

THE MEA TRUST
(A charitable company limited by guarantee)

REPORT AND UNAUDITED FINANCIAL STATEMENTS

31 MARCH 2022

Registered company number 03721573
Registered charity number 1074895

JOSEPH MILLER
Chartered Accountants
Newcastle upon Tyne

THE MEA TRUST
REPORT AND FINANCIAL STATEMENTS
31 MARCH 2022

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THE MEA TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

REFERENCE AND ADMINISTRATIVE DETAILS

Charity number: 1074895 **Company number:** 3721573

Website: www.meahouse.org.uk

Trustees

Mr I Burke	
Ms L Charlton	(Retired 11 February 2022)
Ms G Mandell	
Mr W McKay	
Mr S T Gilroy	
Mr J Lane	
Mr M I Spriggs	<i>Chair</i>
Mrs J Urron	<i>Treasurer</i>
Cllr T Cairns	
Mr S D Bowett	

Secretary

Miss K Sweeney

Registered office

MEA House
Ellison Place
Newcastle upon Tyne
NE1 8XS

Independent examiner

Mr D R Gold
Joseph Miller
Milburn House
Dean Street
Newcastle upon Tyne
NE1 1LE

Bankers

Barclays Bank plc
49-51 Northumberland Street
Newcastle upon Tyne
NE1 7AF

Investment advisers

Brewin Dolphin
Time Central
Gallowgate
Newcastle upon Tyne
NE1 4SR

Managing agent

Naylors Gavin Black LLP
Hadrian House
8 Higham Place
Newcastle upon Tyne
NE1 8AF

THE MEA TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

The trustees are pleased to present their report together with the unaudited financial statements of the charity for the year ended 31 March 2022 which are also prepared to meet the requirements for a directors' report and financial statements for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing the accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Structure, governance and management

The MEA Trust is a company limited by guarantee and is governed by its Memorandum and Articles of Association (revised 28 September 2000, 13 June 2011, 2 May 2012 and 18 September 2018). It is a charity registered with the Charity Commission.

The full Trust Board meets at least twice in any one year and there is a subcommittee for Finance and Risk Management. The Annual General Meeting usually takes place in December.

The Trust currently has 9 trustees (The Memorandum states the Board will consist of at least 5 and not more than 15 individuals).

New trustees are appointed by the Trust Board with careful consideration to maintaining a wide range of relevant professional expertise on the Board to cover financial, legal and property matters. The trustees may at any time co-opt any person duly qualified to be appointed as a trustee to fill a vacancy or as an additional trustee, but a co-opted trustee holds office only until the next AGM. The chairman is elected and his or her period of office is determined by the trustees.

The induction and training of trustees is dealt with according to individual need and is co-ordinated by the chairman. Usually, trustees have prior professional/charity knowledge and experience.

Since the departure of the Trust director, Naylor's have successfully assumed responsibility for the overall management of MEA House and all relevant regulatory compliance. They have also assumed responsibility for corporate and company secretarial support and compliance.

Risk management

The trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to both lessen these risks and take advantage of key opportunities.

Key documents are reviewed at least annually: e.g. the full risk assessment report; tenant payment schedule and Trust investments and reserves; the health and safety policy statement and fire risk assessment (including the fire evacuation strategy).

Objectives and activities

The Trust has general charitable objectives with the power to let property to other charities at a rent less than the commercial rents in the market place. Its mission statement, agreed at the EGM in January 2011, was varied at a Board meeting held on 8 December 2015 "To promote and support the development of the charitable, voluntary and community sectors in the North East". This was one of the agreed outcomes from the strategic review and is currently being implemented within the delivery of the overall business plan which is now nearing completion.

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Objectives and activities *(continued)*

At the EGM in January 2011, the trustees reviewed their objectives and stated their new proposed objectives which continue to sit alongside their present Articles:

- i) To secure and maintain full occupancy of MEA House, preferably with registered charities as tenants, but also welcoming Social Enterprise and CIC type organisations. Outright commercial tenants should be sought only if space still remains unoccupied. As a consequence, maintaining full occupancy of MEA House is a priority and has been addressed in the business plan with a view to allowing commercial tenants into MEA House.
- ii) To deliver best value in relation to the costs of operation, consistent with the objective of providing good quality serviced office accommodation at an appropriate cost.
- iii) To promote and increase awareness of MEA House, especially in the Third Sector.
- iv) To further explore existing, and consider developing new, facilities and skills to generate additional income.

