

Charity registration number 1189281

Company registration number 11736891 (England and Wales)

**LONDON DEVELOPMENT TRUST**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

# LONDON DEVELOPMENT TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

---

<b>Trustees</b>	Andrew Lonas Make Nakagawa Jonathan Darby James Wand Daniel Massie Simon Donovan Emmanuel Wachukwu Alexander Robertson Sarah Rogers Sarah Burke	(Appointed 16 January 2023) (Resigned 16 June 2023) (Resigned 16 June 2023) (Resigned 05 January 2023) (Resigned 16 June 2023) (Resigned 16 June 2023)
<b>Secretary</b>	Simon Donovan	
<b>Charity number</b>	1189281	
<b>Company number</b>	11736891	
<b>Previous Name</b>	MHDT London Development Trust	
<b>Senior Management Team</b>	Simon Donovan – Chief Executive Officer Emmanuel Wachukwu – Managing Director Sarah Miriam Burke – Director Sara Kamaliporshokouh - Finance Manager	
<b>Registered office</b>	Redmond Community Centre Kayani Avenue London England N4 2HF	
<b>Independent examiner</b>	Samir Shah FCA, ATII Ramon Lee Ltd Chartered Accountants 93 Tabernacle Street London EC2A 4BA	

---

# LONDON DEVELOPMENT TRUST

## CONTENTS

---

	<b>Page</b>
Trustees' report	1 - 6
Independent examiner's report	7
Statement of financial activities	8
Balance sheet	9 - 10
Notes to the financial statements	12 - 27

---

# LONDON DEVELOPMENT TRUST

## TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT) FOR THE YEAR ENDED 31 MARCH 2023

---

The trustees present their annual report and financial statements for the year ended 31 March 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charitable company's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

### Objectives and activities

Founded in 2018 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 in some of the most deprived areas in London and some of the most diverse London boroughs in terms of ethnicity.

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; 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

London Development Trust has reached another significant milestone in its development. Now in its 4th 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 fourth 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.

Worked with St George and contracted the Grand Union Development Trust to manage the newly opened a Community Hub in the Grand Union Development in Alperton.

# LONDON DEVELOPMENT TRUST

## TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

---

**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.. 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 continued the 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 2022/23 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. The Food and Relief Programme - 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.
- **The Virtual Community Centre (VCC)** - London Development Trust secured funding to continue the work of its Virtual Community Centre. Activities such as children's dance and arts and crafts have been made available for families on-line and in residents' homes.
- **Digital Connect** – 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.

During the year, London Development Trust published a number of Impact Reports on our work. This included reports on our work during the pandemic; a report on how the use of green and blue spaces changed during the pandemic; a report on our Virtual Community Centre.

The Trust has contracted an Impact and Evaluation Manager and is now discussing providing impact consultancy with a number of social/civil society organisations.

During the year LDT began a contract with LB Hammersmith and Fulham to consult local people on the bio-diversity strategy for the Wormwood Scrubs Open Space.

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.

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 across the areas in which we are working.

# LONDON DEVELOPMENT TRUST

## TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

---

**Space** - London Development Trust manages spaces and across the public realm. London Development Trust saw some major expansion in the spaces signing a 5-year lease for the Grand Union Community Hub,

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

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

**Organisation** - Over the year we continued to increase our marketing developing and launching our website and new marketing materials aimed at developers.

### **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.

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.

**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 continued to employ staff to carry out its services and is looking forward to receiving staff from Manor House Development Trust following a parent subsidiary arrangement and TUPE process.

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

### **Public benefit statement**

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PD2)'. The achievements and activities above demonstrate the public benefit arising through the charity's activities.

### **Financial review**

The Charity recorded a net deficit during the year ended 31 March 2023 of £51,845 (2022 – net surplus of £107,290) and reserves stand at £117,449 (2022 - £169,294). The financial position at the year revealed by the Balance Sheet on page 12 shows net current assets or working capital of £296,093 (2022 – £340,832). The net book value of fixed assets held, all of which are used directly for charitable purposes, amounted to £6,756 (2022 – £8,462).

