

MORETONHAMPSTEAD DEVELOPMENT TRUST

(A company limited by guarantee)

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022



MORETONHAMPSTEAD DEVELOPMENT TRUST
(A company limited by guarantee)

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MORETONHAMPSTEAD DEVELOPMENT TRUST
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2022**

Trustees	J Willis, Chair C Caverhill, Vice Chair E Prince, Treasurer A Wimberley R Foxwell R Small (resigned 14 November 2022) J Bates A Foxwell E Dooley E Gavrilenko (resigned 8 December 2022) N Bailey P Turner C Fileman-Wright (appointed 14 November 2022)
Company registered number	05133939
Charity registered number	1105114
Registered office	Green Hill Fore Street Moretonhampstead Newton Abbot Devon TQ13 8LL
Key management personnel	G Lingard, Arts Officer P Nottingham, Finance Officer C Rooney, Coordinator
Accountants	Griffin Chartered Accountants 165 High Street Honiton EX14 1LQ
Bankers	Lloyds TSB Okehampton Fore Street Okehampton Devon EX20 1HJ

MORETONHAMPSTEAD DEVELOPMENT TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees present their annual report together with the financial statements of the Moretonhampstead Development Trust for the 1 January 2022 to 31 December 2022. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019) as amended by Update Bulletin 1 (effective January 2019).

Since the Company qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

These are the promotion, for the benefit of the public, of rural regeneration in areas of social or economic deprivation (in particular Moretonhampstead Parish) by all or any of the following means:

1. the advancement of education and training, including to unemployed people
2. the provision of workspace, buildings and land
3. the maintenance, improvement or provision of public amenities
4. the preservation of buildings or sites of historic or architectural importance
5. the provision of recreational facilities for the public at large, or those who by any reason of their youth, age infirmity or disablement, financial hardship or social and economic circumstances, have need of such facilities
6. the support and promotion of local small businesses, including the provision for sale of arts and crafts
7. the provision of facilities for public health and social care
8. the provision of facilities for generating renewable energy
9. the provision of affordable housing
10. any other means subject to approval by the Charities Commission

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Achievements and performance

a. Main achievements of the Company

This was the Trust's 28th year since its founding in the 1990s, and it has certainly been a busy one. We overcame the challenges of Covid and expanded our range of activities, so providing a big boost to our local economy and community. Our finances have improved during the year compared with the 2021 position and we continue to attract new funding. We support local employment through providing a significant number of high-quality jobs.

The Green Hill Centre for Arts, Heritage and Youth is back to capacity and hosts several successful local businesses as well as the Local History Archive, Art Gallery and Studios, Parish Council office, a large training room for hire, and the Yard Youth Club – which is once again running three evenings a week with a great varied programme for young people.

Green Hill Arts has run a successful programme of activities and exhibitions, and been able to generate sufficient income to fund these. So whilst it is difficult to predict how sales will go, we have had good audiences to all our exhibitions and excellent sales over 2022:

- Neil Beech and Jeremy Speck entitled 'Form Landscape and Shape':
- 'Open Exhibition' selected from 165 submissions
- 'Life Still' : Chris Cook, Tim Pearse, Gail Flockhart, Susan Derges, Sian Bonnell, James Lake, Victoria Day and Rob Carter
- Collaborative work of print makers making up the group Pine Feroda entitled 'Catching the Light'
- And our Winter Art and Craft Show

Our workshops and talks are embedded into each exhibition, and always well attended. We held life drawing and supported Art Raft sessions, and engaged the town in making new celebratory flags for the Diamond Jubilee to coincide with the beloved annual June Flag Festival, now in its 13th year. Through our arts activity visitors discover a 'hidden gem', and we have become a major tourist attraction in Moretonhampstead. We also know that exhibiting artists value the dedication and professionalism we invest in the gallery and our shared vision of excellence in the arts.

In 2023 we will look to find ways to sustain our capacity, integrate community and gallery work, and root deeply into our locality and community to engage, inspire, animate and renew us, whilst enriching a wider network of creative artists and visitors. No small ambition.

Wellmoor, our health and wellbeing arm, has developed much new work over the year which has already had an impact in the community. We have prioritised activities which keep people well and out of hospital.

