



**Keystone Development Trust**

**(A company limited by guarantee and not  
having a share capital)**

Annual Report and Financial Statements

Year Ended  
31 March 2009

Company number: 4346470

## **KEYSTONE DEVELOPMENT TRUST**

### **Trustees Report and Financial Statements for the year ended 31 March 2009**

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## **KEYSTONE DEVELOPMENT TRUST**

### **Trustees Report and Financial Statements for the year ended 31 March 2009**

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#### **Trustees and Advisors**

##### **Trustees**

Mark Allison (appointed 25.11.08 – resigned 19.01.09)  
Sylvia Armes (Vice Chair)  
Pat Brown (appointed – 25.11.08)  
Brenda Canham  
Ivan Johnson  
Robert King  
Charlie Moss  
Pat Pearson (Chair)  
Clare Pugh  
Clive Wadham-Smith (appointed – 25.11.08)  
Jim Thorndyke (resigned – 05.01.09)  
Stuart Wright

##### **Chief Executive**

Neil Stott

##### **Secretary**

Alan Flack

##### **Registered office**

The Limes, 32 Bridge Street, Thetford, Norfolk, IP24 3AG

##### **Registered Charity number**

1093162

##### **Company number**

4346470

##### **Auditors**

Baker Tilly UK Audit LLP, Abbotsgate House, Hollow Road, Bury St Edmunds, Suffolk,  
IP32 7FA

##### **Bankers**

HSBC Bank Plc, 36 King Street, Thetford, Norfolk, IP24 2AS

## **KEYSTONE DEVELOPMENT TRUST**

### **Trustees Report and Financial Statements for the year ended 31 March 2009**

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## **TRUSTEES REPORT**

### **Structure, Governance and Management**

The Trustees submit their annual report and the audited financial statements of the charity for the year ended 31 March 2009. The charity is constituted as a company limited by guarantee. The financial statements are the full statutory financial statements of the charitable company and should be read in conjunction with the Annual Report.

Keystone Development Trust is a company limited by guarantee and a charity governed by Memorandum and Articles of Association. The directors of the charitable company are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees. There are currently ten Trustees drawn from various backgrounds within the Keystone area of benefit. Details of Trustees, and other company information, is contained in page 1.

Trustees are appointed by a recruitment process which includes advertising and interview. The Chair is appointed by the Trustees. New Trustees receive a briefing on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the decision making processes, the business plan and recent financial performance of the charity. Trustees are also encouraged to attend appropriate external training events where these will help them to better understand their role.

The Board of Trustees administers the charity. The Board meets bi-monthly and there is a sub-committee covering finance and audit which meets twice during the year. A Chief Executive is appointed by the Trustees to manage the day to day operations of the charity. To facilitate effective operations, the Chief Executive has delegated authority, within terms of delegation approved by the Trustees, for operational matters including finance, employment and operations.

The Trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular monitoring so that the necessary steps can be taken to mitigate those risks.

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aim and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set and does not seek to exclude any section of the community. We have delivered projects across all sections of the community and these are detailed on pages 5 and 6. The availability of funding dictates what projects can be delivered.

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#### **Objectives and Activities**

The Keystone vision is:

'To improve the quality of life and opportunities for people who live, study and work in the Keystone area through sustainable, community led regeneration. Working closely with partner organisations and communities, Keystone aims to ensure that the area is safe, healthy, inclusive, socially and economically vibrant.'

The Keystone aim is to:

'To build community capital, the collective skills, knowledge and experience, facilities and organisations which ensure greater returns in the quality of life for all, and to anchor community capital locally to ensure sustainable returns.'

In achieving this Keystone Development Trust aims to address issues which significantly affect the quality of life of the communities which it serves. It seeks to identify needs through research, consultation and discussion with partners and other organisations. Some of the current issues facing the area include:

- A significantly higher than average number of people both less than 16 years old and older than 60.
- The wards of Thetford-Abbey and Thetford-Saxon have twice the Norfolk average for the percentage of households consisting of lone parents living with dependent children.
- Figures from the Breckland Crime and Disorder Reduction Partnership show that 4 of Thetford's Wards are in the top 6 Breckland wards for reported crime.
- West Thetford exhibits a number of indicators of poverty. One of the Thetford Abbey Super Output Areas is in the top quintile of most deprived wards nationally for income, employment and multiple deprivation.
- Thetford has had persistent educational problems for a number of years. Poor educational performance feeds into other problems such as poverty and the performance of the local economy. Low educational attainment also contributes to the number of young people who become NEET (Not in Education, Employment or Training). Indicators of poor educational standards include:
  - In 2004 the two Thetford High Schools achieved GCSE pass rates of 25% and 23% against a national average of 54%
  - The 2001 census shows that only 9% of people in Thetford have achieved a level 4/5 qualification (first degree and above) compared to 20% in England

## KEYSTONE DEVELOPMENT TRUST

### Trustees Report and Financial Statements for the year ended 31 March 2009

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- Two out of four wards have over 40% of people between 16-74 with no qualifications.
- Only 2% in Abbey ward are employed in higher managerial posts compared to the national average of 9% whilst 39% are employed in routine or semi-routine posts compared to the national average of 21%
- Low aspirations and low self-esteem are frequently reported in reviews about Thetford.
- Thetford and Suffolk have a higher than average employment in manufacturing but employment in this sector is predicted to fall by 13% by 2010.
- Adults living in Breckland are the least likely in Norfolk to access the internet providing obstacles in accessing local services, advice and training opportunities. This is also exacerbated by rural remoteness and a limited transport infrastructure.
- Average earnings without overtime in the Thetford Travel to Work Area for full-time employees are £301 a week compared to the Norwich average of £345.
- According to local health workers teenage conceptions have trebled in Thetford in the past five years.
- Unemployment in West Thetford is higher than both the Breckland and UK averages.
- Fast growing migrant worker communities from Portugal and Eastern Europe. This has led to worker exploitation, pressure on public services and tensions between communities.

Keystone works to develop projects and activities which can address these issues.

The objectives that we set for the last year were:

- **To tackle financial exclusion** - through support, advice, training and job creation
- **To combat social exclusion** - through empowering individuals, groups and communities
- **To protect the environment** – through recycling, local procurement and saving historic buildings
- **To generate wealth** - through property and social enterprise development

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During 2008 – 09 our main projects and programmes have been:

- Green Ventures, a furniture reuse social enterprise that started in January 2006 and now relies on the income it generates from the sale of furniture and collections to continue to operate. A big thank-you goes to all the public that have generously donated their furniture to the scheme. During the year the project diverted over 38 tonnes (over 2000 items) of waste from landfill.
- Imagine Arts, a community arts project, is funded primarily through the Sainsbury's Monument Trust. The funding provides for an arts co-ordinator and the delivery of art sessions to schools and local children.
- Keystone Community Finance, the original pilot was financed by The Esmeé Fairbairn Foundation and Peddars Way Housing Association. Although funding came to an end, the project has been able to continue through the help of volunteers and our main partner Peddars Way Housing Association which provides a collection point for savers in addition to one provided by Keystone staff at The Limes. The Credit Union is popular and there are many users of the collection points.
- Connecting Communities is a project providing information, support and guidance to the many Portuguese and Eastern European migrant workers in the area. A drop in surgery operates and works with key agencies to tackle issues and provide a voice for migrant workers, during the year 2,625 enquiries were dealt with and 25 partner organisations supported by the project. The project was funded to 31 March 2009 by The Department for Communities and Local Government. The project has also seen the creation of regular National Insurance sessions where Migrant Workers can apply for a National Insurance number, during the year 722 migrant workers were assisted in obtaining a National Insurance number.



