

Company number: 4749158

Charity Number: 1109711

QUAGGY DEVELOPMENT TRUST
(A Charitable Company Limited by Guarantee)

ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2023



QUAGGY DEVELOPMENT TRUST
*Improving the lives of
local children and families*

QUAGGY DEVELOPMENT TRUST

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QUAGGY DEVELOPMENT TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

Trustees Natalie Meguerditchian (Chair)
Naomi Delap
Simon Riley (Treasurer and Vice-Chair)
Beatrice Panduru

Key Management Dawn Jacovou (Chief Executive)
Joanna Lawrence (Deputy Executive)

Registered office Quaggy Childrens Centre
Orchard Hill
London
SE13 7QZ

Company Secretary Timothy Rogerson FCA

Bankers National Westminster Bank Plc
143 High Street
Bromley
BR1 1JH

Auditor Simpson Wreford LLP
Wellesley House
Duke of Wellington Avenue
Royal Arsenal
London
SE18 6SS

Company number 04749158

Charity number 1109711

QUAGGY DEVELOPMENT TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

The trustees (who are also the directors of the charitable company for the purposes of company law) are pleased to present their report together with the consolidated financial statements of the Charity for the year ended 31 March 2023 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes. The information shown on page 1 forms part of this report.

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 their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Quaggy Development Trust (QDT) is a company limited by guarantee, governed by its Memorandum and Articles of Association dated 30 April 2003 (company number 4749158). Revised Articles of Association were adopted on 1 December 2021. The Charity was registered as a charity with the Charity Commission on 26 May 2005. Since 1 December 2021 the only members of the company have been its Trustees. Members have agreed to contribute £1 in the event of the charity being wound up.

The principal operating address is Quaggy Childrens Centre, Orchard Hill, London SE13 7QZ.

Charity governance

The Charity is governed by its board comprising Trustees and Key Management. This combined board is responsible for the Charity's operations. Where a vote is required, only those on the Board who are Trustees have the power to register a vote.

The Board Members of the charitable company throughout the year and to the date of signing of this report, except where indicated, are as follows:

Trustees

Susan McKee (until 23 January 2023 and Chair to that date)
Naomi Delap
Simon Riley (Treasurer and Vice-Chair)
Natalie Meguerditchian (Chair from 23 January 2023)
Emma Brady (until 1 April 2022)
Beatrice Panduru (from 24 May 2022)

Key management

Dawn Jacovou (Chief Executive)
Joanna Lawrence (Deputy Chief Executive)

Appointment of Trustees

As set out in the Articles of Association, new Trustees are appointed by a decision of the existing Trustees. The minimum number of Trustees is three and the maximum is twelve. Trustees serve for a term of three years and may serve a maximum of three consecutive terms before taking a break of at least one year unless the Trustees decide that there are exceptional circumstances which mean that it would not be in the best interest of the Charity for the Trustee to take a break from office. The Trustees may appoint a Chair, Vice-Chair and Treasurer from among their number.

QUAGGY DEVELOPMENT TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Trustees' Induction and Training

New Trustees and Key Management undergo an orientation meeting to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the Committee and decision-making processes, business plans and recent financial performance of the Charity. During the induction process, they meet key employees and other Trustees and are given a Trustees' information pack containing comprehensive guidance notes relating to their role. Internal training sessions are held for Trustees on an annual basis after their initial induction and Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Organisation

The Board of Trustees delegates day to day management of the charity to the Chief Executive, Dawn Jacovou, and her team. Until April 2023 the Board has usually met once every two months, but since April 2023 it has met quarterly. The Human Resources and Finance sub-committees also now meet quarterly rather than when required. The devolved responsibilities of these sub-committees are set out in their governing terms of reference.

Related Parties

The charity owns 100% of the share capital in Quaggy Café at Parkside Limited, a trading company. The trading company's accounts have been consolidated into these accounts.

Apart from the subsidiary the only other known related parties are the Trustees and Key Management.

The charity maintains a close working relationship with the Royal Borough of Greenwich and the London Borough of Lewisham.

Risk Management

A comprehensive risk assessment review, in line with Charity Commission guidance, was undertaken by the senior leadership team and Trustees in the first quarter of 2020. The areas of risk considered were governance, external, regulatory and compliance, financial and operational. The Trustees support the need for risks to be kept under regular review. The Risk Register is reviewed at least annually and more regularly if appropriate.

The following general principles underpin the risk management processes:

- Evaluation of risk forms part of strategic and business planning, and investment and project appraisal;
- Risk management ensures that the application of internal controls is proportionate to the risk the controls are designed to manage;
- Managers and staff at all levels have a responsibility to identify, evaluate and manage or report risks;
- Ownership of risk is allocated to individuals best placed to manage the risk – i.e. they have the authority and necessary resources to manage the risk;
- QDT fosters a culture which spreads best practice, lessons learned and expertise acquired from risk management activities across the Trust.

QUAGGY DEVELOPMENT TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

OBJECTIVES AND ACTIVITIES

Since 1 December 2021, the objects of the Charity have been the promotion for the public benefit of urban regeneration in areas of social and economic deprivation (and in particular the area of benefit) by all or any of the following means:

- The advancement of education, training and retraining, particularly among unemployed people, and providing employed people with work experience;
- The relief of poverty in such ways as may be thought fit;
- The development of the capacity and skills of members of the area of benefit in such a way that they are better able to identify and help meet their needs, and to participate more fully in society;
- The relief of unemployment in such ways as may be thought fit;
- The provision of public health facilities and childcare;
- The provision of public safety and the prevention of crime;
- The provision of recreational facilities for the public at large and/or those who by reasons of their youth, age, infirmity or disability, poverty or social and economic circumstances have need of such facilities.

