

**Building Crafts
College**

**Annual Report and
Accounts**

30 June 2015

Charity Registration Number
312856

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Legal and administrative information

Trustee	The Worshipful Company of Carpenters
Members of the Court	
The Master	Mr M H W Neal
Senior Warden	Mr A M Gregory-Smith
Middle Warden	Mrs R Bower
Junior Warden	His Hon Judge P W Birts (installed 28 July 2015)
	Mr H M F Barnes – Yallowley
	Mr F D Hornsby (emeritus 1 July 2015)
	Mr H M Neal
	Mr V G Morton-Smith
	Mr N B C Eveleigh (emeritus 6 October 2015)
	Mr W S Haynes
	Mr M I Montague-Smith (emeritus 28 July 2015)
	Mr P A Luton
	Mr J A C Wheeler
	Mr M O P May
	Mr D F Newman
	Mr M R Mathews
	Mr J D Sennitt
	Rev Dr W P Povey
	Mr G P S Downes
	Mr H M Lancaster
	Mr M J Samuel
	Mr M R Mosley
Deputy Master	Mr M W F Felton
	Mr C W Preston (emeritus 5 August 2014)
	Mr J R E Hutchons
Honorary	Sir Thomas Macpherson (deceased 6 November 2014)
The Clerk	Brigadier T J Gregson
The College Principal	Mr L R Conway
College address	Kennard Road Stratford London E15 1AH
Registered address	Carpenters' Hall Throgmorton Avenue London EC2N 2JJ

Legal and administrative information

Charity registration number	312856
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	Barclays Bank PLC 1 Churchill Place London E14 5HP
Investment advisors	The Investments Committee of The Worshipful Company of Carpenters
Solicitors	Wedlake Bell LLP 52 Bedford Row London WC1R 4LR
Surveyors	Daniel Watney LLP 165 Fleet Street London EC4A 2DW

Trustee's report Year to 30 June 2015

The Trustee presents its statutory report together with the accounts of the Building Crafts College (the "charity") for the year ended 30 June 2015.

The accounts have been prepared in accordance with the accounting policies set out on pages 11 and 12 of the attached accounts and comply with the charity's constitution, applicable laws and the requirements of the Statement of Recommended Practice on "Accounting and Reporting by Charities" issued in March 2005.

Structure, governance and management

The charity is governed by a constitution last revised on 7 March 2006.

The overall responsibility for the charity lies with the Trustee, The Worshipful Company of Carpenters as represented by the Master, Wardens and Court of Assistants, the members of which are listed on page 1. Under the charity's constitution certain responsibilities are delegated to the Governors who are members of the Building Crafts College Committee of The Worshipful Company of Carpenters. Responsibility for the day to day management of the College is delegated to the College Principal who reports to the Court of The Worshipful Company of Carpenters on a monthly basis.

The Trustee, The Worshipful Company of Carpenters, which performs its function as Trustee through its Court of Assistants, appoints its Assistants from within its members, of which normally one is inducted each year.

The Trustee has considerable experience of the charity through the Court of Assistants. This experience has been gathered over many years and the Court's knowledge of the workings of the charity is extensive. Further training has been given to members of the Court during the year and is made available where appropriate. Professional advice is always sought where required.

Risk management

The Trustee has assessed the major risks to which the charity is exposed, in particular those relating to the specific operational areas of the charity, its investments and its finances and has reviewed them on an annual basis. The Trustee believes that by ensuring controls exist over key financial systems, and by examining the operational and business risks faced by the charity, it has established effective systems to mitigate those risks.

Connected charities and related parties

Building Crafts College Trading Limited is a wholly owned subsidiary incorporated on 13 February 2012. It ceased trading on 30 June. The main objective of this subsidiary is general trading.

Carpenters Craft Company Limited was a wholly owned subsidiary which was incorporated on 19 July 2005. Its main objective was to encourage young people to qualify and gain employment in the building trade. The subsidiary ceased trading on 30 June 2013 and it was dissolved on 7 August 2014.

Structure, governance and management (continued)

Connected charities and related parties (continued)

The Worshipful Company of Carpenters is responsible for the management and administration of four other registered charities, details of which are given in note 20 to the accounts.

The College operates from premises leased from the Worshipful Company of Carpenters and from a connected charity, Carpenters' Company Charitable Trust. The charity is dependent on the financial support of Carpenters' Company Charitable Trust and receives a grant from Carpenters' Company Charitable Trust each year to ensure that its unrestricted incoming resources equal its unrestricted outgoing resources.