- The Migrant worker hotline was a regional pilot action line for migrant workers, employers and practitioners commissioned by EEDA and run in partnership with Advice for Life. The hotline operated for 18 months through to September 2008 and received 1,184 callers with 503 of them from the Polish community. In the main calls came from East Anglia however calls were received as far away as Northern Ireland and Dorset. The average time spent dealing with each callers enquiry was 6 minutes and 3 seconds.



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- Suffolk META provided mobile information, support and guidance sessions in five locations in Suffolk. The project started in October 2008 with numbers being low in the first few months as news of the service got around, during the six month period 120 two hour sessions were delivered. 197 people attended the sessions with 274 issues of which 239 issues were resolved then and there.
- KAVO, funded by the Big Lottery, provides information, support, networking and training to enable the local voluntary and community sector to become more active, skilled and more sustainable and can in turn support regeneration projects.

In 2008/2009 amongst its outputs KAVO achieved the following; 9 groups supported with delivering events and activities, 21 groups supported with funding advice and applications.



- Shadwell Funding – During the year funding was received to deliver 3 schemes as follows:-

Food Box scheme – This provided healthy food to families to encourage healthy eating, during the year 854 boxes were delivered.

FastTrack furniture – This provided needed furniture to those families in need of it, during the year 25 families benefited from this scheme

Next Step – This scheme provided families that need a little help to achieve things in their lives, during the year 2 families were supported through this scheme.

- Walking for Health is a project based over the Breckland area organising short health walks between 1 and 4 miles long. The walks are led by trained volunteers and aim to encourage and support people who are trying to increase their activity levels and lead a healthier lifestyle.
- The Young Parents project aims to help young parents help themselves, and work with other agencies to ensure teenagers receive the best possible information, guidance and support to make informed choices. The project was funded by Camelot and came to an end in December 2008. During the project over 340 young people participated in the workshops.

Camelot  
Foundation



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- The Local Food Group is a social enterprise dedicated to providing healthy, local, seasonal and fair trade food with as few food miles as possible. The Local Food Group consists of a cafe, a sandwich round and provides food to conferences and external functions. It is financed from the sales it generates.

- **Keystone Buildings:-**

The Innovation Centre – The centre has seen an increase in tenants over the year and at the year end was 90% occupied. The building is key to the Trust's future in providing an income to the core management of the Trust that will enable it to retain the resources required to move the Trust forward over the coming years. In the long term the building will also provide an income for project work to be carried out in the area.

The Enterprise Factory – Throughout the funding period of the Enterprise factory the occupancy rate was very high at around 90%, but during the last year we have seen a number of tenants leave the building following the cessation of their funding. This has led to the occupancy within the building being below what the Trust would like to see and therefore the building is not contributing an income towards the core costs of the Trust as much as we would like it to. The building is being actively marketed to ensure that the occupancy picks up and that it can continue to contribute to the Trust's work.

The Limes – The headquarters of the Trust continues to be the base for the core management of the Trust and is home to the META project which attracts many visits to the building each day. The building is also rented out to other tenants to ensure that the building operates from a sound financial base. We have tried to attract tenants to the building that are delivering services to the public in a similar line to Keystone so that there is a synergy to the building.

The Abbey Neighbourhood Centre– The building continues to be used for the base of some Keystone projects including the Imagine and the Young Parents Projects. The centre was also used on a regular basis for Big Sitting Room sessions, which have now been replaced with weekly art club sessions aimed at young people on the estate. The main hall is used by local residents and associations on a regular basis and over the last year we have seen a Café open within the centre.

Riversdale – The building is rented to the Riversdale Management Committee providing them with a base to house many local voluntary organisations.

## **Achievements and Performance**

This section of the report details progress against the objectives set in last year's annual report.

- **To tackle financial exclusion**

Through funding received from The Esmee Fairbairn Foundation a Credit Union was set up as a pilot and continues to run with The Limes being a collection point where the public can join, pay in and obtain loans on their account. The Credit Union has over 140 members and enables those that may not be able to obtain a bank account the ability to save regular amounts and obtain loan finance. Through funding provided by the Department for Work and Pensions we have been able to hold sessions aimed directly at financial inclusion to public.

- **To combat social exclusion**

Through the META project we are providing information and guidance to migrant workers that helps them integrate into the community. This includes helping them in their workplace from understanding rules and regulations through to pay entitlements. Keystone operates a Keystone Area Voluntary Organisations (KAVO) project which helps voluntary organisations to identify their training needs and assists them in various aspects in the day to day running of their voluntary organisations including help with applying for funding.

- **To protect the environment**

The Trust is run with the ethos of recycling where possible. At all of the buildings we provide paper recycling facilities to our tenants and staff which are well used. Our furniture recycling project 'Green Ventures' has diverted over 200 tonnes of furniture and white goods from Landfill since January 2006. The Local Food Group run by the Trust also reduces its impact on the environment by using locally produced, seasonal or fair trade food to sell on to its customers reducing food miles and supporting local producers by using their food.

- **To generate wealth**

Keystone has built up a property portfolio from which it generates income not only to run these buildings but to help fund the core management costs of the Trust. By doing this it enables the Trust to maintain a strong core team which enables the development of projects and social enterprises which benefit the area. The Innovation centre as in previous years has attracted businesses outside of the area to set up in the town leading to increased monies being generated in the area.

***Delivering of high quality children's and youth activities***

Children and Youth services remain a high priority for Keystone and a major focus of our work. Over the last year we have delivered the following projects:

- **Arts Club** Using the Abbey Neighbourhood Centre we offer a safe place for children to come and learn about art and participate in an art club.
- **Kollectiv** The Kollectiv project is a music project that has 120 members and an average attendance of 23 at the monthly meetings. It provides workshops, gigs and encourages mutual support between young musicians.
- **Imagine Arts** Imagine Arts has continued to provide arts and innovative work within the Trust, over the last year it has:
  - Continued to work with local schools, engaging young pupils in inspiring creative activity
  - Delivering a sculpture and workshops relating to Charles Burrell.