To respond to the Cost of Living Crisis, we established a Community Support Fund in the winter to provide small grants to anyone living in or around Moretonhampstead to meet essential and urgent outgoings, and have already distributed ten grants. We ran a programme of "Friendly Fridays", offering a warm space in the Community Club where local people can gather for lunch and a chat every week. And the popular Devon Day Trippers scheme has provided weekly bus trips for over 55s who find getting out and about difficult.

We have been particularly keen to develop sustainable activities for anyone who wants to improve their mental health. So an active group of volunteers is continuing to manage the Community Allotment through regular working days. At the same time we have carried out a feasibility study for a Community Shed, following visits to some in other communities.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Achievements and performance (continued)

Wellmoor has also provided a 24 week programme of Strength and Balance classes in Moretonhampstead, Okehampton and Crediton, run by qualified Postural Stability Instructors which aims to reduce falls and improve confidence in movement.

An important new development is Active Care Homes: Wellmoor is collaborating with Bournemouth Symphony Orchestra, The Open University, Clare Parker and Villages in Action to devise a product which will bring online music and dance to care homes across Devon, with the aim of increasing activity levels of care home residents.

Finally, we have carried out research for NHS England collecting stories about health experiences in our area and Ilfracombe in order to identify issues and solutions. These are covering: maternity, early cancer diagnosis, COPD, blood pressure and vaccination uptake.

As before, we organized, with a enthusiastic team of volunteers, the illuminated Christmas trees that go up on the front of buildings to make the town look very festive.

Financial review

a. Going concern

The accounts have been prepared on a going concern basis, and show an improvement on the previous year, but we note the Auditor's comment on page 14. The financial difficulty has arisen from the disputed debt with the NHS arising from the lease of Moretonhampstead Hospital. The Trust are currently in negotiations with the lessor in relation to the amount claimed and it is hoped that the outcome of these negotiations will be favourable to the Trust and its long term viability.

b. Reserves policy

The finances of the Trust have remained relatively stable and the Trust continues to maintain reserves to cover staff and running costs in the event that the Trust has to close down. If the reserves drop below the agreed level then the Finance committee will agree a plan to remedy the position. Any major decisions such as staff redundancies will be taken to the full Board of Trustees.

A building fund is also maintained to enable routine maintenance and repair on the building can be performed. This fund is topped up from our rental income.

MORETONHAMPSTEAD DEVELOPMENT TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

c. Principal risks and uncertainties

Our risk analysis has identified the greatest risks to our organisation as being:

1. Loss of income from tenants and building users – we seek to avoid this by choosing our tenants with care and keeping a waiting list in case they move on
2. Damage to our building, as we have a repairing lease from the County Council – we audit the state of the building every year and maintain a building fund to deal with repairs;
3. High turnover of staff or trustees as we rely on high levels of commitment to the community – we have not had to face this because we are seen by most as inclusive, friendly and caring, so a good organisation to work for and continue to be aware of the need for succession planning.
4. Over exposure to financial risks associated with the former tenancy of Moretonhampstead Hospital. We are still in dispute with NHS Property Services, along with other tenants. We have been in regular contact with NHS Devon to seek resolution including meeting with their Vice Chair who has given us verbal reassurance. In 2023 we will continue rigorously to pursue a settlement including approaching tenants of other facilities who have had similar issues with NHS Property Services. We continue to be funded by the NHS for other community-based care and would like to develop these further, so we are determined that this should be resolved quickly. We have made a reasonable offer some time ago and have set aside this sum for settlement in our reserves.

We maintain a Risk Register, with mitigating actions, which the Trustees review annually.

MORETONHAMPSTEAD DEVELOPMENT TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Structure, governance and management

a. Constitution

Moretonhampstead Development Trust is registered as a charitable company limited by guarantee and was set up by a Trust deed.

b. Methods of appointment or election of Trustees

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

c. Organisational structure and decision-making policies

We are answerable once a year to our members, who can vote at our AGM: they are the representatives of every community organisation and Parish Councillors. And throughout the year, we try to be responsive to community needs and views, and involve local people as members, volunteers and trustees.

