

KEYSTONE DEVELOPMENT TRUST

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

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TRUSTEES	Jeremy Stone (Chair) Brenda Canham Charles Watt Ryan Windsor Clive Wadham-Smith Mark Robinson (resigned 4th May 2022) Theroshen Vandiar (resigned 4th May 2022)
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REGISTERED OFFICE	Keystone Innovation Centre Croxtan Road Thetford Norfolk IP24 1JD
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CHARITY REGISTRATION NUMBER	1093162
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COMPANY REGISTERED NUMBER	04346470
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INDEPENDENT EXAMINERS	Ian Shipley FCCA For and on behalf of: Prentis & Co LLP Chartered Accountants 115c Milton Road Cambridge CB4 1XE
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BANKERS	HSBC Bank Plc 36 King Street Thetford Norfolk IP24 2AS
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FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

TRUSTEES REPORT

The Board of Trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 March 2022. The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Companies Act 2006 and 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 published in October 2019 (effective 1 January 2019).

Since the Charity qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Objectives, Strategies, Aims and Activities

Keystone Development Trust is a **Community Resource and Support Organisation** committed to improving the quality of life and opportunities for people who live, study and work in the Thetford and surrounding areas, through sustainable, community led regeneration.

As a Development Trust, Keystone aims to build community capital in its area: empowering individuals, groups and communities to tackle needs and issues by creating their own solutions, services, organisations or enterprises.

In order to achieve this, the Trust seeks to identify needs through research, consultation and discussion with partners, other organisations and local residents.

Keystone provides building space, professional expertise and acts as an umbrella or resource body to enable these individuals and groups to deliver activities and services needed.

Delivery of our Objectives, Strategic Aims and Activities is reviewed by the Board of Trustees and Senior Management as part of our standing agenda at each full board meeting throughout the year, and underpins all activities considered and undertaken by team members of Keystone on a daily basis. The Organisation's direction, what it stands for and its evolving journey to deliver this strategy is so strong and focused that its impact on enabling significant community initiatives has been felt and embraced greatly since the end of 2019 when our Strategic Direction was communicated much wider.

These aims, and the work underpinning them, demonstrate the Public Benefit as required by the Charities Act 2006. The Trustees confirm that they have had due regard to Charity Commission guidance on public benefit.

During 2021/22 Keystone's operations continued to fall into two broad categories:

1. The management of its owned properties to produce income for the provision of social enterprise activities.
2. The provision of help and support to our local community across a broad range of activities and projects.

Keystone Properties

These are split into two categories. Those we own and those we lease. In all cases from them we provide services and assistance to a broad range of organisations and individuals.

Freehold

The Innovation Centre, The Enterprise Factory.

Leasehold

The Abbey Neighbourhood Centre, Riverside, The Brandon Centre managed on behalf of Suffolk County Council, St John's Community Centre Mildenhall, together with two houses rented out to provide income.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

TRUSTEES REPORT

A review of the year

We spent the last twelve months to March 2022 continuing all our service offers while at the same time dealing with the financial implications of the pandemic and our commitment to a high level of support to our activities within the community.

The rental income from conferencing had virtually stopped after April 2020. It is only now that it is showing signs of activity. During the same period many tenants were unable to meet their rental obligations to us on time at both the Innovation Centre and The Enterprise Factory, it was a difficult twelve months.

However, we weathered a very difficult period successfully with our balance sheet intact and our team working successfully in the most difficult of circumstances.

The future

The Trustees had, prior to the start of the covid pandemic in March 2020, agreed an exciting new plan for the future of Keystone. This called for us to raise capital from the sale of our freehold assets to build up a seven figure sum of liquid funds. To use these funds through investment and direct grants to benefit directly the people of Thetford, Mildenhall and Brandon. The pandemic led to the suspension of these plans. In 2022 and 2023 we expect to see these plans to be well on the way to producing a revitalised and financially strong charity with a bright future.

Fundraising

Keystone Development Trust does not openly fundraise or solicit donations from the public.