Factors which affect the delivery of our objectives include:

- **Ability to secure external funding** The Trust is reliant on external funding to undertake most of its community and youth work. It does not receive any significant regular contributions from local authorities and most funding has to be secured through competitive processes. In future years we aim for some of the income generated from the Trust's buildings to be used for delivering projects and as a source of match funding, often crucial to successful bids.
- **Success of Trust social enterprises** If the Trust's social enterprises are successful then they will help to consolidate the core of the charity, by helping to spread the core management costs and offer local employment.
- **Reputation with the local community** The success that Keystone has had in engaging local people is partly due to the trust that it has built up with the local community. Our ability to engage with 'hard to reach groups' is fundamental to our work and needs to be maintained in the future. The reputation of the work we do with migrant communities has been recognised nationally and is reflected from the calls we receive enquiring about the services we deliver.
- **Relationship with strategic partners** Our relationship with other key players in the area affects what role we have and our ability to secure funding to undertake new project activity. Partners include local authorities, EEDA and Government Office.

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### **Trustees Report and Financial Statements for the year ended 31 March 2009**

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- **Relationship with delivery partners** Within some projects Keystone are responsible for managing partners who deliver certain parts of a project. In such a situation it is essential that a good relationship is maintained not only to ensure successful delivery of the current project but to build partnerships for future funding bids.

#### **Financial Review**

Total income for the year amounted to £869,123. Expenses in relation to governance costs were £24,027 and the total costs in furtherance of the charity's objects amounted to £1,037,941. Unrestricted and restricted funds carried forward at the end of the year amounted to a surplus of £14,297 and £5,539,700 respectively.

The main sources of grant income during the year were from the Department for Communities and Local Government (DCLG), East of England Development Agency (EEDA), The Big Lottery, Camelot Foundation, Monument Trust and Heritage Lottery. This funding enabled the organisation to undertake specific project work in order to deliver the objectives.

Some of the funding received is paid to third party organisations in the form of grants for the delivery of specific outputs. These grants are detailed in note 6 on page 25.

The Trust has many volunteers that help in the running of the projects and the charity, During the year 1,409 (2008 - 1,211) hours were given by volunteers to the Trust with an estimated value of £9,681 (2008 - £8,484). Without the help of the volunteers many of the projects run would not be able to continue in the same format they do today.

#### **Reserves Policy**

The Trustees were aware following the SRB and European Objective 2 funding programmes coming to a conclusion in previous years that it would be important to increase unrestricted reserves to a level to cover at least three months basic running costs to ensure the core activities of the charity carry on into the future. Unrestricted reserves have increased during the year by £86,980 to a surplus of £14,297. The Trust is continuing to work to maximise unrestricted income from various sources in order to build up a level of reserve which enables activity to continue.

#### **Investment Policy**

The Trustees have a policy of investing all available funds overnight in order to maximise the interest receivable. The nature of the funding received does not make it appropriate, at the present time, to commit funds to longer term investments.

## KEYSTONE DEVELOPMENT TRUST

### Trustees Report and Financial Statements for the year ended 31 March 2009

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#### Plans for Future Periods

The financial year 2009/10 will be another significant one for the Trust. The Trust has moved from 90% funded to being 80% reliant on generating its own income through properties and consultancy. It is a situation that we have been planning for the last three years but with no obvious replacement funding, Keystone is likely to undertake fewer projects in the near future as they will have to be funded through our own income. The Trust's key priorities for the current year include:

- **To tackle financial exclusion** - through support, advice, training and job creation
- **To combat social exclusion** - through empowering individuals, groups and communities
- **To protect the environment** – through recycling, local procurement and saving historic buildings
- **To generate wealth** - through property and social enterprise development

## KEYSTONE DEVELOPMENT TRUST

Trustees Report and Financial Statements for the year ended 31 March 2009

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### Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the annual report and financial statements in accordance with applicable law and UK Generally Accepted Accounting Practice for each financial year which give a true and fair view of the state of affairs of the charitable company and of the surplus or deficit of the charitable company for that period. In preparing those financial statements the Trustees are required to:

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

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as each of the Trustees is aware:

- there is no relevant audit information of which the auditors are unaware; and
- all steps which they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information, have been taken.

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

### Auditors

A resolution to confirm the appointment of Baker Tilly UK Audit LLP as auditors will be proposed at the Annual General Meeting.

**This report was approved by the Trustees on** 7 October 2009



**Pat Pearson**  
Chair



**Sylvia Armes**  
Vice Chair

## **KEYSTONE DEVELOPMENT TRUST**

### **Trustees Report and Financial Statements for the year ended 31 March 2009**

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#### **Independent auditor's report to the members of Keystone Development Trust**

We have audited the financial statements on pages 15 to 33.

This report is made solely to the charitable company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of trustees and auditors**

The responsibilities of the Trustees (who are also the directors of Keystone Development Trust for the purposes of company law) for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Annual Report is consistent with the financial statements.

In addition we report to you if, in our opinion the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and other transactions is not disclosed.

We read the Trustees Report and consider the implications for our report if we become aware of any apparent misstatements within it.

#### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the Trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

## KEYSTONE DEVELOPMENT TRUST

### Trustees Report and Financial Statements for the year ended 31 March 2009

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We planned and performed our audit so as to obtain all information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

#### Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charitable company's affairs as at 31 March 2009 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended and have been properly prepared in accordance with the Companies Act 1985.
- the information given in the Trustees'/Directors' Report is consistent with the financial statements.

*Baker Tilly UK Audit LLP*

BAKER TILLY UK AUDIT LLP  
Registered Auditor  
Chartered Accountants  
Abbotsgate House  
Hollow Road  
Bury St Edmunds  
Suffolk  
IP32 7FA

