

Charity number: 226021

THE HARTLEY TRUST

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

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 2023

Trustees

Nominated Trustee:

The Hartley Trust Corporate Trustee Limited

Directors of The Hartley Trust Corporate Trustee Limited:

W Browne-Swinburne

F S D Hartley Russell

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 2023

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 2023. 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).

The Hartley Trust (formerly known as Donnington Hospital) 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 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.

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

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 have had due regard to the Charity Commission's guidance on public benefit.

Review of activities and future developments

During the preceding two years the Trust, supported by its solicitors Blandy & Blandy, have been reviewing its constitution with the Charity Commission, the last review being 1989. The initial requests for change were ambitious, with an emphasis on modernising the objectives of the Trust constitution. The Charity Commission's approach remained in accordance with the original founding constitution however some practical outcomes were achieved and confirmed by the Commission during the first quarter of 2023.

1. 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 was to protect against personal liability whilst preserving the history and heritage of the Charity. The company, The Hartley Trust Corporate Trustee Limited (Company Number 13486505), was approved.
3. The 'working name' of the Trust to The Hartley Trust was approved given the word 'Hospital' was anachronistic.
4. The Scheme governing the Charity was updated. The Charity had been governed by several schemes over the years and therefore there was a need to form a single document.
5. Widening the geographical area in which the Charity can operate was approved and extended to England and Wales with an emphasis in the first instance to Berkshire and Oxfordshire.

To mark the late Queen's Platinum Jubilee, seventy beech trees were planted on the Cragg Estate in the form of a roundel.

THE HARTLEY TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

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.

During 2023 the demand for Almshouse accommodation remained. The Trust welcomed eight new residents and all almshouses were refurbished. The turnover of Almshouses during the period exceeded the allowed budget but the Directors agreed that given demand outstripped supply refurbishments should proceed using financial reserves to accommodate those in need. The Trust aims to refurbish all Almshouses during a void period so that new residents have a modern, and well maintained property to reside in.

The annual events for Residents continued to be a highlight in the year. Summer Luncheon at Bucklebury House, Christmas Carols at Jesus Hospital, Carols under the Arch at Abberbury Close as well as coffee mornings and a trip to Bletchley Park during September was well attended and enjoyed by all.

Following the constitutional changes the Trust website was refreshed and interactive tools merged so that current residents and applicants could use the website to greater effect.

Following the purchase of Riverside Cottage, Donnington in 2022, a restoration project completed during February 2023 and the property was successfully let on an AST.

A quiet period for the residential portfolio, residential rents were reviewed during August with no disapproval or concern from tenants. The portfolio remains by and large 100% let.

Following negotiations with the tenant of Wootton House, Iffley, Oxford, the Trust, subject to receiving a surrender, agreed to purchase a smaller property for the tenants which would free up this substantial dwelling. Wootton House will then be sold, releasing capital to invest in assets that carry a greater rate of return which would in turn create flexibility and support cashflow. An offer for the smaller property, 9a Northmoor Road, Summertown, Oxford was accepted and conveyancing is underway.

Holiday accommodation on the Cragg estate continues to be successful. Year on year turnover continues to improve as the Trust welcomes visitors to the estate to enjoy its environs and surrounding attractions.

Conservation work on the Cragg estate continues in partnership with the Tyne Rivers Trust. A natural all species fish pass was constructed on the Chesterhope Burn providing free passage to spawning ground. Settlement ponds were constructed on Cragg Farm as well as leaky dams slowing water run-off into the River Rede.

Environmental Stewardship continues to play an enhanced role with the Trust's agricultural portfolio. In the Pang Valley, Bradfield, Pangfield and Severalls Farm the Trust entered a mid-tier Stewardship scheme enabling the incentive to farm in a more environmental manner.

A lengthy negotiation with Lloyds Bank for their occupation of 3-5 Bridge Street, Newbury (Trust's retained commercial property) continued with an in principal agreement reached at the end of 2023. A new lease will be granted for a period of five years.

Rent commenced for the two newly acquired commercial premises following a rent free period. Units 2 and 3 Elgin Trade Park are leased to trade counter operators on ten year leases.

Following negotiations with Littlemore Parish Council, Oxford during 2023 a long lease will be granted for the recreation ground. This will secure much needed community use given urban development in the Parish. The lease was concluded Spring 2024.