Objectives and activities

The aims of the charity are the promotion of education and training in the building and allied crafts and trades.

The charity fulfils its principal aims through the operation of a college known as the Building Crafts College (the 'College') which is based in Stratford, London E15.

In addition, grants, scholarships and awards are made annually.

The main objectives for the year were to develop and expand construction based training courses.

Public benefit statement

The Trustee confirms that it has complied with its duty under section 17 of the Charities Act 2011. It has considered the public benefit guidance published by the Charity Commission and believes that it has followed its guidance in this area. The Trustee's report gives a description of the activities undertaken by the charity during the year in furtherance of its charitable purposes, and the Trustee is satisfied that all such activities provide a public benefit.

Achievements during the year

Numbers on Stonemasonry, Bench Joinery and Site Carpentry courses continued to increase this year, with continued consolidation of construction skills courses.

A January to July intake, both for 16-18 year olds and adults, was successfully piloted, increasing the range of options for entry into wood, stone and construction careers.

A particular achievement has been progression into employment, with the Stonemasonry and Fine Woodwork departments achieving 100% success in launching graduates into careers.

Financial review

A summary of the results of the charity for the year can be found on page 9. Total incoming resources of the charity for the year amounted to £2,794,494 (2014 – £2,667,611) of which £831,255 (2014 - £722,110) comprised a grant from Carpenters' Company Charitable Trust. Total expenditure of the charity during the year increased from £2,673,116 to £2,799,999. This includes rental costs for the College of £358,254 (2014 – £356,254).

Reserves policy

The balance sheet shows total funds of £66,121 which comprise permanent endowment funds of £44,102, and restricted funds of £22,019.

As explained above the charity is dependent on the financial support of Carpenters' Company Charitable Trust and it has no 'free' reserves.

Investment policy

The charity has investments comprising COIF Charities Investment Fund units with a market value as at 30 June 2015 of £44,102.

There are no restrictions on the charity's power to invest. The investment strategy is set by the Trustee and takes into account income requirements, risk profile and its view of the market prospects in the medium term. The overall investment policy is to provide a stable level of income.

The Trustee is satisfied that its investment policy is being achieved.

Future plans

At the start of the 15/16 academic year, recruitment has again been strong, especially for the key 16-18 cohort, adult Bench Joinery provision and Fine Woodwork. The Construction department is looking forward to completing the first full 2 year Formwork programme and consolidating the 16-18 construction syllabus.

This will be a milestone year as many 16-18 year olds will sit their Maths/English GCSEs in June 2016 as part of their EFA-funded programme of learning, demonstrating the College's ability to deliver academic as well as vocational excellence.

Statement of Trustee's responsibilities

The Trustee is responsible for preparing the Trustee's annual report and accounts in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

The law applicable to charities in England and Wales requires the Trustee to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing accounts giving a true and fair view, the Trustee is required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in the Statement of Recommended Practice (Accounting and Reporting by Charities) (the Charities SORP);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any departures disclosed and explained in the accounts; and
- ◆ prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustee is responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Charity's governing document. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Trustee and signed on its behalf by:



M H W Neal

Approved by the Trustee on: 3 November 2015

Independent auditor's report to the Trustee of Building Crafts College

We have audited the accounts of Building Crafts College for the year ended 30 June 2015, which comprise the statement of financial activities, the balance sheet, the principal accounting policies 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).

This report is made solely to the Trustee, as a body, in accordance with Section 144 of the Charities Act 2011 and with regulations made under Section 154 of that Act. Our audit work has been undertaken so that we might state to the Trustee 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 charity and the Trustee as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Trustee and auditor

As explained more fully in the Statement of Trustee's Responsibilities set out in the Trustee's Report, the Trustee is responsible for the preparation of accounts which give a true and fair view.

We have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the accounts 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the accounts

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustee; and the overall presentation of the accounts. In addition, we read all the financial and non-financial information in the Trustee's Report to identify material inconsistencies with the audited accounts and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Independent auditor's report 30 June 2015

Opinion on the accounts

In our opinion the accounts:

- ◆ give a true and fair view of the state of the affairs of the charity as at 30 June 2015 and of the incoming resources and application of resources of the charity for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Charities Act 2011.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- ◆ the information given in the Trustee's Report is inconsistent in any material respect with the accounts; or
- ◆ sufficient accounting records have not been kept; or
- ◆ the accounts are not in agreement with the accounting records and returns; or
- ◆ we have not received all the information and explanations we require for our audit.



Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

3 November 2015

Buzzacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Statement of financial activities Year to 30 June 2015

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	2015 Total funds £	2014 Total funds £
Incoming resources						
Incoming resources from generated funds						
. Voluntary income	1	850,396	—	—	850,396	793,477
. Investment income	2	1,692	—	—	1,692	1,623
Incoming resources from charitable activities	3	1,942,406	—	—	1,942,406	1,872,511
Total incoming resources		2,794,494	—	—	2,794,494	2,667,611
Resources expended						
Charitable activities	4	2,750,314	5,505	—	2,755,819	2,627,296
Governance costs	5	44,180	—	—	44,180	45,820
Total resources expended		2,794,494	5,505	—	2,799,999	2,673,116
Net outgoing resources before gains and losses on investments	6	—	(5,505)	—	(5,505)	(5,505)
Unrealised gains on investments		—	—	2,744	2,744	2,317
Net movement in funds		—	(5,505)	2,744	(2,761)	(3,188)
Fund balances brought forward at 1 July 2014		—	27,524	41,358	68,882	72,070
Fund balances carried forward at 30 June 2015		—	22,019	44,102	66,121	68,882

All of the charity's activities derived from continuing operations during the above two financial periods.

There is no difference between the net outgoing resources before gains and losses on investments and the historical cost equivalent.

Balance sheet 30 June 2015

	Notes	2015 £	2014 £
Fixed assets			
Tangible fixed assets	10	66,928	84,145
Investments	11	44,102	41,358
		<u>111,030</u>	<u>125,503</u>
Current assets			
Stock		98,919	79,723
Debtors	12	350,073	395,180
Cash at bank and in hand		62,220	54,310
		<u>511,212</u>	<u>529,213</u>
Creditors: amounts falling due within one year	13	<u>556,121</u>	<u>585,834</u>
Net current liabilities		(44,909)	(56,621)
Total net assets		<u>66,121</u>	<u>68,882</u>
Represented by:			
Funds and reserves			
Capital funds:			
Endowment funds	14	44,102	41,358
Income funds:			
Restricted funds	15	22,019	27,524
		<u>66,121</u>	<u>68,882</u>

Approved by the Trustee
and signed on its behalf by:

M. H. W. Neal

M H W Neal

Approved on: 3 November 2015

Basis of accounting

The accounts have been prepared under the historical cost convention, as modified by the inclusion of investments at market value, and in accordance with the requirements of the Charities Act 2011. Applicable United Kingdom Accounting Standards and the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005) have been followed in these accounts.

Consolidated accounts have not been prepared as its subsidiaries, Carpenters Craft Company Limited and Building Crafts College Trading Limited have not traded during the current or prior period.

Incoming resources

Incoming resources are recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty.

Grants from government and other agencies have been included as income from activities in furtherance of the charity's objectives where these amount to a contract for services, but as donations where the money is given with greater freedom of use, for example monies for core funding.

Resources expended

Expenditure is included in the statement of financial activities when incurred and includes attributable VAT which cannot be recovered.

Resources expended comprise the following:

- a. Charitable activities costs comprise the costs of operating a college.
- b. Grants payable are included in the statement of financial activities when approved and when the intended recipient has either received the funds or been informed of the decision to make the grant. Grants approved but not paid at the end of the financial year are accrued for. Grants where the beneficiary has not been informed or where the charity retains the discretion to avoid payment are not accrued for but are noted as financial commitments in the notes to the accounts.
- c. Governance costs comprise those costs which are directly attributable to the strategic management of the charity and the necessary legal procedures for compliance with constitutional and statutory requirements.

Tangible fixed assets

All assets costing more than £500 and with an expected useful life exceeding one year are capitalised, and depreciated at the following annual rates in order to write them off over their estimated useful lives:

- ◆ Furniture and general office equipment 20 - 50% per annum based on cost
- ◆ Plant and machinery 10 - 25% per annum based on cost

Fixed asset investments

Fixed asset investments are included in the accounts at their market value as at the balance sheet date. Realised and unrealised gains (or losses) are credited (or debited) to the statement of financial activities in the year in which they arise.