We also publish details of our work, our organisation, and the meetings of Trustees on our website, and provide frequent updates in the News in Moreton on social media.

Trustees make the important decisions, have oversight of our operations, and are responsible for finances. We would like our Board of Trustees to be more representative of the community we serve, and in 2023 will be making a special appeal for new Trustees in time for the elections at our AGM in July.

We have established a Steering Group for Wellmoor, which has a diverse membership and is now working well: we intend this to widen its remit to cover all our activities. We are also planning a wider community consultation later in the year, on what else we should be doing.

We have made an investment in appointing a Development Manager in late 2022, who we hope will be able to develop larger projects and our capacity to deliver them in future.

The Board of Trustees meets quarterly, though there will be activities in between as well. It delegates responsibility for Finance and Staffing matters to the Finance and Staffing Committee, which meets quarterly to review income and expenditure for the previous period and proposals for new items and projects; and prepares a report to the quarterly Board meeting. There is a Spend Authority Policy, with Trustees being required to authorise expenditure above certain levels.

This Committee has devised a Policy for Staff Pay, which it reviews annually along with specific pay levels. Specific Trustees on the Committee have line management responsibility for specific members of staff, and there is a system of staff review and appraisal to support this.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Structure, governance and management (continued)

d. Policies adopted for the induction and training of Trustees

Trustees are elected at an AGM, though occasionally we may co-opt a new trustee in mid-year pending their election. Our policy on the induction of trustees is: (1) to ensure that anyone who volunteers for the role has a good understanding of what the Trust does and what their responsibility will be; (2) once elected, they are offered time with those working on our different projects, as well as information on our policies and induction training; (3) they are encouraged to participate in trustee training opportunities offered by Locality and NCVO, usually on-line.

We ask all Trustees to take on an area of interest where they can lead or support our staff in the community, as appropriate.

MORETONHAMPSTEAD DEVELOPMENT TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Plans for future periods

Our Vision

We have recently updated our Vision, which is to work towards:

- A Sustainable, Connected and Inclusive Community where People Thrive

Our Mission and Values

In line with our Objects, we have agreed that our Mission is to:

- Identify the Needs and Aspirations of our Community, and Work in Partnership with Others to Drive Positive Change

and our Values in doing this are:

- Courage – Integrity - Creativity – Inclusivity – Communication

Our priorities for the coming year

To build our capacity to deliver new community-based projects in the Arts and the Environment.

To engage better with businesses, especially with a refreshed Visit Moretonhampstead website.

To bring the Community Shed project into fruition.

To become more responsive to our community; to change our name and image to support this (all community activities under the Wellmoor banner); to develop more regular consultative meetings; and continue to develop the current Wellmoor Steering Group into a Consultative Group for all our activities.

Themes and Priorities over the next three years

We have agreed that these will be:

- **Climate Action and Renewable Energy:** we are discussing a range of specific projects, and the priority is to obtain expert advice on where our energies should be channelled, and to facilitate a local network of groups working on this.
- **Engaging wider:** we will seek out voices that are not readily represented in our discussions, especially those of young people, as well as meeting the needs of an ageing population.
- **Arts:** we will develop our community arts work, with an emphasis on environmental issues.
- **Health and Wellbeing:** we will develop our networking, especially using digital technology to provide services remotely, and piloting green prescribing.
- **Affordable Housing:** There are sadly no current opportunities, but in view of its importance to the community, if one arises we would still want to pursue it.
- **Community Facilities:** we will support developments at the Library and Hospital, and also at our own building in Green Hill.

MORETONHAMPSTEAD DEVELOPMENT TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Statement of Trustees' responsibilities

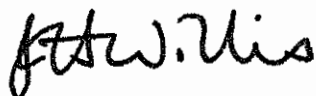
The Trustees (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial . 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 Company and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees and signed on their behalf by:



.....
J Willis
Chair of Trustees

Date: **11. 8. 23**

MORETONHAMPSTEAD DEVELOPMENT TRUST
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**INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022**

Independent examiner's report to the Trustees of Moretonhampstead Development Trust ('the Company')

I report to the charity Trustees on my examination of the accounts of the Company for the year ended 31 December 2022.