Two parcels of land are being promoted as part of the joint South Oxfordshire and Vale of White Horse boroughs' development plan. A Vision Statement has been prepared and submitted by the planning consultant, RIDGE, on behalf of the Promoter.

THE HARTLEY TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Achievements and performance (continued)

Cyclical repairs and improvements continued in an active manner to all facets of the Trusts built portfolio.

Delnabo Estate Limited - Following the acquisition of Delnabo Estate in October 2021 a significant restoration programme was undertaken during 2022 and 2023. This included the enhancement of the principal house, cottages, farmstead securing infrastructure and seeking planning consent for future opportunities. On completion of restoration the dwellings have been marketed as part of the estate's diverse tourism enterprise.

The Business Risk Register and Financial Procedures were reviewed in accordance with compliance. James Cowper Kreston Audit, 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 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.

In June 2024, the Chairman of the Hartley Trust, Willie Hartley Russell, was elected Chairman of the Almshouse Association, the national membership organisation for the country's 1,650 almshouse charities. He will hold this position for an initial three year period.

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

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 Trustees 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 HARTLEY TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Achievements and performance (continued)

The Trustees 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 Trustees 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 Trustees 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' 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, 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.

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 Directors on an annual basis.

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

Financial review

Reserves policy

The Trust maintains reserves totalling £52,567,064 at 31 December 2023 (2022: £48,197,420), the bulk of this is held as investment properties. Consolidated investment properties total £52,784,013 (2022: £46,449,132) and charity investment properties of £40,319,199 (2022: £39,554,200).

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 2023

Structure, governance and management

Governing document

The charity is controlled by its governing document, a Charity Commission Scheme that has been reviewed and updated during 2023. It is quite usual and healthy for a charity to review its scheme ensuring that it is structured in accordance with Charity Commission guidance. Page one and two of this Report sets out the stages by which the Charity structured its review.

Recruitment and appointment of new Directors

The Hartley Trust Corporate Trustee Limited has four Directors. The Corporate Trustee has passed a resolution to adopt the 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 and Memorandum and Articles of Association, access to the Trust's website as well as the Trust's entry on 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 have an intimate knowledge of the charity, its assets and its operations.

The Directors 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' decision making process.

Risk management

The Trustees 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. The Trustees maintain a full suite of policies and procedures relevant to the charity.

Information on fundraising practices

The Trust was not involved directly or indirectly in any fundraising for its own benefit during 2023 and is unlikely to undertake any fundraising in the near future.

THE HARTLEY TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

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

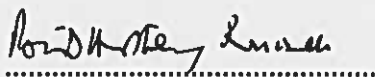
Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- 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: 14 June 2024

THE HARTLEY TRUST

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

Opinion

We have audited the financial statements of The Hartley Trust (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 December 2023 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 statements:

- give a true and fair view of the state of the Group's and of the parent charity's affairs as at 31 December 2023 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 statements 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 statements 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 statements and our Auditor's report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 statements 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 statements; or
- the parent Charity has not kept sufficient accounting records; or
- the parent Charity financial statements 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 statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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 statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

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

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

Date: *24 July 2024*

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 2023**

	Note	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:				
Charitable activities	3	472,348	472,348	449,464
Other trading activities	4	170,527	170,527	76,508
Investments	5	1,206,697	1,206,697	1,095,962
Other income	6	77,006	77,006	227,179
Total income		1,926,578	1,926,578	1,849,113
Expenditure on:				
Investment management:	7			
Property investment management costs		390,468	390,468	469,080
Other trading activities		842,845	842,845	314,601
Charitable activities	9	1,082,347	1,082,347	1,093,862
Total expenditure		2,315,660	2,315,660	1,877,543
Net expenditure before net gains on investments		(389,082)	(389,082)	(28,430)
Net gains on investments		6,048,726	6,048,726	682,861
Net income before taxation		5,659,644	5,659,644	654,431
Taxation	14	(1,290,000)	(1,290,000)	-
Net movement in funds		4,369,644	4,369,644	654,431
Reconciliation of funds:				
Total funds brought forward		48,197,420	48,197,420	47,542,989
Net movement in funds		4,369,644	4,369,644	654,431
Total funds carried forward		52,567,064	52,567,064	48,197,420

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

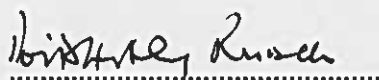
The notes on pages 16 to 37 form part of these financial statements.