The area of benefit is the West Ward of the Royal Borough of Greenwich, and the immediate surrounding area.

The Trustees have considered the Charity Commission's general guidance on public benefit when reviewing the aims and objectives. During the year the Charity's activities were principally focused on:

- Continuing the consolidation of our work providing, supporting and developing community services on the Coldbath and Orchard Estate and surrounding areas;
- Maintaining the development of the long-term strategic plan in order to identify and embrace new and existing ways in which our work will benefit the local area;
- Implementing the proposals made in the successful bid for the Start Well Greenwich contract, which commenced on 1 April 2020 and maintaining our close relationship with the Royal Borough of Greenwich Council.

FINANCIAL REVIEW

The Statement of Financial Activities shows a surplus for the year of £400,785 (2022: £209,220) with the principal funding sources of the Charity being the contract for the provision of Children's Centres, Nursery income, Crèche and Counselling services.

The Balance Sheet at the year-end shows total funds of £2,834,642 (2022: £2,433,857) of which £1,037,004 (2022: £747,654) is restricted.

The Trustees acknowledge the following funders during the year:

- Royal Borough of Greenwich (Greenwich West Childrens Centres) - £1,311,818;
- Royal Borough of Greenwich (Other grants) - £19,277

In November 2019 the Royal Borough of Greenwich awarded Quaggy Development Trust the Contract for Greenwich West Childrens Centres. This is a 5-year contract which commenced in April 2020, with an option for a further 4 years running to March 2029.

QUAGGY DEVELOPMENT TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

ACHIEVEMENTS AND PERFORMANCE 2022-2023

Early Years and Nurseries

The Trust's continued to operate three nurseries, with the number of children attending gradually increasing although this was still significantly lower than before the pandemic. Parkside Nursery was inspected by OFSTED in Summer 2022 and awarded "Good" in all categories. Special activities were created to mark the late Queen's Diamond Jubilee, as well as recycling week, Halloween, Chinese New Year, Pancake Day and various other dates through the year. Following the takeover of "First Steps" (a software provider) by "Family", all nursery administration was migrated to the new software during the year. The work undertaken on an ECO-strategy for the Trust was recognised when it was awarded an Eco-Schools Green Flag with distinction and received feedback, which highlighted the "excellent commitment to ... the eco-cause".

Greenwich West Children's Centres

This was the first year of the current (April 2020 to March 2025) Royal Borough of Greenwich contract not to be affected significantly by the Covid 19 pandemic, meaning that a full range of activities was able to be offered across all the Children's Centres. The Trust achieved its Payment by Results objectives and ran a Fun Day for the first time since 2019, attended by over 100 families. The Children's Centre team continued to offer Early Help support to families and was again able to offer a placement to a Student Social worker during the year.

Volunteers

We thank those of our volunteers who undertook voluntary work with us during the year. This included giving Breastfeeding one to one support, supporting the Older People's Lunch Club and Youth Club and offering counselling services.

Lunch Club and Youth Club

The older persons' lunch club met weekly during the year and enjoyed a pre-Christmas outing to Ruxley Garden Centre with a Christmas dinner being offered a week later. Youth activities, offered with the support of the Wash House Youth Project, continued with Football sessions being offered in conjunction with Charlton Athletic Football Club and Youth Club activities running for much of the year.

Counselling Service

Demand for the Counselling service remained high with referrals being received regularly from Greenwich and Lewisham NHS counselling services as well as self-referrals from the Trust's website. The Trust continued to provide art therapists to the two Invicta Primary School sites.

Staff

Recognising the importance of the charity's staff, the Trustees commissioned a staff survey during the year, in which over half of the staff team participated. After receiving the results of this survey, the Trustees revised staff employment contracts reflecting the competitive nature of the employment market for the sector. The Trust also introduced a software based leave management system during the year enabling staff to book holiday remotely.

Grants received

The Trust received three grants in the year, one for food poverty, another for warm spaces and a third one to assist families struggling with the cost of living, which has included contributing towards energy bills.

QUAGGY DEVELOPMENT TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

ACHIEVEMENTS AND PERFORMANCE 2022-2023 (continued)

Other activities

After a break of two years caused by the Covid-19 pandemic, the Trust was pleased to be able to run the Quaggy Carnival at the start of July 2022. Through its subsidiary company, Quaggy Café at Parkside Limited, it also operated the Quaggy Café at Parkside Square which enjoyed a significant increase in customers compared with the previous year, although following the termination of the lease, the café closed on 31 March 2023.

FUTURE PLANS AND OBJECTIVES FOR 2023-2024

The Trustees took the decision to close Quaggy Nursery at Parkside with effect from the end of the Summer Term 2023, which was communicated to parents in May 2023. The small number of children affected have been offered places at Quaggy Childrens Centre Nursery.

The Trust is currently working with several partners to establish a food pantry for the Orchard and Coldbath Estates with the aim of reducing the high levels of food poverty being experienced by some in these locations.

It is also working to establish a new location for some Children's Centre services at Charlton Triangle. It is also working with the Royal Borough of Greenwich on the development of Family Hubs, a central Government Initiative aimed at reducing inequalities in health and education outcomes for babies, children and families in England following receipt of evidence which showed that some of the most disadvantaged families did not access vital services.

During the year the Trustees took the decision to implement the London Living Wage for all staff with effect from 1 April 2023 and subsequently to seek accreditation as a Living Wage Employer.