*16 November 2009*



**KEYSTONE DEVELOPMENT TRUST**  
**Trustees Report and Financial Statements for the year ended 31 March 2009**

**Statement of financial activities (including income and expenditure account) for the year ended 31 March 2009**


	Note	Unrestricted Funds £	Restricted Income Funds £	Restricted Capital Funds £	Total 2009 £	Total 2008 £
<b>Incoming resources</b>						
Incoming resources from charitable activities	2a	507,716	319,360	-	<b>827,076</b>	887,943
Incoming resources from generated funds:						
Activities for generating funds		40,567	-	-	<b>40,567</b>	13,850
Investment income		931	4	-	<b>935</b>	3,563
Voluntary income	2b	20	525	-	<b>545</b>	6,068
<b>Total incoming resources</b>		<b>549,234</b>	<b>319,889</b>	<b>-</b>	<b>869,123</b>	<b>911,424</b>
<b>Resources expended</b>						
Charitable activities						
Children and Youth		2,660	49,983	10,485	<b>63,128</b>	107,090
Keystone Communities		32,484	326,847	1,290	<b>360,621</b>	251,743
Keystone People		12	8	5,638	<b>5,658</b>	24,239
Keystone Enterprise		131,273	-	4,677	<b>135,950</b>	260,528
Keystone Property		283,289	(4,477)	171,723	<b>450,535</b>	472,993
Keystone Resources		(48,134)	-	221	<b>(47,913)</b>	123,985
Costs for activities for generating funds		45,935	-	-	<b>45,935</b>	2,119
Governance costs	3b	24,027	-	-	<b>24,027</b>	24,566
<b>Total resources expended</b>	3a	<b>471,546</b>	<b>372,361</b>	<b>194,034</b>	<b>1,037,941</b>	<b>1,267,263</b>
<b>Net incoming/(outgoing) resources before transfers</b>	7	<b>77,688</b>	<b>(52,472)</b>	<b>(194,034)</b>	<b>(168,818)</b>	<b>(355,839)</b>
Transfers between funds		9,292	(478)	(8,814)	-	-
Fund balances at 31 March 2008		(72,683)	69,453	5,726,045	<b>5,722,815</b>	6,078,654
<b>Fund balances at 31 March 2009</b>		<b>14,297</b>	<b>16,503</b>	<b>5,523,197</b>	<b>5,553,997</b>	<b>5,722,815</b>

The above figures all relate to continuing operations and include all income and expenditure and gains and losses arising during the year. The notes on pages 18 to 33 form part of these financial statements.

**KEYSTONE DEVELOPMENT TRUST****Trustees Report and Financial Statements for the year ended 31 March 2009****Balance sheet as at 31 March 2009**

		2009		2008	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	9	<b>5,673,200</b>		5,876,156	
Investments:					
Investments	10	<b>12</b>		12	
Programme related investment	10	<b>250</b>		250	
			<b>5,673,462</b>		5,876,418
<b>Current assets</b>					
Debtors	11	<b>182,236</b>		233,687	
Cash at bank and in hand		<b>173,423</b>		11,018	
			<b>355,659</b>		244,705
<b>Creditors: amounts falling due within one year</b>	12	<b>(414,333)</b>		(277,263)	
<b>Net current liabilities</b>			<b>(58,674)</b>		(32,558)
<b>Total assets less current liabilities</b>			<b>5,614,788</b>		5,843,860
<b>Creditors: Amounts falling due after more than one year</b>	14		<b>(60,791)</b>		(121,045)
<b>Net assets</b>			<b>5,553,997</b>		5,722,815
<b>Funds</b>					
Unrestricted funds:					
- General	15		<b>14,297</b>		(72,683)
Restricted funds:					
- Income	16		<b>16,503</b>		69,453
- Capital	17		<b>5,523,197</b>		5,726,045
			<b>5,553,997</b>		5,722,815

The financial statements were approved by the Trustees and authorised for issue on 7 October 2009



**Pat Pearson**  
Chair



**Sylvia Armes**  
Vice Chair

The notes on pages 18 to 33 form part of these financial statements.

**KEYSTONE DEVELOPMENT TRUST**  
**Trustees Report and Financial Statements for the year ended 31 March 2009**

**Cash flow statement for the year ended 31 March 2009**

	Note	2009		2008	
		£	£	£	£
<b>Reconciliation of net movement in funds to net cash inflow from operating activities</b>					
Net movement in funds		(168,818)		(355,839)	
Net interest payable/(receivable)		3,968		4,015	
Depreciation		193,375		231,921	
(Profit) / loss on disposal of assets		(5,341)		487	
Decrease in debtors		51,451		221,947	
Increase / (decrease) in creditors		120,077		(77,614)	
		<u>194,712</u>		<u>24,917</u>	
<b>Net cash inflow from operating Activities</b>					
<b>Returns on investments and servicing of finance</b>					
Interest received		935		3,563	
Interest paid		(4,903)		(7,578)	
		<u>(3,968)</u>		<u>(4,015)</u>	
<b>Capital expenditure</b>					
Payments to acquire tangible fixed assets and Investments		-		(78,866)	
Proceeds from sale of tangible assets		14,922		950	
		<u>14,922</u>		<u>(77,916)</u>	
<b>Financing</b>					
Loan repaid		(16,362)		(13,439)	
<b>Increase / (decrease) in cash in the year</b>					
	20	<u>189,304</u>		<u>(70,453)</u>	
Cash at bank and in hand at 1 April 2008	21	<u>(15,881)</u>		<u>54,572</u>	
<b>Cash at bank and in hand at 31 March 2009</b>	21	<u><u>173,423</u></u>		<u><u>(15,881)</u></u>	

## **KEYSTONE DEVELOPMENT TRUST**

### **Trustees Report and Financial Statements for the year ended 31 March 2009**

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#### **Notes forming part of the financial statements for the year ended 31 March 2009**

##### **1 Accounting policies**

###### *Basis of accounting*

The financial statements are prepared under the historical cost convention, and have been prepared in accordance with the Companies Act 1985 and applicable accounting and financial reporting standards including the Statement of Recommended Practice (SORP) - 'Accounting and Reporting by Charities', (revised 2005).

The accounts have been prepared on the going concern basis notwithstanding the increase in net current liabilities on the balance sheet. The trustees are satisfied that there has been no further deterioration since the year end and budgets for the forthcoming year show a positive cashflow and there are sufficient overdraft facilities in place if required.

###### *Group Accounts*

The charitable company is exempt from the requirement to prepare group accounts under SORP 2005 on the basis that, in the Trustee's opinion, the results of the dormant subsidiary undertakings are not material to the group. These financial statements therefore present information about the company as an individual undertaking and not about its group.

###### *Company status*

The charity is a company limited by guarantee. The members of the company are the Trustees, as named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

###### *Incoming resources*

All incoming resources are included in the SOFA when the charitable company is legally entitled to the income and the amount can be quantified with reasonable accuracy. Donations in kind are recorded at their estimated value where material. Income is shown gross of all expenditure.

No amounts are included in the financial statements for services donated by volunteers.

###### *Resources expended*

Expenditure is recognised on an accruals basis and when a liability is incurred. Expenditure is shown exclusive of VAT where applicable. Direct charitable expenditure and costs of generating funds are allocated to the function in which they arise. Costs relating to premises are attributed to projects based on the number of people based in them, all other costs attributed to projects are based on incurred costs which are identifiable to each specific project.

**KEYSTONE DEVELOPMENT TRUST**  
**Trustees Report and Financial Statements for the year ended 31 March 2009**

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**Notes forming part of the financial statements for the year ended 31 March 2009 (cont.)**

**1 Accounting policies (Continued)**

Support costs which cannot be attributed to specific projects are apportioned on the following basis:-

Cost	Apportionment
Staff costs	Time spent on the project
Premises costs	Employee numbers
Communications	Employee numbers
Postage & stationery etc	Employee numbers
Finance & professional fees	Employee numbers

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Grants payable are charged in the year in which the offer is conveyed to the recipient, except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled.

