

THE HARTLEY TRUST

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

THE HARTLEY TRUST

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THE HARTLEY TRUST

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

Trustees

Nominated Trustee:

The Hartley Trust Corporate Trustee Limited

Directors of The Hartley Trust Corporate Trustee Limited:

W Browne-Swinburne (appointed 13 April 2022)

F S D Hartley Russell (appointed 25 February 2022)

R D Hartley Russell MVO DL, Chairman

G D A Ropner

Honorary Vice Presidents:

Dr B Bruce-Gardner

P Hartley Russell

R F Hartley Russell

Charity registered number

226021

Principal office

The Trust Office
1 Groombridge Place
Donnington
Newbury
Berkshire
RG14 2JQ

Chief executive officer

A Jones-Perrott MRICS

Independent auditor

James Cowper Kreston Audit
Chartered Accountants and Statutory Auditor
2 Communications Road
Greenham Business Park
Greenham
Newbury
Berkshire
RG19 6AB

Solicitors

Blandy & Blandy Solicitors
1 Friar Street
Reading
Berkshire
RG1 1DA

THE HARTLEY TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

During the prior year the Directors formally approved a number of constitutional changes to the Trust's corporate structure the previous review having taken place in 1989. The changes were introduced to update and modernise the Trust's constitutional structure and objectives. The Trust's solicitors, Blandy and Blandy, were engaged to oversee the proposed changes and liaise with the Charity Commission to effect the changes:

1. To effect the full merger of Jesus Hospital in Bray within The Hartley Trust, to avoid the administration of two separate, although linked, charities. The merger was approved by the Charity Commission, the merger deed was prepared and executed.
2. To form and appoint a limited company as the Corporate Trustee of the Charity. This is to protect against personal liability whilst preserving the history and heritage of the Charity. The company, The Hartley Corporate Trustee Limited (Company Number 13486505), was approved on 30th June 2021.
3. To effect a change to the 'working name' of the Trust to The Hartley Trust. This was proposed given the word 'Hospital' was anachronistic. The Charity Commission approved the change of name.
4. To update the Scheme governing the Charity. The Charity has been governed by a number of schemes over the years and therefore there is a need to update and form a single document.
5. Amend and extend the objects of the Charity. To widen the activities that the Charity can undertake, and the geographical area in which it can operate. Counsel's advice has been sought to effect the proposed changes.

2022 was largely spent liaising with the Charity Commission to agree the amended objects of the Charity, preparing, and drafting the Scheme as well as updating rules and operating policies, it is hoped that during the first quarter of 2023 all matters will be resolved and approved by the Charity Commission.

Felix Hartley Russell was appointed by the Chairman as a third Director from March 2022 and a fourth Director, William Browne-Swinburne appointed in April 2022. Both come from a professional surveying background with Mr Browne-Swinburne connected with other charitable organisations. The Chairman confirmed that there were no conflicts of interest.

The Directors of The Hartley Trust Corporate Trustee Limited (the corporate trustee of The Hartley Trust) present their annual report together with the audited financial statements of The Hartley Trust for the year ended 31 December 2022. The Directors confirm that the annual report and financial statements of the charity comply with the Charities Act 2011, the requirements of the governing documents and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Donnington Hospital (now The Hartley Trust) was founded in 1393 by Sir Richard Abberbury and re founded in 1602 by Queen Elizabeth. It is the tenth oldest Almshouse Foundation in the country, the oldest charity in Berkshire and the twenty third oldest charity in the country. The now newly named Hartley Trust is a family charity having been under the patronage of the Hartley Russell family since 1632. The Trust continues its charity work in respect of the provision of relief in need and donations to other charitable causes within its area of benefit which the Charity Commission has confirmed will be in the first instance favours Oxfordshire and Berkshire but greater flexibility has been approved to include England and Wales.

The Hartley Trust currently owns and manages 71 almshouses in the parishes of Donnington, Bucklebury, Bray and Iffley.

THE HARTLEY TRUST

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

Objectives and activities

Details of objectives and activities

The Trust provides warm and comfortable self-contained dwellings to retired local people with limited financial means. Residents are encouraged to lead independent lives but are supported by Welfare Officers to ensure their general wellbeing.

The Directors of the corporate trustee have had due regard to the Charity Commission's guidance on public benefit.

Review of activities and future developments

The annual rent of one red rose was sadly not presented to Her Majesty The Queen on the feast of the Nativity of St John the Baptist on 24 June 2022 given Her Majesty's failing health.

During the year the Trust developed Bradfield Farm Cottage, adding to the Trust's residential portfolio. The dwelling was successfully let on the open market.