INVESTMENT POLICY

The Charity owns two residential investment properties close to its main offices, which are held to provide regular income and capital appreciation. During the year, having reviewed the balances that should be held as cash at the bank the Trustees took the decision to make two further investments, but this time in ethical Charity Investment Funds, again with the purpose of providing regular income and modest capital appreciation. It is the Trustees' intention that the income generated by these investments will be used to support some of the charity's activities which are not publicly funded, including the Quaggy Carnival, Lunch Club and Counselling Services. The Trustees are satisfied with the performance of all investments during the year.

RESERVES POLICY

After consideration of funding and contingency requirements of the Charity, the Trustees believe that free reserves (as defined by the Charity Commission) equivalent to between eight and nine months of expenditure should be maintained, which they estimate (following the changes in the contract with the Royal Borough of Greenwich) as being approximately £1,500,000. At 31 March 2023, free reserves amounted to £724,057 and so were some way below the target. It is the intention of the Trustees to increase free reserves to the target level in the medium term.

QUAGGY DEVELOPMENT TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Trustees' Annual 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 company and of the income and expenditure of the 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 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

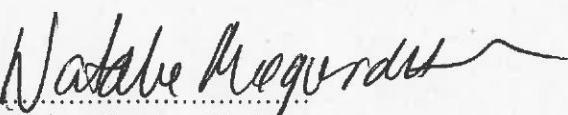
The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

AUDITORS

Simpson Wreford LLP have expressed their willingness to continue as auditors and their reappointment will be proposed at the Annual General Meeting.

The above report has been prepared in accordance with the special provisions of Section 419(2) of the Companies Act 2006 relating to small companies.

Approved by the Board of Trustees on 5 December 2023 and signed on its behalf by:


.....
N Meguerditchian (Chair)

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
QUAGGY DEVELOPMENT TRUST FOR THE YEAR ENDED 31 MARCH 2023**

Opinion

We have audited the financial statements of Quaggy Development Trust (the 'Charity') for the year ended 31 March 2023 which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Consolidated Cash Flow Statement and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2023 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
QUAGGY DEVELOPMENT TRUST FOR THE YEAR ENDED 31 MARCH 2023**

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report (incorporating the strategic report and the directors' report) have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us;
- the financial statements are not in agreement with the accounting records and returns;
- we have not obtained all the information and explanations necessary for the purposes of our audit;
- the directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies' exemption from the requirement to prepare a strategic report.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement set out on page 7, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities]. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of membership organisations and support services sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, data protection and OFSTED regulations

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
QUAGGY DEVELOPMENT TRUST FOR THE YEAR ENDED 31 MARCH 2023**

- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

Audit response to risks identified

We assessed the susceptibility of the Charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 1 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with OFSTED.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

Use of our report

This report is made solely to the Charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



Michael Broder BSc FCA (Senior Statutory Auditor)
for and on behalf of Simpson Wreford LLP, Statutory Auditor
Wellesley House, Duke of Wellington Avenue, Royal Arsenal, London SE18 6SS

Dated: 13/12/2023

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

QUAGGY DEVELOPMENT TRUST

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2023 (including consolidated income and expenditure account)

		2023 Unrestricted funds £	2023 Restricted funds £	2023 Total funds £	2022 Total funds £
	Notes				
Income					
Donations and legacies	3	1,087	82,200	83,287	52,996
Charitable activities	4	717,203	1,331,094	2,048,297	2,987,716
Investment income	5	54,546	-	54,546	35,475
Other trading activities	6	57,339	-	57,339	28,848
Other income		5,111	-	5,111	4,846
Total income		<u>835,286</u>	<u>1,413,294</u>	<u>2,248,580</u>	<u>3,109,881</u>
Expenditure					
Raising funds	8	88,411	-	88,411	41,445
Charitable activities	9	947,905	965,260	1,913,165	2,873,226
Total expenditure		<u>1,036,316</u>	<u>965,260</u>	<u>2,001,576</u>	<u>2,914,671</u>
Net (expenditure)/income before gains and losses on investments		(201,030)	448,034	247,004	195,210
Net gains and losses on investments					
Losses on investment assets		(16,004)	-	(16,004)	-
Net (expenditure)/income		(217,034)	448,034	231,000	195,210
Transfers between funds		151,400	(151,400)	-	-
Other recognised gains and losses					
Actuarial gains/(losses) on Defined benefit pension scheme	17	177,069	(7,284)	169,785	14,010
Net movement in funds		111,435	289,350	400,785	209,220
Reconciliation of funds					
Total funds brought forward		1,686,203	747,654	2,433,857	2,224,637
Total funds carried forward	16	<u>1,797,638</u>	<u>1,037,004</u>	<u>2,834,642</u>	<u>2,433,857</u>

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

All amounts relate to continuing activities except for Income from *Other Trading Activities* (£57,339, 2022: £28,848) and Expenditure on *Raising Funds* (£88,411, 2022: £41,445), which relate to an activity which was discontinued on 31 March 2023. The result from this discontinued activity was a deficit of £31,072 (2022: £12,597). All other amounts relate to continuing activities, being income amounting to £2,191,241 (2022: £3,081,833), expenditure of £1,913,165 (2022: £2,873,226), net income before gains and losses on investments of £278,076 (2022: £207,807) and net movement in funds of £431,857 (2022: £221,817).

The notes on pages 14 to 27 form part of these financial statements.

