



TRUSTEES REPORT-2021

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1.0 Key Facts

Registered society number	30624R
Registered office	11 Walters Way, Honor Oak Park London SE23 3LH
Operational Address	12 Church Grove London SE13 7UU
Other names	The Rural Urban Synthesis Society Ltd is referred to as RUSS throughout this report.
Key management personnel:	The Trustees as a body. Dinah Roake – Client Representative
Bank	The Co-operative Bank
Solicitors	Trowers & Hamlin LLP 3 Bunhill Row London EC1Y 8YZ
Auditor	Third Sector Accountancy Limited Holyoake House, Hanover Street Manchester M60 0AS

Trustees

The following Trustees (directors of the Society) served during the year and up to the date of this report:

<u>Name</u>	<u>Joining Date</u>	<u>Stepped down</u>
Bernadette Marjoram – Chair	26 th June 2021	Current Trustee
Benny Lee – Secretary	27 th June 2020	Current Trustee
Phil Morris - Treasurer	11 th November 2018	Current Trustee
Eleanor Margolies	27 th June 2020	Current Trustee
Samanthi Theminiulle	26 th June 2021	Current Trustee
Ben Beck	26 th June 2021	Current Trustee
Catherine Harrington	26 th June 2021	Current Trustee
Katie Weatherall	26 th June 2021	Current Trustee
Carina Morris	26 th June 2021	Current Trustee
Lewis Haines	26 th June 2021	Current Trustee
Becca Antink	26 th June 2021	Current Trustee
Mike Freed	Co-opted 24 th Feb 2022	Current Trustee
Anurag Verma	28 th April 2018	26 th June 2021
Ethan Williams	23 rd June 2019	26 th June 2021
Jessica Tsang	27 th June 2020	26 th June 2021
James Kinnersly	27 th June 2020	26 th June 2021
Anne Kennedy	4 th July 2019	26 th June 2021
Shelina Hooper	27 th June 2020	2 nd Sept 2021

2.0 Report and Financial Statements

The Trustees present their report and the audited financial statements for the year ended 31 December 2021. Reference and administrative information set out on pages 3-4 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, and the Statement of Recommended Practice - *Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102*.

3.0 Objectives and activities for the public benefit

RUSS's vision is to create sustainable community-led neighbourhoods and truly affordable self-build homes. Its charitable objectives are as follows:

- The relief of poverty through the provision of housing, accommodation, and amenities.
- The advancement of education and relief of poverty through the promotion and encouragement of community involvement in regeneration and development, within the meaning of s126 of the 'Housing Grants, Construction and Regeneration Act', 1996.
- The protection, conservation, restoration, and enhancement of the environment through the purchase, lease, and management of land.
- The provision of facilities for sport, recreation, and other leisure activities in the interest of social welfare and improving quality of life.
- To promote other community-led housing initiatives by providing advice and assistance on the formation, management, and development of Community Land Trusts.

The Trustees have satisfied themselves that RUSS meets the public benefit requirements and they confirm they have taken due regard of the Charity Commission's general guidance on public benefit.

The Trustees confirm the following:

- The benefits generated by RUSS's charitable activities are clear.
- This report details RUSS's main activities for the year, which have been carried out to further the society's objectives.
- The benefits generated relate to RUSS's objectives.
- All activities undertaken are intended to further RUSS's charitable objectives.
- The people who receive support are entitled to do so according to criteria set out in RUSS's charitable objectives.
- RUSS's activities engage a wide variety of individuals and communities in line with the objectives of the organisation.

4.0 2021 Review

4.1 Demonstrating the model – The Church Grove Project

The Church Grove project

The Church Grove project is a unique and innovative model for delivering affordable and sustainable homes. The pilot project for RUSS and will deliver a total of 36 high-quality homes in Lewisham for individuals, couples, and families on low incomes. Future residents of Church Grove have been heavily involved in every step of the process, from the design to the future management of the scheme. To help build a lasting community, the project includes communal food-growing and gardening spaces, a shared laundry, a publicly accessible playground and a community Hub. Importantly, the project aims to provide a self-build option which is accessible for those with no previous trade experience, giving residents the opportunity to further reduce the cost of their properties while learning a life-long skill.