### **Principal Funding Sources**

Principal funding sources are currently:

- Acton Gardens Partnership
- Lettings of the Acton Gardens Community Centre
- London Borough of Ealing
- Grand Union Development Trust
- Footwork Trust

# **LONDON DEVELOPMENT TRUST**

## **TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED)**

### **FOR THE YEAR ENDED 31 MARCH 2023**

---

#### **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:

- continue to increase revenues through the management of assets and winning of new contracts such as consultancies;
- has cut non-staffing elements of the budget to a minimum;
- has spread core central costs across all contracts it is currently working on.

As at the year end, accounts showed reserves of £117,449 (2022 - £169,294), of which £104,995 (2022 - £96,192) was restricted. The unrestricted funds not designated or invested in tangible fixed assets held by the Charity are £5,698 (2022 - £64,640).

#### **Plans for future periods**

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**

London Development Trust continues to seek relevant funding opportunities to increase its impact with beneficiaries in the areas in which it works.

#### **Impact**

In order to improve the management of Impact, London Development Trust has invested in Time to Spare, 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.

#### **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. 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**

Trustees come from a range of backgrounds and interests including. 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.

# **LONDON DEVELOPMENT TRUST**

## **TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED)**

### **FOR THE YEAR ENDED 31 MARCH 2023**

---

#### **Trustees induction and training**

New Trustees were added to the Board during the course of the year and have completed induction training. They meet regularly on a quarterly basis and continue to support the Trust with expert commercial and other advice.

#### **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.

#### **Related parties**

The Charity works closely with other similar organisations as detailed in the achievements and performance section of the Trustees Report. None of the Charity's trustees are directors or trustees of these other organisations.

#### **Pay policy for senior staff**

Pay for Senior Staff is determined by the LDT Board and reviewed on an annual basis as part of the budget setting process.

#### **Risk Management**

Risk Management LDT regularly reviews risk by means of a RAG risk register at Board and SMT meetings.

#### **Statement of trustees' responsibilities**

The trustees, who are also the directors of London Development Trust for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for 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.

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



# **LONDON DEVELOPMENT TRUST**

## **TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED)** ***FOR THE YEAR ENDED 31 MARCH 2023***

---

The trustees' report was approved by the Board of Trustees and signed on its behalf by:

**Jonathan Darby**

**23 October 2023**

# **LONDON DEVELOPMENT TRUST**

## **INDEPENDENT EXAMINER'S REPORT**

### **TO THE TRUSTEES OF LONDON DEVELOPMENT TRUST**

---

I report to the trustees on my examination of the financial statements of London Development Trust (the charitable company) for the year ended 31 March 2023.

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.

#### **Responsibilities and basis of report**

As the trustees of the charitable company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

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

#### **Independent examiner's statement**

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

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

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

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

**Samir Shah FCA, ATII**

**Ramon Lee Ltd**  
**Chartered Accountants**  
**93 Tabernacle Street**  
**London**  
**EC2A 4BA**

**Dated: 23 October 2023**

# LONDON DEVELOPMENT TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Total 2022 £
<b>Income from:</b>					
Donations and legacies	3	10,501	-	10,501	35,740
Charitable activities	4	265,800	321,089	586,889	236,951
Other trading activities	5	-	-	-	99,449
<b>Total income</b>		<b>276,301</b>	<b>321,089</b>	<b>597,390</b>	<b>372,140</b>
<b>Expenditure on:</b>					
Raising funds	6	143,507	12,236	155,743	89,840
Charitable activities	7	193,442	300,050	493,492	175,010
<b>Total expenditure</b>		<b>336,949</b>	<b>312,286</b>	<b>649,235</b>	<b>264,850</b>
<b>Net (expenditure)/income for the year/ Net movement in funds</b>		<b>(60,648)</b>	<b>8,803</b>	<b>(51,845)</b>	<b>107,290</b>
Fund balances at 1 April 2022		73,102	96,192	169,294	62,004
<b>Fund balances at 31 March 2023</b>		<b>12,454</b>	<b>104,995</b>	<b>117,449</b>	<b>169,294</b>

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes on pages 12 to 27 form part of these financial statements.