Stocks

Stocks have been valued at the lower of cost and net realisable value.

Fund accounting

Endowment funds comprise monies which must be held indefinitely as capital. Income therefrom is credited to general funds and applied for general purposes.

Restricted funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor imposed conditions.

Cash flow

The accounts do not include a cash flow statement because the charity, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 (Cash Flow Statements).

Leased assets

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged on a straight-line basis over the lease term.

Pension costs

Under the definitions set out in Financial Reporting Standard 17 (Retirement Benefits), the Carpenters' Company Pension and Assurance Scheme is a multi-employer pension scheme. The charity is unable to identify its share of the underlying assets and liabilities of the scheme on a reasonable and consistent basis. Accordingly, the charity has taken advantage of the exemption in FRS17 and has accounted for its contributions to the scheme as if it were a defined contribution scheme.

Pension scheme contributions have been charged in the statement of financial activities when payable.

Notes to the accounts 30 June 2015

1 Voluntary income

	Unrestricted funds £	Restricted funds £	2015 Total funds £	2014 Total funds £
Grant from Carpenters' Company Charitable Trust	831,255	—	831,255	722,110
Other donations	—	—	—	22,888
Donation from The Worshipful Company of Carpenters	19,141	—	19,141	47,567
Gift Aid from Building Crafts College Trading Limited	—	—	—	912
	850,396	—	850,396	793,477

2 Investment income

	Unrestricted funds £	Restricted funds £	2015 Total funds £	2014 Total funds £
Income from listed investments				
. Common investment funds	1,692	—	1,692	1,623
	1,692	—	1,692	1,623

3 Incoming resources from charitable activities

	Unrestricted funds £	Restricted funds £	2015 Total funds £	2014 Total funds £
Course fees	1,126,062	—	1,126,062	878,737
Government Agencies	744,169	—	744,169	919,429
Other income	72,175	—	72,175	74,345
	1,942,406	—	1,942,406	1,872,511

Notes to the accounts 30 June 2015

4 Charitable activities

	Unrestricted funds £	Restricted funds £	2015 Total funds £	2014 Total funds £
College operating costs				
Staff costs (note 7)	1,853,303	—	1,853,303	1,753,297
Rent	358,254	—	358,254	356,254
Tools	11,903	—	11,903	22,377
Materials	61,021	—	61,021	33,498
Light and power	34,000	—	34,000	43,400
Rates	13,896	—	13,896	12,373
Insurance	25,844	—	25,844	25,038
Equipment repairs and maintenance	64,714	—	64,714	63,572
Telephone and IT	52,054	—	52,054	32,168
Exhibitions and advertising	7,079	—	7,079	9,661
Cleaning	39,265	—	39,265	16,668
Books, printing and stationery	30,467	—	30,467	30,613
Depreciation	33,325	5,505	38,830	38,611
Building Crafts College prize giving	5,092	—	5,092	4,037
Training and seminars	1,216	—	1,216	7,078
Exam fees	34,702	—	34,702	30,543
Provision for doubtful debts	24,532	—	24,532	33,740
Student welfare	54,137	—	54,137	63,487
Franchise costs	—	—	—	3,000
Miscellaneous	45,510	—	45,510	47,881
	<u>2,750,314</u>	<u>5,505</u>	<u>2,755,819</u>	<u>2,627,296</u>

5 Governance costs

	Unrestricted funds £	Restricted funds £	2015 Total funds £	2014 Total funds £
Management charges	30,000	—	30,000	30,000
Audit and accountancy	14,180	—	14,180	15,820
	<u>44,180</u>	<u>—</u>	<u>44,180</u>	<u>45,820</u>

6 Net outgoing resources before gains and losses on investments

This is stated after charging:

	Unrestricted funds £	Restricted funds £	2015 Total funds £	2014 Total funds £
Charity				
Staff costs (note 7)	1,853,303	—	1,853,303	1,753,297
Auditor's remuneration	14,180	—	14,180	15,820
Depreciation	38,830	—	38,830	38,611
Operating lease rentals	358,254	—	358,254	356,254

7 Employees and staff costs

	Unrestricted funds £	Restricted funds £	2015 £	2014 £
Wages and salaries	1,541,566	—	1,541,566	1,428,069
Social security costs	127,748	—	127,748	122,189
Other pension costs	123,571	—	123,571	118,957
Other staff costs	60,418	—	60,418	84,082
	1,853,303	—	1,853,303	1,753,297

The average number of employees during the year was 44 (2014 – 40).