Securing funding and beginning construction at Church Grove site was a key aim for RUSS in 2021 and a huge amount of effort went into making those aims a reality. At the start of the year the technical design of the scheme was still being finalised and full planning permission had not yet been granted. Over the course of the year RUSS was able to complete the design, obtain planning permission from Lewisham Council, secure the required funding from the GLA, Triodos and Big Issue Invest to bring the project to completion, carry out a tender for the construction contract and negotiate terms with our preferred partner, ROOFF Ltd. The culmination of all of this hard work meant that construction on Church Grove officially began on 21 September 2021. To mark the occasion, RUSS held a ‘ground-breaking’ event at the site which was attended by the Mayor of Lewisham, Damien Egan, and Deputy Mayor of London for Housing and Residential Development, Tom Copley.

Since September, construction on Church Grove has been moving on schedule and is expected to be complete by May 2023. We would once again like to thank everyone who has supported us along this journey.

4.2 Building an effective organisation

New Structure

As Church Grove has progressed, RUSS has had to constantly adjust as an organisation in order to effectively meet the changing demands and objectives. During 2021, as the project moved from

the design phase to construction a new structure was put in place to allow us to manage our external contractors, respond to on-site developments and prepare for the future management of the scheme. This new structure includes 3 working groups under the Church Grove Project Board, as shown in the 'Organisational Structure' section of this report and. A large number of committed volunteers sit on and assist each of these working groups, as well as the Project Board itself. The time and effort that our many volunteers put in is a testament to the community-led principles that RUSS is founded upon.

Employees

As part of the re-structure RUSS also set up a paid 'Client Representative' role to ensure that we maintain proper oversight of the Church Grove construction and are able to respond quickly to any queries or issues raised by our contractors. This role was filled by **Dinah Roake** in September 2021. Dinah has previously worked as Operations Director for RUSS and has been instrumental in Church Grove's progression. Hush Project Management, through Victoria Panting, was appointed in April 2022 to succeed Dinah.

With RUSS continuing to grow, the Operations Director position that was previously filled by Dinah has been changed into a Managing Director role, with a greater focus on strategic leadership of the organisation. This position is currently vacant but an appointment is being made, expected to start in June 2022.

During the course of the year, **Debbie Noel** stepped down from her role as Finance and Administration Officer but has continued to support RUSS on an ad hoc basis and a replacement is intended to cover key tasks for Church Grove. We would like to thank Debbie for the invaluable contribution that she has made to RUSS over the years, particularly in ensuring we continued to function through the covid pandemic.

New Trustees

Finally, RUSS has sought to bring in new skills on the Board of Trustees, with a focus on the next stage of Church Grove. Eight new Trustees were elected to the Board in 2021, including a new Chair, Bernadette Marjoram. The other Trustees that joined the Board are Ben Beck, Catherine Harrington, Katie Weatherall, Samantha Theminimulle, Becca Antink, Lewis Haines and Carina Morris. A short note of the skills and experience that each of these new Trustees bring is included below:

Bernadette has worked in the public sector for over 40 years, in housing, regeneration, front -line services and community engagement. Recent roles included acting as Interim Chief Executive at Hornchurch Housing Trust and Interim Director of Housing at London Borough of Havering. She also has 40 years' service as a Non-Executive Director on local, regional and national organisations, including previously serving as a Councillor on Lewisham Council and a 4-year term on the board of University Hospital Lewisham NHS Trust.

Ben has been involved in housing and tenant management for over 40 years, during which time he has worked for both Lewisham and Southwark councils. Ben is a founding member (and current acting treasurer) of Five Ways Housing Management Limited, one of only two Tenant Management Organisations in Lewisham set up under the Right to Manage. Ben was also chair of Voluntary Action Lewisham for the final two years before its merger with the METRO charity.

Catherine is the former Chief Executive of the National CLT Network, having founded the organisation in 2010. During that time, she helped grow the CLT movement from 30 CLTs to nearly 350 today. Catherine has previously worked at the Ministry of Housing, Communities and Local Government, Notting Hill Housing and the Institute for Public Policy Research. Catherine is currently working as a freelance consultant, supporting charities on advocacy and policy, and is a member of the Right to Build Task Force Expert Panel, advising local authorities on self and custom build.

Katie is a Programme Manager at the UK's international cultural relations organisation British Council working on Arts programmes in Sub-Saharan Africa and a global radio project. With over 10 years arts and public sector experience she has extensive communications and fundraising experience.

Samanthi is a researcher at the RSA (Royal Society for Arts, Manufactures and Commerce), leading work aimed at inserting community voices into decision-making about housing and neighbourhoods. She has experience in community engagement, network-building and amplifying community voices, with roles as a Community Engagement Advisor at Heard Storytelling and a Peer Researcher at Toynbee Hall.

