

MHDT LONDON DEVELOPMENT TRUST
DIRECTORS' AND TRUSTEES' REPORT
AND ACCOUNTS
FOR THE PERIOD ENDED 31ST MARCH 2021

Charity No. 1189281
Company No: 11736891

MHDT LONDON DEVELOPMENT TRUST

REPORT AND ACCOUNTS

CONTENTS

	Page
Director's and Trustees' Report	3 – 9
Report of the Independent Examiner	10
Statement of Financial Activities	11
Balance Sheet	12
Notes to the Accounts	13 – 21

MHDT LONDON DEVELOPMENT TRUST
REPORT OF THE DIRECTORS AND TRUSTEES
FOR THE PERIOD ENDED 31ST MARCH 2021

The trustees are pleased to present their annual report together with the financial statements of the charity for the period ended 31st March 2021, which are also prepared to meet the requirements for a directors' report and Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statements 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).

OUR PURPOSE AND ACTIVITIES

Founded in 2018 MHDT London Development Trust (London Development Trust) has grown into the key partner for the delivery of social economic regeneration in its area of operation. It provides much-needed services for the local communities of South Acton, Woodberry Down which are some of the most deprived areas in London and Great Britain and some of the most diverse London boroughs in terms of ethnicity. It has also been able to secure a further extension to its contract to manage and refurbish the Finsbury Park Trust building in London Borough of Islington.

Its mission statement is:

"London Development Trust is a charitable Trust that works in partnership with local residents, community groups, voluntary sector and public agencies to bring about lasting social, economic and environmental improvements for the benefit of all regeneration area"

The main objectives of the trust are:

- The relief of unemployment.
- The advancement of education, training, or retraining, particularly among unemployed people and providing unemployed people with work experience.
- The creation of training and employment opportunities by the provision of workspace, buildings and land for use on favourable terms
- The maintenance, improvement, or provision of public amenities
- The provision of recreational facilities for the public at large or those who by reason of their youth, age, infirmity or disablement, financial hardship, or social and economic circumstances, have need of such facilities.
- The protection or conservation of the environment. The provision of public health facilities and childcare
- The promotion of public safety and prevention of crime.

The role and contribution of volunteers

A total of 50+ volunteers helped support the work of the paid staff and its Board; in particular during the Covid-19 Crisis. Whilst not relying on volunteers to undertake any activity, providing volunteering opportunities for residents and service users is a key output for London Development Trust, as it allows London Development Trust to enhance and grow community services. At the same time volunteers gain valuable work experience for their CVs and report enhanced happiness and well-being in their every-day lives. The organisation seeks to involve volunteers across its work measuring the impact through its 'Empowerment' business strand.

Achievements and Performance

The work of London Development Trust has been severely impacted by the COVID-19 Crisis during the last Financial Year. Nevertheless, the Trust had performed well up to that point and during the Crisis itself has provided emergency aid in the areas in which it operates.

London Development Trust has reached another significant milestone in its development. Now in its 2nd year of operations the Trust has now become a significant entity in the community development and social enterprise scene across London. Building on the success of last year, the Trust has achieved the following:

London Development Trust successfully delivered the second year of a major contract with Countryside Homes and L&Q Housing Association on the Acton Gardens Regeneration in LB Ealing worth £500,000 over 5 years to deliver social regeneration services and community facility management.

MHDT LONDON DEVELOPMENT TRUST

REPORT OF THE DIRECTORS AND TRUSTEES (Cont/d)

FOR THE PERIOD ENDED 31ST MARCH 2021

Connecting - This keystone challenges the Trust and others to work together around common goals and Theory of Change. During the year London Development Trust:

- **Acton Gardens Regeneration** London Development Trust continues to play a key role in the 20-year regeneration of Acton Gardens. London Development Trust continues to attend various meetings such as communications and the Covid-19 Task Force meetings. The Trust hosts various organisations who communicate with residents, such as police liaison meetings. The Trust has also set up a local resident led Trust the Acton Gardens Development Trust to ensure that local residents have oversight and input into the running of the Acton Gardens Community Centre.
- **Finsbury Park Trust** London Development Trust successfully negotiated and instigated interim management services and will lead a refurbishment of the current building.
- **Empowerment** - Most of the projects that London Development Trust manages fall under our Empowerment Keystone. Over the course of 2020/21 London Development Trust was able to deliver a variety of virtual and in-person projects and activities from the Acton Gardens Community Centre. Following research most of these projects were aimed at Healthy lifestyle changes and tackling isolation in children, young people, and adults.
- **London Development Trust's continued partnership with the local youth club and The Felix Project**, a charity which collects surplus food from various supermarkets into their warehouse in Enfield and delivers to local charities providing community. This provided many vulnerable residents with food during the Covid-19 crisis.
- **The Food and Relief Programme**- began its operations from the Acton Gardens Community Centre in April 2020. The Food and relief Hub provided hot meals and food packages to 400+ vulnerable residents on the Acton Gardens estate. The AG Food and Relief Hub was recognised as one of a handful of relief hubs in LBE during the pandemic. In other to ensure a continued strategy for tackling food waste and poverty in the area, London Development Trust through the centres now run a weekly Community Fridge, where partner organisations providing food aid and residents can collect food.

As well as helping to tackle food poverty in the community, London Development Trust set up a process where the community felt engaged as we worked alongside various local groups to develop a sense of place and to ensure that they felt empowered during the pandemic. These included masking production, free digital devices to the local school and residents amongst other initiatives.

- **The Virtual Community Centre (VCC)** - while restrictions did not allow activities or bookings at the community centres, London Development Trust ran a prototype Virtual Community Centre. Activities such as children's dance and arts and crafts have been made available for families during the lockdown. The project's aim is to boost residents' mental and physical health, bringing them together via online activities to help combat social isolation and loneliness. Further funding is being explored to continue with the project, and a special business plan is being prepared for the VCC, with aims of growing it further and taking it to the next level.
- **Digital Connect (6-month pilot)**– Volunteers will receive 2-4 weeks training with Community Fibre to become certified Digital Ambassadors and will then be paired with local residents in need of digital skills training. The aim of the project is to reduce digital and social isolation and boost people's digital skills so they can safely access basic and essential online services.
- London Development Trust also ran virtual and in-person events for local people celebrating: Black History Month; Halloween; Easter, International Women's Day, Half Term activities, etc.

Influence - This keystone refers to the ways that the Trust is influenced by those who benefit and use our services, coupled by how we use the information we collect and analyse to influence those with power and authority to make a difference to policy.

MHDT LONDON DEVELOPMENT TRUST
REPORT OF THE DIRECTORS AND TRUSTEES (Cont/d)
FOR THE PERIOD ENDED 31ST MARCH 2021

During the year, London Development Trust published a number of Impact Reports on our work. This has included an assessment of the current community situation on Acton Gardens.

The Trust has employed Shingai Chirimuuta as Impact and Evaluation Manager and is now discussing providing impact consultancy with a number of social/civil society organisations.

Measuring impact remains a key objective for London Development Trust and all projects are given resource to measure the social impact created. Work has been focused on collecting data longitudinally by surveying at key intervals as projects develop. Surveys are collected on an ongoing basis enabling us to measure change and the achievement of outcomes over time. As well as this, qualitative data has been collected for case studies on different regeneration developments.

Impact strategy and research has also been of prime importance at Acton Gardens Community Centre. We completed a Community Needs Assessment | Gap Analysis: Scope for Engagement Evaluation in order to inform our community development in Acton by creating an audit of already existing services, understanding key priorities and needs for local residents and consulting with the local residents on their desires for new community activities. This evaluation and assessment include the use of secondary data and primary data using surveys, interviews with key stakeholders, focus groups and other participatory techniques.

As well as this, it has been important to us to develop a monitoring structure, team and steering group to support impact assessment strategy. We recruited an Impact Officer to manage on-the-ground data collections and analysis. We will create a Theory of Change through workshop and stakeholder / impact steering group consultation. Our next steps will be to set up a comprehensive monitoring and evaluation framework to lay foundations for on-going longitudinal research at Acton Gardens.

Over both sites, Acton Gardens and Woodberry Down we have implemented 'Upshot', a new digital monitoring and evaluation system that has enabled us to streamline and organize our monitoring and evaluation processes and assist in accurate reporting and safe data management. The teams across both sites have been trained in using the software.

Space - London Development Trust works in space controls and across the public realm. London Development Trust saw some major expansion in the spaces signing a 15-year lease for the Acton Gardens Community Centre, share office and office spaces.