*Tangible fixed assets and depreciation*

Tangible fixed assets are stated at cost less depreciation. Tangible fixed assets costing more than £500 are capitalised.

Depreciation is provided at rates calculated to write off the cost, less estimated residual values, of all fixed assets, except freehold land, evenly over their expected useful lives. It is calculated at the following rates:-

Freehold buildings	- over 50 years
Machinery and office equipment	- over 5 years
Vehicles	- over 4 years
Computer hardware and software	- over 3 years

The need for any fixed asset impairment write down is assessed by comparison of the carrying value of individual assets against the higher of realisable value and value in use.

*Fixed asset investments*

Fixed asset investments are stated at cost less provision for permanent diminution in value.

*Funds*

Restricted funds are funds where the purpose for which they can be used has been restricted by the provider.

Unrestricted funds are funds which can be used for any of the charity's operations at the Trustees' discretion.

## KEYSTONE DEVELOPMENT TRUST

### Trustees Report and Financial Statements for the year ended 31 March 2009

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#### Notes forming part of the financial statements for the year ended 31 March 2009 (cont.)

##### 1 Accounting policies (*Continued*)

The funds held in each of the categories are further described in notes 15-18.

##### *Government grants*

Government grants are credited to income in the period in which they are received unless the grant carries pre-conditions that require the income to be deferred into a future period.

##### *Pension costs*

A number of the charitable company's employees contribute to a stakeholder pension scheme. Contributions by the charitable company to this scheme are charged to the profit and loss account when due.

##### *Taxation*

The charitable company is not liable for assessment to taxation on its results to the extent that they are applied to its charitable objectives. Recoverable income tax is accrued within the financial statements.

##### 2 Incoming resources

Set out below is a summary of the incoming resources by category together with the resources expended on the category for the year.

	Balance at 1 April 2008	Incoming Resources	Resources expended	Transfers	Balance at 31 March 2009
	£	£	£	£	£
Children and Youth	69,666	19,149	(63,128)	1,209	<b>26,896</b>
Keystone Communities	29,025	349,707	(360,621)	(7,119)	<b>10,992</b>
Keystone People	15,819	-	(5,658)	(7,544)	<b>2,617</b>
Keystone Enterprise	(65,604)	140,536	(135,950)	38,582	<b>(22,436)</b>
Keystone Property	5,716,770	290,342	(450,535)	(11,843)	<b>5,544,734</b>
Keystone Resources	(42,861)	69,389	(22,049)	(13,285)	<b>(8,806)</b>
	<u>5,722,815</u>	<u>869,123</u>	<u>(1,037,941)</u>	<u>-</u>	<u><b>5,553,997</b></u>

Included within transfers are adjustments for internal rent charged to projects as follows:-

Keystone Enterprise	(£34,026)
Keystone Property	£34,026

**KEYSTONE DEVELOPMENT TRUST**  
**Trustees Report and Financial Statements for the year ended 31 March 2009**

Notes forming part of the financial statements for the year ended 31 March 2009 (cont.)

**2a Incoming resources from charitable activities**

	Unrestricted Funds £	Restricted Income Funds £	Restricted Capital Funds £	Total 2009 £	Total 2008 £
<b>Incoming resources from Charitable activities:</b>					
<b>Grants</b>					
Children and Youth	-	18,635	-	<b>18,635</b>	104,585
Keystone Communities	-	305,202	-	<b>305,202</b>	258,059
Keystone People	-	-	-	-	612
Keystone Enterprise	-	-	-	-	47,388
Keystone Property	-	(4,477)	-	<b>(4,477)</b>	49,216
Keystone Resources	-	-	-	-	7,043
	-	319,360	-	<b>319,360</b>	466,903
<b>Other income</b>					
Children and Youth	-	-	-	-	1,105
Keystone Communities	44,490	-	-	<b>44,490</b>	738
Keystone People	-	-	-	-	20,573
Keystone Enterprise	140,536	-	-	<b>140,536</b>	187,799
Keystone Property	294,819	-	-	<b>294,819</b>	182,190
Keystone Resources	27,871	-	-	<b>27,871</b>	28,635
	507,716	-	-	<b>507,716</b>	421,040
<b>Total</b>					
Children and Youth	-	18,635	-	<b>18,635</b>	<b>105,690</b>
Keystone Communities	44,490	305,202	-	<b>349,692</b>	<b>258,797</b>
Keystone People	-	-	-	-	<b>21,185</b>
Keystone Enterprise	140,536	-	-	<b>140,536</b>	<b>235,187</b>
Keystone Property	294,819	(4,477)	-	<b>290,342</b>	<b>231,406</b>
Keystone Resources	27,871	-	-	<b>27,871</b>	<b>35,678</b>
	<b>507,716</b>	<b>319,360</b>	-	<b>827,076</b>	<b>887,943</b>

Included within incoming resources from charitable activities is rental income received under operating leases of £177,138 (2008: £148,068)

**KEYSTONE DEVELOPMENT TRUST****Trustees Report and Financial Statements for the year ended 31 March 2009****Notes forming part of the financial statements for the year ended 31 March 2009 (cont.)****2b Incoming resources from generated funds**

	<b>Unrestricted Funds £</b>	<b>Restricted Income Funds £</b>	<b>Restricted Capital Funds £</b>	<b>Total 2009 £</b>	<b>Total 2008 £</b>
<b>Activities for generating funds</b>					
Children and Youth	-	-	-	-	-
Keystone Communities	-	-	-	-	-
Keystone Enterprise	-	-	-	-	-
Keystone Property	-	-	-	-	-
Keystone Resources	40,567	-	-	<b>40,567</b>	<b>13,850</b>
	<hr/> 40,567	<hr/> -	<hr/> -	<hr/> <b>40,567</b>	<hr/> <b>13,850</b>
<b>Investment Income – Bank Interest</b>					
Children and Youth	-	4	-	<b>4</b>	<b>128</b>
Keystone Communities	-	-	-	-	-
Keystone Enterprise	-	-	-	-	-
Keystone Property	-	-	-	-	-
Keystone Resources	931	-	-	<b>931</b>	<b>3,435</b>
	<hr/> 931	<hr/> 4	<hr/> -	<hr/> <b>935</b>	<hr/> <b>3,563</b>
<b>Gifts and Donations</b>					
Children and Youth	-	510	-	<b>510</b>	<b>3,530</b>
Keystone Communities	-	15	-	<b>15</b>	<b>1,560</b>
Keystone Enterprise	-	-	-	-	<b>921</b>
Keystone Property	-	-	-	-	<b>57</b>
Keystone Resources	20	-	-	<b>20</b>	-
	<hr/> 20	<hr/> 525	<hr/> -	<hr/> <b>545</b>	<hr/> <b>6,068</b>

A further breakdown of incoming resources between restricted income, restricted capital and unrestricted funds is given in notes 15, 16 and 17.