QUAGGY DEVELOPMENT TRUST

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2023

	Notes	Group		Charity	
		2023 £	2022 £	2023 £	2022 £
Fixed assets					
Tangible assets	11	178,750	213,610	178,750	213,610
Investments	12	<u>1,757,134</u>	<u>973,138</u>	<u>1,757,135</u>	<u>973,139</u>
		1,935,884	1,186,748	1,935,885	1,186,749
Current assets					
Stock	13	-	188	-	-
Debtors	14	36,742	27,205	65,652	136,201
Cash at bank and in hand		<u>1,133,458</u>	<u>1,707,101</u>	<u>1,104,387</u>	<u>1,682,852</u>
		1,170,200	1,734,494	1,170,039	1,819,053
Creditors: amounts falling due within one year	15	<u>(264,158)</u>	<u>(310,316)</u>	<u>(258,484)</u>	<u>(306,883)</u>
Net current assets		<u>906,042</u>	<u>1,424,178</u>	<u>911,555</u>	<u>1,512,170</u>
Total assets less current liabilities		2,841,926	2,610,926	2,847,440	2,698,919
Defined benefit pension scheme	17	<u>(7,284)</u>	<u>(177,069)</u>	<u>(7,284)</u>	<u>(177,069)</u>
Total assets less liabilities		<u>2,834,642</u>	<u>2,433,857</u>	<u>2,840,156</u>	<u>2,521,850</u>
Funds					
Unrestricted general funds		1,612,057	1,484,618	1,617,571	1,572,611
Unrestricted revaluation reserve		185,581	201,585	185,581	201,585
Restricted funds		<u>1,037,004</u>	<u>747,654</u>	<u>1,037,004</u>	<u>747,654</u>
Total funds	16	<u>2,834,642</u>	<u>2,433,857</u>	<u>2,840,156</u>	<u>2,521,850</u>

The directors have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011.

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2023, although an audit has been carried out under section 144 of the Charities Act 2011. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these accounts under the requirements of the Companies Act 2006.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006.

The financial statements on pages 11 to 27 were approved by the Trustees on 5 December 2023 and are signed on their behalf by:



S C Riley (Treasurer and Vice-Chair)
Trustee

Company number: 04749158 (England and Wales). Charity number: 1109711.

QUAGGY DEVELOPMENT TRUST

**CONSOLIDATED STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 MARCH 2023**

	Notes	2023 £	2022 £
Cash generated by operating activities	21	<u>174,750</u>	<u>151,382</u>
Cash flows from investing activities			
Dividends, interest and rents from investments		51,607	35,475
Purchase of investment property		-	(7,100)
Purchase of investments		(800,000)	-
Purchase of tangible fixed assets		<u>-</u>	<u>(2,133)</u>
Cash used in investing activities		<u>(748,393)</u>	<u>(26,242)</u>
Increase/(decrease) in cash and cash equivalents in the year		<u>(573,643)</u>	<u>177,624</u>
Cash and cash equivalents at the beginning of the year		<u>1,707,101</u>	<u>1,529,477</u>
Total cash and cash equivalents at the end of the year		<u>1,133,458</u>	<u>1,707,101</u>

QUAGGY DEVELOPMENT TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

1. Principal accounting policies

Company information

Quaggy Development Trust is a Charitable Company Limited by Guarantee incorporated in England and Wales, registration number 04749158. The registered office is Quaggy Childrens Centre, Orchard Hill, London, SE13 7QZ.

Basis of accounting

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

Quaggy 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.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest pound.

The financial statements have been prepared on the historical cost convention, modified to include certain financial instruments at fair value or amortised cost. The principal accounting policies adopted are set out below.

Group financial statements

The financial statements consolidate the results of the charity and its wholly owned subsidiary, Quaggy Café At Parkside Limited, on a line by line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the Trust has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

Income

Income is recognised dependent on the nature of the income receivable:

- Nursery and crèche fees are accounted for on an accrual basis. Any fees received in advance are deferred and included in the Statement of Financial Activities in the year the fees relate to.
- Donations are recognised when the charity is legally entitled to the income.
- Grants, including grants for fixed assets, are recognised within the accounts as they become receivable. Grants received in the accounting period of respect of future accounting periods are deferred until those periods.
- Other trading activities relate to income derived from the subsidiary company and are recognised at fair value upon transfer of goods or at the time of a service being provided.
- Other income, including bank interest, is accounted for on an accrual basis once the income becomes receivable and that amount can be measured reliably by the charity.
- Donated services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. On receipt, donated services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity 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.

QUAGGY DEVELOPMENT TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

1. Principal Accounting Policies (continued)

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of commercial trading and includes wage costs of employees' time spent and their associated support costs.
- Expenditure on charitable activities includes the costs of running community projects and the children's services, undertaken to further the purposes of the charity and their associated support costs.

Grants payable are accounted for on an accrual basis and are accounted for in charitable activities and recognised in the restricted funds to which they relate if applicable. Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grant.

Allocation of support costs

Support costs which are attributable to more than one activity, are apportioned across cost categories on the basis of an estimate of the proportion of time spent by staff on those activities. The apportionment is defined as either direct or indirect.

Investments

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. Fair value is determined by the Trustees using freely available information from internet sites such as Rightmove and Zoopla. The surplus or deficit on revaluation is recognised in the Statement of Financial Activities.

Investments in equity instruments are measured initially at fair value, which is usually the transaction price. Subsequent to initial recognition, investments that can be valued reliably are measured at fair value with changes in value recognised in the Statement of Financial Activities. Other investments are measured at cost less any impairment (recognised in the Statement of Financial Activities).