Risingham House on the Cragg Estate was built using locally sourced materials, furnished, and is let as holiday accommodation complimenting Broadgate Farmhouse and Cragg Lodge both of which are situated on the Estate and let as holiday accommodation.

Following the planting of a number of small woods on the Cragg estate, carbon credits were established and sold, the proceeds of sale were recycled and used to enhance the estate's Environmental and Conservation targets.

The option agreement over a 2-acre paddock at Stanford Dingley was exercised and a sale was agreed.

Riverside Cottage, Donnington was purchased in July adding to the Trust's residential portfolio. The property will require an extensive refurbishment which will be carried out on a piecemeal basis when funds allow.

2-3 Hunts Cottage, Donnington was purchased during August adding to the Trust's residential portfolio and let on the open market.

Two brand new trade counter units were purchased in Elgin, Scotland during October. Both commercial properties form a larger trade park. The units were pre let to reputable businesses for ten years. The initial yield of just over 5% was considered solid.

Following the purchase of the Delnabo Estate in October 2021 an in-house appraisal of its assets was reviewed. A restoration programme commenced with a focus on residential property to achieve comfortable holiday letting accommodation.

THE HARTLEY TRUST

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

Achievements and performance

Review of activities

The Trust's almshouses continue to be extremely popular with residents enjoying the security and support shown by the Chairman, Directors and colleagues which realises a contented, collaborative approach creating a relaxed environment.

There were seven refurbishments during the year. It is the Trust's policy to refurbish all almshouses on change of resident so that high standards are maintained and residents feel that they are moving into a new home with new beginnings. The works carried out are well thought out with ergonomic kitchen and bathroom design specific for a resident, along with modern certified appliances.

The dilapidated garages to the rear of Donnington Hospital were renovated and it is hoped they will be brought back into use as safe, dry stores for the residents of the almshouses.

The almshouse residents enjoyed a summer luncheon, cream tea aboard the Old Rose of Hungerford and a trip to Kew Gardens as well as Christmas Carols at Abberbury Close and celebrations thereafter.

The Trust continues its responsible approach to Land Management by working with stakeholders to achieve exemplar standards of mixing husbandry with environmental practises. During the year environmental standards excelled on the Cragg Estate and with an open minded approach sustainable management and enhancement was undertaken in partnership with Natural England, Forestry Commission, Northumberland County Council, Tyne Rivers Trust and sponsors Balfour Beatty.

The Business Risk Register and Financial Procedures were reviewed in accordance with compliance. James Cowper Kreston the Trust auditor was provided with a copy.

Looking ahead

The Trust continues to provide donations to various worthy funds via its constitution.

The Directors of the corporate trustee are progressive. The strategy is to create a wholly sustainable charitable organisation for the future in an ever-changing world. A mix of assets across the various types of property is actively being refined and additions will be made as and when opportunities arise.

Investment Policy and Returns

During the year the Trust retained nearly 100% occupancy throughout its investment portfolio.

The financial position of the Trust remains strong. Occupancy rates are a key performance indicator. The Trust present letting property to high standards with an awareness of energy efficiency. A positive, informal, pastoral, and caring relationship with our occupiers has been key to maintaining levels of rent.

During the year the Trust continued to maintain its investment strategy of investing in commercial, agricultural and residential properties in Oxfordshire, Berkshire, Northumberland and Morayshire.

The Directors of the corporate trustee have made investments in property to generate sufficient returns to fund annual expenditure and to maintain the level of the Fund.

THE HARTLEY TRUST

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

Achievements and performance (continued)

Risk assessment

Nature of investments

The Trust has a long tradition of investing in property and this is reflected in the original gift of the Manor of Iffley in Oxford by Sir Richard Abberbury in 1393. The property portfolio has been diversified over recent years in terms of geography and property type.

This policy has given rise to the risk that investments are far less liquid than financial investments. This could result in the possible situation of the charity having insufficient cash reserves to fulfil future commitments. However, the Directors consider this unlikely due to the strong cash generation of the diversified property portfolio.

The Directors of the corporate trustee are also mindful to ensure that leases relating to significant commercial properties do not terminate or have break clauses at the same date.

Operational risk

There is a risk that one or a number of almshouses could be damaged sufficiently to fundamentally impair the activities of the charity.

The Directors of the corporate trustee consider that this risk has been mitigated by the following:

Almshouse properties are fully insured by the charity and additional preventative measures such as smoke alarms and fire equipment have been installed and are maintained and updated as required by statutory legislation. In addition, the properties are subject to a rolling maintenance review to ensure items such as wiring do not pose additional risks.