# LONDON DEVELOPMENT TRUST

## BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
<b>Fixed assets</b>					
Tangible assets	11		6,756		8,462
<b>Current assets</b>					
Debtors	12	114,213		116,508	
Cash at bank and in hand		213,899		249,414	
		<u>328,112</u>		<u>365,922</u>	
<b>Creditors: amounts falling due within one year</b>	13	<u>(32,019)</u>		<u>(25,090)</u>	
Net current assets			296,093		340,832
<b>Total assets less current liabilities</b>			302,849		349,294
<b>Creditors: amounts falling due after more than one year</b>	14		(185,400)		(180,000)
<b>Net assets</b>			<u>117,449</u>		<u>169,294</u>
<b>Income funds</b>					
Restricted funds	15	104,995		96,192	
Unrestricted funds		12,454		73,102	
		<u>117,449</u>		<u>169,294</u>	

The notes on pages 12 to 27 form part of these financial statements.

# **LONDON DEVELOPMENT TRUST**

## **BALANCE SHEET (CONTINUED)**

***AS AT 31 MARCH 2023***

---

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.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

The directors acknowledge their responsibilities for:

- a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

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

The financial statements were approved by the Trustees on 23 October 2023 and signed on behalf by:

**Jonathan Darby**

**Company registration number 11736891**

# LONDON DEVELOPMENT TRUST

## STATEMENT OF CASH FLOWS

**FOR THE YEAR ENDED 31 MARCH 2023**

	Notes	2023 £	£	2022 £	£
<b>Cash flows from operating activities</b>					
Cash (absorbed by)/generated from operations	19		(37,476)		20,098
<b>Investing activities</b>					
Purchase of tangible fixed assets		(3,439)		(7,009)	
<b>Net cash used in investing activities</b>			(3,439)		(7,009)
<b>Financing activities</b>					
Repayment of bank loans		5,400		180,000	
<b>Net cash generated from financing activities</b>			5,400		180,000
<b>Net (decrease)/increase in cash and cash equivalents</b>			(35,515)		193,089
Cash and cash equivalents at beginning of year			249,414		56,325
<b>Cash and cash equivalents at end of year</b>			213,899		249,414

# LONDON DEVELOPMENT TRUST

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2023

---

#### 1 Accounting policies

##### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charitable company's Memorandum and Articles of Association, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 charitable company is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

##### 1.2 Going concern

The Charity's Financial Statements show net deficit of £51,845 (2022 – surplus of £107,290) for the year and free reserves of £5,698 (2022 - £64,640). 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 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

##### 1.4 Income

Income is recognised when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

##### 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.

Capital grants for the purchase of fixed assets are credited to restricted incoming resources on the earlier date of when they are received or receivable. Deprecation on the related fixed assets is charged against the restricted fund.

# LONDON DEVELOPMENT TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

---

### 1 Accounting policies

(Continued)

#### 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.

#### Contract income

Income from charitable activities include income recognised as earned (as the related goods and services are provided) under contract.

#### Rental income

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

### 1.5 Expenditure

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

Expenditure is classified 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.

#### 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. All the general support and governance costs have been apportioned to the various activities on the basis of staff time allocated to each activity.

### 1.6 Tangible fixed assets

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:

Computer equipment	25% Straight Line basis
--------------------	-------------------------

### 1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

### 1.8 Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.



# LONDON DEVELOPMENT TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

---

### 1 Accounting policies

(Continued)

#### 1.9 Taxation

The Charity is a registered charity and, therefore, is not liable for Income Tax or Corporation Tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

#### 1.10 Creditors and Provisions

Creditors and Provisions are recognised when the charitable company has a legal or constructive present obligation as a result of a past event, it is probable that the charitable company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in net income/(expenditure) in the period in which it arises.

#### 1.11 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 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.

#### 1.12 Debtors

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

# **LONDON DEVELOPMENT TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)** ***FOR THE YEAR ENDED 31 MARCH 2023***

---

### **2 Critical accounting estimates and judgements**

In the application of the charitable company's accounting policies, the trustees are required to make judgements, 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.