**KEYSTONE DEVELOPMENT TRUST**  
**Trustees Report and Financial Statements for the year ended 31 March 2009**

Notes forming part of the financial statements for the year ended 31 March 2009 (cont.)

**3a Total resources expended**

	Staff Costs	Depreciation	Support Costs (note 3b)	Grants (note 6)	Other direct costs	Total 2009	Total 2008
	£	£	£	£	£	£	£
<b>Unrestricted funds</b>							
Charitable activities							
Children and Youth	-	-	-	-	2,660	<b>2,660</b>	<b>2,406</b>
Keystone Communities	14,611	-	6,399	-	11,474	<b>32,484</b>	<b>1,396</b>
Keystone People	-	-	12	-	-	<b>12</b>	<b>8,851</b>
Keystone Enterprise	75,118	-	11,959	-	44,196	<b>131,273</b>	<b>196,153</b>
Keystone Property	45,338	-	66,066	-	171,885	<b>283,289</b>	<b>289,725</b>
Keystone Resources	(13,660)	-	(32,757)	-	(1,717)	<b>(48,134)</b>	<b>111,275</b>
Governance	-	-	12,754	-	11,273	<b>24,027</b>	<b>24,566</b>
Costs of generating funds (Keystone Resources)	4,496	-	39,152	-	2,287	<b>45,935</b>	<b>2,119</b>
	<u>125,903</u>	<u>-</u>	<u>103,585</u>	<u>-</u>	<u>242,058</u>	<u><b>471,546</b></u>	<u><b>636,491</b></u>
<b>Restricted Revenue funds</b>							
Charitable activities							
Children and Youth	29,015	-	8,838	-	12,130	<b>49,983</b>	<b>89,713</b>
Keystone Communities	166,374	-	74,131	9,629	76,713	<b>326,847</b>	<b>242,205</b>
Keystone People	8	-	-	-	-	<b>8</b>	<b>3,922</b>
Keystone Enterprise	-	-	-	-	-	<b>-</b>	<b>43,312</b>
Keystone Property	-	-	-	-	(4,477)	<b>(4,477)</b>	<b>533</b>
Keystone Resources	-	-	-	-	-	<b>-</b>	<b>11,937</b>
Governance	-	-	-	-	-	<b>-</b>	<b>-</b>
	<u>195,397</u>	<u>-</u>	<u>82,969</u>	<u>9,629</u>	<u>84,366</u>	<u><b>372,361</b></u>	<u><b>391,622</b></u>
<b>Restricted Capital funds</b>							
Charitable activities							
Children and Youth	-	10,485	-	-	-	<b>10,485</b>	<b>14,971</b>
Keystone Communities	-	1,290	-	-	-	<b>1,290</b>	<b>8,142</b>
Keystone People	-	1,638	-	4,000	-	<b>5,638</b>	<b>11,466</b>
Keystone Enterprise	-	2,677	-	2,000	-	<b>4,677</b>	<b>21,063</b>
Keystone Property	-	171,723	-	-	-	<b>171,723</b>	<b>182,735</b>
Keystone Resources	-	221	-	-	-	<b>221</b>	<b>773</b>
	<u>-</u>	<u>188,034</u>	<u>-</u>	<u>6,000</u>	<u>-</u>	<u><b>194,034</b></u>	<u><b>239,150</b></u>
<b>Total 2009</b>	<u><b>321,300</b></u>	<u><b>188,034</b></u>	<u><b>186,554</b></u>	<u><b>15,629</b></u>	<u><b>326,424</b></u>	<u><b>1,037,941</b></u>	
Total 2008	<u>462,615</u>	<u>232,406</u>	<u>154,941</u>	<u>36,775</u>	<u>380,526</u>	<u>1,267,263</u>	

## KEYSTONE DEVELOPMENT TRUST

### Trustees Report and Financial Statements for the year ended 31 March 2009

#### Notes forming part of the financial statements for the year ended 31 March 2009 (cont.)

#### 3b Analysis of Support costs

	Staff costs	Premises costs	Communica-tions	Postage, stationery etc	Office costs	Finance and prof. fees	Total
	£	£	£	£	£	£	£
Children and Youth	6,684	104	119	114	272	1,545	8,838
Keystone Communities	68,891	561	790	634	1,724	7,930	80,530
Keystone People	12	-	-	-	-	-	12
Keystone Enterprise	8,419	184	210	205	484	2,457	11,959
Keystone Property	59,630	334	381	373	881	4,467	66,066
Keystone Resources	-	381	304	427	781	4,502	6,395
Governance	12,265	25	14	28	42	380	12,754
<b>Total 2009</b>	<b>155,901</b>	<b>1,589</b>	<b>1,818</b>	<b>1,781</b>	<b>4,184</b>	<b>21,281</b>	<b>186,554</b>
Total 2008	127,030	5,442	2,257	2,659	3,725	13,828	154,941

#### Analysis of Governance costs

	2009 £	2008 £
Audit fees	11,273	12,162
Staff costs	12,265	11,642
Apportionment of support costs (excluding staff time)	489	762
<b>Total Governance costs</b>	<b>24,027</b>	<b>24,566</b>

#### 4 Staff costs

	2009 £	2008 £
Wages and salaries	435,317	536,270
Social security costs	35,053	44,681
Pension costs	6,831	8,694
<b>Total</b>	<b>477,201</b>	<b>589,645</b>

The average number of persons employed during the year, including part time employees, was:

	2009 Number	2008 Number
Charitable activities	23	28

No Trustees' received emoluments or were reimbursed for expenses incurred during the year. No employees were paid more than £60,000.

## KEYSTONE DEVELOPMENT TRUST

### Trustees Report and Financial Statements for the year ended 31 March 2009

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#### Notes forming part of the financial statements for the year ended 31 March 2009 (cont.)

#### 5 Pensions and benefits

The charitable company operates a stakeholder pension scheme. The assets of the scheme are held separately from those of the charitable company in an independently administered fund. The pension cost charge of £6,831 (2008 - £8,694) represents contributions payable by the charitable company to the fund for the year. At the year end contributions totalling £611 (2008 - £611) were payable to the fund and are included in creditors.

#### 6 Grants payable

	Revenue £	Capital £	Total £
Green Grants Scheme	9,200	-	9,200
Shadwell Grants	429	-	429
West Suffolk College	-	4,000	4,000
Thetford Scouts	-	1,000	1,000
Flagship Housing Group	-	1,000	1,000
<b>Total</b>	<b>9,629</b>	<b>6,000</b>	<b>15,629</b>

#### 7 Net incoming/(outgoing) resources before transfers

	2009 £	2008 £
Net incoming/(outgoing) resources are stated after charging/ (crediting):		
Depreciation	193,375	231,921
(Profit) / Loss on sale of assets	(5,341)	485
Auditors remuneration - audit services	11,273	12,162
- other services	5,417	1,038

The charitable income and net incoming resources for the year are attributable to the charitable company's continuing principal activity as described on page 2. All of the income is generated within the United Kingdom.