Responsibilities and basis of report

As the Trustees of the Company (and 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 2006 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 the Company's accounts 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

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 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.

This report is made solely to the Company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Company's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Company and the Company's Trustees as a body, for my work or for this report.

Signed:



Dated:

22/8/23

Laura Waycott (FCA)

Griffin
Chartered Accountants
165 High Street
Honiton
EX14 1LQ

MORETONHAMPSTEAD DEVELOPMENT TRUST
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**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:					
Donations and legacies	3	2,958	8,356	11,314	62,596
Charitable activities	4	56,762	75,123	131,885	146,359
Investments	5	-	20	20	2
Total income		59,720	83,499	143,219	208,957
Expenditure on:					
Charitable activities	7	35,820	100,786	136,606	172,234
Total expenditure		35,820	100,786	136,606	172,234
Net movement in funds		23,900	(17,287)	6,613	36,723
Reconciliation of funds:					
Total funds brought forward		75,642	67,971	143,613	106,890
Net movement in funds		23,900	(17,287)	6,613	36,723
Total funds carried forward		99,542	50,684	150,226	143,613

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 14 to 30 form part of these financial statements.

MORETONHAMPSTEAD DEVELOPMENT TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 05133939

BALANCE SHEET
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	11	87,021	90,554
		<u>87,021</u>	<u>90,554</u>
Current assets			
Debtors	12	7,394	26,901
Cash at bank and in hand		152,887	126,017
		<u>160,281</u>	<u>152,918</u>
Creditors: amounts falling due within one year	13	(53,454)	(53,177)
Net current assets		<u>106,827</u>	<u>99,741</u>
Total assets less current liabilities		<u>193,848</u>	<u>190,295</u>
Creditors: amounts falling due after more than one year	14	(43,622)	(46,682)
		<u>150,226</u>	<u>143,613</u>
Total net assets		<u><u>150,226</u></u>	<u><u>143,613</u></u>
Charity funds			
Restricted funds	15	99,542	75,642
Unrestricted funds	15	50,684	67,971
Total funds		<u><u>150,226</u></u>	<u><u>143,613</u></u>

MORETONHAMPSTEAD DEVELOPMENT TRUST
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BALANCE SHEET (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

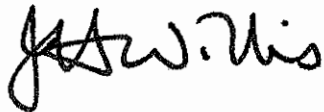
The Company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees on
11th August 2023 and signed on their behalf by:



J Willis
Chair of Trustees

The notes on pages 14 to 30 form part of these financial statements.

MORETONHAMPSTEAD DEVELOPMENT TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1. General information

Moretonhampstead Development Trust is a standard registered charity registered in England and Wales. The registered office address is Green Hill, Fore Street, Moretonhampstead, Devon, TQ13 8LL.

2. Accounting policies

2.1 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 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

2.2 Going concern

The accounts have been prepared on a going concern basis, however when excluding amounts tied up in fixed assets and restricted funds, there is a deficit on unrestricted reserves of £36,337. This assumes the amounts accrued regarding rent and service charges payable under the current lease agreement of £37,866 (currently based on a 50% reduction as offered) would be payable. The Charity are currently in negotiations with the lessor to try and reduce this. Due to this situation and the ongoing negotiations there is a material uncertainty around the going concern status of the Charity.

2.3 Income

All income is recognised once the Company 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.

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

MORETONHAMPSTEAD DEVELOPMENT TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)

2.4 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 measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

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

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

2.5 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.

2.6 Interest receivable

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

2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £100 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets 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.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Long-term leasehold property	- over the remaining life of the lease
Office equipment	- 5 years

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.8 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.

2.9 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.

2.10 Liabilities and provisions

Liabilities are recognised when 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 Company 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.

2.11 Financial instruments

The Company 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.12 Pensions

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

2.13 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 Company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company 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.

Investment income, gains and losses are allocated to the appropriate fund.