The Directors of the corporate trustee have prepared contingency housing plans should an almshouse be rendered uninhabitable. The Trust maintains a Safeguarding Policy as guided by the Almshouse Association for its residents. All staff who interact with the residents complete DBS checks.

Investment risk

There is a risk that a commercial property could be damaged to cause a material loss of operating income which is sufficient to fundamentally impair the operations of the charity.

The Directors of the corporate trustee consider that the following steps mitigate against this risk:

The commercial properties are fully insured against damage directly by the charity. In order to protect income loss of rent is insured for a period of 24 months.

Management risk

There is a risk identified that the charity could incur loss directly attributable to the Directors of the corporate trustee and management decisions, which could be considered negligent but this has been highlighted in the Trust's Risk Register.

Such a risk is mitigated by the calibre and experience of Directors of the corporate trustee, the honorary support network and Chief Executive appointed by the charity. At the current time such a policy is considered adequate, having regard to the size and operational strategy of the Trust.

THE HARTLEY TRUST

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

Achievements and performance (continued)

Ongoing review

This report details the major risks identified for the charity. Such risks and the steps taken to mitigate them are to be reviewed by the the Directors of the corporate trustee on an annual basis.

Should any further risks be identified during the year then mitigation will be considered at the next board meeting.

Financial review

Reserves policy

The Trust maintains reserves totalling £48,197,420 at 31 December 2022 (2021: £47,542,989), the bulk of this is held as investment properties. Consolidated investment properties total £46,449,132 (2021: £41,691,862) and charity investment properties of £39,554,200 (2021: £35,963,700).

Financial security is extremely important to the charity so as to maintain the integrity of the almshouses and associated property in respect of maintenance, repair and improvement. As there are differing requirements for funding throughout the year, the Directors monitor income and expenditure closely to ensure sufficient funds are held to meet the needs of the charity. If required, funds could be realised through disposing of investments or bank loans.

The Trust has two loans with the Agricultural Mortgage Corporation both in respect of property purchase and enhancement. It is the intention to reduce these loans when sufficient funds are available.

THE HARTLEY TRUST

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

Structure, governance and management

Governing document

The Trust is controlled by its governing document, a Charity Commission scheme that has been reviewed and the update is due to be confirmed during 2023. It is quite usual and healthy for a charity to review its scheme making sure in accordance with Charity Commission guidance that it is correctly structured. Page one of this report identifies the stages in which the Charity is structuring its review.

Methods of appointment or election of Trustees

The Trust has four Directors. The Corporate Trustee is due to pass a resolution to review the proposed changes to the structure of the Trust.

The Corporate Trustee identified suitable candidates who have different, but complementary skills. One finance related professional, one business professional and two property related professionals.

New Directors are provided with the Trust's Report and Accounts, a history of the Trust, a copy of the Scheme, access to the Trust's website (which is under maintenance presently) as well as the Charity Commission website. The Chairman outlines the role and responsibilities thoroughly and gives sufficient time for prospective candidates to consider the responsibilities that the role requires. The Trust Office keeps the record of Directors appointments.

In addition, the Trust offers honorary positions to those that are supportive of the Trust's aims and ethos.

Organisation structure and decision making

The Directors of the corporate trustee have an intimate knowledge of the charity, its assets and its operations.

The Directors of the corporate trustee meet twice a year and a formal reporting procedure is in place and decisions are made in an open forum as guided by the Chairman.

Day to day management of the charity's assets is overseen by the Chief Executive who is directed by the Chairman in accordance with the Directors of the corporate trustee's decision making process.

Risk management

The Directors of the corporate trustee have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. A Cyber insurance policy has been implemented. Public, Employer and Environmental insurance is arranged annually. Health and Safety, Risk and COSHH are under constant review and guided by our Health and Safety manager NFU Risk Management Service.

Information on fundraising practices

The Trust was not involved directly or indirectly in any fundraising for its own benefit during 2022 and is unlikely to undertake any fundraising in the near future.

THE HARTLEY TRUST

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

Statement of Trustees' responsibilities

The Trustees 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).

The law applicable to charities in England & Wales 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 Group and the Charity and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the Group and the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditor is aware of that information.