Becca has broad experience in local and city government, most recently in her role delivering affordable housing at the Greater London Authority. She also worked for several years as a researcher, at the Royal Society for Arts, Manufactures and Commerce and the Institute for Public Policy Research. Becca has particular expertise around sustainable and inclusive models of local economic development, with an MSc in Social Policy and Planning from the LSE.

Lewis is a Head of Practice at Collaborate, a social consultancy focused on helping the public and voluntary sectors tackle complex social issues. Lewis has a strong background in research and analytics, having previously worked at the homelessness charity Crisis and before that The Children's Society.

Carina has over 7 years' experience working within community and stakeholder roles. She is currently a Stakeholder Engagement Consultant at CJ Associates, with previous roles at Moat Homes and Axis Europe.

4.3 Raising awareness of Community-Led Housing

RUSS continues to work towards raising awareness of the CLH sector and is regularly invited to speak at a range of community, housing, and self-build events.

The RUSS School of Community-Led Housing has returned to in person workshops and lectures in 2022. The school anticipates delivering 3 tranches of its programme for community led housing in the year 2022 and 2023. Each tranche will consist of a series of Modules aligned to the CLH project stages and mirror the progress of the Church Grove project.

The school kicked off its first round of events in march 2022 with modules 01 and 02 and will be followed by Module 03 in April 2022, and repeated in Aug and Dec. 2022.

A programme of 5 modules is being developed by the School, aligned with the 5 stages of Community-Led Housing: Group > Site > Plan > Build > Live. Each of these modules directly draw from RUSS's own journey and experience.

We are, as always thankful to CLH London and CDS Co-operatives for providing ongoing support and a venue for School events in 2020.

5.0 Structure, governance, and management

RUSS is a community benefit society. It was incorporated on 12 February 2009 and registered as a charitable organisation with HM Revenue & Customs. The organisation is governed by its rules which established the objects and powers.

Members each hold a minimum of one share in the society. The Trustees are members of the society, but this entitles them only to voting rights. One Trustee (Eleanor Margolies) is due to be a future resident of the Church Grove project. Aside from this, the Trustees have no beneficial interest in the organisation.

Members nominate and elect the Main Board of Trustees at the annual AGM. Each member has one vote. Prior to the AGM there is an open call for nominations across all communication channels, with role descriptions setting out required skills and experience. The Board also has the power to co-opt new Trustees.

New board members are inducted by the experienced members of the Board and the wider membership.

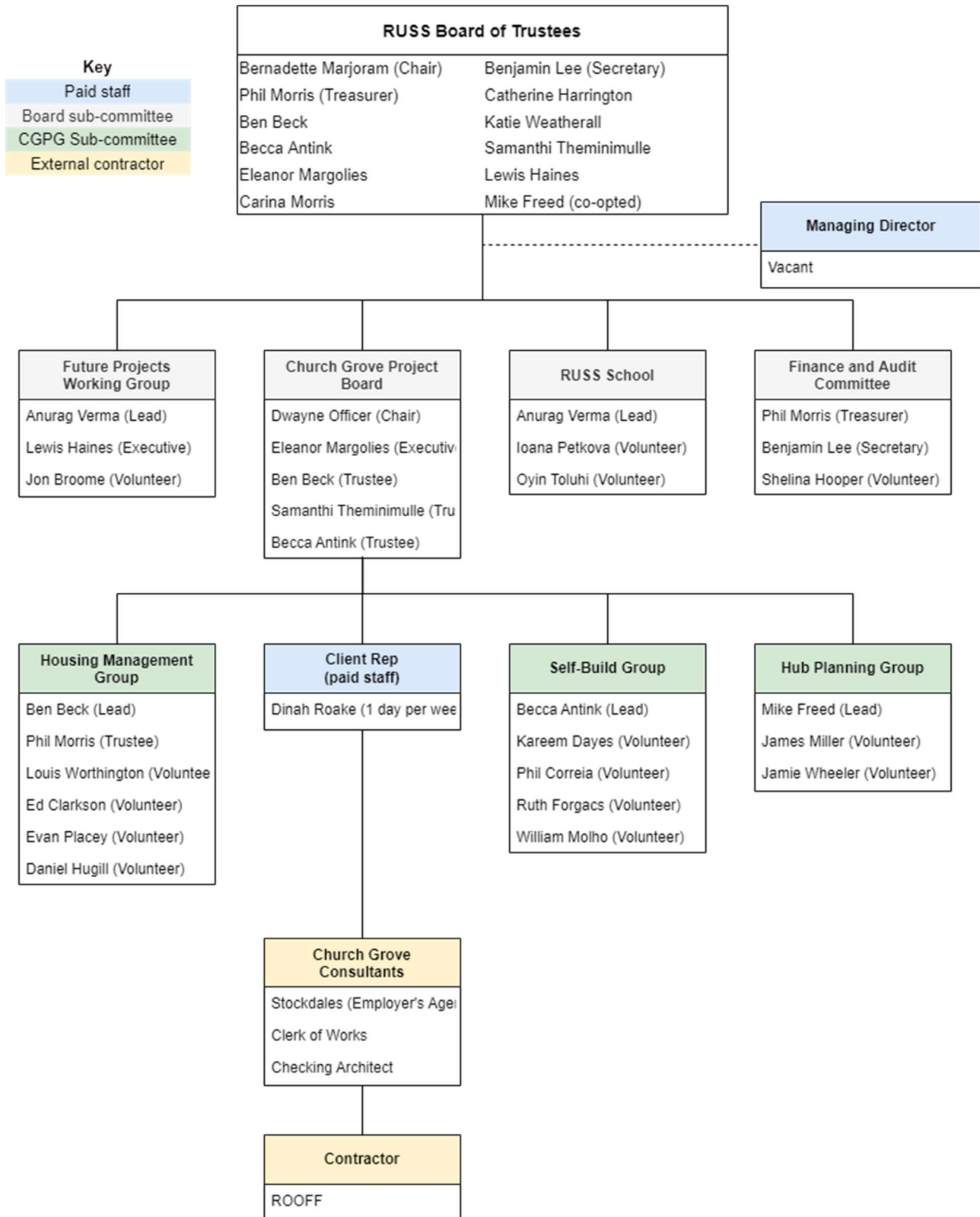
RUSS's Board of Trustees are collectively responsible for setting the overall strategic direction for the organisation, monitoring performance against its strategic objectives and ensuring that the organisation's resources and finances are being managed effectively. Some elements of the Board's work are carried out through sub-committees, including the Finance and Audit Committee, the Church Grove Project Board, and the School of Community Led Housing.