# LONDON DEVELOPMENT TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

### 3 Donations and legacies

	Unrestricted funds £	Total 2023 £	Total 2022 £
HMRC Job Retention Scheme grant	-	-	22,354
London Borough of Ealing	-	-	13,000
Other donations	1	1	386
Power to Change Resilient Communities Fund	10,000	10,000	-
Other income	500	500	-
	<u>10,501</u>	<u>10,501</u>	<u>35,740</u>
For the year ended 31 March 2022	<u>35,740</u>		<u>35,740</u>

# LONDON DEVELOPMENT TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 4 Charitable activities

	Raising Funds	Empowering	Influencing	Connecting	Space	Total 2023	Total 2022
	£	£	£	£	£	£	£
Acton Garden LLP	100,000	2,993	-	-	-	102,993	104,500
Grand Union Development Trust	142,400	-	-	-	-	142,400	-
Haringey Council	1,189	-	-	-	-	1,189	-
London Borough of Ealing	-	-	-	-	-	-	2,000
The Rank Foundation	-	20,000	-	-	-	20,000	-
London Borough of Hackney	-	3,748	-	-	-	3,748	-
Arnold Clark-Autom Funding	-	2,500	-	-	-	2,500	-
CAF - Footwork Trust	-	22,000	-	-	-	22,000	60,000
BBC Children in Need	-	49,504	-	-	-	49,504	-
Ellis Campbell Foundation	-	20,000	-	-	-	20,000	-
The City Bridge Trust	-	53,780	-	-	-	53,780	-
Bonner Road LLP	-	5,000	-	-	-	5,000	-
RMG London	-	475	-	-	-	475	-
London Borough of Hammersmith and Fulham	-	-	-	-	-	-	22,541
Social Enterprise Support Fund	-	-	-	-	-	-	24,000
Other Income	-	-	-	-	215	215	175
St George West London Limited	-	-	-	-	-	-	19,013
London and Quadrant Housing Trust	-	-	-	-	-	-	4,722
Space Hire	-	-	-	-	163,085	163,085	-
	<u>243,589</u>	<u>180,000</u>	<u>-</u>	<u>-</u>	<u>163,300</u>	<u>586,889</u>	<u>236,951</u>
<b>Analysis by fund</b>							
Unrestricted funds	100,000	2,500	-	-	163,300	265,800	100,175
Restricted funds	143,589	177,500	-	-	-	321,089	136,776
	<u>243,589</u>	<u>180,000</u>	<u>-</u>	<u>-</u>	<u>163,300</u>	<u>586,889</u>	<u>236,951</u>
<b>For the year ended 31 March 2022</b>							
Unrestricted funds	100,000	175	-	-	-	-	100,175
Restricted funds	2,000	111,041	19,013	4,722	-	-	136,776
	<u>102,000</u>	<u>111,216</u>	<u>19,013</u>	<u>4,722</u>	<u>-</u>	<u>-</u>	<u>236,951</u>

# LONDON DEVELOPMENT TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

### 5 Other trading activities

	Unrestricted funds £	Total 2023 £	Total 2022 £
Rental Income	-	-	75,449
Management charge	-	-	24,000
	<u>-</u>	<u>-</u>	<u>99,449</u>
<b>For the year ended 31 March 2022</b>	<u>99,449</u>		<u>99,449</u>

### 6 Raising funds

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Staff costs	70,151	12,236	82,387	54,600
Other fundraising costs	-	-	-	3,221
Share of Support costs	47,682	-	47,682	21,120
Share of Governance costs	25,674	-	25,674	10,899
	<u>143,507</u>	<u>12,236</u>	<u>155,743</u>	<u>89,840</u>
<b>For the year ended 31 March 2022</b>				
Unrestricted funds	<u>89,840</u>	<u>-</u>		<u>89,840</u>
	<u>89,840</u>	<u>-</u>		<u>89,840</u>