London Development Trust has formed a new team, created a website and other marketing materials to deliver this contract.

London Development Trust was awarded a contract to provide interim management services and refurbish the Finsbury Park Trust building in Finsbury Park.

Organisation - London Development Trust aims to provide professional community development and community facilities to the people that it serves. London Development Trust was developed from the successful work of Manor House Development Trust in Hackney, in particular to help other local communities manage community centres and other assets for the benefit of their residents.

London Development Trust now provides a range of services for local trusts including Manor House Development Trust, Finsbury Park Trust and Acton Gardens Development Trust, and is exploring further service arrangements with other local trusts including Grand Union Development Trust.

Service provision by London Development Trust

London Development Trust is now able to provide a full range of community development services in relation to the management of local community centres and associated facilities including Development and management of new facilities; Board administration and support; Recruitment and employment of staff; Marketing, PR and communications; Impact assessment and data monitoring.

MHDT LONDON DEVELOPMENT TRUST

REPORT OF THE DIRECTORS AND TRUSTEES (Cont/d)

FOR THE PERIOD ENDED 31ST MARCH 2021

London Development Trust can also support local organisations with additional services including HR support, including training, performance management and payroll arrangements; Health and safety, risk management and quality assurance; Social stewardship consultancy for developers bidding for large site developments; Social impact baseline information studies; procurement and ICT systems; Financial services and treasury management.

These services can be provided by London Development Trust under the terms of a 5-year service level agreement (SLA) (renewable if required), an example of which can be provided on request.

The London Development Trust Board - The London Development Trust Board has professionals who have joined its Board in order to build the Trust into a position where it can scale and transfer into new business opportunities.

Staffing - During the year London Development Trust recruited new members of staff to work in Acton and other projects. Emmanuel Wachukwu assisted by a staff team continues to lead on Acton Gardens.

Legal Actions - London Development Trust was not involved/ subject to any ongoing or new legal action during the course of the year.

The London Development Trust has completed its registration as a Charity on 30 April 2020.

FINANCIAL REVIEW

The charity recorded a surplus during the year 31 March 2021 of £62,003 (2020 - £Nil) and reserves stand at £62,003 (2020 - £Nil). The financial position at the year revealed by the Balance Sheet on page 13 shows net current assets or working capital of £56,265 (2020 – negative £5,581). The net book value of fixed assets held, all of which are used directly for charitable purposes, amounted to £5,738 (2020 – £5,581).

In addition London Development Trust; have applied successfully for the grants listed below (furlough has not been included).

Grant	Amount	Can be used for...
LBE	£25,000	Unrestricted- Business interruption
L&Q Foundation	£5,000	Restricted- Project and emergency grant
LCF Wave 4	£10,000	Restricted – Emergency project grant
LLP (countryside)	£14,250	Restricted- Covid-19 emergency
Countryside Christmas Hamper	£7,000	Restricted- Christmas Hamper
LBE	£3,000	Restricted- Emergency Covid-19 Grant (on behalf of Youth centre)
LBE	£3,143	Unrestricted- Business interruption
LBE	£12,413	Unrestricted- Business interruption
Acton Gardens LLP	£25,000	Unrestricted
Total	£104,536	

Principal Funding Sources

Principal funding sources are currently:

- Acton Gardens Partnership
- Lettings of the Acton Gardens Community Centre
- LBE
- Countryside Properties
- London Community Fund Wave 4
- L&Q Foundation

MHDT LONDON DEVELOPMENT TRUST
REPORT OF THE DIRECTORS AND TRUSTEES (Cont/d)
FOR THE PERIOD ENDED 31ST MARCH 2021

Investment powers and policy

Under the Memorandum and Articles of Association, the charity has the power to make any investment which the trustees see fit. The trustees have considered the most appropriate policy for investing funds and have found that cash deposits meet their requirements to generate income.

Reserves policy

The Directors and Trustees consider it prudent to maintain an adequate level of unrestricted reserves to cover the community centre's contractual commitments and provide sufficient working capital and have set this at minimum of six months expenditure.