Volunteers are central to the organisation's work and play a leading role in a range of projects and ongoing tasks, including communications, fundraising and events.

RUSS is a member of a variety of networks including the Community Land Trust Network, Foundation for Social Improvement, Citizens UK, and Locality enabling it to draw upon bespoke training and support for board development and governance.

All Trustees give their time voluntarily and receive no remuneration from the charity. Any expenses reclaimed are set out in note 10 to the accounts.

Current Structure



6.0 Financial review

Total income recognised in the period amounted to £1,038,697 (2020: £404,888). Income was made up of grants for charitable activities (GLA, Community Led Housing London, the Co-operative Foundation and Arnold Clark), donations, and some income from the School's training workshops. Social investment loan repayments have been made.

Expenditure for the year amounted to £1,329,622 (2020: £326,505), of which £1,041,126 (2020: £245,427) was transferred to stock, £558,358 (2020: £nil) then transferred to fixed assets and £nil (2020: £nil) was directly capitalised as fixed assets. £219,232 (2020: £nil) was prepaid in respect of securing loan finance for the Church Grove development. The remaining £69,264 (2020: £81,078) was reflected in the Statement of Financial Activities. All the expenditure was on charitable activities.

7.0 Plans for the future

In early 2022, RUSS set a new business plan which will take the organisation through to the end of 2023. The new business plan continues to focus on the following three key strategic objectives:

- **Strategic objective 1:** To build a sustainable membership organisation, ensuring RUSS is well resourced, well governed and well run.
- **Strategic objective 2:** To raise awareness of the value of community-led housing, and exchange knowledge to enable other communities, especially those that are members of RUSS, to build similar projects.
- **Strategic objective 3:** To deliver the Church Grove project and, learning from that experience, explore new opportunities.

The key tasks have been identified for furthering these strategic objectives in 2022 are summarised below:

Strategic Objective 1

As part of ensuring RUSS is well governed, we plan to carry out an independent governance review. We will also aim to recruit a number of new staff members, including:

- A Managing Director
- A Client Representative - to replace Dinah Roake, who is stepping down in April 2022.
- A Volunteer Manager - for which we have received a grant from the Co-op Foundation
- A self-build manager – for which there is funding within the budget for Church Grove.

Finally, RUSS will bring in new, additional trustees with experience in housing management to help prepare for the completion of Church Grove.

Strategic Objective 2

Following the easing of Covid-19 restrictions, the school is planning to resume its workshops and lectures in spring 2022. The school will deliver three tranches of its programme for community-led housing over the next two year. Each tranche will consist of a series of modules aligned to the CLH project stages and mirror the progress of the Church Grove project. The workshops, training sessions and related events will take place in the community hub located at Church Grove.