Tangible fixed assets

Individual fixed assets with a cost of more than £800 are capitalised at cost and depreciated over their expected useful life, as follows:

Plant and machinery, consisting of:

- | | |
|---------------------------|-------------------|
| • Kitchen equipment | 20% straight line |
| • Toys and play equipment | 25% straight line |

Office equipment, consisting of:

- | | |
|--------------------|-------------------|
| • Office equipment | 15% straight line |
| • Computers | 25% straight line |

Leasehold improvements	over the period of the lease
------------------------	------------------------------

Stock

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

Debtors

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

QUAGGY DEVELOPMENT TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

1. Principal Accounting Policies (continued)

Cash at bank and in hand

Cash at bank and cash 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.

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 after allowing for any trade discount due.

Operating lease commitments

Rentals paid under operating leases are charged on a straight-line basis over the lease term.

Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Pensions

Retirement benefits to two of the employees of the charity are provided by the Local Government Pension Scheme ('LGPS'). This is a defined benefit scheme, the assets of which are held separately from those of the charity.

The LGPS is a funded scheme and the assets are held separately from those of the charity in separate trustee administered funds. Pension scheme assets are measured at fair value and the liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance cost or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

The Charity also operates a defined contribution pension scheme. The assets of this scheme are also held separately from those of the Charity in an independently administered fund. Contributions are charged to the Statement of Financial Activities as they become payable. Pension contributions are allocated between restricted and unrestricted funds based on the time spent by staff.

Financial instruments

The charity only has financial assets and 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.

Legal status of the Trust

The Trust is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

QUAGGY DEVELOPMENT TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

1. Principal Accounting Policies (continued)

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 made to the charity which are to be used in accordance with specific restrictions imposed by donors. The cost of raising and administering such funds are charged against the specific fund. The aim and use of material restricted funds is set out in note 16 to the financial statements.

Designated funds are unrestricted funds which have been designated by the Trustees for a specific purpose.

2. Financial performance of the Charity

The consolidated statement of financial activity includes the results of the Charity's wholly owned subsidiary, Quaggy Café at Parkside Limited. The summary financial performance of the Charity alone is:

	2023 £	2022 £
Income	2,191,241	3,081,033
Expenditure	(1,913,166)	(2,873,225)
Provision against loan to Quaggy café at Parkside Limited	<u>(113,550)</u>	<u>-</u>
	164,525	207,808
Losses on investment assets	(16,004)	-
Actuarial gains on defined benefit pension scheme	<u>169,785</u>	<u>14,010</u>
Net income	318,306	221,818
Funds brought forward	<u>2,521,850</u>	<u>2,300,032</u>
Total funds carried forward	<u>2,840,156</u>	<u>2,521,850</u>
Represented by:		
Restricted funds	1,037,004	747,654
Unrestricted funds	<u>1,803,152</u>	<u>1,774,196</u>
	<u>2,840,156</u>	<u>2,521,850</u>

3. Donations income

	2023 £	2022 £
Notional rent - restricted	82,000	47,000
Other donations - restricted	<u>200</u>	<u>5,000</u>
Total restricted	82,200	52,000
Other donations - unrestricted	<u>1,087</u>	<u>996</u>
Total donations	<u>83,287</u>	<u>52,996</u>

The local council provides the buildings, from which the Quaggy Children's Centre and Nursery and Margaret Bondfield Nursery are run, free of charge. Notional rent is an estimated contribution of the cost to the Charity if the facilities were to be provided by third party.

QUAGGY DEVELOPMENT TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

4. Charitable activities income

	Unrestricted Funds £	Restricted Funds £	Total £
2023			
Nursery and crèche fees	670,940	-	670,940
Start Well Greenwich West contract	-	1,311,817	1,311,817
Other grant income	-	19,277	19,277
Catering income	83	-	83
Other community work income	46,180	-	46,180
	<u>717,203</u>	<u>1,331,094</u>	<u>2,048,297</u>
2022			
Nursery and crèche fees	654,946	-	654,946
Greenwich West Children's Centre contract	-	2,236,219	2,236,219
Other grant income	-	69,174	69,174
Catering income	522	-	522
Other community work income	26,855	-	26,855
	<u>682,323</u>	<u>2,305,393</u>	<u>2,987,716</u>

5. Investment income

	2023 £	2022 £
Rental income	33,491	35,388
Dividends received	20,943	-
Bank interest	112	87
	<u>54,546</u>	<u>35,475</u>

All amounts relate to unrestricted funds.

6. Commercial trading operations

The wholly owned subsidiary Quaggy Café at Parkside Limited is incorporated in the United Kingdom (company number 10642622). Until 31 March 2023, the subsidiary company operated a local community café located near to Quaggy Childrens Centre. All amounts shown relate to discontinued activities. The summary financial performance of the subsidiary alone is:

	2023 £	2022 £
Turnover and other operating income	57,339	28,848
Cost of sales and administrative expenses	(88,411)	(41,445)
Net loss retained in subsidiary	<u>(31,072)</u>	<u>(12,597)</u>
The assets and liabilities of the subsidiary were:		
Current assets	30,161	25,046
Current liabilities	(149,224)	(113,037)
Total net liabilities	<u>(119,063)</u>	<u>(87,991)</u>
Aggregate share capital and reserves	<u>(119,063)</u>	<u>(87,991)</u>

QUAGGY DEVELOPMENT TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

7. Operating profit

	2023 £	2022 £
This is stated after charging:		
Depreciation of owned fixed assets	34,860	45,135
Auditor's remuneration		
- Audit of the financial statements	8,700	7,500
- Other services	807	807
	<u> </u>	<u> </u>