Following the amendment by Special Resolution at an Extraordinary Meeting on 27 March 2012, the Deed of Covenant under which MEA House operates has now, with the permission of Newcastle City Council, been formally varied to provide for the inclusion of the following types of organisation which have been added to the definition of ‘approved organisations’:

- Community Interest Companies (CICs)
- Industrial and Provident Societies (regulated under the Industrial and Provident Societies Act 1965)
- Other forms of Social Enterprise with the consent of the Landlord (In this context, the definition of Landlord has been clarified as being Newcastle City Council).

MEA House was built to achieve the aim of providing charities with good quality accommodation in one centre with rents below the market level. The building provides approximately 27,000 square feet of office space which is let to a wide range of charities of varying size which support local people of all ages.

The trustees confirm that they have been given the general guidance produced by the Charity Commission on public benefit and are confident that it is achieved through the letting to charities and the hire of the meeting rooms to the voluntary sector.

Achievements and performance

During the year, the usual pattern of trustees’ meetings was maintained, the more recent being in person once again. The work of the Finance Sub Committee continues to be key.

Progress has continued with the headlease negotiations with the City Council and the documents are close to being signed.

MEA House re-opened for business as usual during the year. Occupation remains very high and usage has returned to near normal levels. Again, the trustees wish to record their gratitude to tenants and all involved in the charity, particularly staff, for their continued support which has enabled the charity to finish the year in a better position than it might otherwise have been. Nevertheless, there has been a significant deficit in the year, which the trustees are working to address.

THE MEA TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

Achievements and performance *(continued)*

The work with VONNE continues positively with engagement with occupiers and the wider voluntary sector returning again to pre-pandemic levels.

The trustees remain aware of the longer term effects of the pandemic on office use; the severe increase in costs, particularly heating; and the continued ageing of the building and the inevitability of major expenditure in the near to medium term. Thought is being given to how these and other headwinds can be managed.

Financial review

The principal funding source comprises rents and service charges. This rental income and the related MEA House running and refurbishment costs are shown in the statement of financial activities.

Although last year, for the first time in a number of years, it was possible to make a planned annual transfer out of rents received (as referred to in note 2 c) ii)) of £59,100 into the Repair and Refurbishment Fund, because of increased running costs, this has not been possible for this year.

Reserves policy

It is the policy of the charity to maintain unrestricted funds not invested in fixed assets or designated for specific purposes (the free reserves) at an appropriate level to cover any gap that may arise between rental income and expenditure. There were no free reserves at 31 March 2022 (2021: £5,421). The trustees will review both the policy and the reserves position on a regular basis.

To fulfil the charitable objects of the MEA Trust in the provision of good quality accommodation to charitable organisations, the trustees have established a policy of setting aside unrestricted income received to designated reserves, the purpose of which is to fund the replacement of major items of plant and to help meet future major refurbishment expenditure on MEA House.

The balance sheet shows that the Trust holds unrestricted income funds of £350,456 and all of this is held as designated funds for the purposes explained in the accounting policies note to the financial statements on page 9. The balance on this fund is shown in note 11.

Investment powers, policy and performance

Under the Memorandum and Articles of Association, the charity has unrestricted power to invest funds in any manner after obtaining advice from a financial expert and having regard to the suitability of investments and the need for diversification. There is discretionary management of investments within the context of clearly defined parameters.

Brewin Dolphin, our Investment Advisers, have identified 10 risk categories. The trustees have agreed that Risk Category 6 is most suitable for the MEA Trust portfolio. The strategic benchmark associated with this risk profile has the following asset allocation: Equities, 68.5%, Fixed Income, 17%, Alternatives, 12% and Cash 2.5%.

The trustees are prepared to have a significant majority of the charity's investments in equities with the aim of achieving a higher investment return over the long term. The allocation to equities means the portfolio may experience heightened levels of volatility over the investment term. The portfolio will typically include two thirds of the assets invested in equities whilst the remainder will be split between cash, fixed income and alternatives. The trustees are prepared to accept fluctuations in the value of the portfolios to achieve the investment goals.