In order to build up its reserves to a prudent level, London Development Trust:

- will carry out changes in layout to the Acton Gardens LLP to increase revenues generated by this asset;
- has cut non-staffing elements of the budget to a minimum.
- Has spread core central costs across all companies

As at the year end, accounts showed reserves of £62,003 (2020 - £Nil), of which £6,857 (2020 - £Nil) was restricted. The unrestricted funds not designated or invested in tangible fixed assets held by the charity are £49,408 (2020 - £Nil).

FUTURE ACTIVITIES

London Development Trust has ambitions to grow and set a standard for Social Stewardship and Community Development across London's regeneration schemes. It has been set up to help those who are involved in the built environment industry achieve excellence in community development and social stewardship.

London Development Trust offers a range of services, from initial consultancy and business planning of community facilities, facility management as well as on the ground delivery of base line impact studies through to the delivery of community development projects,

During the year London Development Trust has made the necessary governance and organisational changes to its Articles and Memorandum and recruited a new strong Board. Our Trustees bring a wide range of experiences and knowledge to assist in this process.

Fundraising

Due to COVID-19 London Development Trust has successfully applied to various emergency aid funding to support the community during these difficult times.

Impact

In order to improve the management of Impact, London Development Trust has invested in Upshot, an impact management tool which has allowed the Trust to streamline data collection processes, produce more impact reports and create opportunities for deeper analysis and understanding of the impact we have on the local community. It remains a key aspiration of the Trust to be able to measure its total impact across Acton Gardens.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

London Development Trust is registered as a company limited by guarantee and not having a capital divided by shares.

MHDT LONDON DEVELOPMENT TRUST
REPORT OF THE DIRECTORS AND TRUSTEES (Cont/d)
FOR THE PERIOD ENDED 31ST MARCH 2021

The company was incorporated on 20th December 2019 and is a registered charity constituted as a Limited Company under the Memorandum and Articles of Association. The charity was registered with Charity Commission on the 30 April 2020. The charity registration number is 1189281 and the company registration number is 11736891.

Recruitment and appointment of Trustees

The trustees are elected at the Annual General Meeting in line with London Development Trust policy. London Development Trust believes it is important that trustees reflect the diversity of the local community. Therefore, trustees come from a range of backgrounds and interests including local community representatives and local stakeholders. New trustees are invited to stand for election or by introduction through services or by direct recruitment. A selection process for potential new trustees has agreed. This process includes an analysis of skills required by the board, interviews with the directors and chair of the board and attendance at the board meeting followed by a review meeting.

Organisation

The charity is structured so that the directors and trustees meet regularly to manage its affairs. The Management Board comprises individuals from a variety of backgrounds with relevant professional experience.

REFERENCE AND ADMINISTRATIVE DETAILS

Charlty Number: 1127604

Company Number: 11736891

Directors and Trustees

Simon Donovan

Emmanuel Wachukwu

Andrew Lonas

Make Nakagawa

Alexander Robertson

Jonathan Darby – appointed 03/06/2020

Secretary: Simon Donovan

Senior Management Team: Simon Donovan – Chief Executive Officer
Emmanuel Wachukwu – Managing Director

Registered Office: Redmond Community Centre, Kayani Avenue, London, England, N4 2HF

Independent Examiner: Mr D Terry, Ramon Lee Ltd, 93 Tabernacle Street, London EC2A 4BA

MHDT LONDON DEVELOPMENT TRUST
REPORT OF THE DIRECTORS AND TRUSTEES (Cont'd)
FOR THE PERIOD ENDED 31ST MARCH 2021

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Trustees (who are also directors of MHDT London Development Trust for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors 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 income and expenditure for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Directors 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.

The report of the directors has been prepared taking advantage of the small companies' exemption of section 415A of the Companies Act 2006.

APPROVED BY THE BOARD AND SIGNED ON ITS BEHALF BY:



.....
Simon Donovan on behalf of Trustees

29/09/2021

REPORT OF THE INDEPENDENT EXAMINER TO THE TRUSTEES OF MHDT LONDON DEVELOPMENT TRUST

I report on the accounts of the company for the year ended 31 March 2021.

This report is made solely to the charity's trustees, as a body, in accordance with the Charities Act 2011. My work has been undertaken so that I might state to the charity'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 charity and the charity's trustees as a body, for my Independent Examination, for this report, or for the opinions I have formed.