8. Raising funds expenditure

	2023 £	2022 £
Commercial trading operations – note 6	88,411	41,445
Fundraising expenditure	<u> </u>	<u> </u>
	<u>88,411</u>	<u>41,445</u>

9. Charitable activities expenditure

	Unrestricted funds £	Restricted funds £	Total £
2023			
Staff costs including expenses (note 10)	715,503	657,226	1,372,729
Subcontract costs	-	-	-
Premises, utilities and equipment	99,786	137,355	237,141
Community activities	41,789	81,437	123,226
Nursery and crèche	27,446	13,376	40,822
Office, computers and communications	16,001	27,870	43,871
Legal and professional	5,324	22,697	28,021
Depreciation	22,292	12,568	34,860
Sundry expenses	12,071	6,907	18,978
Audit and accountancy fees	<u>7,693</u>	<u>5,824</u>	<u>13,517</u>
	<u>947,905</u>	<u>965,260</u>	<u>1,913,165</u>
2022			
Staff costs including expenses (note 10)	764,540	558,813	1,323,353
Subcontract costs	-	1,064,463	1,064,463
Premises, utilities and equipment	31,656	148,931	180,587
Community activities	13,274	110,265	123,539
Nursery and crèche	29,605	5,431	35,036
Office, computers and communications	18,461	45,022	63,483
Legal and professional fees	994	9,668	10,662
Depreciation	44,946	-	44,946
Sundry expenses	8,087	8,361	16,448
Audit and accountancy fees	<u>6,638</u>	<u>4,071</u>	<u>10,709</u>
	<u>918,201</u>	<u>1,955,025</u>	<u>2,873,226</u>

Legal and professional fees and Audit and accountancy fees constitute Governance costs and relate wholly to Charitable Activities so have been allocated in their entirety to Expenditure on Charitable Activities.

QUAGGY DEVELOPMENT TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

10. Staff costs and numbers

No remuneration was paid to any of the Trustees in the year and none of the Trustees were reimbursed any expenses in the year.

Staff wage costs were as follows:

	2023 £	2022 £
Salaries and wages	1,080,545	1,067,260
Key management remuneration	151,227	144,164
Social security costs	109,749	97,967
Defined contribution pension costs	21,341	19,428
Pension service cost	<u>13,122</u>	<u>14,538</u>
	<u>1,375,984</u>	<u>1,343,357</u>

One employee, who is included above within key management, received emoluments of between £90,001 and £100,000 both in the current year and the comparative year. Another employee, also included within key management, received emoluments of between £60,001 and £70,000 in the current year only. No other employee received emoluments of more than £60,000 in either year.

The average monthly number of employees during the year was as follows:

	2023 No.	2022 No.
Nursery and Children Centre staff	38	38
Management and administration	10	12
Other support services	2	2
Quaggy Café at Parkside	<u>2</u>	<u>2</u>
	<u>52</u>	<u>54</u>

11. Tangible fixed assets - Group

	Leasehold improvements £	Office equipment £	Plant & machinery £	Kitchen equipment £	Total £
Cost or valuation					
At 1 April 2022	302,355	157,225	78,381	1,728	539,689
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
At 31 March 2023	<u>302,355</u>	<u>157,225</u>	<u>78,381</u>	<u>1,728</u>	<u>539,689</u>
Depreciation					
At 1 April 2022	110,302	135,668	78,381	1,728	326,079
Charge for the year	<u>20,216</u>	<u>14,644</u>	-	-	<u>34,860</u>
At 31 March 2023	<u>130,518</u>	<u>150,312</u>	<u>78,381</u>	<u>1,728</u>	<u>360,939</u>
Net book value					
At 31 March 2023	<u>171,837</u>	<u>6,913</u>	-	-	<u>178,750</u>
At 31 March 2022	<u>192,053</u>	<u>21,557</u>	-	-	<u>213,610</u>

QUAGGY DEVELOPMENT TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

11. Tangible fixed assets - *Charity*

	Leasehold improvements £	Office equipment £	Plant & machinery £	Total £
Cost or valuation				
At 1 April 2022	302,355	157,225	78,381	537,961
Additions	-	-	-	-
Disposals	-	-	-	-
At 31 March 2023	<u>302,355</u>	<u>157,225</u>	<u>78,381</u>	<u>537,961</u>
Depreciation				
At 1 April 2022	110,302	135,668	78,381	324,351
Charge for the year	20,216	14,644	-	34,860
At 31 March 2023	<u>130,518</u>	<u>150,312</u>	<u>78,381</u>	<u>359,211</u>
Net book value				
At 31 March 2023	<u>171,837</u>	<u>6,913</u>	<u>-</u>	<u>178,750</u>
At 31 March 2022	<u>192,053</u>	<u>21,557</u>	<u>-</u>	<u>213,610</u>

12. Investments

	Investments £	Investment properties £	Total £
<i>Group</i>			
Valuation			
At 1 April 2022	-	973,138	973,138
Additions	800,000	-	800,000
Revaluation	(2,866)	(13,138)	(16,004)
At 31 March 2023	<u>797,134</u>	<u>960,000</u>	<u>1,757,134</u>
<i>Charity</i>			
Valuation			
At 1 April 2022	1	973,138	973,139
Additions	800,000	-	800,000
Revaluation	(2,866)	(13,138)	(16,004)
At 31 March 2023	<u>797,135</u>	<u>960,000</u>	<u>1,757,135</u>

The investment in subsidiary relates to the entire ordinary share capital of Quaggy Café at Parkside Limited and the details of this company are provided in note 6 to these financial statements.