THE HARTLEY TRUST

CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	15	3,406,423	3,342,382
Investments	17	43,254	486,401
Investment property	16	52,784,013	46,449,132
		<u>56,233,690</u>	<u>50,277,915</u>
Current assets			
Stocks	18	37,991	42,113
Debtors	19	194,440	923,852
Cash at bank and in hand		461,026	493,690
		<u>693,457</u>	<u>1,459,655</u>
Creditors: amounts falling due within one year	20	(439,754)	(512,308)
Net current assets		<u>253,703</u>	<u>947,347</u>
Total assets less current liabilities		<u>56,487,393</u>	<u>51,225,262</u>
Creditors: amounts falling due after more than one year	21	(2,630,329)	(3,027,842)
Provisions for liabilities	22	(1,290,000)	-
Total net assets		<u><u>52,567,064</u></u>	<u><u>48,197,420</u></u>
Charity funds			
Unrestricted funds	23	52,567,064	48,197,420
Total funds		<u><u>52,567,064</u></u>	<u><u>48,197,420</u></u>

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: 14 June 2024


The notes on pages 16 to 37 form part of these financial statements.

THE HARTLEY TRUST

CHARITY BALANCE SHEET AS AT 31 DECEMBER 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	15	2,854,626	2,816,137
Investments	17	5,613,617	6,056,764
Investment property	16	40,319,199	39,554,200
		<u>48,787,442</u>	<u>48,427,101</u>
Current assets			
Debtors	19	2,115,677	1,564,465
Cash at bank and in hand		313,743	382,993
		<u>2,429,420</u>	<u>1,947,458</u>
Creditors: amounts falling due within one year	20	(294,219)	(400,928)
Net current assets		<u>2,135,201</u>	<u>1,546,530</u>
Total assets less current liabilities		<u>50,922,643</u>	<u>49,973,631</u>
Creditors: amounts falling due after more than one year	21	(1,507,829)	(1,505,342)
Total net assets		<u>49,414,814</u>	<u>48,468,289</u>
Charity funds			
Restricted funds	23	-	-
Unrestricted funds	23	49,414,814	48,468,289
Total funds		<u>49,414,814</u>	<u>48,468,289</u>

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: 14 June 2024

The notes on pages 16 to 37 form part of these financial statements.

THE HARTLEY TRUST

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023**

	2023 £	2022 £
Cash flows from operating activities		
Net cash used in operating activities	(550,578)	(957,350)
Cash flows from investing activities		
Interest and rents from investments	1,206,697	1,095,962
Purchase of tangible fixed assets	(207,460)	(314,418)
Purchase of investment property	(609,930)	(4,008,464)
Proceeds from sale of listed investments	447,049	-
Proceeds from the sale of tangible fixed assets	70,324	21,832
Net cash provided by/(used in) investing activities	906,680	(3,205,088)
Cash flows from financing activities		
Repayments of borrowing and new borrowing	(397,513)	1,526,282
Net cash (used in)/provided by financing activities	(397,513)	1,526,282
Change in cash and cash equivalents in the year	(41,411)	(2,636,156)
Cash and cash equivalents at the beginning of the year	493,690	3,129,846
Cash and cash equivalents at the end of the year	452,279	493,690

The notes on pages 16 to 37 form part of these financial statements

THE HARTLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

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 2023

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 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.6 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.

THE HARTLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

2. Accounting policies (continued)

2.7 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.

2.8 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.

2.9 Stocks

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

2.10 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.

2.11 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.

2.12 Liabilities

Liabilities and provisions 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.

2.13 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable surpluses from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

THE HARTLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

2. Accounting policies (continued)

2.14 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.

2.15 Finance leases and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Group. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Consolidated statement of financial activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.16 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.

2.17 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 16).

