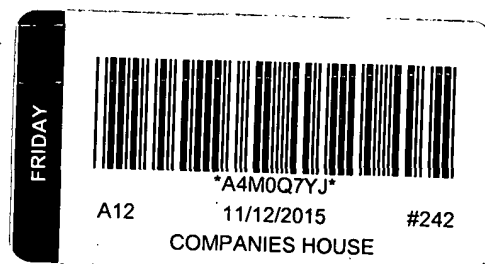


VEOLIA NORTH THAMES TRUST
(A company limited by guarantee)
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015

Charity No: 1084805
Company No: 03617355



VEOLIA NORTH THAMES TRUST

FOR THE YEAR ENDED 31 MARCH 2015

CONTENTS	Pages
Legal and administrative information	1
Trustees' report	2-7
Auditor's report	8
Statement of Financial Activities	9
Balance sheet	10
Notes forming part of the financial statements	11-22

VEOLIA NORTH THAMES TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

FOR THE YEAR ENDED 31 MARCH 2015

Trustees

Veolia ES Limited	- authorised representative Douglas Benjafield, Chairman Keith McGurk Robert Hunt /Tom Spaul (alternate)
London Borough of Havering	- authorised representative Councillor Mike Armstrong resigned 20 th July 2014 Councillor Robert Benham appointed 20 th July 2014
Basildon Borough Council	- authorised representative Councillor Mo Larkin
Castle Point Borough Council	- authorised representative Councillor Ray Howard
Thurrock Council	- authorised representative Councillor Charlie Curtis
The Environment Agency	- authorised representative Gary Cockett
Essex Wildlife Trust	- authorised representative Bob Hills
Port of London Authority	- authorised representative Alistair Gale
Natural England	- authorised representative Neil Fuller
Reginald Warner	
John Robb	
Barrie Lawrence	

Company Registered Number
03617355

Charity Registered Number
1084805

Registered Office

Rainham House
Manor Way
Rainham
Essex
RM13 8RH

Auditors

haysmacintyre
Chartered Accountants & Registered Auditors
26 Red Lion Square
London WC1R 4AG

Bankers

The Co-operative Bank plc
Head Office, PO Box 101,
1 Balloon Street,
Manchester M60 4EP

Barclays Private Bank
1 Churchill Place,
Canary Wharf,
London E14 5HP

Solicitors

Stone King
16 St John's Lane
London EC1M 4BS

VEOLIA NORTH THAMES TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2015

The Trustees, who are also directors of the Trust for the purposes of the Companies Act, submit their annual report and the financial statements of Veolia North Thames Trust.

The Trustees confirm that the annual report and financial statements of the Trust comply with current statutory requirements, the requirements of the Trust's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities", issued in 2005.

Method of appointment or election of Trustees

The Trustees are responsible for the management of the Trust and are elected and co-opted in accordance with the Articles of Association, under which the minimum number of Trustees in office at any given time should be three, being individuals or bodies corporate. In the latter case, the body corporate appoints an authorised representative who sits on the board and is empowered to take decisions on behalf of the body corporate. The board meets six times a year and also holds an Annual General Meeting.

At the Annual General Meeting to be held in late summer, one third of the Trustees shall retire by rotation and all retiring Trustees shall be eligible for re-election.

Constitution, policies and objectives

The Trust is registered as a charitable company limited by guarantee and was incorporated on 12 August 1998. The principle objectives of the Trust are to provide for the benefit of the public in the Thurrock Unitary Authority, the Borough of Basildon, the Borough of Castle Point and the London Borough of Havering together with adjacent land comprising the Wennington and Aveley Marshes and cover:

- Advancement of education and promotion of study and research for the benefit of the public about the protection of the environment within the area of benefit. In accordance with changes to the statutory scheme, the Trust has been unable to fund projects under this heading with effect from July 2005;
- Promotion of conservation and protection of the environment within the area of benefit;
- Provision of facilities for recreation or other leisure time occupation in the interests of social welfare for the occupants of the area of benefit with the object of improving their condition of life.

In addition as far as the year 2014/15 is concerned, the Trust adopted several specific objectives as follows:

- To ensure that, save in exceptional circumstances, applications for funding are brought to the Trust board at the first available meeting after the receipt of the proposals;
- To bring the existence of the Trust and its funding policies to the attention of a wider grouping of potential project applicants;
- To raise the profile of the Trust within the Havering community in general, with particular reference to sustainability issues;
- To seek EB Accreditation under the ENTRUST voluntary scheme.

There have been no changes in the strategic objectives since the last annual report. At their March 2015 meeting, the board received a report from the Trust Secretary, assessing the success of the Trust in meeting these objectives.

Structure, Governance and Management

On appointment, each Trustee or authorised representative signs a code of conduct and completes a register of interests, which is reviewed annually. He or she is referred to the Trust's website, which sets out the Trust's policies and operational, financial and statistical information. The Trust Secretary offers to brief them on any aspect of Trust business and they are reminded that they are encouraged to attend appropriate trustees' training at the Trust's expense. The Trust has administrative and financial control procedures in place in order to ensure that its affairs are in good order and the Trust board receives bi-monthly management accounts. A Trust Secretary, Project Officer and Administrative Officer are in post and the Trust operates from an office in Rainham, Essex. The staff deals also with the work of the Veolia Havering Riverside Maintenance Trust (VHRMT) and the Veolia Pitsea Marshes Maintenance Trust (VPMMT).

Statement on public benefit

The objectives and principle achievements sections of this report set out clearly the activities that the Trust undertakes for the public benefit. The Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission in determining the activities undertaken by the Trust.

In the interest of transparency, the Trustees make the following observations on the two key principles of public benefit:

Principle 1: There must be an identifiable benefit or benefits.

1a It must be clear what the benefits are

The clear benefits provided by the Trust are delivered through grants to both non-profit making and statutory bodies for projects covering environmental protection and improvement, heritage and community development and are reflected in the disclosure of charitable expenditure in the Statement of Financial Activities.