# LONDON DEVELOPMENT TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

### 7 Charitable activities

	Empowering	Influencing	Space	Connecting	Total 2023	Total 2022
	£	£	£	£	£	£
Staff costs	113,657	11,335	46,012	3,350	174,354	70,027
Premises and equipment costs	3,344	-	42,207	-	45,551	22,525
Other direct costs	34,742	16,075	34,853	-	85,670	31,204
Discount on charitable space hire	-	-	30,467	-	30,467	-
	<u>151,743</u>	<u>27,410</u>	<u>153,539</u>	<u>3,350</u>	<u>336,042</u>	<u>123,756</u>
Share of support costs (see note 8)	63,953	1,640	36,752	-	102,345	33,808
Share of governance costs (see note 8)	34,434	883	19,788	-	55,105	17,446
	<u>250,130</u>	<u>29,933</u>	<u>210,079</u>	<u>3,350</u>	<u>493,492</u>	<u>175,010</u>
<b>Analysis by fund</b>						
Unrestricted funds	89,791	4,176	96,125	3,350	193,442	
Restricted funds	160,339	25,757	113,954	-	300,050	
	<u>250,130</u>	<u>29,933</u>	<u>210,079</u>	<u>3,350</u>	<u>493,492</u>	
<b>For the year ended 31 March 2022</b>						
Unrestricted funds	29,882	8,976	74,888	13,823		127,569
Restricted funds	47,441	-	-	-		47,441
	<u>77,323</u>	<u>8,976</u>	<u>74,888</u>	<u>13,823</u>		<u>175,010</u>

# LONDON DEVELOPMENT TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 8 Support 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 7) 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.

	Support costs £	Governance costs £	Total 2023 £	Total 2022 £
Staff costs	100,246	78,019	178,265	57,272
Depreciation	5,145	-	5,145	1,071
Premises and equipment costs	2,212	-	2,212	1,074
Communications costs	1,317	-	1,317	3,955
Information technology	1,273	-	1,273	3,605
Legal and professional expenses	2,095	-	2,095	3,170
Miscellaneous expenses	16,081	-	16,081	10,007
Independent examiner's fees	1,932	2,760	4,692	3,120
Bank interest & charges	19,726	-	19,726	-
	<u>150,027</u>	<u>80,779</u>	<u>230,806</u>	<u>83,272</u>
Analysed between				
Fundraising	47,682	25,674	73,356	32,019
Charitable activities	102,345	55,105	157,450	51,254
	<u>150,027</u>	<u>80,779</u>	<u>230,806</u>	<u>83,273</u>

### 9 Net movement in funds

	2023 £	2022 £
<b>Net movement in funds is stated after charging/(crediting)</b>		
Depreciation of owned tangible fixed assets	<u>5,145</u>	<u>4,285</u>
<b>Independent Examiner's fees</b>		
Independent examination	2,760	1,800
Other Services	1,932	1,320
	<u>4,692</u>	<u>3,120</u>

# LONDON DEVELOPMENT TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

### 10 Employees

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

	2023 Number	2022 Number
Fundraising	2	2
Empowering	2	1
Connecting	-	-
Space	-	1
Administration	1	1
Seconded staff	1	2
	5	-
Total	11	6

The average monthly number of persons employed by the charity during the year was 14 (2022 - 7).

Employment costs	2023 £	2022 £
Salaries	203,335	124,534
National Insurance	14,700	9,019
Pension	2,957	2,094
Seconded staff	214,013	46,253
	435,005	181,900

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

Three trustees received reimbursement of travel expenses amounting to £1,036 during the year (2022 - £nil)

The key management personnel of the charity comprises of Chief Executive Officer, Managing Director, Director and Finance Manager. The total employee benefits of the key management personnel of the charity including seconded staff costs from the related party Manor House Development Trust were £213,007 (2022 - £60,880).