Respective responsibilities and basis of report

As the charity's trustees of the Company (who are also the directors of the company 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 for this year under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts as carried out under section 145 of the Charities Act 2011 ("the 2011 Act"). In carrying out my examination, I have followed the Directions given by the Charity Commission (under section 145(5)(b) of the 2011 Act).

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention which gives me cause to believe that:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006; or
- the accounts do not accord with such records; or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 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
- the accounts have not been prepared in accordance with the Charities SORP (FRS102).

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



D TERRY – Chartered Accountant
RAMON LEE LTD
93 TABERNACLE STREET
LONDON EC2A 4BA

30/09/2021

MHDT LONDON DEVELOPMENT TRUST
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE PERIOD ENDED 31ST MARCH 2021
SUMMARY INCOME AND EXPENDITURE ACCOUNT

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Income					
Grants and donations	2	25,000	58,513	83,513	5,096
Income from charitable activities	3	82,614	54,536	137,150	163,124
Other trading income	4	21,326	-	21,326	55,302
Total income		<u>128,939</u>	<u>113,049</u>	<u>241,988</u>	<u>223,522</u>
Expenditure					
Cost of raising funds	5	46,753	35,108	81,860	19,302
Expenditure on charitable activities	5	27,040	71,084	98,125	204,220
Total Expenditure		<u>73,793</u>	<u>106,192</u>	<u>179,985</u>	<u>223,522</u>
Net income and net movement in funds for the year		55,147	6,857	62,003	-
<i>Reconciliation of funds</i>					
Total funds, brought forward		-	-	-	-
Total funds, carried forward		<u>55,147</u>	<u>6,857</u>	<u>62,003</u>	<u>-</u>

CONTINUING OPERATIONS

All incoming resources and resources expended derive from continuing activities.

TOTAL RECOGNISED GAINS AND LOSSES

The charity has no recognised gains or losses other than the above movement in funds for the above two financial periods.

The notes on pages 13 to 21 form part of these accounts.

MHDT LONDON DEVELOPMENT TRUST
BALANCE SHEET AS AT 31ST MARCH 2021

	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Tangible assets	10		5,738		5,581
Current Assets					
Debtors	11	9,841		30,359	
Cash at bank and in hand		56,325		34,830	
		<u>66,165</u>		<u>65,189</u>	-
Liabilities					
Creditors falling due within one year	12	9,900		70,770	
		<u></u>		<u></u>	
Net Current Assets			56,265		(5,581)
Net assets			<u>62,003</u>		<u>-</u>
The funds of the charity:					
Unrestricted funds	13		55,147		-
Restricted funds	13		6,857		-
Total charity funds			<u>62,003</u>		<u>-</u>


In preparing these financial statements:

For the financial period ended 31st March 2021 the company was entitled to exemption from audit under section 477 Companies Act 2006. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial period and of its profit or loss for the financial period in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime within Part 15 of the Companies Act 2006.

These accounts were approved and authorised for issue by the Board of Directors on 29/09/21 and were signed on its behalf by:



..... 29/09/21

Company number 11736891

The notes on pages 13 to 21 form part of these accounts.

MHDT LONDON DEVELOPMENT TRUST

NOTES TO THE ACCOUNTS

FOR THE PERIOD ENDED 31ST MARCH 2021

1. ACCOUNTING POLICIES

1.1 Basis of preparation of accounts

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), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

London Development Trust meets the definition of a public benefit entity under FRS 102.

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 £.

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

1.2 Preparation of accounts on a going concern basis

The Charity's Financial Statements show net surplus of £62,003 for the year and free reserves of £49,408. The trustees are of the view that these results and plans for the future have secured the immediate future of the Charity for the next 12 to 18 months and on this basis the Charity is a going concern.

1.3 Income

All income is included in the consolidated SOFA when the charity is legally entitled to it, receipt is probable and the amount can be measured with sufficient reliability.

Grant income

Grants are credited to the SOFA when the charity is entitled to the funds. Income is only deferred where there are time constraints imposed by the donor or if the funding is performance related.

Where entitlement to grants receivable is dependent upon fulfilment of conditions within the charity's control, the income is recognised when there is sufficient evidence that conditions will be met.

Grants supporting the core activities of the charity and with no specific restrictions placed upon their use are included within donations and legacies. Grants that have specific restrictions placed upon their use are included within income from charitable activities.