Investments comprise:

	Group		Charity	
	2023 £	2022 £	2023 £	2022 £
COIF Charities Investment Fund	406,870	-	406,870	-
Cazenove Charity Responsible Multi-Asset Fund	390,264	-	390,264	-
Investment in subsidiary	-	-	1	1
Total funds	<u>797,134</u>	<u>-</u>	<u>797,135</u>	<u>1</u>

QUAGGY DEVELOPMENT TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

13. Stock

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Food	-	188	-	-

14. Debtors

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Trade debtors	3,485	1,354	3,485	745
Other debtors	13,936	12,351	12,846	12,351
Amounts owed by group undertakings	-	-	30,000	109,605
Prepayments and accrued income	19,321	13,500	19,321	13,500
	<u>36,742</u>	<u>27,205</u>	<u>65,652</u>	<u>136,201</u>

15. Creditors

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Trade creditors	23,653	24,309	23,109	24,309
Accruals and deferred income	200,642	245,084	195,512	241,651
Other creditors	39,863	40,923	39,863	40,923
	<u>264,158</u>	<u>310,316</u>	<u>258,484</u>	<u>306,883</u>

16. Reserves

	At 1 April 2022	Incoming resources	Resources expended	Gains & losses	At 31 March Transfers	2023
	£	£	£	£	£	£
<i>Unrestricted funds</i>						
General funds (gross)	1,661,687	835,286	(1,036,316)	177,069	(25,669)	1,612,057
Pension liability	(177,069)	-	-	-	177,069	-
General funds (net)	1,484,618	835,286	(1,036,316)	177,069	151,400	1,612,057
Revaluation reserve	201,585	-	-	(16,004)	-	185,581
<i>Total unrestricted funds</i>	<u>1,686,203</u>	<u>835,286</u>	<u>(1,036,316)</u>	<u>161,065</u>	<u>151,400</u>	<u>1,797,638</u>
<i>Restricted funds</i>						
Children-in-need grant	5,197	-	-	-	-	5,197
RBG Perinatal grant	21,970	-	-	-	-	21,970
Notional rent - QCC	-	39,000	(39,000)	-	-	-
Notional rent - MBN	-	43,000	(43,000)	-	-	-
RBG Food Pantry fund	-	10,200	-	-	-	10,200
RBG Warm Spaces grant	-	2,518	(1,486)	-	-	1,032
RBG Community fund grant	-	6,759	(590)	-	-	6,169
Hardship grant	2,942	-	(1,676)	-	-	1,266
RBG West area SWG	717,545	1,311,817	(879,508)	(7,284)	(151,400)	991,170
<i>Total restricted funds</i>	<u>747,654</u>	<u>1,413,294</u>	<u>(965,260)</u>	<u>(7,284)</u>	<u>(151,400)</u>	<u>1,037,004</u>
<i>Total funds</i>	<u>2,433,857</u>	<u>2,248,580</u>	<u>(2,001,576)</u>	<u>153,781</u>	<u>-</u>	<u>2,834,642</u>

QUAGGY DEVELOPMENT TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

16. Reserves (continued)

Unrestricted funds - The revaluation reserve relates to investments.

Restricted funds

Children-in-Need – Funding received from BBC Children-in-need for a project entitled “Think aloud – Document your Pandemic”.

RBG Perinatal Services – Funding received from Royal Borough of Greenwich for Perinatal Services.

Notional Rent QCC and MBN represents estimates of the rent that would be payable for the premises from which Quaggy Children’s Centre and Margaret Bondfield Nurseries operate if they were not provided rent-free by the Royal Borough of Greenwich. The estimates are included as donations in note 3 and expenditure in note 9.

RBG Food Pantry Fund relates to a grant received from Royal Borough of Greenwich for the establishment of a Food Pantry Scheme.

RBG Warm Spaces Grant relates to a grant received from Royal Borough of Greenwich for the establishment of Warm Spaces during early 2023.

RBG Community Fund Grant relates to a grant received from the Royal Borough of Greenwich’s Small Community Fund to help those in need with paying energy bills.

Hardship Grant relates to funds received to provide financial support to families suffering hardship.

RBG West area SWG relates to the “Start Well Greenwich” Contract to deliver Children’s Centre and Health Visitor Services in the Greenwich West area for a period of five years from 1 April 2020. Since 1 April 2022, the contract has no longer included Health Visitor Services.

17. Pension commitments – group and charity

During the year, the charity employed two (2022: three) members of staff who belonged to the Local Government Pension Scheme (LGPS), a defined benefit pension scheme managed by a local authority.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation related to the year ended 31 March 2023. There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

Local Government Pension Scheme (LGPS)

The charity is one of the several employing bodies included within the Local Government Pension Scheme.

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total employer’s contribution for the year ended 31 March 2023 was £13,122 (2022: £14,538) representing a contribution rate of 18.6%.