1b The benefits must relate to the aims

The aim of the Trust, as detailed in the principle objectives set out above, is to provide an efficient and effective service to the people from the areas set out above under Constitution, policies and objectives, through a system of grant-based project support. All the benefits flow directly from this aim.

1c Benefits must be balanced against any detriment or harm

No detriment or harm arising from the work of the Trust has been identified.

Principle 2: Benefit must be to the public or a section of the public

2a The beneficiaries must be appropriate to the aims

In accordance with the Trust Articles of Association, the beneficiaries are the public in general.

2b Where the benefit is to a section of the public, the opportunity to benefit must not be unreasonably restricted by geographical or other restrictions; or by the ability to pay any fees charged.

It is a condition of the statutory scheme under which the Trust operates that grants are not made to private clubs that are not open to the public in general. Thus all Trust-approved projects involve facilities that are open to the general public. The Trust makes no charge for its own services and will establish that, where there are any fees charged by grant recipients, they are reasonable in the circumstances.

2c People in poverty must not be excluded from the opportunity to benefit

As already stated, Trust projects are in respect of facilities that open to the general public, albeit sometimes with the payment of a modest fee.

2d Any private benefits must be incidental

It is a condition of the statutory scheme under which the Trust operates that grants cannot be paid to an individual but only to a corporate body. Otherwise, the Trust finds it necessary to employ and remunerate staff and advisers to carry out the Trust's aims, but these private benefits are incidental to and a necessary by-product of the Trust's work.

VEOLIA NORTH THAMES TRUST

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2015

Related party relationships

The three Trusts operating from Rainham House, Rainham, as set out in note 19 to the accounts, have separate Trust boards, although some Trustees are common to more than one Trust. This Trust meets the overhead costs of the office. Otherwise, there is no relationship between the Trusts, except that a proportion of the funds held by the VHRMT was provided by this Trust.

Due to the nature of the Trust's operations and the composition of the board of Trustees (being drawn from local and national public, private and voluntary sector organisations), it is inevitable that transactions will take place with organisations in which a Trustee or authorised representative may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Trust's normal project approval procedures. For approved projects, the authorised representative or Trustee declares his or her interest prior to the matter being discussed and a Trust decision being taken. Where the interest is a pecuniary one, he or she will not be present for such discussions. Where the interest is of a non-pecuniary nature, as is usually the case, he or she takes no part in the decision on the project under discussion and indeed will only remain in the room with the agreement of the other board members. During this year, projects totalling £1,842,706 were registered where a Trustee was either the project holder or had ultimate responsibility for the ownership and day to day operational use of the underlying asset.

Principal achievements of the year

Being granted Accredited EB status

Holding another successful Annual Event

Committing another record amount to new projects

Successfully continuing the pressure to keep project funds held to a minimum

Modernising the Trust website to make it proactive

Being granted Accredited EB status

For some time now, this Trust and its predecessors have sought to be recognised by ENTRUST, our regulator, as being worthy of Accredited EB Status. Indeed it has been one of the Trust's formal objectives for several years. Such a status is a recognised quality mark within the Landfill Communities Fund "family", and whilst it is voluntary, relatively few Environmental Bodies (EBs) have to date been recognised as worthy in this respect. The verification covers the maintenance by the Trust of proper procedures and documentation. During the year, we were pleased that the Trust achieved its objective and was presented with the relevant certificate in December. As a consequence, we are now able to register our own projects directly with the regulator rather than requiring the latter's approval on a project by project basis, thus also speeding up the service we offer to project - holders.

Holding another successful Annual Event

We held our Annual Event this year in July at the Coalhouse Fort, by the Thames in Thurrock. Given both the location and the centenary remembrance of the start of World War 1, the theme of the day was the historic military contribution made by the part of Essex covered by the Trust. Presentations included one from the Armed Services Minister, Mark Francois MP, also one of the Trust's MPs, who was in Scotland on Ministerial business but recorded his contribution in a video. This was followed by a presentation about the history and development of the fort and then tours of the fort and its surroundings. 116 people sat down to lunch, which equalled the record numbers from last year. Those attending included the MPs for Basildon and East Thurrock, and Castle Point, plus the Mayor of Havering, the Deputy Leader of Basildon, the Chairman of Canvey Island Town Council and various senior council officers.

Committing another record amount to new projects

This year's grant from Veolia ES Limited was £3,300,000, which was a significant increase on the previous year. Trustees were duly grateful to Veolia ES Limited for their generosity, as they were also grateful for the fact that Veolia themselves found an additional 10% from their own resources for much of this sum and thus obviated the need for the Trust to seek Third Party Funding. It gave the Trust increased opportunities to fund worthwhile projects, as the figures for the year indicate, with total project funding at over £3.6m, itself also a considerable increase on the previous year.

VEOLIA NORTH THAMES TRUST

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2015

Committing another record amount to new projects (continued)

At the start of the year, the Trust had 83 projects in progress. During the year, 104 projects were approved by the Trust and registered with ENTRUST thus making a total of 580 projects to date in this Trust. By 31st March 2015, 521 of these projects had been completed (1,126 across the three previous Trusts that now make up this Trust) and 63 were in progress, including 4 of the projects remaining from the other two Trusts. Trust projects cover a wide range, including the development and improvement of open spaces and public amenities, various community projects and the renovation of ancient and historic buildings. Many funded projects are located in the priority area, close to the landfill sites. Of particular significance this year was a grant of over £300,000 to the Memorial Park Pavilion in Basildon; some £250,000 for major improvements to the Upminster Windmill; a grant of £176,000 to St Catherine's Church in East Tilbury for restoration and redevelopment; and a sizeable grant for the Ingrebourne Valley Heritage Centre; in addition, there were numerous smaller projects involving churches, sports clubs or community facilities.