Strategic Objective 3

In January 2022 the Trustees decided not to pursue an application to become a Registered Provider (RP) ahead of Church Grove completion. We therefore intend to partner with an existing RP and arrange a 60-year lease to let the 8 dwellings of low-cost and London Living Rent. We believe that this decision will help to ensure Church Grove is delivered in line with the funding requirements from the GLA and Triodos Bank.

In the same month, RUSS also submitted a bid for a new development site, located in Greenwich. If successful, RUSS will be able to begin focusing on this new project as construction on Church Grove nears completion.

8.0 Reserves policy

At the end of the financial year, RUSS's unrestricted funds amounted to £2,060,343 (2020: £1,024,881). The funding received to build Church Grove, as stock and fixed assets, and the Community Hub, as a fixed asset, are included. The Trustees have designated £2,033,148 (2019: £961,053) to the Church Grove Project and £14,779 (2020: £49,864) to the Community Hub, leaving the free reserves balance at £12,416 (2020: £13,964).

Share capital of £13,938 (2020: £13,313) also supports RUSS' activities, but members can redeem their shares under the Rules at any time.

The Trustees aim to maintain the unrestricted reserves at such a level so that the available, unrestricted cash equivalents amount to £10,000 over the medium-term. This has been challenging to achieve for an organisation that, to date, has been run by volunteers and with limited core funding.

The objectives upon which RUSS's reserves policy are based include:

- Supporting the organisation's cash-flow.
- Providing cover for unforeseen emergency costs.
- Providing security within an uncertain funding environment.

9.0 Risk management

RUSS recognises that it needs to carry out its activities in such a way that all potential risks are identified, managed, and appropriately mitigated. As part of the new business plan that has been set for 2022-23, RUSS has also set up a Risk Register to identify and monitor both organisational and project risks. We are also in the process of establishing a formal Risk Management Framework, which will involve reviewing risks that the organisation faces on a regular basis.

10.0 Statement of responsibilities of the Trustees

The Trustees (who are also directors of the society for the purposes of society law) are responsible for preparing the Trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The Co-operative and Community Benefit Societies Act 2014 requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable society, including the income, expenditure, and the application of the charitable society's resources for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and apply them consistently.
- Observe the methods and principles in the Charities SORP.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards and statements of recommended practice 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 charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable society and enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014. They are also responsible for safeguarding the assets of the charitable society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

RURAL URBAN SYNTHESIS SOCIETY

Trustee Report and Financial Statements

For the period ended 31 December 2021

The Trustees' annual report has been approved by the Trustees on 28 April 2022 and signed on their behalf by

Bernadette Marjoram

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Bernadette Marjoram (Chair)

Independent auditor's report to Rural Urban Synthesis Society Limited

Opinion

We have audited the financial statements of Rural Urban Synthesis Society Limited (the 'society') for the year ended 31 December 2021 which comprise the revenue account, the balance sheet, the statement of changes in equity, the cashflow statement and notes to the financial statements, 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 society's affairs as at 31 December 2021 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014.

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 society in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 directors' 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 charitable company'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 directors with respect to going concern are described in the relevant sections of this report.

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 Board is responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Independent auditor's report to Rural Urban Synthesis Society Limited

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Co-operative and Community Benefit Societies Act 2014 requires us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained; or
- the society has not kept proper accounting records; or
- the financial statements are not in agreement with the books of account; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the Board

As explained more fully in the Board's responsibilities statement set out on page 18, the Board is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Board determines 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 Board is responsible for assessing the society'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 Board either intends to liquidate the society or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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.

Capability of the audit in detecting irregularities, including fraud

Based on our understanding of the society and environment in which it operates, we identified the principal risks of non-compliance with laws and regulations related to pension legislation, tax legislation, employment legislation, health and safety legislation, and other legislation specific to the industry in which the society operates, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Co-operative and Community Benefit Societies Act 2014, the reporting requirements under the Charities SORP and FRS102, and the Charities Act 2011.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principle risks were related to the pressure on management to achieve particular results. Audit procedures performed by the group engagement team included:

- Discussions with management including consideration of known or suspected instances of non-compliance;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journal entries; and
- Challenging assumptions and judgments made by management.

Independent auditor's report to Rural Urban Synthesis Society Limited

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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.

Use of the audit report

This report is made solely to the society. Our audit work has been undertaken so that we might state to the society 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 society for our audit work, for this report, or for the opinions we have formed.