Financial result

The board of Keystone Development Trust are reporting a deficit of **£65,045** (2021: a surplus of **£61,674**). The deficit for 2021/22 was made up of restricted funds £42,346 offset by an unrestricted deficit of (£107,391).

Reserves policy

Our reserves policy is reviewed annually. Keystone's balance sheet as at 31 March 2022 shows reserves totalling £2,931,783, (2021: £2,996,828) of which £137,651 are restricted income funds (2021: £169,934 restricted income funds).

The Board has assessed potential risks facing the Charity and its future plans, once recovery from COVID-19 has been achieved, and as a result has agreed that a minimum level of 3 months' running costs (£145k) should then be held in general reserves.

Going concern

The Charity has a diverse range of income generating activities including income generated from charitable activities such as rental income from the properties owned but also grant funding, donations, investment and fundraising income.

Whilst the Charity receives its income from a wide range of sources, many of the income streams are inherently volatile.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

TRUSTEES REPORT

Going concern – continued

The Trustees have considered the financial position of the Charity, the level of free reserves and the 2021 to 2022 budget and accompanying cash flow forecast. The forecasts and projections, taking into account known changes in activity show that the Charity can continue to operate with the support of its bank. Following the finance committee reviews throughout the year a number of cost savings have been identified and have been implemented and others being reviewed over the coming months together with ways of increasing the Trust's income from its buildings and services that it delivers. As a consequence, the Trustees believe the Charity is well placed to manage its business risks successfully through these difficult and uncertain times.

The Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

Principal risks and uncertainties

The Keystone Board has ultimate responsibility for management of risk across the Trust. The Board meets throughout the year and has Health & Safety as an Agenda item.

Risk assessments across all properties are undertaken throughout the year and when any change of circumstance takes place (e.g. COVID restrictions) to ensure compliance and to help inform Planned Preventative Maintenance.

Training in the following areas: GDPR and data handling, Safeguarding, Domestic Abuse Awareness, Food Hygiene, First Aid at Work, and Fire Safety is provided to our staff to ensure they are aware of and able to manage risks during their working day.

Structure, governance and management**Constitution**

The charity is constituted under a Trust deed and is a registered charity number 1093162.

Method of appointment or election of Trustees

The management of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

Policies adopted for the induction and training of Trustees

There are currently seven Trustees drawn from various backgrounds within the Keystone area of benefit. Details of Trustees, and other company information, are contained on page 1.

Trustees are appointed by a recruitment process which includes advertising and interview. The Chair is appointed by the Trustees. New Trustees receive a briefing on their legal obligations under Charity and company law, the content of the Memorandum and Articles of Association, the decision-making processes, the business plan and recent financial performance of the Charity. Trustees are also encouraged to attend appropriate external training events where these will help them to better understand their role.

Pay policy for senior staff

All Trustees give of their time freely and no Trustee received remuneration during the course of the year. The pay of senior personnel is reviewed annually and approved by the Trustees.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

TRUSTEES REPORT

Organisational structure and decision making

The Board of Trustees administers the Charity. There are three sub committees for Finance, Communities and Properties — each chaired by a different Trustee. A Chief Executive is appointed by the Trustees to manage the day to day operations of the Charity. To facilitate effective operations, the Chief Executive has delegated authority, within terms of delegation approved by the Trustees, for operational matters including finance, employment and operations.

Risk management

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

Trustees' responsibilities statement

The Trustees (who are also directors of Keystone Development 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).

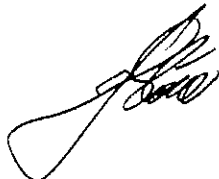
Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources 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 judgments and accounting estimates that are reasonable and prudent;
- 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 are sufficient to show and explain the charitable company's transactions and 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.

This report was approved by the Trustees, on 13-04-23 and signed on their behalf by:

Jeremy Stone



FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF KEYSTONE DEVELOPMENT TRUST
(THE COMPANY)

I report to the charity trustees on my examination of the accounts of the company for the year ended 31st March 2022.