Successfully continuing the pressure to keep down project funds held

Although there was no formal equivalent this year to the EB Challenge under which the Government had previously asked all EBs to reduce their funds in hand by 25% as measured by the funds they held at the end of March 2010, the clear imperative to get more funds "out of the door" remains. Accordingly, not only was an agreed project completion date set for all projects but project holders were reminded during the year of their responsibility to meet such completion dates, in the wider interest of the continuation of the Landfill Communities Fund (LCF) scheme. As a result, as this year's Balance Sheet discloses, the funds held to meet agreed project costs have again been significantly reduced. In the March 2015 Budget, the Government announced a formal consultation on possible changes to the LCF scheme, the prime aim of which was again to get money spent more quickly under the scheme. Whilst the conclusions of this consultation will not be known for several months, Trustees reaffirmed their expectation that the Trust will indeed meet whatever new responsibilities are subsequently imposed, believing this will best safeguard the continuation of the scheme.

Modernising the Trust website to make it proactive

The Trust website has been updated and now includes a short film about the work of the Trust. The format has been updated to include more photographic images making it more visual and easier to navigate. The content of the site can now be updated instantly, allowing the Trust to promote projects in real time and update project news as and when needed.

Plans for 2015 and beyond

The board has adopted the following objectives for 2015/16:

- To ensure that, save in exceptional circumstances, applications for funding are brought to the Trust board at the first available meeting after the receipt of the proposals.
- To bring the existence of the Trust and its funding policies to the attention of a wider grouping of potential project applicants.
- To raise the profile of the Trust within Trust communities in general, with particular reference to sustainability issues.
- To meet whatever requirements follow on from the Government's current challenge to EBs and maintain funds at as a low a level as possible.

Plans for 2015 and beyond (continued)

The Trust will seek to fund more projects within the community, with particular reference to the priority area adjacent to the landfill sites. The Trust will seek to continue to commit all the funds it receives from Veolia ES Limited, whilst continuing to look, where possible, for a contribution to new projects from the applicants themselves.

Reserves policy

It is the policy of the Trust to commit all the landfill tax credits it receives for grants to projects, which meet the criteria set out in its grants policy. The ongoing costs of the Trust are solely related to the approval and monitoring of the grants and therefore there is little need to maintain a significant reserves provision. Nevertheless, and recognising that there would be unavoidable costs when it eventually becomes necessary to wind up the operations of the Trust, the Trustees have set aside a reserve for that purpose. When this was reviewed this year, Trustees determined to reduce it to £164,000 and this is reflected in the Balance Sheet on page 10 and in Note 16.

Investment policy and performance

Under the Articles of Association, the Trust has the power to deposit or invest funds in any manner (but to invest only after obtaining advice from a financial expert and having regard to the suitability of investments and the need for diversification). At the present time the Trustees' policy is to maintain uninvested monies on deposits earning a market rate of interest.

Risk management

The Trustees have recently reassessed the major risks to which the Trust is exposed, in particular those related to the operations and finances of the Trust, and are satisfied that systems are in place to mitigate our exposure to the major risks.

Grant making policies

The trust makes grants within the ENTRUST criteria for projects within the area of benefit. Each project submitted to the trust for grant funding is appraised to ensure that:

- The project gives value for money
- The outputs and benefits can be achieved
- The applicants can carry out the project efficiently and effectively
- The project has local support

ENTRUST

The Trust is registered with ENTRUST (registration number 293151), a regulatory organisation which oversees the operation of environmental bodies registered under the Landfill Communities Fund (LCF). ENTRUST charges a levy of 2.17% (2% during 2013/14) of the Trust's landfill tax related receipts from Veolia ES Limited, the landfill site operator.

Trustees' liability

The Trustees of the Trust guarantee to contribute an amount not exceeding £1 to the assets of the Trust in the event of winding up.

VEOLIA NORTH THAMES TRUST

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2015

Statement of Trustees' Responsibilities

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

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time of the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as we are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

A resolution proposing that haysmacintyre be re-appointed as auditors of the Trust will be put to the late summer meeting of the Trust.

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

This report was approved by the Trustees on 24 September 2015 and signed on its behalf, by:

Douglas Benjafield – Chair



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

VEOLIA NORTH THAMES TRUST

We have audited the financial statements of Veolia North Thames Trust for the year ended 31 March 2015 which comprise the Statement of Financial Activities (incorporating the Income and Expenditure account), the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice applicable to smaller entities).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement set on page 7, the Trustees (who are also the directors of the charitable company 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's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 2015, 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 smaller entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report 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; or
- 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; or
- we have not received all 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 Trustees' Report and take advantage of the small companies exemption from the requirement to prepare a strategic report.



Murtaza Jessa (Senior Statutory Auditor)
for and on behalf of
haysmacintyre, Statutory Auditor

26 Red Lion Square
London
WC1R 4AG

..... 24 September 2015

VEOLIA NORTH THAMES TRUST

STATEMENT OF FINANCIAL ACTIVITIES (Incorporating Income and Expenditure account)

FOR THE YEAR ENDED 31 MARCH 2015

	Note	Unrestricted Funds 2015 £	Total Funds 2014 £
INCOMING RESOURCES			
Incoming resources from generated funds			
Voluntary income	2	3,300,000	2,720,000
Investment income	3	39,206	82,669
Other incoming resources	4	-	7,211
TOTAL INCOMING RESOURCES		3,339,206	2,809,880
RESOURCES EXPENDED			
Charitable activities – environmental project work	5	3,949,730	3,524,792
Governance costs	9	24,365	21,034
TOTAL RESOURCES EXPENDED		3,974,095	3,545,826
NET MOVEMENT IN FUNDS		(634,889)	(735,946)
TOTAL FUNDS AT 1 APRIL 2014		869,369	1,605,315
FUNDS AT 31 MARCH 2015		£234,480	£869,369

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 11 to 22 form part of these financial statements.