MORETONHAMPSTEAD DEVELOPMENT TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

3. Income from donations and legacies

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Donations	2,958	8,356	11,314
	<i>Restricted funds 2021 £</i>	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Donations	19,101	3,286	22,387
Grants	15,400	-	15,400
Government grants	-	24,809	24,809
	<u>34,501</u>	<u>28,095</u>	<u>62,596</u>

4. Income from charitable activities

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Centre management	-	37,730	37,730
Community services	56,462	15,347	71,809
Arts and heritage	300	22,046	22,346
Total 2022	<u>56,762</u>	<u>75,123</u>	<u>131,885</u>

MORETONHAMPSTEAD DEVELOPMENT TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

4. Income from charitable activities (continued)

	<i>Restricted funds 2021 £</i>	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Centre management	59	61,619	61,678
Community services	66,686	180	66,866
Arts and heritage	4,792	13,023	17,815
<i>Total 2021</i>	<u>71,537</u>	<u>74,822</u>	<u>146,359</u>

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5. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £
Investment income	20	20
	<u>20</u>	<u>20</u>
	Unrestricted funds 2021 £	Total funds 2021 £
Investment income	2	2
	<u>2</u>	<u>2</u>

6. Analysis of grants

	Grants to Individuals 2022 £	Total funds 2022 £	Total funds 2021 £
Grants, Community services	4,570	4,570	-
	<u>4,570</u>	<u>4,570</u>	<u>-</u>

7. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Grant funding of activities 2022 £	Support costs 2022 £	Total funds 2022 £
Centre management	24,722	-	15,640	40,362
Community services	32,963	4,570	20,370	57,903
Arts and heritage	24,722	-	13,619	38,341
	<u>82,407</u>	<u>4,570</u>	<u>49,629</u>	<u>136,606</u>

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7. Analysis of expenditure by activities (continued)

	<i>Activities undertaken directly 2021 £</i>	<i>Support costs 2021 £</i>	<i>Total funds 2021 £</i>
Centre management	58,145	67,823	125,968
Community services	12,958	10,175	23,133
Arts and heritage	12,958	10,175	23,133
	<u>84,061</u>	<u>88,173</u>	<u>172,234</u>

Analysis of direct costs

	Centre management 2022 £	Community services 2022 £	Arts and heritage 2022 £	Total funds 2022 £
Staff costs	14,087	18,783	14,087	46,957
Direct costs	1,753	2,337	1,753	5,843
Professional charges	6,828	9,105	6,828	22,761
Publicity and events costs	1,261	1,681	1,261	4,203
Training	793	1,057	793	2,643
	<u>24,722</u>	<u>32,963</u>	<u>24,722</u>	<u>82,407</u>

	<i>Centre management 2021 £</i>	<i>Community services 2021 £</i>	<i>Arts and heritage 2021 £</i>	<i>Total funds 2021 £</i>
Staff costs	38,357	8,692	8,692	55,741
Direct costs	10,406	2,261	2,261	14,928
Professional charges	6,903	1,479	1,479	9,861
Publicity and events costs	1,807	381	381	2,569
Training	672	145	145	962
	<u>58,145</u>	<u>12,958</u>	<u>12,958</u>	<u>84,061</u>

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7. Analysis of expenditure by activities (continued)

Analysis of support costs

	Centre management 2022 £	Community services 2022 £	Arts and heritage 2022 £	Total funds 2022 £
Depreciation	1,532	2,042	1,532	5,106
Finance costs	827	1,102	827	2,756
Miscellaneous costs	1,552	2,068	1,551	5,171
Office costs	2,871	3,828	2,871	9,570
Professional charges	1,787	2,383	1,789	5,959
Property costs	5,049	8,947	5,049	19,045
Governance costs	2,022	-	-	2,022
	<u>15,640</u>	<u>20,370</u>	<u>13,619</u>	<u>49,629</u>

	Centre management 2021 £	Community services 2021 £	Arts and heritage 2021 £	Total funds 2021 £
Depreciation	3,364	714	714	4,792
Finance costs	2,520	540	540	3,600
Miscellaneous costs	692	148	148	988
Office costs	5,213	1,119	1,119	7,451
Professional charges	2,994	241	641	3,876
Property costs	51,150	7,413	7,013	65,576
Governance costs	1,890	-	-	1,890
	<u>67,823</u>	<u>10,175</u>	<u>10,175</u>	<u>88,173</u>