Third Sector Accountancy Limited

Third Sector Accountancy Limited
Statutory Auditor
Holyoake House
Hanover Street
Manchester
M60 0AS

Date

09 / 06 / 2022

Rural Urban Synthesis Society Limited
Statement of Financial Activities
for the year ended 31 December 2021

	Note	Unrestricted funds £	Restricted funds £	Total funds 2021 £	Unrestricted funds £	Restricted funds £	Total funds 2020 £
Income from:							
Donations and legacies	3	265	-	265	872	-	872
Charitable activities	4	1,875	1,036,557	1,038,432	5,000	398,171	404,016
Total income		2,140	1,036,557	1,038,697	5,872	398,171	404,888
Expenditure on:							
Charitable activities	5	48,177	21,087	69,264	54,737	26,341	81,078
Total expenditure		48,177	21,087	69,264	54,737	26,341	81,078
Net income/(expenditure) for the year	7	(46,037)	1,015,470	969,433	(48,865)	371,830	323,810
Transfer between funds	19	1,081,499	(1,081,499)	-	255,533	(255,533)	-
Net movement in funds for the year		1,035,462	(66,029)	969,433	206,668	116,297	323,810
Reconciliation of funds							
Total funds brought forward		1,024,036	209,433	1,234,314	817,368	93,136	910,504
Total funds carried forward		2,059,498	143,404	2,203,747	1,024,036	209,433	1,234,314

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

Rural Urban Synthesis Society Limited

Balance Sheet
as at 31 December 2021

	Note	2021		2020	
		£	£	£	£
Fixed assets					
Tangible assets	12		574,057		53,378
Total fixed assets			574,057		53,378
Current assets					
Stock	13	1,494,426		1,072,888	
Debtors	14	359,575		63,048	
Cash at bank and in hand		752,292		378,451	
Total current assets		2,606,293		1,514,387	
Creditors: amounts falling due in less than one year	15	(907,902)		(267,875)	
Net current assets			1,698,391		1,246,512
Total assets less current liabilities			2,272,448		1,299,890
Creditors: amounts falling due after more than one year	16		(54,763)		(52,263)
Net assets			2,217,685		1,247,627
Funds of the charity:					
Unrestricted funds					
Share capital	17		13,938		13,313
Unrestricted income funds	20		2,060,343		1,024,881
Total unrestricted funds			2,074,281		1,038,194
Restricted income funds	18		143,404		209,433
Total charity funds			2,217,685		1,247,627

The notes on pages 27 to 42 form part of these accounts.

Approved by the trustees on 06 / 06 / 2022

and signed on their behalf by:

Bernadette Marjoram

Phil Morris

Bernadette Marjoram (Trustee)

Phil Morris (Treasurer)

Ben Lee (Secretary)

Rural Urban Synthesis Society Limited

Statement of Changes in Equity
for the year ending 31 December 2021

	Unrestricted funds	Unrestricted revenue funds	Restricted funds	Total
	Share capital £	£	£	£
At end date 31 December 2019 and start date 1 January 2020	18,099	817,368	93,136	928,603
Surplus for year	-	206,668	116,297	322,965
Share capital issued	413	-	-	413
Share capital repaid	(5,199)	-	-	(5,199)
	<hr/>	<hr/>	<hr/>	<hr/>
At end date 31 December 2020 and start date 1 January 2021	13,313	1,024,036	209,433	1,246,782
Surplus / (deficit) for the year	-	1,035,462	(66,029)	969,433
Share capital issued	625	-	-	625
	<hr/>	<hr/>	<hr/>	<hr/>
At end date 31 December 2021	<u>13,938</u>	<u>2,059,498</u>	<u>143,404</u>	<u>2,216,840</u>

Rural Urban Synthesis Society Limited

Cash Flow Statement
as at 31 December 2021

	2021		2020	
	£	£	£	£
Net movement in funds for the year		969,433		323,810
(Increase) in debtors		(296,527)		(3,456)
Increase/(decrease) in creditors excluding loans		862,119		(12,749)
Depreciation		37,679		37,679
		<hr/>		<hr/>
Net cash generated		1,572,704		345,284
Investment activities				
Investment in fixed assets	558,358		-	
Investment in stock	421,538		258,043	
	<hr/>		<hr/>	
		(979,896)		(258,043)
Financing activities				
Cash inflows from new borrowing	-		43,039	
Cash inflows from shares issued	625		413	
Cash outflows from repayment of loans	(219,592)		(5,199)	
	<hr/>		<hr/>	
		(218,967)		38,253
		<hr/>		<hr/>
Increase in cash during the year		373,841		125,494
Cash at the beginning of the year		378,451		252,957
		<hr/>		<hr/>
Cash at the end of the year		752,292		378,451
		<hr/> <hr/>		<hr/> <hr/>

Rural Urban Synthesis Society Limited

Notes to the accounts for the year ended 31 December 2021

1 Accounting policies

The principal accounting policies adopted, judgments and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Co-operative and Community Benefit Societies Act 2014 and the Charities Act 2011.