Auditor

The auditor, James Cowper Kreston Audit, has indicated its willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

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



.....
The Hartley Trust Corporate Trustee Limited
Trustee
Date: 23 June 2023

THE HARTLEY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HARTLEY TRUST

Opinion

We have audited the financial statement of The Hartley Trust (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 December 2022 which comprise the consolidated statement of financial activities, the consolidated balance sheet, the charity balance sheet, the consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statement:

- give a true and fair view of the state of the Group's and of the parent charity's affairs as at 31 December 2022 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

THE HARTLEY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HARTLEY TRUST (CONTINUED)

Other information

The other information comprises the information included in the annual report other than the financial statement and our Auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statement does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statement or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statement themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statement; or
- the parent Charity has not kept sufficient accounting records; or
- the parent Charity financial statement are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the Trustees are responsible for the preparation of the financial statement which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statement that are free from material misstatement, whether due to fraud or error.

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

THE HARTLEY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HARTLEY TRUST (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statement.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

The specific procedures for this engagement that we designed and performed to detect material misstatements in respect of irregularities, including fraud, were as follows:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management and those charged with governance to identify any material instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work to address the risk of irregularities due to management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for evidence of bias.

A further description of our responsibilities for the audit of the financial statement is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

THE HARTLEY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HARTLEY TRUST (CONTINUED)

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



James Cowper Kreston Audit

Chartered Accountants and Statutory Auditor
2 Communications Road
Greenham Business Park
Greenham
Newbury
Berkshire
RG19 6AB

23 June 2023

James Cowper Kreston Audit are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

THE HARTLEY TRUST

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:				
Charitable activities	3	449,464	449,464	436,723
Other trading activities	4	76,508	76,508	30,166
Investments	5	1,095,962	1,095,962	1,150,742
Other income	6	227,179	227,179	362,468
Total income		1,849,113	1,849,113	1,980,099
Expenditure on:				
Investment management:	7			
Property investment management costs		469,080	469,080	498,946
Other trading activities		314,601	314,601	118,966
Charitable activities	9	1,093,862	1,093,862	1,089,519
Total expenditure		1,877,543	1,877,543	1,707,431
Net (expenditure)/income before net gains on investments		(28,430)	(28,430)	272,668
Net gains on investments		682,861	682,861	6,848,380
Net movement in funds		654,431	654,431	7,121,048
Reconciliation of funds:				
Total funds brought forward		47,542,989	47,542,989	40,421,941
Net movement in funds		654,431	654,431	7,121,048
Total funds carried forward		48,197,420	48,197,420	47,542,989

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

The notes on pages 17 to 37 form part of these financial statements.

THE HARTLEY TRUST

CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	14	3,342,382	3,143,809
Investments	16	486,401	552,346
Investment property	15	46,449,132	41,691,862
		<u>50,277,915</u>	<u>45,388,017</u>
Current assets			
Stocks	17	42,113	14,263
Debtors	18	923,852	910,736
Cash at bank and in hand		493,690	3,129,846
		<u>1,459,655</u>	<u>4,054,845</u>
Creditors: amounts falling due within one year	19	(512,308)	(398,313)
Net current assets		<u>947,347</u>	<u>3,656,532</u>
Total assets less current liabilities		<u>51,225,262</u>	<u>49,044,549</u>
Creditors: amounts falling due after more than one year	20	(3,027,842)	(1,501,560)
Total net assets		<u><u>48,197,420</u></u>	<u><u>47,542,989</u></u>
Charity funds			
Unrestricted funds	21	48,197,420	47,542,989
Total funds		<u><u>48,197,420</u></u>	<u><u>47,542,989</u></u>

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

Ronid Hartley, Trustee

The Hartley Trust Corporate Trustee Limited

Trustee

Date: 23 June 2023

The notes on pages 17 to 37 form part of these financial statements.

THE HARTLEY TRUST

CHARITY BALANCE SHEET AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	14	2,816,137	2,806,640
Investments	16	6,056,764	6,122,709
Investment property	15	39,554,200	35,963,700
		48,427,101	44,893,049
Current assets			
Debtors	18	1,564,465	1,513,391
Cash at bank and in hand		382,993	3,016,240
		1,947,458	4,529,631
Creditors: amounts falling due within one year	19	(400,928)	(345,355)
Net current assets		1,546,530	4,184,276
Total assets less current liabilities		49,973,631	49,077,325
Creditors: amounts falling due after more than one year	20	(1,505,342)	(1,501,560)
Total net assets		48,468,289	47,575,765
Charity funds			
Restricted funds	21	-	-
Unrestricted funds	21	48,468,289	47,575,765
Total funds		48,468,289	47,575,765

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



.....
The Hartley Trust Corporate Trustee Limited
Trustee
Date: 23 June 2023

The notes on pages 17 to 37 form part of these financial statements.