The number of employees who earned £60,000 or more (including taxable benefits but excluding employer pension contributions) during the year was as follows:

	2015 Number	2014 Number
£60,000 - £69,999	1	1
£80,000 - £89,999	1	1

One of these employees was a member of the defined benefit pension scheme of which the charity is a participating employer.

8 Trustees' remuneration

None of the members of the Court of Assistants received any remuneration in respect of their services as trustees during the year nor any reimbursement of expenses from the charity (2014 - £nil). Fees of £nil (2014 - £1,944) and expenses of £nil (2014 - £nil) were paid to the members of the Court by The Worshipful Company of Carpenters. These were not recharged to the charity.

9 Taxation

Building Crafts College is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

Notes to the accounts 30 June 2015

10 Tangible fixed assets

	Furniture and office equipment £	Plant and machinery £	Total £
Cost			
At 1 July 2014	384,344	184,693	569,037
Additions	17,392	4,221	21,613
At 30 June 2015	401,736	188,914	590,650
Depreciation			
At 1 July 2014	352,820	132,072	484,892
Charge in year	16,886	21,944	38,830
At 30 June 2015	369,706	154,016	523,722
Net book values			
At 30 June 2015	32,030	34,898	66,928
At 30 June 2014	31,524	52,621	84,145

11 Fixed asset investments

	2015 £	2014 £
Listed investments		
Market value at 1 July 2014	41,358	39,041
Unrealised gains on investments	2,744	2,317
Market value at 30 June 2015	44,102	41,358
Cost of listed investments at 30 June 2015	6,558	6,558

Listed investments comprise COIF Charities Investment Fund Income units.

12 Debtors

	2015 £	2014 £
Course fees and support	116,844	108,045
Government Agencies	116,013	172,268
Due from subsidiary company	—	3,468
Other debtors	10,139	8,012
Prepayments	107,077	103,387
	350,073	395,180

13 Creditors: amounts falling due within one year

	2015 £	2014 £
Due to Carpenters' Company Charitable Trust	180,903	395,903
Due to The Worshipful Company of Carpenters	28,682	36,250
Other creditors and accruals	346,536	153,681
	556,121	585,834

14 Endowment funds

The capital funds of the charity include endowed monies which must be retained indefinitely.

	At 1 July 2014 £	Investment gains £	At 30 June 2015 £
John Willson Trust	5,389	358	5,747
Technical Education (general)	906	60	966
Sir Henry Harben's Gift	10,871	722	11,593
Alfred Preston's Prize Fund	5,006	332	5,338
Barnes' Gift	1,185	78	1,263
Sir Banister Fletcher Trust	7,306	484	7,790
Major C A A Robertson's Prize Fund 1996	8,016	532	8,548
C K Austin Fund	2,679	178	2,857
	<u>41,358</u>	<u>2,744</u>	<u>44,102</u>

The funds were established to provide income for prizes.

15 Restricted funds

	At 1 July 2014 £	Resources expended £	At 30 June 2015 £
Carpenters' Company Stone Saw fund	10,000	2,000	8,000
LSC capital grant	17,524	3,505	14,019
	<u>27,524</u>	<u>5,505</u>	<u>22,019</u>

The income funds of the charity include the following restricted funds:

The specific purposes for which the funds are to be applied are as follows:

- ◆ The Carpenters' Company Stone Saw Fund represents monies donated toward the replacement of the Stone Saw.
- ◆ LSC capital grants were received towards the installation of a kitchen, installation of a stone saw and towards an IT upgrade.

16 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2015 £
Fund balances at 30 June 2015				
are represented by:				
Fixed assets	44,909	22,019	44,102	111,030
Current assets	511,212	—	—	511,212
Creditors: amounts falling due within one year	(556,121)	—	—	(556,121)
Total net assets	<u>—</u>	<u>22,019</u>	<u>44,102</u>	<u>66,121</u>

17 Commitments

Group and charity operating leases

At 30 June 2015 the annual commitments under non-cancellable operating leases were as follows:

	Land and buildings	
	2015 £	2014 £
Operating leases which expire:		
After five years	331,524	331,254
Within one to two years	31,000	25,000

18 Pension commitments

Certain employees of the charity are members of the "Carpenters' Company Pension and Assurance Scheme" which provides benefits based on final pensionable salary. The assets of the scheme are held separately from those of the sponsoring employer, The Worshipful Company of Carpenters, being invested with Legal and General Assurance in an Insurance Contract.