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').

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.

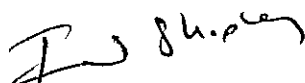
INDEPENDENT EXAMINER'S STATEMENT

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 Association of Chartered Certified Accountants 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, other than the matter mentioned below.

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 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 own accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

Unrestricted funds are in deficit. This has been rectified with the disposal of two properties, which during 2022/23 contributed to funds and, together with other cost cutting measures, returned the unrestricted funds to surplus during the 2022/23 financial year.



IAN SHIPLEY FCCA
FOR AND ON BEHALF OF:
PRENTIS & CO LLP
CHARTERED ACCOUNTANTS
& INDEPENDENT EXAMINERS

115c Milton Road
Cambridge
CB4 1XE

18th April 2023.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £
INCOME FROM:							
Donations and legacies	3	78,116	750	78,866	164,443	-	164,443
Charitable activities	4	291,513	71,452	362,965	299,349	271,189	570,538
Other trading activities	6	13,422	-	13,422	7,795	-	7,795
Investments	5	-	17,520	17,520	-	17,520	17,520
Other		23,681	-	23,681	20,000	-	20,000
TOTAL INCOME		406,732	89,722	496,454	491,587	288,709	780,296
EXPENDITURE ON:							
Raising funds	7	1,898	-	1,898	94,605	-	94,605
Charitable activities	8	520,813	38,788	559,601	462,291	161,726	624,017
TOTAL EXPENDITURE		522,711	38,788	561,499	556,896	161,726	718,622
NET INCOME/(EXPENDITURE)		(115,979)	50,934	(65,045)	(65,309)	126,983	61,674
Transfers between funds	18	8,588	(8,588)	-	(29,048)	29,048	-
NET MOVEMENTS IN FUNDS		(107,391)	42,346	(65,045)	(94,357)	156,031	61,674
RECONCILIATION OF FUNDS							
Total funds brought forward		(119,658)	3,116,486	2,996,828	(25,301)	2,960,455	2,935,154
Total funds carried forward		(227,049)	3,158,832	2,931,783	(119,658)	3,116,486	2,996,828

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

All income and expenditure derive from continuing activities.

The notes on pages 9 to 20 form part of these financial statements.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

BALANCE SHEET

	Notes	2022 £	£	2021 £	£
FIXED ASSETS					
Tangible fixed assets	12		2,670,931		2,596,302
Investments	14		250		250
Investment Property	13		350,000		350,000
TOTAL FIXED ASSETS			3,021,181		2,946,552
CURRENT ASSETS					
Stocks	15	500		369	
Debtors	16	115,999		58,894	
Cash at bank and in hand		118,728		164,801	
TOTAL CURRENT ASSETS		235,227		224,064	
CREDITORS: amounts falling due within one year	17	(189,205)		(132,121)	
NET CURRENT ASSETS			46,022		91,943
CREDITORS: amounts falling due after more than one year	17		(135,420)		(41,667)
TOTAL NET ASSETS			2,931,783		2,996,828
THE FUNDS OF THE CHARITY					
Unrestricted income funds			(227,049)		(119,658)
Restricted income funds		137,651		169,934	
Restricted Fixed Asset Fund		3,021,181	3,158,832	2,946,552	3,116,486
TOTAL CHARITY FUNDS	18		2,931,783		2,996,828

The trustees consider that the charitable company is entitled to exemption from the requirement to have an audit under the provisions of Section 477(1) of the Companies Act 2006. Members have not required the charitable company under Section 476 of the Companies Act 2006, to obtain an audit for the year ended 31st March 2022. The directors acknowledge their responsibilities for ensuring that the charitable company keeps accounting records which comply with Section 386 and 387 of the Companies Act 2006 and for preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at 31st March 2022 and of its deficit for the year then ended in accordance with the requirements of Section 396 and which otherwise comply with the requirements of the Act relating to the financial statements as far as applicable to the charitable company.