#### 8 Interest payable

	2009 £	2008 £
On bank loans and overdrafts	4,902	7,578

**KEYSTONE DEVELOPMENT TRUST****Trustees Report and Financial Statements for the year ended 31 March 2009**

Notes forming part of the financial statements for the year ended 31 March 2009 (cont.)

**9 Tangible fixed assets**

	<b>Freehold land and buildings £</b>	<b>Machinery and office equipment £</b>	<b>Computer hardware and software £</b>	<b>Vehicles £</b>	<b>Total £</b>
<b>Cost</b>					
At 1 April 2008	5,974,592	385,065	67,712	79,025	6,506,394
Additions	-	-	-	-	-
Disposals	-	(36,855)	-	(15,000)	(51,855)
<b>At 31 March 2009</b>	<b>5,974,592</b>	<b>348,210</b>	<b>67,712</b>	<b>64,025</b>	<b>6,454,539</b>
<b>Depreciation</b>					
At 1 April 2008	308,331	194,265	60,309	67,333	630,238
Charge for the year	110,669	70,413	5,942	6,351	193,375
Relating to disposals	-	(28,149)	-	(14,125)	(42,274)
<b>At 31 March 2009</b>	<b>419,000</b>	<b>236,529</b>	<b>66,251</b>	<b>59,559</b>	<b>781,339</b>
<b>Net book value</b>					
<b>At 31 March 2009</b>	<b>5,555,592</b>	<b>111,681</b>	<b>1,461</b>	<b>4,466</b>	<b>5,673,200</b>
At 31 March 2008	5,666,261	190,800	7,403	11,692	5,876,156

Included within freehold land and buildings is £147,108 (2008 - £147,108) relating to freehold land which has not been depreciated.

Land and buildings includes an amount of £200,000 relating to an asset donated during 2005. The value is based on a professional valuation carried out on 14<sup>th</sup> December 2004 by Merrifields Chartered Surveyors. Vehicle cost includes an amount of £25,000 relating to assets donated. The values are based on the market value of the vehicles at the capitalisation date.

**KEYSTONE DEVELOPMENT TRUST**  
**Trustees Report and Financial Statements for the year ended 31 March 2009**

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**Notes forming part of the financial statements for the year ended 31 March 2009 (cont.)**

**10 Investments**

Investments in subsidiary undertakings

	<b>2009</b>	2008
	<b>£</b>	£
Net book value at 31 March 2009 and 2008	<b>12</b>	12

The above investment comprises the following:-

- 10 £1 shares in Green Bay Enterprises Limited a company incorporated in England and Wales on 21 April 2006 wholly owned by the Trust. The company is dormant.
- 2 £1 shares in Keystone Social Enterprises Limited a company incorporated in England and Wales on 11 October 2001 wholly owned by the Trust. The company is dormant.

Programme related investments:

	<b>2009</b>	2008
	<b>£</b>	£
Net book value at 31 March 2009 and 2008	<b>250</b>	250

The investment represents 250 ordinary £1 shares in Foundation East (formerly Suffolk Regeneration Trust), a not for profit organisation operating across Suffolk, Norfolk, Essex and Cambridgeshire, providing support to businesses, social enterprises and individuals that cannot get a bank loan.

**11 Debtors**

	<b>2009</b>	2008
	<b>£</b>	£
Trade debtors	<b>140,931</b>	100,459
Prepayments	<b>21,288</b>	16,869
Accrued income	<b>20,017</b>	116,359
	<b>182,236</b>	233,687

**KEYSTONE DEVELOPMENT TRUST****Trustees Report and Financial Statements for the year ended 31 March 2009**

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Notes forming part of the financial statements for the year ended 31 March 2009 (cont.)

**12 Creditors: amounts falling due within one year**

	2009 £	2008 £
Loan (note 14)	<b>19,129</b>	14,861
Bank overdraft	-	26,899
Trade creditors	<b>37,944</b>	61,832
Other creditors	<b>224,208</b>	48,058
Accruals	<b>61,004</b>	42,400
Deferred income (note 13)	<b>72,048</b>	83,213
	<b>414,333</b>	277,263

**13 Deferred income**

	2009 £	2008 £
Balance at 1 April 2008	<b>83,213</b>	112,779
Amount released to incoming resources	<b>(58,288)</b>	(112,779)
Amount deferred in year	<b>47,123</b>	83,213
Balance at 31 March 2009	<b>72,048</b>	83,213

Deferred income comprises grants received in advance for projects to be carried out in future accounting periods, rents for periods in advance and rental deposits held.

**KEYSTONE DEVELOPMENT TRUST**  
**Trustees Report and Financial Statements for the year ended 31 March 2009**

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Notes forming part of the financial statements for the year ended 31 March 2009 (cont.)

**14 Creditors: amount falling due after more than one year**

	2009		2008	
	£	£	£	£
Accruals		-		39,624
Loan:				
Due 1 – 2 years	<b>19,710</b>		15,959	
Due 2 – 5 years	<b>41,081</b>		55,308	
	<u><b>60,791</b></u>		<u>71,267</u>	
Due in more than 5 years by instalments	-		10,154	
		<u><b>60,791</b></u>		<u>81,421</u>
		<u><b>60,791</b></u>		<u><u>121,045</u></u>

The bank loan commenced in November 2003 with a repayment period of ten years, bearing interest at a rate of 1.75 % per annum over base rate.

The loan is secured by a charge on a specific freehold property.

The 2008 accrual relates to a retention payment on one of the Trust's buildings due post March 2009.

**KEYSTONE DEVELOPMENT TRUST**  
**Trustees Report and Financial Statements for the year ended 31 March 2009**

Notes forming part of the financial statements for the year ended 31 March 2009 (cont.)