BALANCE SHEET

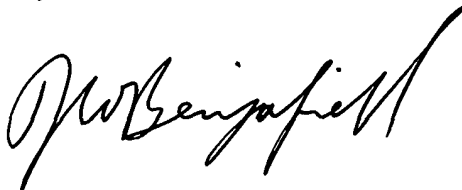
AS AT 31 MARCH 2015

	Notes	£	2015	£	£	2014	£
FIXED ASSETS							
Tangible fixed assets	12			-			-
CURRENT ASSETS							
Debtors	13	11,432			9,358		
Cash at bank		2,104,887			3,935,168		
		<u>2,116,319</u>			<u>3,944,526</u>		
CREDITORS: Amounts falling due within one year	14	<u>(1,846,747)</u>			<u>(2,953,232)</u>		
				<u>269,572</u>			<u>991,294</u>
TOTAL ASSETS LESS CURRENT LIABILITIES				<u>269,572</u>			<u>991,294</u>
CREDITORS: Amounts falling due after more than one year	15			<u>(35,092)</u>			<u>(121,925)</u>
NET ASSETS				<u><u>£234,480</u></u>			<u><u>£869,369</u></u>
CHARITY FUNDS							
Unrestricted funds:							
General funds	16	70,480			681,369		
Designated funds	16	164,000			188,000		
				<u><u>£234,480</u></u>			<u><u>£869,369</u></u>

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Trustees and authorised for issue on 24 September 2015 and signed on their behalf by:

Douglas Benjafield - Chair



The notes on pages 11 to 22 form part of these financial statements.

1. ACCOUNTING POLICIES

Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008). The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" issued in 2005, applicable accounting standards and the Companies Act 2006.

Company status

The Trust is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the Trust being wound up, the liability in respect of the guarantee is limited to £1 per member of the Trust.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Trust and which have not been designated for other purposes.

Incoming resources

Contributions from Veolia ES Limited are credited to the Statement of Financial Activities when the Trust is legally entitled to the receipt. Interest is credited to the Statement of Financial Activities on a receivable basis.

Resources expended

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Direct costs, including directly attributable salaries, are allocated on an actual basis to the key strategic areas of activity. Overheads and other salaries are allocated between the expense headings on a basis consistent with the use of the resources.

Support costs are those costs incurred directly in support of expenditure on the objects of the Trust and are allocated on the basis of staff cost.

Governance costs are those incurred in connection with enabling the Trust to comply with external regulation, constitutional and statutory requirements and in providing support to the Trustees in the discharge of their statutory duties.

Grants for projects are included within the accounts following approval of the project by ENTRUST and notification being given to the recipient of the grant.

Cash flow

The financial statements do not include a cash flow statement because the Trust, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective April 2008).

Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised. Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Furniture and Fittings	-	20% straight line
Office Equipment	-	33% straight line

VEOLIA NORTH THAMES TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2015

1. ACCOUNTING POLICIES (continued)

Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the SOFA as incurred.

Pensions

The company has operated a defined benefits pension scheme and the pension charge is based on a full actuarial valuation dated 30 September 2011, with a funding update at 30 September 2014. From 1 April 2010, the current scheme was discontinued by the pension provider and the Trustees agreed accordingly to replace the scheme with a defined contribution pension scheme whilst continuing also to make deficit payments on the discontinued scheme in order to preserve staff benefits.

VAT

The company is not registered for VAT and its expenses are therefore inflated by VAT, which cannot be recovered.

2. VOLUNTARY INCOME

	Unrestricted Funds 2015 £	Total Funds 2014 £
Contributions from Veolia ES Limited	£3,300,000	£2,720,000

3. INVESTMENT INCOME

	Total Funds 2015 £	Total Funds 2014 £
Interest receivable	£39,206	£82,669

4. OTHER INCOME

	2015 £	2014 £
Income from sale of land for M25 extension	-	5,000
Other income – repayment of grant	-	2,211
	-	£7,211

5. RESOURCES EXPENDED

	Activities Undertaken Directly £	Grant Funding of activities £	Support costs £	Total 2015 £	Total 2014 £
Charitable support	241,740	3,623,126	84,864	3,949,730	3,524,792
Governance costs	9,390	-	14,975	24,365	21,034
	£251,130	£3,623,126	£99,839	£3,974,095	£3,545,826

VEOLIA NORTH THAMES TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2015

6. ACTIVITIES UNDERTAKEN DIRECTLY	2015	2014
	£	£
Annual review costs	27,757	18,915
PR fees	24,731	23,064
Staff costs	67,361	86,836
Plaques	7,491	3,903
ENTRUST Levy	71,610	54,400
Fees for administrative support	42,790	47,100
	£241,740	£234,218

7. SUPPORT COSTS	Charitable Activities	Governance	2015	2014
	£	£	£	£
Property rent	9,328	1,646	10,974	10,974
Fees for administrative support	18,186	3,209	21,395	23,550
Sundry expenses	2,036	359	2,395	3,096
Legal and professional fees	306	54	360	5,198
Office costs	16,568	2,924	19,492	9,616
Travel	3,346	590	3,936	4,654
Insurance	661	117	778	767
Bank charges	918	162	1,080	1,113
Staff costs	33,515	5,914	39,429	20,541
	£84,864	£14,975	£99,839	£79,509

8. GRANT FUNDING OF ACTIVITIES	Unrestricted funds	
	2015	2014
	£	£
All Saints Church, Ockendon - kitchen	-	1,186
Anchor Trust, Rainham – resurfacing Right of Way	-	2,980
Ardleigh Green Family Centre – building purchase	-	110,000
Ardleigh House Community Association – refurbishment of hall/floor	17,988	16,000
Aveley Village Forum – recreation ground	-	(95)
Avelon Place Centre – communal gardens	-	17,278
Barnhall Community Association – kitchen refurbishment	4,250	-
Basildon & Thurrock Hospital Trust – walkway mini-gardens	(1,983)	4,951
Basildon Rifle & Pistol Club – new meter	412	-
Basildon Rugby Club – upgrade of clubhouse/irrigation	17,479	3,577
Bawdsey Path – regeneration	13,800	-
Bedford's Park – walled garden	45,000	-
Belhus Park - skate area	-	(75,000)
Benfleet People's Trust	-	(23,000)
Billericay Bowls Club – kitchen	-	6,600
Billericay Methodist Church – replacement of hall windows	4,000	-
4 th Billericay Scout Group – micro-generation scheme	2,000	-
Blackshots Bowls Club – disabled toilets & fox wires/gullies	8,883	20,475
Blackshots tennis courts – resurfacing & marking/refurbishment	3,853	35,514
Blackshots toddler play area	-	27,000
Bowers Marsh – hydrological & grazing	-	30,000
Buglife Stepping Stones	-	31,878
Bull Meadow – community garden fence	(2,464)	-
Bulphan in Bloom – lavender beds	1,456	-
Bulphan War Memorial – cross	5,699	-
Carried Forward	120,373	209,344