The contributions are determined on the basis of triennial valuations by a qualified actuary using the attained age method. The employers' contribution rate is 28.3% of pensionable pay and the employees' contribution rate is 6% of pensionable pay. The total charge for the year in these accounts is £16,795 (2014 - £16,795).

The most recent valuation was as at 1 July 2012 and showed that the market value of the scheme's assets was £3,523,000 and that the ongoing funding level was 100%. The assumptions which have the most significant effect on the results of the valuation are as follows:

- ◆ RPI 2.80% p.a.
- ◆ Earnings increases 2.80% p.a.
- ◆ Investment returns 4.50% p.a.

The scheme has been closed to new members. New employees are able to join a group personal pension scheme administered by Standard Life.

This scheme is a multi-employer scheme and it is not possible to identify the charity's share of the scheme assets and liabilities on a reasonable and consistent basis. Therefore, the pension costs have been accounted for as if it was a defined contribution scheme. Of the five active members in the scheme, two are employees of the charity.

18 Pension commitments (continued)

Some details concerning the scheme as a whole are set out below. The information is based upon a full actuarial valuation of the scheme at 1 July 2012 updated to 30 June 2015 by a qualified independent actuary using FRS 17 guidelines.

	2015 £	2014 £
Market value of assets	4,307,000	4,151,000
Present value of scheme liabilities	(3,713,000)	(3,443,000)
Surplus in the scheme – net pension asset	594,000	708,000

The assets in the scheme and the expected rate of return were:

	Long-term rate of return expected 2015 %	2015 £	Long-term rate of return expected 2014 %	2014 £
Deposit administration contract (insurance policy)	5.2	4,307,000	5.9	4,151,000
Total market value of assets		4,307,000		4,151,000

The major assumptions used by the actuary were:

	2015	2014
Inflation	3.1%	3.2%
Rate of increase in salaries	3.1%	3.2%
Rate of increase for pensions		
. earned before 1 August 1998	5.0%	5.0%
. earned after 31 July 1998	3.1%	3.2%
Discount rate for liabilities	3.7%	4.2%

19 Subsidiary companies

Building Crafts College Trading Limited is a subsidiary company, incorporated in England and Wales on 13 February 2012 as a private company with share capital. The principal activity of the company is to engage in activities of a trading nature. A summary of the financial results of the company is shown below.

Profit and loss account	2015 £	2014 £
Turnover	—	—
Expenditure	—	912
Profit for the year before Gift Aid	—	912
Gift Aid	—	(912)
Net loss for the year	—	—

Summarised balance sheet	2015 £	2014 £
Current assets	—	942
Creditors: amounts falling due within one year	(2,555)	(3,497)
Net liabilities	(2,555)	(2,555)
Called up share capital	1	1
Profit and loss account	(2,556)	(2,556)
	(2,555)	(2,555)

Carpenters Craft Company Limited was a subsidiary company, incorporated in England and Wales on 19 July 2005 as a private company limited by guarantee without share capital. The principal activity of the company was to encourage young people to qualify and gain employment in the building trade. The company was dissolved in August 2014.

20 Related party transactions

The Worshipful Company of Carpenters is responsible for the appointment of the Trustees of, or acts as Trustee of, the following charities which are registered with the Charity Commissioners:

- ◆ Carpenters' Company Charitable Trust: No 276996
- ◆ Richard Wyatt's Almshouses: No 200292
- ◆ Norton Folgate Trust: No 230990
- ◆ Rustington Convalescent Home: No 216865

During the year the charity received grants from Carpenters' Company Charitable Trust of £831,255 (2014 - £722,110), paid rent to Carpenters' Company Charitable Trust of £331,254 (2014 - £331,254) and paid rent to The Worshipful Company of Carpenters of £27,000 (2014 - £25,000). The charity also incurred a management charge from The Worshipful Company of Carpenters of £30,000 (2014 - £30,000) and received payments under Gift Aid from The Worshipful Company of Carpenters of £19,141 (2014 - £47,567).

There were no other related party transactions.

Amounts due to and from related parties are disclosed in notes 12 and 13 to the accounts.