The financial statements, which 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, were approved by the board on

13-04-23 and signed on its behalf.

.....
JEREMY STONE
TRUSTEE

The notes on pages 9 to 20 form part of these financial statements.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

STATEMENT OF CASH FLOWS

	Notes	2022 £	2021 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash from/(used in) operating activities	20	<u>(39,898)</u>	<u>120,754</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment income		17,520	17,520
Purchase of tangible fixed assets		<u>(23,695)</u>	<u>(29,048)</u>
NET CASH PROVIDED BY INVESTING ACTIVITIES		<u>(6,175)</u>	<u>(11,528)</u>
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR		(46,073)	109,226
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		164,801	55,575
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		<u>118,728</u>	<u>164,801</u>

The notes on pages 13 to 24 form part of these financial statements.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

1.1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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) (effective 1st January 2019, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Keystone Development Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2. GOING CONCERN

The trustees have considered the financial position of the charity and the 2021 and 2022 budget and accompanying cash flow forecast. The forecasts and projections, taking into account known changes in activity, show that the charity can continue to operate with the support of its bankers. Cost savings have been implemented and others are being reviewed over the coming months together with ways of increasing the Trust's income from its buildings and services that it delivers. The Trustees are also considering the possible sale of property assets should this be necessary to assist cash flow. As a consequence, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3. INCOME

All income is recognised once 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.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Where the donated good is a fixed asset, it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset class and depreciated over the useful economic life in accordance with the charity's accounting policies.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the charity which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or Deeds of Covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

NOTES TO THE FINANCIAL STATEMENTS

1.4. EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measure reliably.

Expenditure on raising funds include all expenditure incurred by the charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

1.5. GOVERNMENT GRANTS

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of Financial Activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of Financial Activities as the related expenditure is incurred.

1.6. INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the institution with whom funds are deposited.

1.7. TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets costing £250 or more are capitalised.

Tangible fixed assets, other than Freehold Land and Buildings, are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Freehold Land and Buildings had been recognised under the cost model however, during 2020 the Board decided to adopt the revaluation model. Under the revaluation model Freehold Land and Buildings are initially recognised at cost but thereafter will be stated at fair value where this can be measured reliably.

Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting date.

Fair values are determined from market-based evidence by appraisal that is normally undertaken by professionally qualified valuers.

Gains and losses on revaluation are recognised in the Statement of Financial Activities, with a separate revaluation reserve being showing in the Statement of Funds note.

Depreciation is provided on the following bases:

Improvements to property	- 10 years straight line
Freehold property	- 2 years straight line
Plant and machinery	- 5 years straight line
Motor vehicles	- 4 years straight line
Computer equipment	- 3 years straight line

1.8. INVESTMENTS

Fixed assets investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'gains/(losses) on investments' in the Statement of Financial Activities.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

NOTES TO THE FINANCIAL STATEMENTS

1.9. STOCKS

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

1.10. DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.11. CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.12. LIABILITIES AND PROVISIONS

Liabilities are recognised where there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.13. FINANCIAL INSTRUMENTS

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.14. PENSIONS

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

1.15. 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 charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

2. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgement:

In assessing the carrying value of tangible fixed assets the trustees estimate the anticipated useful lives and residual value of the assets.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