VEOLIA NORTH THAMES TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2015

8 GRANT FUNDING OF ACTIVITIES (continued)	Unrestricted funds	
	2015	2014
	£	£
Brought forward	120,373	209,344
Business Opportunities for the Physically Handicapped - insulation	6,626	-
Canvey Island Swimming Club – diving blocks	5,500	-
Canvey Lake – path creation	-	13,123
Carers' Choices – replacement windows	25,317	-
Castle Point Wildlife Group – Westwood woodland	(2,778)	10,885
Central Park, Harold Hill – resurfacing	15,500	-
Chadwell St Mary Community Association – knee rails	1,350	-
Chadwell St Mary War Memorial	1,949	-
Chafford Hundred Community Forum – gazebo	(150)	150
Chafford Hundred Pre-School – garden	-	14,840
Chapman Sands Sailing Club – jetty/fence & jetty	3,000	78,576
Charles Street – play equipment	17,964	-
Church of the Good Shepherd, Collier Row – heating	46,000	-
Church of Our Lady of Canvey – hall extension	70,000	-
Clockhouse (Upminster) Bowls Club – ditch fillers	2,347	-
Clockhouse Gardens – bird-feeding area	(51)	-
Coalhouse Fort	-	90,000
Corbets Tey School – solar dome horticulture project	50,500	-
Coronation Gardens, Romford – works	50,000	-
Corringham Primary School – swimming facilities	-	(25,000)
Cottage plantation - purchase	-	23,361
Cranham Community Association – health & safety works	15,093	-
De Gray plaque	-	(25)
Dilkes Park – improvements	22,000	-
East Thurrock Community Association – refurbishments	48,877	-
East Tilbury Scout Group – climbing wall equipment	-	4,968
Essex Marching Corps – improvements to Creekside Barn	71,450	-
Essex Media Workshop – studio refurbishment	-	18,671
FIG, Harold Hill – roof & floor repairs	45,540	-
Five Links Residents Association	-	(37)
Forest Glade FC – clubhouse	21,793	-
Friends of Blackshots Recreation Ground – play area	67,342	-
Friends of Concorde Beach – improvements	-	12,702
Friends of Cottons Park – reminiscence boards	3,550	-
Friends of Harold Wood Park – scooter facilities	-	8,690
Friends of King George V Playing Fields	6,838	-
Friends of Parklands Park - improvements	-	18,000
Friends of Raphael Park – play area fencing	5,475	-
Front Lane Community Association – repairs to Cranham Hall	8,000	-
Fryerns Social Club – play area	-	29,614
Ghyllgrove Community Centre	-	(48)
Gidea Park Methodist Church – heating	11,752	-
Grangewaters wildflower meadow	-	3,925
Grays Methodist Church – flat roof and electrical works	7,157	-
Grays Parish Church – hall improvements/hall garden	6,450	5,500
Grays Town Park – fencing/gymnasium equipment	14,650	17,758
Grazing scheme - Cranham	8,647	15,693
Gull interpretation boards	-	(17)
Hacton Lane Hall – refurbishment	-	63,750
Hadleigh Bowls Club – landscaping	13,609	-
Hadleigh Country Park - grassland	-	79,500
Hadleigh Farm & Park Legacy	-	75,000
Carried forward	791,670	768,923

8 GRANT FUNDING OF ACTIVITIES (continued)	Unrestricted funds	
	2015	2014
	£	£
Brought forward	791,670	768,923
Hadleigh Park Lawn Tennis Club – access & security/improvements to courts	13,467	48,000
Hangman's Wood – trees	-	(1,554)
Hardie Park – play area	-	30,000
Harold Hill Community Centre – kitchen refit	-	15,000
Harold Hill War Memorial - restoration	-	2,850
Harold Wood Neighbourhood Centre – storage	-	20,000
Harold Wood Park – car park	50,000	-
Harold Wood War Memorial Inst. – male & female toilets	7,920	-
Harrow Lodge Park – benches	5,900	-
Harrow Lodge Park – café & toilet facilities	125,000	-
Havering Age Concern – roof	-	3,200
Havering Asian Social & Welfare Association – roof & toilet repairs	-	24,450
Havering Association for People with Disabilities – repairs	6,498	-
Havering Islamic Cultural Centre – air conditioning	(1,066)	23,600
Havering Museum – lighting	-	4,810
Havering Samaritans – refurbishment of toilets & conservatory	8,000	-
Hindu Welfare Association of Essex – refurbishment of centre & roof repairs	-	45,721
Holy Trinity Church – orchard	(2)	-
Hornchurch, Elm Park & District Boxing Club	-	3,060
Hornchurch Stadium – new floodlighting	53,489	-
Hornchurch United Reformed Church – internal works	-	10,000
Hornchurch War Memorial – restoration	-	12,300
Horndon-on-the-Hill Cricket Club – covers & fencing	11,098	-
Horndon Parish Church – pathways	-	1,200
Hylands Park – main entrance	10,000	-
Ilford 84 Branch, Parachute Regimental Association – memorial	1,946	-
Ingrebourne Valley - Enhancement & Project Officer	-	47,500
Ingrebourne Valley Heritage Centre	121,900	-
Ingrebourne Valley (SUSTRANS)	-	(109,232)
Kingston Ridge Scouts – maintenance equipment	6,500	-
Laindon Common Conservators – heath restoration	-	32,513
Laindon Park Primary School – community room extension	7,000	60,000
Lake Meadow Park – easy access	10,800	-
Langdon Hills Methodist Church - hall	-	30,000
Langdon Hills Nature Reserve	100,000	-
Langdon Hills Women's Institute – improvements	4,660	-
Langham Hall Charitable Trust – installation of broadband	1,627	-
Langtons Gardens – restoration	-	255,000
Lee Chapel Nursery School – swimming pool	100,000	-
Lee Chapel South Community Association – improvements	-	9,996
Legacy XS – new indoor skatepark/conservatory	3,000	(5,000)
Lincewood Primary School – community room	-	50,000
Linford Methodist Church – kitchen	-	19,730
Linley Close play area	-	9,640
Mardyke Youth & Community Centre – flooring	23,110	-
Memorial Park Pavilion, Basildon	314,621	-
Mill Meadow – hedge laying	(55)	3,400
Mistley Community Association - renovations	-	12,500
Most Holy Redeemer Church – hall	-	25,000
Music on the March – Royal British Legion Hall	-	(37,789)
New Life Church, Crouch Valley	22,000	50,000
New Testament Church of God, Harold Hill – upgrade works/security & improvements	17,500	27,000
Carried forward	1,816,583	1,491,818