Donations and legacies

Donations are recognised in the period in which they are received. Legacy income is recognised when the charity's entitlement is judged to be probable and where the amount can be reliably measured.

Rental income

Room hire income are credited to income in the year in which they are receivable.

1.4 Volunteers and donated services and facilities

Donated professional 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. In accordance with the Charities SORP (FRS 102), the general volunteer time is not recognised and refers to the Trustees' annual report for more information about their contribution.

On receipt, donated professional 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

MHDT LONDON DEVELOPMENT TRUST

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE PERIOD ENDED 31ST MARCH 2021

services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt. No such donations were received during the period.

1.5 Expenditure recognition and irrecoverable VAT

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:

- (a) Cost of raising funds includes staff time used to raise grants and donations and their associated support costs.
- (b) Expenditure on charitable activities include expenditure associated with the main objectives of the charity and include both direct costs and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

1.6 Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance and administration personnel, payroll and governance costs which support the charity's programmes and activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The basis on which support costs have been allocated are set out in note 6.

1.7 Funds structure

The general fund comprises those monies, which may be used toward meeting the charitable objectives of the charity at the discretion of the trustees.

The restricted funds are monies raised for, and their use restricted to, a specific purpose or donations subject to donor-imposed conditions.

1.8 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. The cost of minor additions or those costing less than £500 are not capitalised. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Equipment	-	25% straight line basis
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1.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term cash deposits.

1.10 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 discounts due.

1.11 Financial instruments

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

MHDT LONDON DEVELOPMENT TRUST

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE PERIOD ENDED 31ST MARCH 2021

1.12 Judgement and key sources of estimation uncertainty

In the application of the charity's accounting policies, the charity is required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

2. GRANTS AND DONATIONS

	Unrestricted £	Restricted £	2021 £	2020 £
HMRC Job Retention Scheme grant	-	58,513	58,513	5,096
London Borough of Ealing	25,000	-	25,000	-
	<u>25,000</u>	<u>58,513</u>	<u>83,513</u>	<u>5,096</u>

The grants and donations income in 2020 totalling £5,096 was all attributed to unrestricted funds.

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted £	Restricted £	2021 £	2020 £
Contract income:				
Acton Garden LLP	82,614	-	82,614	155,025
London and Quadrant	-	-	-	8,099
Grant income:				
London and Quadrant Housing Trust	-	5,000	5,000	-
London Borough of Ealing	-	18,286	18,286	-
Country side	-	21,250	21,250	-
London Community Foundation	-	10,000	10,000	-
	<u>82,614</u>	<u>54,536</u>	<u>137,150</u>	<u>163,124</u>

Income from charitable activities in 2020 totalling £163,124 was all attributed to unrestricted funds.

4. OTHER TRADING INCOME

	Unrestricted £	2021 £	2020 £
Rental income	21,326	21,326	55,302
	<u>21,326</u>	<u>21,326</u>	<u>55,302</u>

The other trading activities income in 2020 totalling £55,302 was all attributed to unrestricted funds.

MHDT LONDON DEVELOPMENT TRUST

NOTES TO THE ACCOUNTS (Cont'd)

FOR THE PERIOD ENDED 31ST MARCH 2021

5. ANALYSIS OF EXPENDITURE

	Raising Funds £	Empowering £	Influencing £	Space £	Connecting £	Total 2021 £	Total 2020 £
Staff costs	54,004	17,505	1,435	19,282	5,539	97,766	114,108
Premises and equipment costs	7,188	646	-	7,206	2,625	17,665	22,230
Other direct costs	-	3,955	-	-	23,258	27,213	25,273
Support costs (Note 6)	14,945	3,078	1,770	508	6,701	27,002	55,922
Governance costs (Note 6)	5,723	1,179	678	194	2,566	10,341	5,989
	81,860	26,363	3,882	27,190	40,689	179,985	223,522

Of the £179,985 expenditure in 2021 (£223,522), £73,793 was charged to unrestricted funds (2020 - £223,522) and £106,192 to restricted funds (2020 - £Nil).

MHDT LONDON DEVELOPMENT TRUST

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE PERIOD ENDED 31ST MARCH 2021

6. ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

The charity initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Governance costs and other support costs are apportioned separately between charity's key activity undertaken (see note 5) in the period. All the general support and governance costs have been apportioned to the various activities on the basis of staff time allocated to each activity.