THE MEA TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

The investment policy is reviewed at least annually with direct reference to the long term financial plan and long term property review. The Finance Committee meet with the investment manager and managing agent and report to the trustees on a regular basis.

The combined total return on investments, before fees, and the benchmark for the year was 8.7% (benchmark 30.2%).

Statement of trustees' responsibilities in relation to the financial statements

The trustees (who are also directors of The MEA Trust for the purposes of company law) are responsible for preparing the report of the trustees 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 operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time 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.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies, under Part 15 of the Companies Act 2006.

On behalf of the trustees
Mr M I Spriggs
Chairman
13 December 2022

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE MEA TRUST

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 March 2022, which are set out on pages 7 to 15.

Responsibilities and basis of report

As the charity's trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the Act 2006').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 (the '2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's report

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

- 1) accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
- 2) the accounts do not accord with those accounting records; or
- 3) the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- 4) the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

D R GOLD FCA
Independent Examiner
Joseph Miller
Milburn House
Dean Street
Newcastle upon Tyne
NE1 1LE
13 December 2022

THE MEA TRUST

STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 MARCH 2022

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Fund £	Total 2022 £	Total 2021 £
Income from:						
Donations:						
<i>Grants</i>	4	12,494	-	-	12,494	44,517
Charitable activities:						
<i>Rents and service charges receivable</i>		315,221	-	-	315,221	310,604
Investments		4,692	-	-	4,692	5,838
Total income		332,407	-	-	332,407	360,959
Expenditure on:						
Raising funds		3,101	-	-	3,101	2,643
Charitable activities		407,823	118,335	-	526,158	412,632
Total expenditure	5	410,924	118,335	-	529,259	415,275
Net gains on investments:						
Gains on revaluation of investments	7	138	-	-	138	65,588
Realised gains on disposal of investments		751	-	-	751	10,156
		889	-	-	889	75,744
Net (expenditure) income	3	(77,628)	(118,335)	-	(195,963)	21,428
Transfers between funds		4,080	6,221	(10,301)	-	-
Net (expenditure) income and net movement in funds		(73,548)	(112,114)	(10,301)	(195,963)	21,428
Reconciliation of funds						
Total funds brought forward		424,004	518,618	278,146	1,220,768	1,199,340
Total funds carried forward		350,456	406,504	267,845	1,024,805	1,220,768

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derives from continuing activities.

The notes on pages 9 to 15 form part of these financial statements.

THE MEA TRUST

BALANCE SHEET

Company number: 03721573

AS AT 31 MARCH 2022

	Note	2022	2021
		£	£
Fixed assets			
Tangible assets	6	683,926	813,041
Investments	7	370,670	368,827
		<u>1,054,596</u>	<u>1,181,868</u>
Current assets			
Debtors	8	39,886	90,725
Cash at bank		89,674	86,186
		<u>129,560</u>	<u>176,911</u>
Creditors: amounts falling due within one year	9	<u>(142,658)</u>	<u>(114,918)</u>
Net current (liabilities) assets		(13,098)	61,993
Creditors: amounts falling due after more than one year	10	(16,693)	(23,093)
Net assets		<u>1,024,805</u>	<u>1,220,768</u>
The funds of the charity			
Endowment fund		267,845	278,146
Unrestricted income funds	11	350,456	424,004
Restricted income funds	12	406,504	518,618
Total charity funds		<u>1,024,805</u>	<u>1,220,768</u>

For the year ended 31 March 2022 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Trustees responsibilities:

- (i) The members have not required the charity to obtain an audit of its financial statements for the year in question in accordance with section 476; and
- (ii) The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of the financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and signed by the trustees and authorised for issue on 13 December 2022.

Mr M I Spriggs
Chairman

Mrs J Urron
Treasurer

The notes on pages 9 to 15 form part of these financial statements

THE MEA TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. Legal status of the charity

The charity is a company limited by guarantee, has no share capital and is registered in England and Wales. The address of the registered office is MEA House, Ellison Place, Newcastle upon Tyne, NE1 8XS. The liability of each member in the event of winding up is limited to £1.

2. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated. They have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) and the Companies Act 2006.

The MEA Trust meets the definition of a public benefit entity under FRS 102.

The financial statements are prepared in sterling which is the functional and presentation currency of the charity.

b) Preparation of the accounts on a going concern basis

The charity has reviewed its cash flow forecasts and there is a reasonable expectation that it has adequate resources to continue in operational existence for at least the next twelve months and on this basis the trustees consider the charity to be a going concern.

c) Fund structure

i) Endowment Fund

This represents the capital provided to fund the original cost of MEA House. The fund is reduced annually by a transfer equivalent to the depreciation of the original cost of MEA House.

ii) Designated funds

The following designated funds are unrestricted funds earmarked by the trustees for specific purposes:

Amortisation Fund

The Amortisation Fund was referred to in a letter from the Charity Commission dated 5 January 1971 and in the Deed of Covenant dated 25 January 1973 between the trustees of the original MEA Trust (registration number 251935) and the City of Newcastle upon Tyne and was set up for the purpose of providing the sum of £750,000 based upon the original estimated cost of MEA House) in the year 2048. The funding of this account was made by annual transfers from rents received. As the City has confirmed that the fund is no longer required it had been transferred to the Repair and Refurbishment Fund in 2021.

Repair and Refurbishment Fund

The purpose of this fund is to meet major repair expenditure out of a fund accumulated by annual transfers from rents received at the discretion of the trustees. During the year, an amount was also transferred to the General Fund to make good its accumulated deficit.

Long Term Replacement Fund

Funds have in the past been set aside from rents received to meet future major one-off expenditure on MEA House. However, the Fund had been transferred to the General Fund in 2021 to make good its accumulated deficit.

THE MEA TRUST
NOTES TO THE FINANCIAL STATEMENTS
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2. Accounting policies (*continued*)

c) Fund structure (*continued*)

iii) Restricted funds

Grants and donations obtained for specific purposes are recognised in the financial statements as restricted funds, together with attributable investment income.

Refurbishment Fund

The Refurbishment Fund was established to meet expenditure relating to a major refurbishment of the building. The fund is reduced annually by the depreciation of the refurbishment cost of MEA House.

d) Fixed assets and depreciation

Tangible fixed assets are included in the financial statements at their historical cost. The building is held for use for the supply of accommodation to other charities at less than market rent. The trustees therefore do not consider MEA House to be an investment property requiring inclusion in the financial statements at fair value.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost less estimated residual value of the assets over their expected useful lives. The rates used are as follows:

Building: original cost	- straight line over 75 years
Building: refurbishment	- straight line over 25 years
Furniture and equipment	- 20% per annum reducing balance

e) Investments

Investments are a form of financial instrument and are initially recognised at cost and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

Gains or losses arising on revaluation or disposal are recognised in the statement of financial activities in the funds in which the investments are held.

f) Cash at bank

Cash at bank includes an instant access deposit account and instant access COIF Charities Deposit Fund accounts.

g) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount.

h) Financial instruments

The charity only has financial instruments and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially measured at transaction value and subsequently measured at their settlement value, with the exception of the mortgage loan which is measured at amortised cost using the effective interest method.

THE MEA TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

i) Income recognition

All income is included in the statement of financial activities when the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The following specific policies are applied to particular categories of income:

Donations are received by way of grants and donations and are included in full in the statement of financial activities when receivable. Such income is only deferred when the donor specifies that the grant or donation must only be used in future accounting periods, or the donor has imposed conditions which must be met before the charity has unconditional entitlement.

Investment income such as dividends and interest are included when receivable.

Income from charitable activities includes income from rents and service charges which are recognised on a straight-line basis over the term of the lease.

j) Expenditure recognition

Expenditure is included in the statement of financial activities on an accruals basis, inclusive of any VAT which can not be recovered.

Costs of expenditure on raising funds comprise the costs incurred in raising income from grants and donations.

Charitable expenditure comprises all costs of activities in furtherance of the objects of the charity.