VEOLIA NORTH THAMES TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2015

8 GRANT FUNDING OF ACTIVITIES (continued)	Unrestricted funds	
	2015	2014
	£	£
Brought forward	1,816,583	1,491,818
New Windmill Hall – refurbishment	20,952	-
Noak Bridge Nature reserve – improvement works	54,150	-
North Hill, Romford – recreation ground play area	60,000	-
North Stifford Voluntary Community Group – lawn mower	2,500	-
Ockendon Scouts & Guides – roof extension	-	64,000
Orsett Bowls Club – gullies & paths	-	24,813
Orsett Heath/Chadwell Heath Recreation Ground – play area	21,000	-
Outwood Common	-	27,500
Paddocks Community Association – equipment	(3,950)	-
Parklands – tree removal	8,000	-
1 st Pitsea & Vange Scout Group – refurbishment of Riverton Hall	41,985	-
Pitsea Mount Community Association – hall exterior	-	2,483
Pitsea Mount local nature reserve	42,000	-
Pitsea Royal British Legion & Bowls – improvements	8,800	-
Purfleet Path – connections & enhancements	17,739	-
Purfleet War Memorial	5,049	-
Queen Elizabeth II park schemes	-	(456)
Queen's Park – hedge laying	(55)	3,400
Quilters Infant School – swimming pool	48,000	-
Rainham Church – various	(780)	28,632
Rainham Cricket Club – (with Thames Rugby Club) – cricket square improvements	-	29,420
Rainham Education project	(94)	-
Rainham Hall – refurbishment of stable	-	200,000
Rainham Marshes - phase 12	-	75,986
Rainham Walkway – boundary fence	-	25,000
Rainham War Memorial – restoration / pedestrianisation	-	25,028
Ramsden Belhus village hall – indoor bowls mats	-	830
Ramsden Crays Parish Council – war memorial	7,400	-
Ramsden Crays Park - improvements	-	7,000
Raphael's Park – fencing	9,500	-
Raphael's Tennis Club – equipment	-	1,547
Rise Park – resurfacing	(700)	60,000
Romford War Memorial – restoration	-	17,600
ROYALS – Hot Hatch Enterprise Zone	33,700	24,701
Sacred Heart of St Mary's School - renovations	-	38,000
Shotgate Park – path	-	(6,000)
South Benfleet & Canvey Island Bowls Club – green repairs	29,460	-
South Green & District War Memorial fund - renovations	3,000	-
South Green Memorial Hall – heating system	-	10,000
South Hornchurch & Airfield Community Association	3,420	-
South Ockendon Community Forum,	-	(454)
South Ockendon Recreation Ground – car park & gymnasium	-	22,547
South Ockendon Village Hall – replacement of heating system	-	3,520
Spiderfield, Purfleet – play area	-	(20,000)
Springhouse Bowls Club - watering	-	8,318
St Alban's Church – refurbishment	-	91,212
St Andrew's Church, Wickford – improvements	(5,312)	9,742
St Anne's Church, Canvey Island – refurbishment	-	17,057
St Catherine's Church, East Tilbury – restoration & redevelopment	176,000	-
St Catherine's Church, Wickford – repairs to lych gate	5,000	-
St Dominic's Church – health & safety works	1,996	-
St Francis Hospice – garden	-	16,000
St Gabriel's Church – heating	-	18,984
repairs to roof	54,948	-
St Gabriel's Community Centre – floor	-	6,700
Carried forward	2,460,291	2,324,928