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8. Independent examiner's remuneration

	2022 £	2021 £
Fees payable to the Company's independent examiner for the independent examination of the Company's annual accounts	674	630
Fees payable to the Company's independent examiner in respect of: All other services not included above	<u>1,348</u>	<u>1,260</u>

9. Staff costs

	2022 £	2021 £
Wages and salaries	46,530	53,261
Contribution to defined contribution pension schemes	427	2,480
	<u>46,957</u>	<u>55,741</u>

The average number of persons employed by the Company during the year was as follows:

	2022 No.	2021 No.
Employees	<u>5</u>	<u>8</u>

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

The key management personnel of the charity comprises the management team (see page 1). The total employee benefits of the key management personnel of the charity is £28,474 (2021 - £40,579).

10. Trustees' remuneration and expenses

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

During the year ended 31 December 2022, expenses totalling £378 were reimbursed or paid directly to one Trustees (2021 - £27.97 to two Trustees).

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11. Tangible fixed assets

	Long-term leasehold property £	Office equipment £	Total £
Cost or valuation			
At 1 January 2022	576,691	68,854	645,545
Additions	-	1,573	1,573
At 31 December 2022	<u>576,691</u>	<u>70,427</u>	<u>647,118</u>
Depreciation			
At 1 January 2022	488,124	66,867	554,991
Charge for the year	4,026	1,080	5,106
At 31 December 2022	<u>492,150</u>	<u>67,947</u>	<u>560,097</u>
Net book value			
At 31 December 2022	<u>84,541</u>	<u>2,480</u>	<u>87,021</u>
At 31 December 2021	<u>88,567</u>	<u>1,987</u>	<u>90,554</u>

12. Debtors

	2022 £	2021 £
Due within one year		
Trade debtors	7,394	2,582
Other debtors	-	1,219
Prepayments and accrued income	-	23,100
	<u>7,394</u>	<u>26,901</u>

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13. Creditors: Amounts falling due within one year

	2022	2021
	£	£
Other loans	5,581	5,580
Trade creditors	3,350	3,386
Other taxation and social security	492	-
Other creditors	4,143	4,455
Accruals and deferred income	39,888	39,756
	<u>53,454</u>	<u>53,177</u>

14. Creditors: Amounts falling due after more than one year

	2022	2021
	£	£
Other loans	<u>43,622</u>	<u>46,682</u>

Included within the above are amounts falling due as follows:

	2022	2021
	£	£
Between one and two years		
Other loans	<u>5,580</u>	<u>5,580</u>
Between two and five years		
Other loans	<u>16,740</u>	<u>16,740</u>
Over five years		
Other loans	<u>21,302</u>	<u>24,362</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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15. Statement of funds

Statement of funds - current year

	Balance at 1 January 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2022 £
Unrestricted funds					
Designated funds					
Fixed asset depreciation	356	-	(5,106)	4,750	-
Property maintenance	6,210	-	-	-	6,210
Contingency fund	2,000	-	-	-	2,000
	<u>8,566</u>	<u>-</u>	<u>(5,106)</u>	<u>4,750</u>	<u>8,210</u>
General funds					
Unrestricted	<u>59,405</u>	<u>83,499</u>	<u>(95,680)</u>	<u>(4,750)</u>	<u>42,474</u>
Total Unrestricted funds	<u>67,971</u>	<u>83,499</u>	<u>(100,786)</u>	<u>-</u>	<u>50,684</u>
Restricted funds					
Core	10,723	155	(7,016)	-	3,862
Arts	13,659	4,798	(3,789)	-	14,668
Wellmoor	51,260	54,767	(25,015)	-	81,012
	<u>75,642</u>	<u>59,720</u>	<u>(35,820)</u>	<u>-</u>	<u>99,542</u>
Total of funds	<u>143,613</u>	<u>143,219</u>	<u>(136,606)</u>	<u>-</u>	<u>150,226</u>

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15. Statement of funds (continued)

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

Designated funds:

The fixed asset depreciation fund was set up to help absorb future depreciation on fixed assets.

The property maintenance fund was set up with the money received from the Devon Youth Service for property delapidations when they ended their lease of the youth centre early.

