascension 50+ Club	Minor Grant	250
St Luke's Youth Club	Minor Grant	300
East London Cycle Speedway	Minor Grant	1,000
South Canning Town Detached Youth Project	Minor Grant	300
Jiko Ryu Karate Club	Minor Grant	366
St John's Community Centre	Minor Grant	1,000
Salama Disability Association	Minor Grant	500
Association of Wheelchair Children	Minor Grant	1,000
West Silvertown Village Community Forum	Minor Grant	1,000
Community Links	Minor Grant	464
Woodland Centre Trust	Minor Grant	980
Drew Road Tenants and Residents Association	Minor Grant	400
		181,021

# ROYAL DOCKS TRUST (LONDON)

## 4. SUPPORT COSTS

	2004	2003
	£	£
Administration and Secretarial	60,994	61,888
Administration of Grant Programme	15,600	15,600
Audit	3,173	3,172
Depreciation	2,300	2,300
Bad debt provision	0	(5,000)
Bank Charges	99	0
Subscriptions	466	515
Other	47	3,589
	<u>82,679</u>	<u>82,064</u>
Less management and administration of charity	(30,659)	(30,796)
	<u>52,020</u>	<u>51,268</u>

## 5. TRANSFER BETWEEN RESTRICTED AND UNRESTRICTED FUNDS

This represents the transfer of interest received net of administration expenses incurred in prior years in respect of those Special Projects which were completed by 31<sup>st</sup> March 2004.

## 6. 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 31<sup>st</sup> March 1998.

Freehold Properties	Cost	Depreciation Brought Forward	Depreciation charge	2004 Total	2003 Total
	£	£		£	£
Docklands Equestrian Centre	1			1	1
Stansfield Road Livery Yard	1			1	1
Explorer scout Hut site, Eastbury Road	25,000	(1,500)	(500)	23,000	23,500
Former S&M Club building, Stansfield Road	90,000	(5,400)	(1,800)	82,800	84,600
				<u>105,802</u>	<u>108,102</u>

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. 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.

## 7. FIXED ASSET - Investments

	2004	2003
	£	£
Quoted Investments		
Market Value 1 <sup>st</sup> April	5,759,801	6,378,209
Additions - at cost	234,808	204,837
Disposals - at market value	(112,800)	(77,094)
Unrealised investment gains/(losses)	535,028	(746,151)
Market Value 31 <sup>st</sup> March	<u>6,416,837</u>	<u>5,759,801</u>
Historical Cost as at 31 <sup>st</sup> March	<u>6,737,017</u>	<u>6,609,340</u>

## ROYAL DOCKS TRUST (LONDON)

The Quoted Investments held are as follows:

	2004	2003
	£	£
UK Fixed Interest	515,156	484,554
UK Equities	2,521,063	1,940,567
Overseas Fixed Interest	0	73,319
Cash Instruments	3,380,618	3,261,361
	<u>6,416,837</u>	<u>5,759,801</u>

### 8. DEBTORS

	2004	2003
	£	£
Dividends receivable	0	952
Tax Recoverable	0	238
Other Debtors	11,210	9,680
	<u>11,210</u>	<u>10,870</u>

### 9. CASH

	2004	2003
	£	£
In hand and at Bank	412,938	535,343
With Fund Managers	38,499	39,601
	<u>451,437</u>	<u>574,944</u>

### 10. CREDITORS

	2004	2003
	£	£
Grants payable	120,389	147,883
Accruals	26,010	22,073
	<u>146,399</u>	<u>169,956</u>

# ROYAL DOCKS TRUST (LONDON)

## 11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

FUND		Investment Properties	Listed Investments	Net Current Assets	TOTAL
		£	£	£	£
Endowed Funds			3,036,219	42,821	3,079,040
Restricted Funds	Investment Properties	105,802			105,802
	Special Projects		3,380,618	(121,502)	3,259,116
	Statue			90,750	90,750
Unrestricted Funds				304,179	304,179
		<b>105,802</b>	<b>6,416,837</b>	<b>316,248</b>	<b>6,838,887</b>

## 12. TAXATION

No provision for Corporation tax has been provided as the Trust has received exemption on the grounds of its charitable status. The Trust is not registered for VAT. Expenditure is shown inclusive of VAT where applicable.

## 13. 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 2 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 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 £5,900,000 and attracts about £206,000 of interest per year net of tax. It is to be held by Winsor Park Management Company Limited until 11<sup>th</sup> 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 11<sup>th</sup> April 2010.

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 Company during the year.

## 14. TRUSTEES

The trustees were not paid or reimbursed for expenses during the year.

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.