VEOLIA NORTH THAMES TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2015

8 GRANT FUNDING OF ACTIVITIES (continued)	Unrestricted funds	
	2015	2014
	£	£
Brought forward	2,460,291	2,324,928
St Gabriel's Community Centre – improvements	-	99,081
St John's Church, Aveley – various works	-	16,100
St John the Divine Church, Billericay	95,000	-
St Luke's Hospice – refurbishment works/ <i>community room</i>	7,000	56,231
St Margaret's Church, Stanford-le-Hope – security works & hall improvements	86,608	-
St Martin of Tours, Basildon – refurbishments	68,801	-
St Mary's Church, Grays – church hall improvements	-	5,658
St Mary the Virgin Church, Little Thurrock – refurbishment	54,789	-
St Mary the Virgin Church, South Benfleet	89,879	-
St Michael's Church, Aveley – disabled access	35,270	-
St Michael's Church, Fobbing – window repairs	-	16,000
St Michael's Church, Gidea Park – CCTV	2,689	-
St Nicholas Church, Elm Park – renovation & repair/ <i>roof</i>	10,500	8,000
St Peter's Church, Nevendon – lighting	14,240	-
St Peter's Church, Thundersley – heaters	-	6,000
St Stephen's Church, Purfleet – community room extension	14,558	-
Stanford-le-Hope Cricket Club – refurbishment of practice facility	17,000	-
Stanford Methodist Church – various	-	23,608
Stifford War Memorial	2,849	-
Thames Chase Forest Centre – year 1 works/ <i>bats & water voles</i>	114,750	23,032
Thames Sports Bowls club – new gullies & green levelling	35,050	-
Thundersley Congregational Church – CCTV installation and resurfacing car park	8,000	-
Thundersley Spiritualist Church – hearing loop system	-	1,100
Thurrock Council Voluntary Services – beehive access	9,682	-
Thurrock Hospital – dementia - friendly community garden	-	120,000
Thurrock Lawn Tennis Club – improvements	54,290	-
Thurrock Rugby Club - grandstand	-	(10,000)
Thurrock Scouts - toilets	-	80,000
Tile Wood - easy access path	20,110	-
Trinity Methodist Church, Vange – youth hall refurbishment	-	32,885
Tweedway Hall – toilet/ <i>kitchen refurbishment</i>	14,050	18,000
Two Tree Island – habitat	(4,855)	-
Upminster Baptist Church – roof repairs	4,500	-
Upminster Park - play area	30,000	-
Upminster War Memorial - restoration	-	28,450
Upminster Windmill – major improvement works	255,902	-
Usk Road – play area	-	10,730
Vange Community Group - facilities	-	125,000
Victoria Road Chapel – enlargement	-	7,542
Wat Tyler Country Park - Birch Grove improvements	-	10,000
- Green Centre improvements	-	22,000
- play area	-	80,000
- improvements to facilities	53,000	-
Wennington Church – roof beams/ <i>heating</i>	-	6,048
West Billericay CA – Hannakins Farm	-	27,250
Westlake Park - improvements	-	44,000
Whybridge Junior School – community area & outdoor gymnasium/ <i>cricket nets</i>	60,570	6,500
Wick Community Centre – partition replacement	(1,322)	6,000
Wickford Cricket Club – roof	-	12,500
Wickford Lawn Tennis Club – replacement of court fencing	3,096	-
Wickford Royal British Legion - refurbishment	7,000	-
Wickford War Memorial Park – home front garden	-	18,000
William Edwards School – badminton	-	(5,002)
Willow Pre-School – garden	(171)	-
Carried forward	3,623,126	3,219,641

VEOLIA NORTH THAMES TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2015

8 GRANT FUNDING OF ACTIVITIES (continued)	Unrestricted funds	
	2015	2014
	£	£
Brought forward	3,623,126	3,219,641
Wintergardens Baptist Church – hymnal	-	(1,300)
You and Me counselling – improvements	-	4,650
Total	£3,623,126	£3,222,991

Grants shown as negative figures above are where the grant awarded has not been fully taken up by the recipient. The amount unclaimed has therefore been put back into general funds. All grants have been made to support local community projects in accordance with the Charity's objectives and all have been approved by ENTRUST.

9. GOVERNANCE COSTS	Unrestricted Funds	Total Funds
	2015	2014
	£	£
Allocation of support costs	14,975	11,926
Auditor's remuneration	7,440	7,200
Trustees' indemnity insurance	1,950	1,908
	£24,365	£21,034

10. NET INCOMING RESOURCES	2015	2014
	£	£
This is stated after charging:		
Depreciation of tangible fixed assets	-	-
Auditor's remuneration	7,440	7,200
Auditor's remuneration – non audit	360	360
Pension costs	14,979	12,869

During the year, no Trustees received any remuneration (2014 - £NIL).
During the year, no Trustees received any benefits in kind (2014 - £NIL).
During the year, no Trustees received reimbursement of expenses (2014 - £NIL).

11. STAFF COSTS AND NUMBERS	2015	2014
	£	£
Staff costs were as follows:		
Wages and salaries	83,504	88,126
Social security costs	8,307	6,382
Pension costs	14,979	12,869
	£106,790	£107,377
	No.	No.
The average full-time equivalent number of employees during the year was:		
Charitable activities	2	2

No employee received remuneration amounting to more than £60,000 in either year.

VEOLIA NORTH THAMES TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2015

12.	TANGIBLE FIXED ASSETS			Office equipment £	Furniture and fittings £	Total £		
	Cost							
	At 1 April 2014			3,876	8,320	12,196		
	Additions			-	-	-		
	At 31 March 2015			3,876	8,320	12,196		
	Depreciation							
	At 1 April 2014			3,876	8,320	12,196		
	Charge in year			-	-	-		
	At 31 March 2015			3,876	8,320	12,196		
	Net Book Value							
	At 31 March 2015			£-	£-	£-		
	At 31 March 2014			£ -	£ -	£ -		
13.	DEBTORS: due within one year				2015 £	2014 £		
	Accrued interest				11,432	7,899		
	Payments in advance & sundry debtors				-	1,459		
					£11,432	£9,358		
14.	CREDITORS: amounts falling due within one year				2015 £	2014 £		
	Other creditors				1,836,975	2,944,906		
	Accruals				9,772	8,326		
					£1,846,747	£2,953,232		
15.	CREDITORS: amounts falling due after more than one year				2015 £	2014 £		
	Other creditors				£35,092	£121,925		
16.	SUMMARY OF FUNDS			Brought forward £	Incoming resources £	Resources expended £	Transfers £	Carried forward £
	General funds			681,369	3,339,206	3,974,095	24,000	70,480
	Designated funds – winding up costs			188,000	-	-	(24,000)	164,000
				£869,369	£3,339,206	£3,974,095	£-	£234,480

16. SUMMARY OF FUNDS (continued)**Designated fund**

The designated fund has been set up to cover unavoidable costs when it eventually becomes necessary to wind up the operations of the Trust. This fund was reviewed this year and the Trustees agreed to reduce it to £164,000.

17. PENSION COMMITMENTS

Veolia North Thames Trust participates in the Scottish Voluntary Sector Pension Scheme (the Scheme). The Scheme is a multi-employer defined benefit (DB) pension scheme. The Scheme is funded and was contracted-out of the State scheme until 31 March 2010, when the Scheme was closed to future accrual.

The Scheme operated a single benefit structure, final salary with a 1/60th accrual rate until 30 September 2007. From October 2007 there were two benefit structures available, final salary with a 1/60th accrual rate and final salary with an 1/80th accrual rate, until the date of Scheme closure on 31 March 2010. The Trust elected to operate the final salary with a 1/60th accrual rate benefit structure.

The Scheme closed to future accrual on 31 March 2010. There is currently no intention to wind-up the Scottish Voluntary Sector Pension Scheme and it continues in paid-up form.