Governance costs represents costs incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Support costs are allocated on the basis of staff time spent on each activity and are shown in note 5 to the accounts.

k) Pensions

Employees of the charity are entitled to join a defined contribution money purchase scheme. The charity contribution in the year is disclosed in note 5. The money purchase plan is managed by B&CE Holdings (The People's Pension). The charity has no liability beyond making its contributions and paying across the deductions for employees' contributions.

3. Net (expenditure) income

2022	2021
£	£

Net (expenditure) income for the year is stated after charging:

Independent examination and accountancy services:

Independent examination	976	938
Accountancy services	8,962	8,620
Depreciation of tangible fixed assets	129,115	129,235

4. Grants

	Unrestricted	Restricted	2022	2021
	£	£	£	£
The Joseph Strong Frazer Trust	1,000	-	1,000	1,000
The W A Handley Charity Trust	1,000	-	1,000	1,000
North of Tyne Combined Authority	-	-	-	25,000
Newcastle City Council	4,000	-	4,000	4,000
Coronavirus Job Retention Scheme grant	6,494	-	6,494	13,517
	12,494	-	12,494	44,517

THE MEA TRUST
NOTES TO THE FINANCIAL STATEMENTS
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5. Total expenditure

	Raising funds £	Charitable activities £	Governance costs £	Total 2022 £	Total 2021 £
Direct costs					
Staff costs	-	51,723	-	51,723	45,562
Property running and refurbishment costs	-	308,752	-	308,752	209,330
Depreciation and loss on disposal	-	129,115	-	129,115	129,235
Loan interest	-	53	-	53	848
Legal and professional fees	-	22,303	2,762	25,065	16,587
Independent examination and accountancy	-	4,220	5,718	9,938	9,558
Investment management costs	3,101	-	-	3,101	2,643
Trustees' indemnity insurance	-	-	1,512	1,512	1,512
	<u>3,101</u>	<u>516,166</u>	<u>9,992</u>	<u>529,259</u>	<u>415,275</u>
Governance costs		9,992			
Total expenditure on charitable activities		<u>526,158</u>			

	2022 £	2021 £
Staff costs and numbers:		
Wages and salaries	47,886	41,935
Social security costs	2,744	2,552
Pension costs	1,093	1,075
	<u>51,723</u>	<u>45,562</u>

The charity considers its key management personnel comprise the trustees. The total employment benefits of the key management personnel were £Nil (2021: £Nil). There are no employees with emoluments above £60,000 per annum. No trustees, or any person related or connected by business to them, received any remuneration from the charity during the year.

The aggregate amount of expenses reimbursed to the trustees during the year was £Nil (2021: £Nil). The number of trustees reimbursed for travelling expenses was nil (2021: nil).

The average number of employees during the year, analysed by function was as follows:	2022	2021
Building services, security and cleaning	<u>4</u>	<u>4</u>

THE MEA TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

6. Tangible fixed assets

	MEA House £	Furniture and equipment £	Total £
Cost			
At 1 April 2021	3,730,961	33,702	3,764,663
Additions	-	-	-
Disposals	-	-	-
At 31 March 2022	3,730,961	33,702	3,764,663
Depreciation			
At 1 April 2021	2,920,310	31,312	2,951,622
Charge for year	128,636	479	129,115
On disposals	-	-	-
At 31 March 2022	3,048,946	31,791	3,080,737
Net book value			
At 31 March 2022	682,015	1,911	683,926
At 1 April 2021	810,651	2,390	813,041

MEA House The property is subject to a 99 year ground lease granted by the City of Newcastle upon Tyne on 25 September 1975, the remaining term of which is 52 years.

7. Fixed asset investments

	Total 2022 £	Total 2021 £
<i>Listed investments:</i>		
Market value at 1 April 2021	356,629	274,596
Additions at cost	35,553	81,080
Disposals at carrying value	(34,650)	(64,635)
Net gain on revaluation	138	65,588
Market value at 31 March 2022	357,670	356,629
<i>Cash available for reinvestment:</i>	13,000	12,198
<i>Total</i>	370,670	368,827
Historical cost at 31 March 2022	300,127	290,444

The charity funds are subject to the price and yield volatility of the investment portfolio, but this is considered necessary to achieve a higher total return in the longer term.