THE HARTLEY TRUST

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022	2021
	£	£
Cash flows from operating activities		
Net cash used in operating activities	(957,350)	(1,747,753)
Cash flows from investing activities		
Interest and rents from investments	1,095,962	1,150,742
Purchase of tangible fixed assets	(314,418)	(408,562)
Purchase of investment property	(4,008,464)	(6,494,199)
Purchase of listed investments	-	(500,000)
Proceeds from sale of investment property	-	11,485,000
Proceeds from the sale of tangible fixed assets	21,832	21,344
Net cash (used in)/provided by investing activities	(3,205,088)	5,254,325
Cash flows from financing activities		
Repayments of borrowing and new borrowing	1,526,282	(708,968)
Net cash provided by/(used in) financing activities	1,526,282	(708,968)
Change in cash and cash equivalents in the year	(2,636,156)	2,797,604
Cash and cash equivalents at the beginning of the year	3,129,846	332,242
Cash and cash equivalents at the end of the year	493,690	3,129,846

The notes on pages 17 to 37 form part of these financial statements

THE HARTLEY TRUST

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

1. General information

The Hartley Trust is an unincorporated charity. It is registered in England and Wales with charity registered number 226021. The principal address of the Charity is The Trust Office, 1 Groombridge Place, Donnington, Newbury, Berkshire, RG14 2JQ.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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

The consolidated statement of financial activities (SOFA) and consolidated balance sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

2.2 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Charitable activities income is the rent received from the letting of the almshouses.

Investment income comprises of rent from investment properties and interest on bank funds.

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

THE HARTLEY TRUST

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

2. Accounting policies (continued)

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

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

2.5 Tangible fixed assets and depreciation

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

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

Depreciation is provided on the following bases:

Freehold property	- See below
Plant and machinery	- 25% on cost
Motor vehicles	- 25% on cost
Fixtures and fittings	- 4 - 10% on cost

The trustees consider that freehold property is maintained in such a state of repair and antiques hold their value unless impaired, that their residual value is at least equal to its net book value. As a result, the corresponding depreciation would not be material and therefore is not charged in the Statement of Financial Activities.

2.6 Investment property

Investment properties are initially recognised at their transaction cost and subsequently measured at fair value. Gains are recognised in the Statement of Financial Activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of Financial Activities.

THE HARTLEY TRUST

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

2. Accounting policies (continued)

2.7 Investments

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

Investments in subsidiaries are valued at cost less provision for impairment.

2.8 Stocks

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

2.9 Debtors

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

2.10 Cash at bank and in hand

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

2.11 Liabilities and provisions

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

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

2.12 Financial instruments

The charity only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities such as trade and other accounts receivable and payable, loans from banks, loans from related parties and investments in ordinary shares. 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 effective interest method.

2.13 Pensions

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

THE HARTLEY TRUST

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

2. Accounting policies (continued)

2.14 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions.

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

Critical areas of judgement:

Tangible fixed assets

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issues such as the remaining life of the asset and projected disposal values.

Investment properties

Investment properties are valued at market value, which is assessed by the Trustees on an annual basis (see note 15).

3. Income from charitable activities

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Almshouses	449,464	449,464	436,723
Total 2021	436,723	436,723	

THE HARTLEY TRUST

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

4. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from subsidiary company	76,508	76,508	30,166
Total 2021	30,166	30,166	

5. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Rental income	1,093,858	1,093,858	1,150,097
Interest receivable	2,104	2,104	645
Total 2022	1,095,962	1,095,962	1,150,742
Total 2021	1,150,742	1,150,742	

Rental income

	2022 £	2021 £
Commercial	428,705	510,621
Residential	540,424	517,144
Telecoms	14,776	12,241
Agriculture	80,890	76,880
Other	29,063	33,211
Total	1,093,858	1,150,097

THE HARTLEY TRUST

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

6. Other incoming resources

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Profit on the sale of fixed assets	17,683	17,683	8,244
Conservation income	139,496	139,496	204,224
Promotional agreement income	70,000	70,000	150,000
Total 2022	227,179	227,179	362,468
Total 2021	362,468	362,468	

7. Property investment management costs

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Insurance, rates and other expenses	29,536	29,536	37,059
Light and heat	8,731	8,731	2,761
Repairs and maintenance	202,907	202,907	190,417
Surveyor costs	5,561	5,561	4,125
Bank loan interest	38,086	38,086	19,670
Cost of conservation	184,259	184,259	244,914
Total 2022	469,080	469,080	498,946
Total 2021	498,946	498,946	

8. Analysis of grants

	Grants to Institutions 2022 £	Grants to Individuals 2022 £	Total funds 2022 £	Total funds 2021 £
Grants	50,345	1,536	51,881	71,483
Total 2021	69,400	2,083	71,483	