NOTES TO THE FINANCIAL STATEMENTS

3.	INCOME FROM DONATIONS AND LEGACIES - CURRENT YEAR	Unrestricted Funds	Restricted Funds	Total Funds
		2022	2022	2022
		£	£	£
	Donations	4,497	750	5,247
	Government grants	73,619	-	73,619
		<u>78,116</u>	<u>750</u>	<u>78,866</u>
	- PRIOR YEAR	Unrestricted Funds	Restricted Funds	Total Funds
		2021	2021	2021
		£	£	£
	Donations	550	-	550
	Government grants	163,893	-	163,893
		<u>164,443</u>	<u>-</u>	<u>164,443</u>
4.	INCOME FROM CHARITABLE ACTIVITIES - CURRENT YEAR	Unrestricted Funds	Restricted Funds	Total Funds
		2022	2022	2022
		£	£	£
	Grants	-	71,452	71,452
	Rental income and service charge	235,357	-	235,357
	Room hire	22,825	-	22,825
	Green bikes/Thetford shed	4,297	-	4,297
	Recharges	27,510	-	27,510
	Miscellaneous	1,390	-	1,390
	Facilities management (Brandon)	134	-	134
		<u>291,513</u>	<u>71,452</u>	<u>362,965</u>
	- PRIOR YEAR	Unrestricted Funds	Restricted Funds	Total Funds
		2021	2021	2021
		£	£	£
	Grants	-	267,579	267,579
	Rental income and service charge	262,669	-	262,669
	Room hire	2,977	3,610	6,587
	Green bikes/Thetford shed	2,114	-	2,114
	Recharges	23,416	-	23,416
	Miscellaneous	7,681	-	7,681
	Facilities management (Brandon)	492	-	492
		<u>299,349</u>	<u>271,189</u>	<u>570,538</u>
5.	INVESTMENT INCOME - CURRENT YEAR	Unrestricted Funds	Restricted Funds	Total Funds
		2022	2022	2022
		£	£	£
	Rental income - St Johns	-	17,520	17,520
	- PRIOR YEAR	Unrestricted Funds	Restricted Funds	Total Funds
		2021	2021	2021
		£	£	£
	Rental income - St Johns	-	17,520	17,520

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

NOTES TO THE FINANCIAL STATEMENTS

6.	INCOME FROM OTHER TRADING ACTIVITIES - CURRENT YEAR	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £
	Café	1,198	-	1,198
	Conferencing	12,224	-	12,224
		<u>13,422</u>	<u>-</u>	<u>13,422</u>
	- PRIOR YEAR			
		Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £
	Café	6,802	-	6,802
	Conferencing	993	-	993
		<u>7,795</u>	<u>-</u>	<u>7,795</u>
7.	EXPENDITURE ON RAISING FUNDS - CURRENT YEAR	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £
	Café - food	479	-	479
	Café - premises costs	228	-	228
	Café - other	159	-	159
	Conferencing - premises costs	224	-	224
	Bikes	808	-	808
		<u>1,898</u>	<u>-</u>	<u>1,898</u>
	EXPENDITURE ON RAISING FUNDS - PRIOR YEAR			
		Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £
	Café - food	14,214	-	14,214
	Café - premises costs	559	-	559
	Café - office costs	3,200	-	3,200
	Café - bank charges	203	-	203
	Conferencing - premises costs	346	-	346
	Conferencing - office costs	1,382	-	1,382
	Conferencing - bank charges	539	-	539
	Wages and salaries	70,619	-	70,619
	National Insurance	2,553	-	2,553
	Pension costs	990	-	990
		<u>94,605</u>	<u>-</u>	<u>94,605</u>

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

NOTES TO THE FINANCIAL STATEMENTS

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES
- CURRENT YEAR

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £
Charitable activities	317,272	242,329	559,601

- PRIOR YEAR

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £
Charitable activities	392,888	231,129	624,017

ANALYSIS OF DIRECT COSTS

	Total Funds 2022 £	Total Funds 2021 £
Staff costs	150,682	177,018
Rent, rates and utilities	118,120	91,027
Premises costs	48,995	57,092
Insurance	17,581	19,862
Repairs and maintenance	16,262	10,844
Technology costs	11,551	12,283
Other direct costs	-	11,418
Travel costs	849	733
Advertising	739	506
Staff training	28	2,896
Vehicle costs	3,399	3,018
Profit on revaluation of freehold property	(62,738)	-
Depreciation	11,804	6,191
	317,272	392,888

ANALYSIS OF SUPPORT COSTS

	Total Funds 2022 £	Total Funds 2021 £
Staff costs	130,000	133,540
Finance and professional fees	44,718	37,389
General office	45,792	35,293
Communications and IT	15,694	16,598
Governance costs	2,243	3,475
Postage and stationery	3,882	4,834
	242,329	231,129