	General support £	Governance function £	Total 2021 £	Total 2020 £
Staff costs	9,435	5,781	15,216	16,724
Premises and equipment costs	3,911	-	3,911	5,557
Communications costs	2,549	-	2,549	2,790
Information technology	5,589	-	5,589	20,290
Legal and professional expenses	3,348	1,680	5,028	12,495
Miscellaneous expenses	2,169	-	2,169	1,175
Independent examination	-	2,880	2,880	2,880
	<u>27,002</u>	<u>10,341</u>	<u>37,342</u>	<u>61,911</u>

7. NET INCOME/(EXPENDITURE) FOR THE PERIOD

This is stated after charging:

	2021 £	2020 £
Independent Examination	2,880	2,880
Depreciation	2,533	1,861
	<u>5,413</u>	<u>4,741</u>

8. ANALYSIS OF STAFF COSTS, TRUSTEES REMUNERATION AND EXPENSES, AND COST OF KEY MANAGEMENT PERSONNEL

STAFF COSTS	2021 £	2020 £
Wages and salaries	81,024	56,007
National Insurance	5,155	3,217
Pension	1,436	752
Seconded staff	25,366	70,855
	<u>112,981</u>	<u>130,831</u>

No employee received remuneration in excess of £60,000 during the period.

None of the trustees received any reimbursed expenses during the year.

The key management personnel of the charity comprise CEO and Managing Director who are also the trustees of the charity. The total employee benefits of the key management personnel of the charity were £43,763 (2020- £25,488). The charity incurred seconded staff costs related to one of the trustees, recharged from the parent charity Manor House Development Trust of £3,240 (2020- £27,984).

MHDT LONDON DEVELOPMENT TRUST

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE PERIOD ENDED 31ST MARCH 2021

9. STAFF NUMBERS

The average monthly number of full time staff employed by the charity during the year was as follows:

	<u>2021</u>	<u>2020</u>
Fundraising	1.9	0.2
Empowering	0.4	1.1
Space	0.8	1.1
Seconded staff	0.7	1.5
	<u>3.8</u>	<u>3.9</u>

The average monthly number of persons employed by the charity during the year was 4 (2020 - 4).

10. FIXED ASSETS

	Computers £
Cost:	
As at 01 April 2020	7,442
Additions	2,690
As at 31 March 2021	<u>10,132</u>
Depreciation:	
As at 01 April 2020	1,861
Charge for the period	2,533
As at 31 March 2021	<u>4,394</u>
Net book value:	
As at 31 March 2020	<u>5,581</u>
As at 31 March 2021	<u>5,738</u>

11. DEBTORS

	<u>2021</u> £	<u>2020</u> £
Trade debtors	1,059	3,018
Amount due from parent company	8,059	21,536
Other debtors	723	5,805
	<u>9,841</u>	<u>30,359</u>

MHDT LONDON DEVELOPMENT TRUST

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE PERIOD ENDED 31ST MARCH 2021

12. CREDITORS: amounts falling due within one year

	2021 £	2020 £
Trade creditors	2,478	4,045
Taxation and social security	465	2,719
Other creditors	4,077	2,890
Deferred income (note 15)	-	58,236
Accruals	2,880	2,880
	<u>9,900</u>	<u>70,770</u>

13. NET MOVEMENTS IN FUNDS

	Balance as at 01.04.2020 £	Income £	Expenditure £	Balance as at 31.03.2021 £
Restricted funds				
London and Quadrant Housing Trust	-	5,000	2,904	2,096
London Borough of Ealing	-	18,286	18,286	-
HMRC Job Retention Scheme grant	-	58,513	58,513	-
Countryside Properties	-	21,250	21,250	-
London Community Foundation	-	10,000	5,239	4,761
	<u>-</u>	<u>113,049</u>	<u>106,192</u>	<u>6,857</u>
Unrestricted funds	-	128,939	73,793	55,147
Total funds	<u>-</u>	<u>241,988</u>	<u>179,985</u>	<u>62,003</u>

Net movements in funds- previous year

	Balance as at 20.12.2018 £	Income £	Expenditure £	Balance as at 31.03.2020 £
Unrestricted funds	-	223,522	223,522	-
Total funds	<u>-</u>	<u>223,522</u>	<u>223,522</u>	<u>-</u>

Description, nature and purpose of restricted funds:

London and Quadrant Housing Trust: The project will develop and enhance our current aid services to vulnerable households, i.e. food, art packs, digital devices; building community resilience by training volunteers; salaries for project coordinators; making physical adaptations to our community centre; establishing a cloud based solution to safely manage the organisation remotely and provide support to staff.