Rural Urban Synthesis Society Limited meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

These single entity financial statements are prepared to the nearest whole £ sterling.

b Preparation of the accounts on a going concern basis

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

The trustees consider that the critical issue is the successful development of the Church Grove Project. The Greater London Authority has agreed grant funding to complete the scheme.

Loan approvals have been agreed by Triodos Bank and Big Issue Invest for the loans required and the scheme started on site on 25 October 2021.

Provision was made at 31 December 2019 for abortive costs on the development. The trustees consider that the stock value of the scheme represents realisable value, and that costs to be incurred, including staff costs and overheads, will also be recoverable through the development, unless otherwise funded from grants and other funding already received.

Covid 19 has introduced uncertainty into the housing market and into the costs of housing development. The trustees do not consider that this will adversely affect Church Grove as compared to any other housing development at this time.

c Key judgements and estimates

The trustees have made no key judgments which have a significant effect on the accounts, other than:-

The trustees have considered the costs incurred on Church Grove, and the costs required for consultants to complete the redesign and re-tender, and consider that no abortive costs were incurred in 2021 (2020: £nil).

The trustees do not consider that there are any other sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next reporting period, except for the split of Church Grove costs between stock and fixed assets, which is based on forecast sales values for shared ownership dwellings.

Notes to the accounts for the year ended 31 December 2021 (continued)

d Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of a provision of a specified service is deferred until the criteria for income recognition are met.

A shared ownership property on initial recognition comprises two assets, that to be disposed of as a first tranche sale, which is recorded as a current asset (properties for sale); and the element to be retained by the charity, which is recorded as a tangible fixed asset.

Proceeds from the first tranche sale, and sales of shared equity properties, are accounted for as income, with the apportioned cost being recognised as a cost of sale.

e Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised; refer to the trustees' annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

f Interest receivable

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.

g Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity.

Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose.

Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

Notes to the accounts for the year ended 31 December 2021 (continued)

h Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Expenditure on charitable activities includes the costs of the Church Grove Project and the costs associated with the educating groups and individuals in community-led housing - all undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

RUSS Board has decided not to pursue registration as a Registered Provider, in the immediate future, meaning that there will be a transfer to a Registered Provider of the 8 rented dwellings at Practical Completion of Church Grove. This means that all VAT incurred is recoverable, and the financial statements have been adjusted accordingly.

i Tangible fixed assets

Individual fixed assets costing £500 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis. Expenditure has been incurred on the construction of the temporary Community Hub on the Church Grove site. Once complete the building will be depreciated over the remaining period of the planning consent granted, which is 30 months from 1 December 2019. A permanent consent is being pursued.

The value of RUSS interest in shared ownership properties will be capitalised and included in tangible fixed assets at start on site, achieved in October 2021. The RUSS trustees decided not to pursue registration as a registered provider, in January 2022, and the rented dwellings will therefore be sold to a registered provider prior to practical completion.

j Stock

Stock is included at the lower of cost or net realisable value. In general, cost is determined on a first in, first out basis. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving, and defective stocks. Donated items of stock are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

Costs include an appropriate allocation of staff costs and other costs of managing the development, as well as capitalised development loan interest.

In these accounts stock represents the costs incurred so far on the Church Grove Project to build between 36 dwellings under a revised planning permission. The costs represent professional fees incurred in order to design the houses and gain planning permission, which was originally achieved in 2018 and revised approval granted in February 2021. When the project is completed RUSS will retain an interest in all or part of the developed properties.

The value of RUSS' interest in shared ownership properties will be capitalised and included in tangible fixed assets at start on site, achieved in October 2021. The value of shared equity/ownership properties and rented properties that are held for sale will be included in current assets until they are sold.

k Interest on development loans

Interest payable on loans taken out solely to fund property developments are included in the costs of stock and fixed assets as appropriate. The total interest capitalised was £41,872 (2020: £39,455).

Rural Urban Synthesis Society Limited

Notes to the accounts for the year ended 31 December 2021 (continued)

l Debtors

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

m Cash at bank and in hand

Cash at bank and cash 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.

n Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

o Financial instruments

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

2 Legal status of the charity

The charity is a community benefit society, registered in England and Wales, and recognised as a charity by HM Revenue and Customs. The liability of members is limited to the amounts paid for shares. The registered office is given on page 3.