9. INDEPENDENT EXAMINER AND AUDITORS REMUNERATION

	2022 £	2021 £
Fees payable to the charity's independent examiner	2,000	1,475

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

NOTES TO THE FINANCIAL STATEMENTS

10.	STAFF COSTS	2022	2021
		£	£
	Wages and salaries	265,286	361,241
	Social security costs	9,922	16,709
	Contribution to defined contribution pension schemes	5,474	6,770
		<u>280,682</u>	<u>384,720</u>
		2022	2021
		No.	No.
	The average number of persons employed by the charity during the year	<u>18</u>	<u>46</u>

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

The total amount of employee benefits (including employer pension contributions and employer National Insurance contributions) received by key management personnel for their services to the charity was £160,495 (2021: £163,135)

11. TRUSTEES REMUNERATION AND EXPENSES

During the year, no trustees received any remuneration or other benefits (2021: £NIL).

During the year ended 31st March 2022, expenses totalling £540 were reimbursed or paid directly to one trustee (2021: £44 to one trustee).

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

NOTES TO THE FINANCIAL STATEMENTS

12.	TANGIBLE FIXED ASSETS	Improvements to	Leasehold Property	Freehold Property	Plant and Machinery	Motor Vehicles	Computer Equipment	Total
		£	£	£	£	£	£	£
- CURRENT YEAR								
COST OR VALUATION								
At 1st April 2021		-	2,580,876	280,862	16,441	21,204	2,899,383	
Revaluation		-	62,738	-	-	-	62,738	
Additions		19,200	-	2,815	-	1,680	23,695	
Reclassify/revaluation		34,063	(34,063)	-	-	-	-	
At 31st March 2022		53,263	2,609,551	283,677	16,441	22,884	2,985,816	
DEPRECIATION								
At 1st April 2021		-	-	272,801	10,065	20,215	303,081	
Charge for the year		5,326	-	3,234	2,125	1,119	11,804	
At 31st March 2022		5,326	-	276,035	12,190	21,334	314,885	
NET BOOK VALUE AT 31ST MARCH 2022		47,937	2,609,551	7,642	4,251	1,550	2,670,931	
- PRIOR YEAR								
COST OR VALUATION								
At 1st April 2020			2,566,010	276,000	7,940	20,385	2,870,335	
Additions			14,866	4,862	8,501	819	29,048	
At 31st March 2021			2,580,876	280,862	16,441	21,204	2,899,383	
DEPRECIATION								
At 1st April 2020			-	270,038	7,940	18,912	296,890	
Charge for the year			-	2,763	2,125	1,303	6,191	
At 31st March 2021			-	272,801	10,065	20,215	303,081	
NET BOOK VALUE AT 31ST MARCH 2021			2,580,876	8,061	6,376	989	2,596,302	

The 2022 valuations were made by the directors this year with reference to the relevant sources. The values are fair value based on open market value.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

NOTES TO THE FINANCIAL STATEMENTS

13. INVESTMENT PROPERTY

	Freehold Investment Property 2022 £	Freehold Investment Property 2021 £
VALUATION		
At 1st April 2021	350,000	350,000
At 31st March 2022	<u>350,000</u>	<u>350,000</u>

The 2022 valuations were made by the directors this year with reference to the relevant sources. The values are fair value based on open market value.

14. FIXED ASSET INVESTMENTS

	Unlisted Investments £
COST OR VALUATION	
At 1st April 2021	250
At 31st March 2022	<u>250</u>
NET BOOK VALUE	
At 31st March 2022	250
At 31st March 2021	<u>250</u>

The investment represents 250 ordinary £1 shares in Foundation East, a not for profit organisation operating across Suffolk, Norfolk, Essex and Cambridgeshire, providing support to businesses, social enterprises and individuals that cannot get a bank loan.