**15 Unrestricted funds**

	Balance at 1 April 2008	Incoming Resources	Resources expended	Transfers	Balance at 31 March 2009
	£	£	£	£	£
Children and Youth	5,158	-	(2,660)	(1,346)	<b>1,152</b>
Keystone Communities	1,674	44,490	(32,484)	(7,741)	<b>5,939</b>
Keystone People	12	-	(12)	-	-
Keystone Enterprise	(74,057)	140,536	(131,273)	39,868	<b>(24,926)</b>
Keystone Property	40,509	294,819	(283,289)	(11,049)	<b>40,990</b>
Keystone Resources	(45,979)	69,389	(21,828)	(10,440)	<b>(8,858)</b>
	<u>(72,683)</u>	<u>549,234</u>	<u>(471,546)</u>	<u>9,292</u>	<u><b>14,297</b></u>

**16 Restricted income funds**

	Balance at 1 April 2008	Incoming Resources	Resources expended	Transfers	Balance at 31 March 2009
	£	£	£	£	£
Children and Youth	40,763	19,149	(49,983)	2,004	<b>11,933</b>
Keystone Communities	25,578	305,217	(326,847)	622	<b>4,570</b>
Keystone People	-	-	(8)	8	-
Keystone Enterprise	1	-	-	(1)	-
Keystone Property	267	(4,477)	4,477	(267)	-
Keystone Resources	2,844	-	-	(2,844)	-
	<u>69,453</u>	<u>319,889</u>	<u>(372,361)</u>	<u>(478)</u>	<u><b>16,503</b></u>

**17 Restricted capital funds**

	Balance at 1 April 2008	Incoming Resources	Resources expended	Transfers	Balance at 31 March 2009
	£	£	£	£	£
Children and Youth	<b>23,745</b>	-	(10,485)	551	<b>13,811</b>
Keystone Communities	<b>1,773</b>	-	(1,290)	-	<b>483</b>
Keystone People	<b>15,807</b>	-	(5,638)	(7,552)	<b>2,617</b>
Keystone Enterprise	<b>8,452</b>	-	(4,677)	(1,285)	<b>2,490</b>
Keystone Property	<b>5,675,994</b>	-	(171,723)	(527)	<b>5,503,744</b>
Keystone Resources	<b>274</b>	-	(221)	(1)	<b>52</b>
	<u><b>5,726,045</b></u>	<u>-</u>	<u>(194,034)</u>	<u>(8,814)</u>	<u><b>5,523,197</b></u>



**KEYSTONE DEVELOPMENT TRUST**  
**Trustees Report and Financial Statements for the year ended 31 March 2009**

Notes forming part of the financial statements for the year ended 31 March 2009 (cont.)

**18 Analysis of net assets between funds**

	<b>Tangible Fixed Assets and Investments</b>	<b>Net Current Assets</b>	<b>Creditors due over one year</b>	<b>Total</b>
	£	£	£	£
<b>Unrestricted funds</b>				
Children and Youth	-	1,152	-	1,152
Keystone Communities	-	5,939	-	5,939
Keystone People	-	-	-	-
Keystone Enterprise	-	(24,926)	-	(24,926)
Keystone Property	150,000	(48,219)	(60,791)	40,990
Keystone Resources	265	(9,123)	-	(8,858)
	<u>150,265</u>	<u>(75,177)</u>	<u>(60,791)</u>	<u>14,297</u>
<b>Restricted income funds</b>				
Children and Youth	-	11,933	-	11,933
Keystone Communities	-	4,570	-	4,570
Keystone People	-	-	-	-
Keystone Enterprise	-	-	-	-
Keystone Property	-	-	-	-
Keystone Resources	-	-	-	-
	<u>-</u>	<u>16,503</u>	<u>-</u>	<u>16,503</u>
<b>Restricted capital funds</b>				
Children and Youth	13,811	-	-	13,811
Keystone Communities	483	-	-	483
Keystone People	2,617	-	-	2,617
Keystone Enterprise	2,490	-	-	2,490
Keystone Property	5,503,744	-	-	5,503,744
Keystone Resources	52	-	-	52
	<u>5,523,197</u>	<u>-</u>	<u>-</u>	<u>5,523,197</u>
<b>Total funds 2009</b>	<b><u>5,673,462</u></b>	<b><u>(58,674)</u></b>	<b><u>(60,791)</u></b>	<b><u>5,553,997</u></b>
Total funds 2008	<u>5,876,418</u>	<u>(32,558)</u>	<u>(121,045)</u>	<u>5,722,815</u>

**Notes forming part of the financial statements for the year ended 31 March 2009 (cont.)**

**18 Analysis of net assets between funds (continued)**

**Children and Youth**

To provide youth and children's activities in the local area through projects such as the Kollektiv and Imagine and delivering sessions to the children and youth that includes the Big Sitting Room.

**Keystone Communities**

The funds provide support for communities and groups to help themselves build the capacity of neighbourhoods through projects like TAVO, META and community finance.

**Keystone People**

To support individuals by building their capacity and capabilities through projects like Prospects where training is provided for people out of work or wanting to improve their employment status.

**Keystone Enterprise**

Supports the development of social enterprises in the local area, together with starting up and running the Trusts own enterprises that include Green Ventures, a furniture recycling business and the Local Food Group.

**Keystone Property**

A diverse portfolio of buildings owned by the Trust through which income is generated and space provided to projects for them to carry out their work.

**Keystone Resources**

The Trusts core team that provides advice and support to the organisation and third parties through services such as finance, human resources and facilities management.

A more detailed review of each fund can be found in the Trustees report.

**KEYSTONE DEVELOPMENT TRUST**  
**Trustees Report and Financial Statements for the year ended 31 March 2009**

**Notes forming part of the financial statements for the year ended 31 March 2009 (cont.)**

**19 Related party transactions**

Pat Pearson (Chairman) is also a director and shareholder of Pearsons (Thetford) Limited, a waste management company.

Clive Wadham-Smith (Trustee) is also a director and shareholder of Ante Limited, a legal services company.

During the year, Keystone Development Trust entered into the following transactions on an arms length basis:

	<b>2009</b>	2008
	<b>£</b>	£
Purchases from Pearsons (Thetford) Limited - (Skip hire)	<b>2,534</b>	2,581
Purchases from Ante Limited - (Professional services)	<b>2,340</b>	1,440
	<u>          </u>	<u>          </u>

**20 Reconciliation of net cashflow to movement in net funds/ (debt)**

	<b>2009</b>	2008
	<b>£</b>	£
Increase / (decrease) in cash in the year	<b>189,304</b>	(70,453)
Repayment of loans	<b>16,362</b>	13,439
	<u>          </u>	<u>          </u>
Movement in net funds / (debt) in the year	<b>205,666</b>	(57,014)
Net debt at start of year	<b>(112,163)</b>	(55,149)
	<u>          </u>	<u>          </u>
<b>Net funds / (debt) at end of year</b>	<b>93,503</b>	(112,163)
	<u>          </u>	<u>          </u>

**21 Analysis of net funds/(debt)**

	<b>At start of year</b>	<b>Cashflow</b>	<b>At end of year</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Cash in hand, at Bank	11,018	162,405	<b>173,423</b>
Bank Overdraft	(26,899)	26,899	-
	<u>          </u>	<u>          </u>	<u>          </u>
	(15,881)	189,304	<b>173,423</b>
Debt due within one year	(14,861)	(4,268)	<b>(19,129)</b>
Debt due after one year	(81,421)	20,630	<b>(60,791)</b>
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total</b>	<b>(112,163)</b>	<b>205,666</b>	<b>93,503</b>
	<u>          </u>	<u>          </u>	<u>          </u>