THE HARTLEY TRUST

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

9. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2022 £	Total 2022 £	Total 2021 £
Costs of maintaining almshouses	1,041,981	1,041,981	1,018,036
Grants	51,881	51,881	71,483
Total 2022	1,093,862	1,093,862	1,089,519
Total 2021	1,089,519	1,089,519	

10. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Grant funding of activities 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Costs of maintaining almshouses	537,831	-	504,150	1,041,981	1,018,036
Grants	-	51,881	-	51,881	71,483
Total 2022	537,831	51,881	504,150	1,093,862	1,089,519
Total 2021	562,139	71,483	455,897	1,089,519	

THE HARTLEY TRUST

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

10. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2022 £	Total funds 2021 £
Staff costs	300,342	276,325
Depreciation	48,202	49,731
Insurance, rates and other expenses	12,517	14,892
Estate office running costs	27,393	21,644
Bank charges and interest	4,089	2,642
Computer costs	8,039	5,581
Legal and professional fees	53,171	57,149
Other staff costs	4,350	4,345
Travel and subsistence	13,046	11,574
Other costs	586	4,073
Governance costs	31,799	21,401
Bad debts	616	(13,460)
Total	504,150	455,897

11. Auditor's remuneration

	2022 £	2021 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	13,750	10,050
Fees payable to the Charity's auditor in respect of:		
Corporate finance services not included above	-	5,400
All non-audit services not included above	2,500	6,263

THE HARTLEY TRUST

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

12. Staff costs

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Wages and salaries	371,720	314,489	321,192	301,468
Social security costs	37,748	33,526	36,565	32,828
Contribution to defined contribution pension schemes	35,945	31,677	30,447	31,507
	<u>445,413</u>	<u>379,692</u>	<u>388,204</u>	<u>365,803</u>

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

	Group 2022 No.	Group 2021 No.	Charity 2022 No.	Charity 2021 No.
Directors and employees	<u>10</u>	<u>8</u>	<u>8</u>	<u>8</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2022 No.	Group 2021 No.
In the band £150,001 - £160,000	-	1
In the band £170,001 - £180,000	1	-

The remuneration and benefits received by key management personnel and trustees in the year totalled £190,291 (2021 - £170,014).

13. Trustees' remuneration and expenses

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

During the year ended 31 December 2022, expenses totalling £2,076 were reimbursed or paid directly to 1 Trustee (2021 - £2,803 to 1 Trustee).

THE HARTLEY TRUST

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

14. Tangible fixed assets

Group

	Freehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation					
At 1 January 2022	2,575,500	220,680	204,024	624,154	3,624,358
Additions	-	49,148	36,060	229,210	314,418
Disposals	-	-	(53,925)	(8,822)	(62,747)
At 31 December 2022	<u>2,575,500</u>	<u>269,828</u>	<u>186,159</u>	<u>844,542</u>	<u>3,876,029</u>
Depreciation					
At 1 January 2022	-	90,265	125,673	264,611	480,549
Charge for the year	-	41,533	30,074	21,647	93,254
On disposals	-	-	(37,849)	(2,307)	(40,156)
At 31 December 2022	<u>-</u>	<u>131,798</u>	<u>117,898</u>	<u>283,951</u>	<u>533,647</u>
Net book value					
At 31 December 2022	<u>2,575,500</u>	<u>138,030</u>	<u>68,261</u>	<u>560,591</u>	<u>3,342,382</u>
At 31 December 2021	<u>2,575,500</u>	<u>130,415</u>	<u>78,351</u>	<u>359,543</u>	<u>3,143,809</u>

THE HARTLEY TRUST

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

14. Tangible fixed assets (continued)

Charity

	Freehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation					
At 1 January 2022	2,395,500	31,245	169,874	529,499	3,126,118
Additions	-	8,168	36,060	32,046	76,274
Disposals	-	-	(48,300)	(6,500)	(54,800)
At 31 December 2022	2,395,500	39,413	157,634	555,045	3,147,592
Depreciation					
At 1 January 2022	-	25,739	108,919	184,820	319,478
Charge for the year	-	6,723	26,725	14,754	48,202
On disposals	-	-	(36,225)	-	(36,225)
At 31 December 2022	-	32,462	99,419	199,574	331,455
Net book value					
At 31 December 2022	2,395,500	6,951	58,215	355,471	2,816,137
At 31 December 2021	2,395,500	5,506	60,955	344,679	2,806,640

THE HARTLEY TRUST

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

15. Investment property

Group

	Freehold investment property £
Valuation	
At 1 January 2022	41,691,862
Additions	4,008,464
Surplus on revaluation	748,806
At 31 December 2022	<u>46,449,132</u>

Charity

	Freehold investment property £
Valuation	
At 1 January 2022	35,963,700
Additions	2,841,694
Surplus on revaluation	748,806
At 31 December 2022	<u>39,554,200</u>

The trustees consider that the valuation of the investment properties at group level at 31 December 2022 has increased from 31 December 2021. All the investment properties are valued annually by the CEO (A Jones-Perrott MRICS, chartered surveyor).