15. STOCKS	2022 £	2021 £
Raw materials and consumables	<u>500</u>	<u>369</u>
16. DEBTORS	2022 £	2021 £
Due within one year		
Trade debtors	90,494	26,395
Other debtors	-	21,388
Prepayments and accrued income	25,505	11,111
	<u>115,999</u>	<u>58,894</u>
17. CREDITORS	2022 £	2021 £
Amounts falling due within one year:		
Trade creditors	94,032	61,317
Other taxation and social security	1,888	12,118
Other creditors	603	5,610
Bank loan due in one year	10,644	8,333
Accruals	39,487	31,204
Deferred income	42,551	13,539
	<u>189,205</u>	<u>132,121</u>

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

NOTES TO THE FINANCIAL STATEMENTS

CREDITORS	2022	2021
Amounts falling due after 1 year:	£	£
Bank loan		
Due 1 - 2 years	10,644	16,666
Due 2 - 4 years	21,288	16,666
Due 4 years +	103,488	8,335
	<u>135,420</u>	<u>41,667</u>

The bank loan is secured by a fixed charge on freehold land and negative pledge.

	2022	2021
	£	£
Deferred income at 1st April 2021	13,539	26,764
Resources deferred during the year	42,551	13,539
Amounts released from previous periods	(13,539)	(26,764)
Deferred income at 31 March 2022	<u>42,551</u>	<u>13,539</u>

Deferred income comprises rents for periods in advance and rental deposits held.

18. STATEMENT OF FUNDS - CURRENT YEAR	Balance at 1st April 2021	Income	Expenditure	Transfers in/out	Balance at 31st March 2022
	£	£	£	£	£
UNRESTRICTED FUNDS					
Unrestricted funds	(119,658)	406,732	(522,711)	8,588	(227,049)
RESTRICTED FUNDS					
Keystone Communities	128,001	72,202	(72,202)	(42,084)	85,917
Keystone Property	41,933	17,520	(17,520)	9,801	51,734
	<u>169,934</u>	<u>89,722</u>	<u>(89,722)</u>	<u>(32,283)</u>	<u>137,651</u>
RESTRICTED FIXED ASSETS FUNDS					
Children and Youth	5,613	-	(160)	-	5,453
Keystone Property	2,940,939	-	51,094	23,695	3,015,728
	<u>2,946,552</u>	<u>-</u>	<u>50,934</u>	<u>23,695</u>	<u>3,021,181</u>
TOTAL RESTRICTED FUNDS	<u>3,116,486</u>	<u>89,722</u>	<u>(38,788)</u>	<u>(8,588)</u>	<u>3,158,832</u>
TOTAL OF FUNDS	<u>2,996,828</u>	<u>496,454</u>	<u>(561,499)</u>	<u>-</u>	<u>2,931,783</u>

STATEMENT OF FUNDS - PRIOR YEAR	Balance at 1st April 2020	Income	Expenditure	Transfers in/out	Balance at 31st March 2021
	£	£	£	£	£
UNRESTRICTED FUNDS					
Unrestricted funds	(25,301)	491,587	(556,896)	(29,048)	(119,658)
RESTRICTED FUNDS					
Keystone Communities	9,255	267,579	(148,833)	-	128,001
Keystone Property	21,103	21,130	(300)	-	41,933
Keystone Resources	6,402	-	(6,402)	-	-
	<u>36,760</u>	<u>288,709</u>	<u>(155,535)</u>	<u>-</u>	<u>169,934</u>
RESTRICTED FIXED ASSET FUNDS					
Children and Youth	5,774	-	(161)	-	5,613
Keystone Property	2,917,921	-	(6,030)	29,048	2,940,939
	<u>2,923,695</u>	<u>-</u>	<u>(6,191)</u>	<u>29,048</u>	<u>2,946,552</u>
TOTAL RESTRICTED FUNDS	<u>2,960,455</u>	<u>288,709</u>	<u>(161,726)</u>	<u>29,048</u>	<u>3,116,486</u>
TOTAL OF FUNDS	<u>2,935,154</u>	<u>780,296</u>	<u>(718,622)</u>	<u>-</u>	<u>2,996,828</u>

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

NOTES TO THE FINANCIAL STATEMENTS

CHILDREN AND YOUTH

To provide youth and children's activities in the local area.