The Trustee commissions an actuarial valuation of the Scheme every three years. The main purpose of the valuation is to determine the financial position of the Scheme in order to determine the level of future contributions required so that the Scheme can meet its pension obligations as they fall due.

The actuarial valuation assesses whether the Scheme's assets at the valuation date are likely to be sufficient to pay the pension benefits accrued by members as at the valuation date. Asset values are calculated by reference to market levels. Accrued pension benefits are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.

It is not possible in the normal course of events to identify on a consistent and reasonable basis the share of underlying assets and liabilities belonging to individual participating employers. This is because the Scheme is a multi-employer scheme where the Scheme assets are co-mingled for investment purposes and benefits are paid from total Scheme assets. Accordingly, due to the nature of the Scheme, the accounting charge for the period under FRS17 represents the employer contribution payable.

The last formal valuation of the Scheme was performed as at 30 September 2011, by a professionally qualified actuary using the Projected Unit Method. The market value of the Scheme's assets at 30 September 2011 was £66.2 million. The valuation revealed a shortfall of assets compared with the value of liabilities of £28.8 million (equivalent to a past service funding level of 69.7%).

The financial assumptions underlying the valuation as at 30 September 2011 were as follows:

	% p.a.
Rate of return pre retirement	5.8
Rate of return post retirement	4.0
Rate of salary increases	4.4
Rate of pension increases pre 5 April 2005	2.4
Rate of pension increases post 5 April 2005	1.9
Rate of price inflation (CPI)	2.4

If an actuarial valuation reveals a shortfall of assets compared to liabilities the Trustee must prepare a recovery plan setting out the steps to be taken to make up the shortfall.

From 1 April 2013 a new recovery plan came into effect, following the finalisation of the 2011 valuation. Confirmation of the contributions payable from 1 April 2014 to 31 March 2015 was advised to employers by letter in February 2014.

If the valuation assumptions are borne out in practice, this pattern of contributions should be sufficient to eliminate the entire funding shortfall by 31 March 2028.

17. PENSION COMMITMENTS (continued)

A copy of the recovery plan must be sent to The Pensions Regulator after each valuation is finalised. The Regulator has the power under Part 3 of the Pensions Act 2004 to issue scheme funding directions where it believes that the actuarial valuation assumptions and/or recovery plan are inappropriate. For example the Regulator could require that the Trustee strengthens the actuarial assumptions (which would increase the Scheme liabilities and hence impact on the recovery plan) or impose a schedule of contributions on the Scheme (which would effectively amend the terms of the recovery plan).

The recovery plan from the 2011 valuation has been submitted to The Pensions Regulator.

The Scheme Actuary has prepared an Actuarial Report that provides an approximate update on the funding position of the Scheme as at 30 September 2014. Such a report is required by legislation for years in which a full actuarial valuation is not carried out. The funding update revealed an increase in the assets of the Scheme to £81 million (from £73m at 30 September 2012) and indicated a decrease in the shortfall of assets compared to liabilities to approximately £34 million (from £36m at 30 September 2012), equivalent to a past service funding level of 71% (from 67.2% at 30 September 2012). The 30 September 2014 valuation process is underway and the results of this valuation, which is expected to be finalised by 31 December 2015, will be included in next year's disclosure note.

Following a change in legislation in September 2005 there is a potential debt on the employer that could be levied by the Trustee of the Scheme. The debt is due in the event of the employer becoming insolvent or ceasing to participate in the Scheme, or the Scheme winding up.

The debt for the Scheme as a whole is calculated by comparing the liabilities for the Scheme (calculated on a buy-out basis i.e. the cost of securing benefits by purchasing annuity policies from an insurer, plus an allowance for expenses) with the assets of the Scheme. If the liabilities exceed assets there is a buy-out debt.

The leaving employer's share of the buy-out debt is the proportion of the Scheme's liability attributable to employment with the leaving employer compared to the total amount of the Scheme's liabilities (relating to employment with all the currently participating employers). The leaving employer's debt therefore includes a share of any 'orphan' liabilities in respect of previously participating employers. Therefore, the amount of the debt depends on many factors including total Scheme liabilities, Scheme investment performance, the liabilities in respect of current and former employees of the employer, financial conditions at the time of the cessation event and the insurance buy-out market. The amounts of debt can be volatile over time.

The Trust has been notified by The Pensions Trust of the estimated employer debt on withdrawal from the Scheme based on the financial position of the Scheme as at 30 September 2014. As of this date the estimated employer debt for the Veolia North Thames Trust was £226,373.

18. OPERATING LEASE COMMITMENTS

At 31 March 2015 the company had annual commitments under non-cancellable operating leases as follows: -

	2015	2014
	£	£
Expiry date		
Less than five years	£6,200	£6,200

19. RELATED PARTY TRANSACTIONS

Veolia ES Limited, the landfill site operator, also funds two further entities which operate from the same premises as the Veolia North Thames Trust; the Veolia Pitsea Marshes Maintenance Trust, a company limited by guarantee (registration number 3949296) and registered charity (registration number 1095470); and the Veolia Havering Riverside Maintenance Trust, a company limited by guarantee (registration number 4820740) and registered charity (registration number 1101415). The staff and the office deal with the affairs of all four charities.

VEOLIA NORTH THAMES TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2015

19. RELATED PARTY TRANSACTIONS (continued)

The Veolia North Thames Trust bears the overhead costs of the office. Mr Robin Squire, the Trust Secretary, who earned fees in the year of £64,185, is a Trustee of both the Veolia Havering Riverside Maintenance Trust and the Veolia Pitsea Marshes Maintenance Trust. There are no other transactions between the companies.

20. TAXATION

The Trust is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as they fall within the various exemptions available to registered charities.

21. TRUSTEES' INDEMNITY INSURANCE

During the year the Trust purchased insurance to protect the Trust from loss and to indemnify the Trustees against the consequence of any wrongful act. The total cover provided by such insurance is £3,000,000, which covers the three companies listed in 19 above, and the total premium applicable to the Trust in respect of such insurance was £1,950 (2014: £1,908).