<i>Principal Activity Assumptions</i>	2023	2022
	%	%
Rate of increase in salaries	3.90	4.05
Rate of increase in pensions	2.90	3.05
Discounted rate for liabilities	4.80	2.55
Inflation rate	10.10	2.80
The return on the Fund is estimated to be -2.64%		

QUAGGY DEVELOPMENT TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

17. Pension commitments – group and charity (continued)

Mortality assumptions

The assumed life expectations on retirement at age 65 are:

	2023	2022
<i>Retiring today</i>		
Males	19.6	20.5
Females	23.0	23.4
<i>Retiring in 20 years</i>		
Males	21.0	22.0
Females	24.5	25.0

Analysis of amounts recognised in the Statement of Financial Activities

	2023 £	2022 £
Current service cost	31,478	41,723
Net interest on defined benefit liability	4,349	3,769
Administration expenses	110	109
Total expenditure to be recognised in the SOFA	<u>35,937</u>	<u>45,601</u>

Value of scheme assets and liabilities

Equities	84,145	99,049
Bonds	36,085	30,017
Property	15,847	18,908
Cash	2,723	4,344
Unutilised insurance policies	-	-
UK & Overseas unit trusts	<u>19,812</u>	<u>21,332</u>
Market value of assets	158,612	173,650
Present value of scheme liabilities – funded	<u>(165,896)</u>	<u>(350,719)</u>
Net pension deficit in scheme	<u>(7,284)</u>	<u>(177,069)</u>

The expected return on assets, other than bonds, is calculated using an economic scenario generator that uses probability distributions to project a range of possible outcomes for the future behaviour of asset returns and economic variable. Expected returns on bond assets are derived from the yields applicable to the accounting date on suitable bond indices.

QUAGGY DEVELOPMENT TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

17. Pension commitments – group and charity (continued)

Analysis of amount chargeable to the Statement of Financial Activities (SOFA)

	2023 £	2022 £
Return of fund assets in excess of interest	(9,496)	7,710
Other actuarial gains/(losses) on assets	(28,846)	-
Change in financial assumptions	206,764	32,570
Change in demographic assumptions	16,215	5,832
Experience (loss)/gain on defined benefit obligation	7,963	(1,039)
Actuarial losses on scheme liabilities	-	-
Remeasurement of the net assets/(defined liability)	<u>192,600</u>	<u>45,073</u>

Movements in present value of defined benefit obligations:

Liabilities at 1 April 2022	350,719	333,449
Current service cost	31,478	41,723
Contributions from scheme members	5,626	6,013
Change in financial assumptions	(206,764)	(32,570)
Change in demographic assumptions	(16,215)	(5,832)
Liabilities assumed on settlements	-	-
Experience gain on defined benefit obligation	(7,963)	1,039
Past service cost	-	-
Interest cost	<u>9,015</u>	<u>6,897</u>
At 31 March 2023	<u>165,896</u>	<u>350,719</u>

Movements in the fair value of Fund assets

Fair value of assets at 1 April 2022	173,650	142,370
Interest on assets	4,666	3,128
Return on assets less interest	(9,496)	7,710
Actuarial loss	(28,846)	-
Administration expenses	(110)	(109)
Settlement prices received / (paid)	-	-
Contributions by employer	13,122	14,538
Contributions by scheme members	<u>5,626</u>	<u>6,013</u>
Fair value of assets at 31 March 2023	<u>158,612</u>	<u>173,650</u>

QUAGGY DEVELOPMENT TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

18. Other financial commitments

At the year end the Charity had annual commitments under non-cancellable operating lease in relation to the Nursery at Parkside Square, Lewisham, SE10 8FN as set out below:

	2023 £	2022 £
Falling due within one year	28,000	28,000
Falling due between two and five years	112,000	112,000
Falling due in more than five years	<u>70,000</u>	<u>98,000</u>
	<u>210,000</u>	<u>238,000</u>

All operating lease payments are charged to the SOFA as they fall due.

19. Analysis of group net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
2023			
Fixed assets	1,935,884	-	1,935,884
Cash at bank and in hand	(22,829)	1,156,287	1,133,458
Other net current liabilities	(115,417)	(111,999)	(227,416)
Pension scheme provision	-	(7,284)	(7,284)
	<u>1,797,638</u>	<u>1,037,004</u>	<u>2,834,642</u>
2022			
Fixed assets	1,186,748	-	1,186,748
Cash at bank and in hand	959,141	747,960	1,707,101
Other net current liabilities	(282,923)	-	(282,923)
Pension scheme provision	(177,069)	-	(177,069)
	<u>1,685,897</u>	<u>747,960</u>	<u>2,433,857</u>

20. Related parties

During the year and the comparative year no Trustees were reimbursed any expenses. Vouchers amounting to £730 were given to S McKee by way of a payment for administrative services provided to the charity.

At 31 March 2023, the charity was owed £143,550 (2022: £109,605) by its subsidiary, Quaggy Café at Parkside Limited. During the year ended 31st March 2023, the charity made a provision of £113,550 against this balance leaving a recoverable balance of £30,000.

During the year, the charity received income amounting to £6,921 (2022: £321) from The Wash House Youth Project, a charity of which S C Riley, a Trustee, is also a Trustee.

QUAGGY DEVELOPMENT TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

21. Reconciliation of net movement in funds to net cash flow from operating activities

	2023 £	2022 £
Net movement in funds	400,785	209,220
Depreciation charge	34,860	45,135
Losses on investments	16,004	-
Dividends, interest and rents from investments	(54,546)	(35,475)
Decrease in defined benefit pension liability	(169,785)	(14,010)
Decrease in stocks	188	-
(Increase)/decrease in debtors	(6,598)	19,550
(Decrease) in creditors	(46,158)	(73,038)
Net cash provided by operating activities	<u>174,750</u>	<u>151,382</u>

22. Post Balance Sheet Events

In May 2023 the Charity announced the closure of Quaggy Nursery at Parkside with effect from the end of the Summer Term 2023. It is the Trustees' intention that Charity will continue to use the premises to deliver some of its other activities.