THE HARTLEY TRUST

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

16. Fixed asset investments

Group	Listed investments £	Unlisted investments £	Total £
Cost or valuation			
At 1 January 2022	509,092	43,254	552,346
Revaluations	(65,945)	-	(65,945)
At 31 December 2022	<u>443,147</u>	<u>43,254</u>	<u>486,401</u>
Net book value			
At 31 December 2022	<u>443,147</u>	<u>43,254</u>	<u>486,401</u>
At 31 December 2021	<u>509,092</u>	<u>43,254</u>	<u>552,346</u>

All the fixed asset investments are held in the UK.

Charity	Investments in subsidiary companies £	Listed investments £	Unlisted investments £	Total £
Cost or valuation				
At 1 January 2022	5,570,363	509,092	43,254	6,122,709
Revaluations	-	(65,945)	-	(65,945)
At 31 December 2022	<u>5,570,363</u>	<u>443,147</u>	<u>43,254</u>	<u>6,056,764</u>
Net book value				
At 31 December 2022	<u>5,570,363</u>	<u>443,147</u>	<u>43,254</u>	<u>6,056,764</u>
At 31 December 2021	<u>5,570,363</u>	<u>509,092</u>	<u>43,254</u>	<u>6,122,709</u>

THE HARTLEY TRUST

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

16. Fixed asset investments (continued)

Principal subsidiaries

The following was a subsidiary undertaking of the Charity:

Name	Company number	Registered office or principal place of business	Included in consolidation
Delnabo Estate Limited	SC126621	Gamekeepers Cottage, Delnabo Estate, Tomintoul, Ballindalloch, Scotland, AB37 9HT	Yes

The financial results of the subsidiary for the three months from 1 October 2021 to 31 December 2021 were:

Name	Income £	Expenditure £	Profit/(Loss) / Surplus/ (Deficit) for the period £	Net assets £
Delnabo Estate Limited	76,508	(321,160)	(244,652)	1,475,545

17. Stocks

	Group 2022 £	Group 2021 £
Biological assets - cattle	38,200	12,800
Other stocks	3,913	1,463
	<u>42,113</u>	<u>14,263</u>

THE HARTLEY TRUST

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

18. Debtors

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Due after more than one year				
Other debtors	-	500,000	-	500,000
	<u>-</u>	<u>500,000</u>	<u>-</u>	<u>500,000</u>
Trade debtors	81,116	145,605	77,736	144,869
Amounts owed by group undertakings	-	-	858,347	770,932
Other debtors	119,654	14,623	110,559	4,364
Prepayments and accrued income	640,250	250,508	517,823	93,226
Tax recoverable	82,832	-	-	-
	<u>923,852</u>	<u>910,736</u>	<u>1,564,465</u>	<u>1,513,391</u>

19. Creditors: Amounts falling due within one year

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Trade creditors	101,093	70,476	29,373	50,716
Other taxation and social security	146,462	61,464	146,462	61,209
Other creditors	130,304	129,375	100,304	99,375
Accruals and deferred income	134,449	136,998	124,789	134,055
	<u>512,308</u>	<u>398,313</u>	<u>400,928</u>	<u>345,355</u>

	Group 2022 £	Group 2021 £
Deferred income at 1 January 2022	96,832	120,629
Resources deferred during the year	(96,832)	96,832
Amounts released from previous periods	99,227	(120,629)
	<u>99,227</u>	<u>96,832</u>

THE HARTLEY TRUST

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

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

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Bank loans	3,027,842	1,501,560	1,505,342	1,501,560

The Agricultural Mortgage Corporation PLC loan is an interest only loan (interest of 1.85%) secured on Bradfield Farm and Severalls Farm in the village of Stanford Dingley, Berkshire which comprised 191.14 acres.