8. Debtors

	2022 £	2021 £
Rents and service charge arrears	10,459	13,170
Other debtors	332	1,965
Value added tax	3,753	-
Prepayments	14,088	14,028
Accrued income	11,254	61,562
	39,886	90,725

THE MEA TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

9. Creditors: amounts falling due within one year	2022	2021
	£	£
Loan	5,808	5,629
Rents and service charges in advance	30,912	49,792
Other creditors	75,957	33,242
Value added tax	-	559
Accruals	29,981	25,696
	142,658	114,918

10. Creditors: amounts falling due after more than one year	2022	2021
	£	£
Loan	16,693	23,093

Financial instruments measured at amortised cost comprise the loan financing provided by Newcastle Building Society. The loan is repayable in instalments over the period to December 2025 and bears interest at 1.25% above the Newcastle Building Society's cost of funds, giving an effective rate of 3.25% at the year end. The loan is secured by a first legal charge on the leasehold property known as MEA House and a floating charge over all assets of the charity.

Analysis of debt maturity:	2022	2021
	£	£
Amounts payable:		
Within one year (Note 9)	5,808	5,629
Between one and two years	5,909	5,886
Between two and five years	10,784	17,207
	22,501	28,722

11. Unrestricted funds	Balance at 1 April 2021	Income	Expenditure	Transfers	Investment gains (losses)	Balance at 31 March 2022
	£	£	£	£	£	£
General Fund	7,811	329,338	(385,085)	43,822	-	(4,114)
Designated funds:						
Repair and Refurbishment Fund	416,193	3,069	(25,839)	(39,742)	889	354,570
	424,004	332,407	(410,924)	4,080	889	350,456

Unrestricted funds - previous year	Balance at 1 April 2020	Income	Expenditure	Transfers	Investment gains (losses)	Balance at 31 March 2021
	£	£	£	£	£	£
General Fund	(305,991)	332,208	(270,005)	251,599	-	7,811
Designated funds:						
Long Term Replacement Fund	157,178	-	-	(157,178)	-	-
Amortisation Fund	188,555	-	-	(188,555)	-	-
Repair and Refurbishment Fund	239,792	3,751	(1,936)	98,842	75,744	416,193
	279,534	335,959	(271,941)	4,708	75,744	424,004

THE MEA TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

12. Restricted funds	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2022 £
Refurbishment Fund	518,618	-	(118,335)	6,221	406,504
	518,618	-	(118,335)	6,221	406,504
<i>Restricted funds - previous year</i>	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2021 £
North of Tyne COVID-19 Fund	-	25,000	(25,000)	-	-
Refurbishment Fund	631,359	-	(118,334)	5,593	518,618
	631,359	25,000	(143,334)	5,593	518,618

13. Analysis of net assets between funds

	Tangible fixed assets £	Fixed asset investments £	Net current liabilities £	Long term liabilities £	Total 2022 £	Total 2021 £
Endowment Fund	267,845	-	-	-	267,845	278,146
Unrestricted funds						
General Fund	1,911	-	3,002	(9,027)	(4,114)	7,811
Designated funds:						
Repair and Refurbishment Fund	-	370,670	(16,100)	-	354,570	416,193
Restricted funds						
Refurbishment Fund	414,170	-	-	(7,666)	406,504	518,618
	683,926	370,670	(13,098)	(16,693)	1,024,805	1,220,768

Analysis of net assets between funds - prior year

	Tangible fixed assets £	Fixed asset investments £	Net current assets £	Long term liabilities £	Total 2021 £	Total 2020 £
Endowment Fund	278,146	-	-	-	278,146	288,447
Unrestricted funds						
General Fund	2,390	-	14,627	(9,206)	7,811	(305,991)
Designated funds:						
Long Term Replacement Fund	-	-	-	-	-	157,178
Amortisation Fund	-	-	-	-	-	188,555
Repair and Refurbishment Fund	-	368,827	47,366	-	416,193	239,792
Restricted funds						
Equipment Fund	532,505	-	-	(13,887)	518,618	631,359
	813,041	368,827	61,993	(23,093)	1,220,768	1,199,340