KEYSTONE COMMUNITIES

The funds provide support for communities and groups to help themselves build the capacity of neighbourhoods.

KEYSTONE PROPERTY

A diverse portfolio of buildings owned by the Trust through which income is generated and space provided to projects for them to carry out their work.

KEYSTONE RESOURCES

The Trust's core team that provides advice and support to the organisation and third parties through services such as finance, human resources and facilities management.

19. ANALYSIS OF NET ASSETS

- CURRENT YEAR

	Restricted Funds 2022 £	Restricted Fixed Asset Funds 2022 £	Unrestricted Funds 2022 £	Total Funds 2022 £
Tangible fixed assets	-	2,670,931	-	2,670,931
Fixed asset investments	-	250	-	250
Investment property	-	350,000	-	350,000
Current assets	137,651	-	97,576	235,227
Creditors	-	-	(324,625)	(324,625)
	<u>137,651</u>	<u>3,021,181</u>	<u>(227,049)</u>	<u>2,931,783</u>

- PRIOR YEAR

	Restricted Funds 2021 £	Restricted Fixed Asset Funds 2021 £	Unrestricted Funds 2021 £	Total Funds 2021 £
Tangible fixed assets	-	2,596,302	-	2,596,302
Fixed asset investments	-	250	-	250
Investment property	-	350,000	-	350,000
Current assets	179,251	-	44,813	224,064
Creditors	(9,317)	-	(164,471)	(173,788)
	<u>169,934</u>	<u>2,946,552</u>	<u>(119,658)</u>	<u>2,996,828</u>

20. RECONCILIATION OF NET MOVEMENTS IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net expenditure/income for the period (as per Statement of Financial Activities)	(65,045)	61,674
Adjustments for:		
Depreciation charges	11,804	6,191
Investment income	(17,520)	(17,520)
Revaluation of fixed assets	(62,738)	-
(Increase)/decrease in stocks	(131)	5,907
(Increase)/decrease in debtors	(57,105)	56,877
Increase in creditors	150,837	7,625
Net cash used in operating activities	<u>(39,898)</u>	<u>120,754</u>

FINANCIAL STATEMENTS FOR THE YEAR ENED 31ST MARCH 2022

NOTES TO THE FINANCIAL STATEMENTS

21.	ANALYSIS OF CASH AND CASH EQUIVALENTS	2022	2021
		£	£
	Cash in hand	118,728	164,801
	Total cash and cash equivalents	<u>118,728</u>	<u>164,801</u>

22. PENSION COMMITMENTS

The charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £5,474 (2021 - £6,780) Contributions totalling £nil (2021 - £44,56) were payable to the fund at the balance sheet date and are included in creditors.

23. OPERATING LEASE COMMITMENTS

At 31st March 2022 the charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:-

	2022	2021
	£	£
Not later than 1 year	1,800	1,551
Later than 1 year and not later than 5 years	-	1,800
	<u> </u>	<u>3,351</u>

24. RELATED PARTY TRANSACTIONS

During the year, the charity rented property totalling £684 (2021: £1,273) to Willow Properties Thetford Limited, a company which Mark Robinson, a trustee, is a director. As at 31st March 2022 £68 (2021: £68) was owed from Willow Properties Thetford Limited and is included within trade debtors.

During the year, the charity purchased professional services totalling £24,00 (2021: £2,400) from Ante Limited, a company which Clive Wadham-Smith, a trustee, is a director. As at 31st March 2022 £200 (2021: £400) was owed to Ante Limited and is included within trade creditors.

During the year, the charity purchased cleaning services totalling £23,042 (2021: £11,142) from WPM, a company which Mark Robinson, a trustee is a director. As at 31st March 202 £4,608 (2021: £Nil) was owed to WPM.