THE HARTLEY TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

3. Income from charitable activities

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Almshouses	472,348	472,348	449,464
	<u>472,348</u>	<u>472,348</u>	
Total 2022	449,464	449,464	
	<u>449,464</u>	<u>449,464</u>	

4. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from subsidiary company	168,295	168,295	76,508
Other income	2,232	2,232	-
	<u>170,527</u>	<u>170,527</u>	<u>76,508</u>

5. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Rental income	1,201,930	1,201,930	1,093,858
Interest receivable	4,767	4,767	2,104
	<u>1,206,697</u>	<u>1,206,697</u>	<u>1,095,962</u>
Total 2023	1,206,697	1,206,697	1,095,962
	<u>1,206,697</u>	<u>1,206,697</u>	
Total 2022	1,095,962	1,095,962	
	<u>1,095,962</u>	<u>1,095,962</u>	

THE HARTLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

Rental income

	2023 £	2022 £
Commercial	467,407	428,705
Residential	576,470	540,424
Telecoms	13,052	14,776
Agriculture	81,183	80,890
Other	63,818	29,063
Total	1,201,930	1,093,858

6. Other incoming resources

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Profit on the sale of fixed assets	37,912	37,912	17,683
Conservation income	39,094	39,094	139,496
Promotional agreement income	-	-	70,000
Total 2023	77,006	77,006	227,179
Total 2022	227,179	227,179	

THE HARTLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

7. Property investment management costs

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Insurance, rates and other expenses	70,504	70,504	29,536
Light and heat	890	890	8,731
Repairs and maintenance	200,830	200,830	202,907
Surveyor costs	5,015	5,015	5,561
Bank loan interest	86,476	86,476	38,086
Cost of conservation	26,753	26,753	184,259
Total 2023	390,468	390,468	469,080
Total 2022	469,080	469,080	

8. Analysis of grants

	Grants to Institutions 2023 £	Grants to Individuals 2023 £	Total funds 2023 £	Total funds 2022 £
Grants	35,700	1,479	37,179	51,881
Total 2022	50,345	1,536	51,881	

THE HARTLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

9. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2023 £	Total 2023 £	Total 2022 £
Costs of maintaining almshouses	1,045,168	1,045,168	1,041,981
Grants	37,179	37,179	51,881
Total 2023	1,082,347	1,082,347	1,093,862
Total 2022	1,093,862	1,093,862	

10. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Grant funding of activities 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
Costs of maintaining almshouses	537,620	-	507,548	1,045,168	1,041,981
Grants	-	37,179	-	37,179	51,881
Total 2023	537,620	37,179	507,548	1,082,347	1,093,862
Total 2022	537,831	51,881	504,150	1,093,862	

THE HARTLEY TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

10. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2023 £	Total funds 2022 £
Staff costs	322,256	300,342
Depreciation	48,115	48,202
Insurance, rates and other expenses	13,887	12,517
Estate office running costs	23,097	27,393
Bank charges and interest	2,428	4,089
Computer costs	15,340	8,039
Legal and professional fees	27,327	53,171
Other staff costs	3,868	4,350
Travel and subsistence	11,749	13,046
Other costs	2,424	586
Governance costs	36,985	31,799
Bad debts	72	616
Total	507,548	504,150

11. Auditor's remuneration

	2023 £	2022 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	14,450	13,750
Fees payable to the Charity's auditor in respect of: All non-audit services not included above	2,600	2,500

THE HARTLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

12. Staff costs

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Wages and salaries	392,222	371,720	320,856	321,192
Social security costs	37,293	37,748	36,152	36,565
Contribution to defined contribution pension schemes	40,887	35,945	32,380	30,447
	<u>470,402</u>	<u>445,413</u>	<u>389,388</u>	<u>388,204</u>

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

	Group 2023 No.	Group 2022 No.	Charity 2023 No.	Charity 2022 No.
Directors and employees	<u>9</u>	<u>10</u>	<u>7</u>	<u>8</u>

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

	Group 2023 No.	Group 2022 No.
In the band £170,001 - £180,000	-	1
In the band £180,001 - £190,000	1	-

The remuneration and benefits received by key management personnel and trustees in the year totalled £204,034 (2022 - £190,291).

13. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 December 2023, expenses totalling £3,943 were reimbursed or paid directly to 1 Trustee (2022 - £2,076 to 1 Trustee).