The contingency fund was set up to help absorb any future costs associated with unpredicted events.

Restricted funds:

Core

Core funding relates to the income generated by the letting of offices and studios, complemented by the hire out of the meeting room.

Arts

The Arts funding is from personal donations and income from the shop. Some small revenue is generated by the art classes that take place during the year.

Wellmoor

Projects are funded from a number of sources including Local Authority grants, NHS schemes and National Lottery awards. Wellmoor is a project to help relieve health and social welfare issues not addressed by statutory or other voluntary organisations.

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**NOTES TO THE FINANCIAL STATEMENTS
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15. Statement of funds (continued)

Statement of funds - prior year

	<i>As restated Balance at 1 January 2021 £</i>	<i>As restated Income £</i>	<i>As restated Expenditure £</i>	<i>Transfers in/out £</i>	<i>As restated Balance at 31 December 2021 £</i>
Unrestricted funds					
Designated funds					
Fixed asset depreciation	5,148	-	(4,792)	-	356
Property maintenance	6,210	-	-	-	6,210
Contingency fund	2,000	-	-	-	2,000
	<u>13,358</u>	<u>-</u>	<u>(4,792)</u>	<u>-</u>	<u>8,566</u>
General funds					
Unrestricted	<u>76,905</u>	<u>102,919</u>	<u>(120,419)</u>	<u>-</u>	<u>59,405</u>
Total Unrestricted funds	<u>90,263</u>	<u>102,919</u>	<u>(125,211)</u>	<u>-</u>	<u>67,971</u>
Restricted funds					
Core	3,332	20,646	(13,255)	-	10,723
Arts	5,202	15,913	(7,456)	-	13,659
Wellmoor	8,093	69,479	(26,312)	-	51,260
	<u>16,627</u>	<u>106,038</u>	<u>(47,023)</u>	<u>-</u>	<u>75,642</u>
Total of funds	<u><u>106,890</u></u>	<u><u>208,957</u></u>	<u><u>(172,234)</u></u>	<u><u>-</u></u>	<u><u>143,613</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS
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16. Summary of funds

Summary of funds - current year

	Balance at 1 January 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2022 £
Designated funds	8,566	-	(5,106)	4,750	8,210
General funds	59,405	83,499	(95,680)	(4,750)	42,474
Restricted funds	75,642	59,720	(35,820)	-	99,542
	<u>143,613</u>	<u>143,219</u>	<u>(136,606)</u>	<u>-</u>	<u>150,226</u>

Summary of funds - prior year

	Balance at 1 January 2021 £	As restated Income £	As restated Expenditure £	Balance at 31 December 2021 £
Designated funds	13,358	-	(4,792)	8,566
General funds	76,905	102,919	(120,419)	59,405
Restricted funds	16,627	106,038	(47,023)	75,642
	<u>106,890</u>	<u>208,957</u>	<u>(172,234)</u>	<u>143,613</u>

17. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	87,021	87,021
Current assets	99,542	60,739	160,281
Creditors due within one year	-	(53,454)	(53,454)
Creditors due in more than one year	-	(43,622)	(43,622)
Total	<u>99,542</u>	<u>50,684</u>	<u>150,226</u>

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17. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Restricted funds 2021 £</i>	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Tangible fixed assets	-	90,554	90,554
Current assets	75,642	77,276	152,918
Creditors due within one year	-	(53,177)	(53,177)
Creditors due in more than one year	-	(46,682)	(46,682)
Total	<u>75,642</u>	<u>67,971</u>	<u>143,613</u>

18. Pension commitments

The charity operates a defined contribution 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 £427 (2020 - £2,480). Contributions totalling £Nil (2021 - £67) were payable to the fund at the balance sheet date and are included in creditors.

19. Related party transactions

No related party transactions took place during the financial year.

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20. Operating lease commitments

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

	2022	2021
	£	£
Not later than 1 year	1	1
Later than 1 year and not later than 5 years	4	4
Later than 5 years	18	19
	<u>23</u>	<u>24</u>

The following lease payments have been recognised as an expense in the Statement of financial activities:

	2022	2021
	£	£
Operating lease rentals	<u>1</u>	<u>28,121</u>