THE HARTLEY TRUST

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

21. Statement of funds

Statement of funds - current year

	Balance at 1 January 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2022 £
Unrestricted funds						
Designated funds						
Investment fund	-	70,000	(2,407)	(67,593)	-	-
Conservation fund	-	139,496	(184,259)	44,763	-	-
	<u>-</u>	<u>209,496</u>	<u>(186,666)</u>	<u>(22,830)</u>	<u>-</u>	<u>-</u>
General funds						
General Funds - all funds	<u>47,542,989</u>	<u>1,639,617</u>	<u>(1,690,877)</u>	<u>22,830</u>	<u>682,861</u>	<u>48,197,420</u>
Total Unrestricted funds	<u><u>47,542,989</u></u>	<u><u>1,849,113</u></u>	<u><u>(1,877,543)</u></u>	<u><u>-</u></u>	<u><u>682,861</u></u>	<u><u>48,197,420</u></u>

THE HARTLEY TRUST

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

21. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2021 £
Unrestricted funds						
Designated funds						
Investment fund	49,976	150,000	-	9,173	(209,149)	-
Conservation fund	36,256	204,224	(244,914)	4,434	-	-
	<u>86,232</u>	<u>354,224</u>	<u>(244,914)</u>	<u>13,607</u>	<u>(209,149)</u>	<u>-</u>
General funds						
General funds	<u>40,335,709</u>	<u>1,625,875</u>	<u>(1,462,517)</u>	<u>(13,607)</u>	<u>7,057,529</u>	<u>47,542,989</u>
Total Unrestricted funds	<u><u>40,421,941</u></u>	<u><u>1,980,099</u></u>	<u><u>(1,707,431)</u></u>	<u><u>-</u></u>	<u><u>6,848,380</u></u>	<u><u>47,542,989</u></u>

THE HARTLEY TRUST

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

22. Summary of funds

Summary of funds - current year

	Balance at 1 January 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2022 £
Designated funds	-	209,496	(186,666)	(22,830)	-	-
General funds	47,542,989	1,639,617	(1,690,877)	22,830	682,861	48,197,420
	<u>47,542,989</u>	<u>1,849,113</u>	<u>(1,877,543)</u>	<u>-</u>	<u>682,861</u>	<u>48,197,420</u>

Summary of funds - prior year

	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2021 £
Designated funds	86,232	354,224	(244,914)	13,607	(209,149)	-
General funds	40,335,709	1,625,875	(1,462,517)	(13,607)	7,057,529	47,542,989
	<u>40,421,941</u>	<u>1,980,099</u>	<u>(1,707,431)</u>	<u>-</u>	<u>6,848,380</u>	<u>47,542,989</u>

23. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	3,342,382	3,342,382
Fixed asset investments	486,401	486,401
Investment property	46,449,132	46,449,132
Current assets	1,459,655	1,459,655
Creditors due within one year	(512,308)	(512,308)
Creditors due in more than one year	(3,027,842)	(3,027,842)
Total	<u>48,197,420</u>	<u>48,197,420</u>

THE HARTLEY TRUST

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

23. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	3,143,809	3,143,809
Fixed asset investments	552,346	552,346
Investment property	41,691,862	41,691,862
Debtors due after more than one year	500,000	500,000
Current assets	3,554,845	3,554,845
Creditors due within one year	(398,313)	(398,313)
Creditors due in more than one year	(1,501,560)	(1,501,560)
Total	47,542,989	47,542,989

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

	Group 2022 £	Group 2021 £
Net income for the year (as per Statement of Financial Activities)	654,431	7,121,048
Adjustments for:		
Interests and rents from investments	(1,095,962)	(1,150,742)
Depreciation charges	93,254	59,050
Profit on the sale of fixed assets	(26,950)	(8,244)
Gains on investment properties	(747,610)	(4,227,413)
Gains on listed investments	65,945	(9,092)
Realised profit from investment properties	-	(2,765,000)
Increase in stocks	(1,337)	(14,263)
Increase in debtors	(13,116)	(764,094)
Increase in creditors	113,995	10,997
Net cash used in operating activities	(957,350)	(1,747,753)

THE HARTLEY TRUST

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

25. Analysis of cash and cash equivalents

	Group 2022 £	Group 2021 £
Cash in hand	493,690	3,129,846
Total cash and cash equivalents	493,690	3,129,846

26. Analysis of changes in net debt

	At 1 January 2022 £	Cash flows £	At 31 December 2022 £
Cash at bank and in hand	3,129,846	(2,636,156)	493,690
Debt due after 1 year	(1,501,560)	(1,526,282)	(3,027,842)
	1,628,286	(4,162,438)	(2,534,152)

27. Pension commitments

During the year contributions of £30,447 (2021: £31,507) were paid to the scheme. As at the year end no amounts (2021: £Nil) were unpaid.

28. Related party transactions

During the year one of the Directors of The Hartley Trust Corporate Trustee Limited provided agricultural services to the charity totalling £nil (2021: £250).