London Borough of Ealing: It was an Emergency Food Aid project with the youth Centre.

Countryside Properties: The project revolved around providing an emergency food and relief programme to residents of Acton Gardens, South Acton. The project developed and enhanced our current aid services to vulnerable households, i.e. food, art packs, digital devices; building community resilience by training volunteers; salaries for project coordinators; making physical adaptations to our community centre; establishing a cloud based solution to safely manage the organisation remotely and provide support to staff.

MHDT LONDON DEVELOPMENT TRUST

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE PERIOD ENDED 31ST MARCH 2021

London Community Foundation: Developing and enhancing our current aid services to vulnerable households, i.e. food, art packs, digital devices; building community resilience by training volunteers; salaries for project coordinators; making physical adaptations to our community centre; establishing a cloud based solution to safely manage the organisation remotely and provide support to staff.

Description, nature and purpose of unrestricted funds:

General funds: General fund represents funds available to spend at the discretion of the trustees.

14. ANALYSIS OF FUND BALANCES BETWEEN NET ASSETS

	Unrestricted Funds £	Restricted Funds £	Total 2021 £
Tangible fixed assets	5,738	-	5,738
Net current assets	49,408	6,857	56,265
	<u>55,147</u>	<u>6,857</u>	<u>62,003</u>

Analysis of fund balances between net assets – previous year

	Unrestricted Funds £	Restricted Funds £	Total 2021 £
Tangible fixed assets	5,581	-	5,581
Net current assets	(5,581)	-	(5,581)
	<u>-</u>	<u>-</u>	<u>-</u>

15. DEFERRED INCOME

	2021 £	2020 £
Balance as at 1st April 2020	58,236	58,236
Amount released to income in the year	(58,236)	-
Amount deferred in the year	-	-
Balance as at 31 March 2021	<u>-</u>	<u>58,236</u>

There is no deferred income as at 31 March 2021.

16. RELATED PARTY TRANSACTIONS

Details of transactions with trustees are in note 8.

The key management personnel of the charity Simon Donovan (CEO) and Emmanuel Wachukwu (Managing director) were also the trustees/directors of the charity. During the year, Emmanuel Wachukwu was paid a salary of £38,667 (2020- £22,667) and charity incurred seconded staff costs related to Simon Donovan, recharged from the parent charity Manor House Development Trust of £3,240 (2020- £27,984).

During the period charity paid the parent charity, Manor House Development Trust, £25,366 (2020- £70,855) for seconded staff. At the balance sheet date, the parent charity owed the charity £8,059.

At the year end, a fellow subsidiary, Woodberry Blooms Ltd, owed the charity £709 (2020- £709).

MHDT LONDON DEVELOPMENT TRUST

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE PERIOD ENDED 31ST MARCH 2021

17. PARENT CHARITY

The charity is a wholly controlled subsidiary by way of trustees of the Manor House Development Trust, a registered charity (Charity No. 1127604) and company (Company No: 06203804) registered in England and Wales. Copies of the financial statements of the parent charity are available from Redmond Community Centre, Kayani Avenue, London, England, N4 2HF.

The Parent Charity's objects are: (A) The Maintenance, Improvement or Provision of Public Amenities; (B) The protection or conservation of the environment; (C) The provision of recreational and community facilities for the public at large or those who by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances, have need of such facilities; (D) The advancement of education, training or retraining, particularly among unemployed people, and providing unemployed people with work experience; (E) The relief of unemployment; (F) the promotion of public safety and prevention of crime; (G) The promotion and support of healthy lifestyles. Copies of the financial statements of the parent charity are available from Redmond Community Centre, Kayani Avenue, London, England, N4 2HF.

18. POST BALANCE SHEET EVENTS

Post year end London Development Trust has made the necessary governance and organisational changes to its Articles and Memorandum and recruited a strong Board. It has become the parent charity to four entities – Manor House Development Trust, Acton Gardens Development Trust, Finsbury Park Trust and Future Local Development Trust.