THE HARTLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

14. Taxation

	2023 £	2022 £
Corporation tax		
Total current tax	-	-
Deferred tax		
Origination and reversal of timing differences	1,290,000	-
Total deferred tax	1,290,000	-
Taxation on net income	1,290,000	-

THE HARTLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

15. Tangible fixed assets

Group

	Freehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation					
At 1 January 2023	2,575,500	269,828	186,159	844,542	3,876,029
Additions	-	12,147	120,129	75,184	207,460
Disposals	-	(59,178)	(99,339)	(67,255)	(225,772)
At 31 December 2023	2,575,500	222,797	206,949	852,471	3,857,717
Depreciation					
At 1 January 2023	-	131,798	117,898	283,951	533,647
Charge for the year	-	36,714	32,017	43,802	112,533
On disposals	-	(56,590)	(72,599)	(65,698)	(194,887)
At 31 December 2023	-	111,922	77,316	262,055	451,293
Net book value					
At 31 December 2023	2,575,500	110,875	129,633	590,416	3,406,424
At 31 December 2022	2,575,500	138,030	68,261	560,591	3,342,382

THE HARTLEY TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

15. Tangible fixed assets (continued)

Charity

	Freehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation					
At 1 January 2023	2,395,500	39,413	157,634	555,045	3,147,592
Additions	-	10,757	83,773	12,486	107,016
Disposals	-	(7,500)	(85,339)	-	(92,839)
At 31 December 2023	2,395,500	42,670	156,068	567,531	3,161,769
Depreciation					
At 1 January 2023	-	32,462	99,419	199,574	331,455
Charge for the year	-	4,085	27,296	16,734	48,115
On disposals	-	(5,625)	(66,802)	-	(72,427)
At 31 December 2023	-	30,922	59,913	216,308	307,143
Net book value					
At 31 December 2023	2,395,500	11,748	96,155	351,223	2,854,626
At 31 December 2022	2,395,500	6,951	58,215	355,471	2,816,137

THE HARTLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

16. Investment property

Group

	Freehold investment property £
Valuation	
At 1 January 2023	46,449,132
Additions	609,930
Disposals	(254,035)
Surplus on revaluation	6,040,124
Other adjustments	(61,138)
At 31 December 2023	<u>52,784,013</u>

Charity

	Freehold investment property £
Valuation	
At 1 January 2023	39,554,200
Additions	105,612
Surplus on revaluation	659,387
At 31 December 2023	<u>40,319,199</u>

The trustees consider that the valuation of the investment properties at group level at 31 December 2023 has increased from 31 December 2022. 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 2023

17. Fixed asset investments

Group	Listed investments £	Unlisted investments £	Total £
Cost or valuation			
At 1 January 2023	443,147	43,254	486,401
Disposals	(447,049)	-	(447,049)
Revaluations	3,902	-	3,902
At 31 December 2023	-	43,254	43,254
Net book value			
At 31 December 2023	-	43,254	43,254
At 31 December 2022	443,147	43,254	486,401

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 2023	5,570,363	443,147	43,254	6,056,764
Disposals	-	(447,049)	-	(447,049)
Revaluations	-	3,902	-	3,902
At 31 December 2023	5,570,363	-	43,254	5,613,617
Net book value				
At 31 December 2023	5,570,363	-	43,254	5,613,617
At 31 December 2022	5,570,363	443,147	43,254	6,056,764

THE HARTLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

17. 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 year ended 31 December 2023 were:

Name	Income £	Expenditure £	Profit/(loss) for the year £	Net assets £
Delnabo Estate Limited	170,527	(870,885)	(700,358)	4,870,624

18. Stocks

	Group 2023 £	Group 2022 £
Biological assets - cattle	36,100	38,200
Other stocks	1,891	3,913
	<u>37,991</u>	<u>42,113</u>

19. Debtors

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
	-	-	-	-
Trade debtors	57,250	81,116	49,576	77,736
Amounts owed by group undertakings	-	-	2,043,657	858,347
Other debtors	9,341	119,654	16	110,559
Prepayments and accrued income	124,206	640,250	22,428	517,823
Tax recoverable	3,643	82,832	-	-
	<u>194,440</u>	<u>923,852</u>	<u>2,115,677</u>	<u>1,564,465</u>