# LONDON DEVELOPMENT TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

### 11 Tangible fixed assets

	Computer equipment £
<b>Cost</b>	
At 1 April 2022	17,141
Additions	3,439
	<hr/>
At 31 March 2023	20,580
	<hr/>
<b>Depreciation and impairment</b>	
At 1 April 2022	8,679
Depreciation charged in the year	5,145
	<hr/>
At 31 March 2023	13,824
	<hr/>
<b>Carrying amount</b>	
At 31 March 2023	6,756
	<hr/> <hr/>
At 31 March 2022	8,462
	<hr/> <hr/>

### 12 Debtors

	2023 £	2022 £
<b>Amounts falling due within one year:</b>		
Trade debtors	58,873	70,088
Amount due from connected company	49,840	45,710
Other debtors	5,500	710
	<hr/>	<hr/>
	114,213	116,508
	<hr/> <hr/>	<hr/> <hr/>

### 13 Creditors: amounts falling due within one year

	2023 £	2022 £
Other taxation and social security	6,307	13,294
Trade creditors	13,357	1,983
Other creditors	6,844	5,557
Accruals	5,511	4,256
	<hr/>	<hr/>
	32,019	25,090
	<hr/> <hr/>	<hr/> <hr/>

### 14 Creditors: amounts falling due after more than one year

	2023 £	2022 £
Social Investment Business Loan	185,400	180,000
	<hr/>	<hr/>
	185,400	180,000
	<hr/> <hr/>	<hr/> <hr/>

# LONDON DEVELOPMENT TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2023

#### 15 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds			
	Balance at 1 April 2021	Incoming resources	Resources expended	Balance at 1 April 2022	Incoming resources	Resources expended	Balance at 31 March 2023
	£	£	£	£	£	£	£
Acton Gardens LLP	-	4,500	-	4,500	2,993	(2,993)	4,500
London and Quadrant Housing Trust	2,096	4,722	(901)	5,917	-	(5,917)	-
London Borough of Ealing	-	2,000	(2,000)	-	-	-	-
St George West London Limited	-	19,013	(1,452)	17,561	-	(17,561)	-
London Borough of Hammersmith and Fulham	-	22,541	-	22,541	-	(22,541)	-
Social Enterprise Support Fund	-	24,000	-	24,000	-	(17,836)	6,164
Footwork Trust	4,761	60,000	(43,088)	21,673	22,000	(43,673)	-
Haringey Council	-	-	-	-	1,189	(1,189)	-
The Rank Foundation	-	-	-	-	20,000	(20,000)	-
London Borough of Hackney	-	-	-	-	3,748	(2,881)	867
BBC Children in Need	-	-	-	-	49,504	(49,504)	-
Ellis Campbell Foundation	-	-	-	-	20,000	(1,000)	19,000
The City Bridge Trust	-	-	-	-	53,780	-	53,780
Bonner Road LLP	-	-	-	-	5,000	(5,000)	-
RMG London	-	-	-	-	475	(475)	-
Grand Union Development Trust	-	-	-	-	142,400	(121,716)	20,684
	<u>6,857</u>	<u>136,776</u>	<u>(47,441)</u>	<u>96,192</u>	<u>321,089</u>	<u>(312,286)</u>	<u>104,995</u>

# LONDON DEVELOPMENT TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

---

15    **Restricted funds** **(Continued)**

**Description, nature and purpose of restricted funds:**

**Acton Garden LLP:** This is the core fund for the delivery of community development and social stewardship on the Acton Gardens regeneration, including management of the Acton Gardens Community centre, delivery of community projects and activities etc.

**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:** Contribution to HAF programme. **St. George West London Limited:** To consult and carry out Community Needs Assessment.

**St. George West London Limited:** To consult and carry out Community Needs Assessment.

**London Borough of Hammersmith and Fulham:** To carry consultation on Wormwood Scrubs and use of open spaces.

**Social Enterprise Support Fund:** Operating Finance.

**Footwork Trust:** Partnership project delivery with Footwork to engage young residents in and around Finsbury Park.

**Ellis Campbell Foundation and City Bridge Trust:** Contribution to My place project to Support the young people in Finsbury Park (the My Place Pioneers) to establish meaningful partnerships with those in power and embed young people’s voices into local decision.

# LONDON DEVELOPMENT TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

### 16 Analysis of net assets between funds

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Tangible assets	6,756	-	6,756	8,462	-	8,462
Current assets/(liabilities)	191,098	104,995	296,093	244,640	96,192	340,832
Long term liabilities	(185,400)	-	(185,400)	(180,000)	-	(180,000)
	<u>12,454</u>	<u>104,995</u>	<u>117,449</u>	<u>73,102</u>	<u>96,192</u>	<u>169,294</u>

### 17 Related party transactions

Details of transactions with trustees are in note 10.