THE HARTLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

20. Creditors: Amounts falling due within one year

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Bank overdrafts	8,747	-	8,747	-
Trade creditors	70,003	101,093	29,956	29,373
Other taxation and social security	37,222	146,462	37,222	146,462
Obligations under finance lease and hire purchase contracts	27,411	-	-	-
Other creditors	88,808	130,304	58,554	100,304
Accruals and deferred income	207,563	134,449	159,740	124,789
	<u>439,754</u>	<u>512,308</u>	<u>294,219</u>	<u>400,928</u>
			Group 2023 £	Group 2022 £
Deferred income at 1 January 2023			99,227	96,832
Resources deferred during the year			111,291	99,227
Amounts released from previous periods			(99,227)	(96,832)
			<u>111,291</u>	<u>99,227</u>

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

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Bank loans	<u>2,630,329</u>	<u>3,027,842</u>	<u>1,507,829</u>	<u>1,505,342</u>

The Agricultural Mortgage Corporation PLC loan is an interest only loan (interest of 6.35%) secured on Bradfield Farm and Severalls Farm in the village of Stanford Dingley, Berkshire which comprised 191.14 acres.

22. Deferred taxation

Group

Charge for the year	<u>1,290,000</u>
	<u>1,290,000</u>

THE HARTLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

22. Deferred taxation (continued)

The deferred tax liability is made up as follows:

	Group 2023 £	Group 2022 £
Capital gains	(1,290,000)	-
	<u>(1,290,000)</u>	<u>-</u>

23. Statement of funds

Statement of funds - current year

	Balance at 1 January 2023 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2023 £
Unrestricted funds					
General Funds - all funds	<u>48,197,420</u>	<u>1,926,578</u>	<u>(3,605,660)</u>	<u>6,048,726</u>	<u>52,567,064</u>

THE HARTLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

23. Statement of funds (continued)

Statement of funds - prior 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>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>

THE HARTLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

24. Summary of funds

Summary of funds - current year

	Balance at 1 January 2023 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2023 £
General funds	48,197,420	1,926,578	(3,605,660)	6,048,726	52,567,064

Summary of funds - prior 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
	47,542,989	1,849,113	(1,877,543)	-	682,861	48,197,420

25. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	3,406,423	3,406,423
Fixed asset investments	43,254	43,254
Investment property	52,784,013	52,784,013
Current assets	693,457	693,457
Creditors due within one year	(439,754)	(439,754)
Creditors due in more than one year	(2,630,329)	(2,630,329)
Provisions for liabilities and charges	(1,290,000)	(1,290,000)
Total	52,567,064	52,567,064

THE HARTLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

25. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior 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	48,197,420	48,197,420

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

	Group 2023 £	Group 2022 £
Net income for the year (as per Statement of Financial Activities)	4,369,644	654,431
Adjustments for:		
Interests and rents from investments	(1,206,697)	(1,095,962)
Depreciation charges	112,533	93,254
Profit on the sale of fixed assets	(39,439)	(26,950)
Gains on investment properties	(6,040,124)	(747,610)
Gains on listed investments	(3,902)	65,945
Loss on disposal of investment properties	315,173	-
Decrease/(increase) in stocks	4,122	(1,337)
Decrease/(increase) in debtors	729,412	(13,116)
Increase/(decrease) in creditors	(81,300)	113,995
Taxation charge	1,290,000	-
Net cash used in operating activities	(550,578)	(957,350)

THE HARTLEY TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

27. Analysis of cash and cash equivalents

	Group 2023 £	Group 2022 £
Cash at bank and in hand	461,026	493,690
Bank overdrafts	(8,747)	-
Total cash and cash equivalents	452,279	493,690

28. Analysis of changes in net debt

	At 1 January 2023 £	Cash flows £	At 31 December 2023 £
Cash at bank and in hand	493,690	(32,664)	461,026
Bank overdrafts repayable on demand	-	(8,747)	(8,747)
Debt due after 1 year	(3,027,842)	397,513	(2,630,329)
Obligations under finance lease and hire purchase contracts	-	(27,411)	(27,411)
	(2,534,152)	328,691	(2,205,461)

29. Pension commitments

During the year contributions of £40,887 (2022: £35,945) were paid to the defined contribution pension scheme. As at the year end no amounts (2022: £Nil) were unpaid.

30. Related party transactions

There were no related party transactions in the year that require disclosure.