During the year charity paid the related charity, Manor House Development Trust, £217,231 (2022- £46,255) for seconded staff. At the balance sheet date, the related charity owed the charity £49,840 (2022 - £39,710).

At the year end, the subsidiary of the related charity Manor House Development Trust, Woodberry Blooms Ltd, owed the charity £Nil (2022- £709).

# LONDON DEVELOPMENT TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2023

#### 18 Group Structure

London Development Trust (Company Reg. 11736891, Charity No. 1189281) was a wholly owned subsidiary of Manor House Development Trust (Company Reg. 06203804, Charity No. 1127604) until 10th April 2022. Manor House Development Trust ceased to have significant control on the wholly owned subsidiary from 11th April 2022.

The MHDT Trustees have made significant changes to the Memorandum and Articles of the Trust which came into effect at the end of this financial year. MHDT has changed its relationship with London Development Trust. These changes have been made to ensure financial sustainability and increase transparency of governance arrangements across the group.

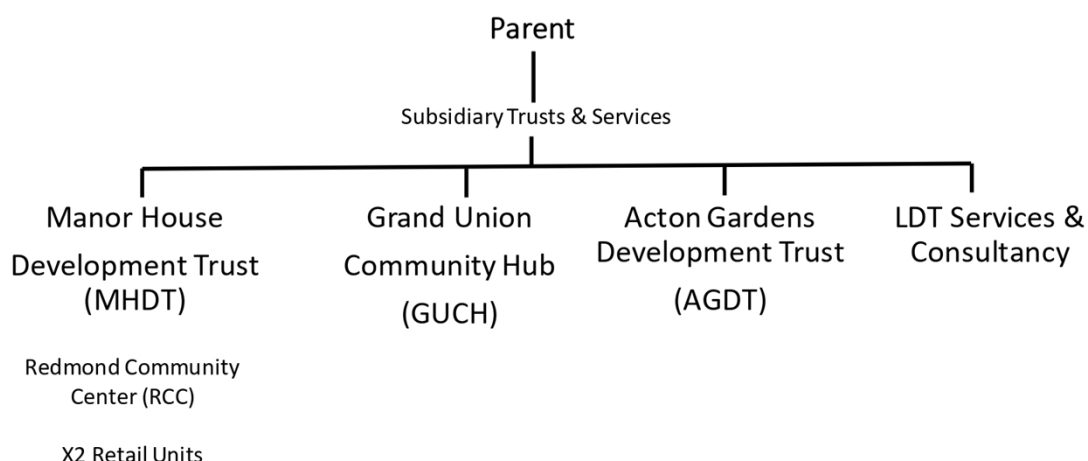
MHDT alongside LDT has made the necessary governance and organisational changes to its Articles and Memorandum.

The advantages of this approach are that there is a very clear sense of where strategic responsibility sits, which is with London DT. MHDT is enabled to focus on its own local area, whilst benefitting from the strategic oversight of a board and management team with a pan London remit. The core management team can provide support to each subsidiary, as required, and recharge as necessary. This enables a relationship which is much more than just a commercial service provider.

MHDT Trustees have discussed the advantages of becoming a subsidiary of London Development Trust and have agreed a SLA and Intra Group agreement provided by LDT. An overview diagram of the new company structure is below.

LDT Group Structure

## London Development Trust (LDT)



# LONDON DEVELOPMENT TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

---

<b>19</b>	<b>Cash generated from operations</b>	<b>2023 £</b>	<b>2022 £</b>
	(Deficit)/surplus for the year	(51,845)	107,290
	Adjustments for:		
	Depreciation and impairment of tangible fixed assets	5,145	4,285
	Movements in working capital:		
	Decrease/(increase) in debtors	2,295	(106,667)
	Increase in creditors	6,929	15,190
		<hr/>	<hr/>
	<b>Cash (absorbed by)/generated from operations</b>	<b>(37,476)</b>	<b>20,098</b>
		<hr/> <hr/>	<hr/> <hr/>