Rural Urban Synthesis Society Limited

Notes to the accounts for the year ended 31 December 2021 (continued)

3 Income from donations and legacies

	Unrestricted £	Restricted £	Total 2021 £	Unrestricted £	Restricted £	Total 2020 £
Donations	265	-	265	872	-	872
Legacies	-	-	-	-	-	-
Donated services	-	-	-	-	-	-
Total	265	-	265	872	-	872

4 Income from charitable activities

	Unrestricted £	Restricted £	Total 2021 £	Unrestricted £	Restricted £	Total 2020 £
Grants						
Greater London Authority	-	1,018,307	1,018,307	-	383,880	383,880
Grant - Community Led Housing London	-	8,250	8,250	-	-	-
Grant - Co-operative Foundation Access Reach	-	10,000	10,000	-	-	-
Tesco - Bags of Help	-	-	-	-	13,125	13,125
Lewisham Council	-	-	-	-	1,166	1,166
Arnold Clark	1,000	-	1,000	5,000	-	5,000
Charitable trading						
Fee income	875	-	875	845	-	845
Total	1,875	1,036,557	1,038,432	5,845	398,171	404,016

Rural Urban Synthesis Society Limited

Notes to the accounts for the year ended 31 December 2021 (continued)

5 Analysis of expenditure on charitable activities

	2021	2020
	£	£
Church Grove Project		
Accountancy and VAT advice	-	-
Accoustics consultancy	2,100	-
Salaries - client costs	25,500	22,555
Cost managers and employer's agent	35,381	19,729
Architects	71,333	66,200
Loan commitment fee	112,000	-
Financial advice	10,838	13,125
Fire engineer	5,500	3,700
Landscape architects	3,715	5,370
Legal fees	121,590	(765)
Legal fees - loan providers	82,940	-
Mechanical and electrical engineers	14,166	33,967
Main contractor - pre construction	-	516
Main contractor - construction	705,801	-
Party wall surveyors	3,639	-
Photography	2,000	-
Project manager fees	1,050	14,475
Statutory fees	20,593	8,793
Statutory fees - section 106	17,864	-
Structural engineering	8,623	25,547
Surveys and temporary works	1,254	-
Transport planners	200	6,350
Planning consultants	14,350	27,450
Valuation services	10,000	-
Loan interest	2,417	10,775
Other charitable activities		
Community Hub	-	-
RUSS School	1,188	3,765
Support costs		
Salaries	6,600	17,072
Recruitment	180	-
Office administration	2,287	1,873
Accountancy	712	1,010
Insurance	1,041	1,080
Room and venue hire	-	-
Subscriptions	600	660
Training	-	-
Other costs	481	235
Loan interest	2,500	1,844
Depreciation	37,679	37,679
Governance costs (see note 8)	3,500	3,500
	1,329,622	326,505
Transfer to stock (see note 14)	(1,041,126)	(245,427)
Transfer to prepayments (see note 15)	(219,232)	-
	69,264	81,078

Rural Urban Synthesis Society Limited

Notes to the accounts for the year ended 31 December 2021 (continued)

Analysis of expenditure on charitable activities (continued)

	2021 £	2020 £
Restricted expenditure	890,881	259,827
Loan interest capitalised as stock	2,417	10,775
Unrestricted expenditure	45,760	55,903
	<hr/>	<hr/>
	939,058	326,505
Transfers to stock, prepayments and fixed assets		
Restricted	(867,377)	(234,652)
Loan interest capitalised as stock	(2,417)	(10,775)
	<hr/>	<hr/>
	69,264	81,078
	<hr/> <hr/>	<hr/> <hr/>
Expenditure net of transfers to stock:		
Restricted	21,087	25,175
Unrestricted	48,177	55,903
	<hr/>	<hr/>
	69,264	81,078
	<hr/> <hr/>	<hr/> <hr/>

6 Analysis of governance costs

	2021 £	2020 £
Accounts preparation	-	-
Auditor's remuneration	3,500	3,500
Meeting costs	-	-
	<hr/>	<hr/>
	3,500	3,500
	<hr/> <hr/>	<hr/> <hr/>

7 Net income for the year

This is stated after charging:	2021 £	2020 £
Depreciation	37,679	37,679
Auditor's remuneration - audit fees	3,500	3,500
Accountancy fees	712	1,010
	<hr/>	<hr/>
	<hr/> <hr/>	<hr/> <hr/>

Rural Urban Synthesis Society Limited

Notes to the accounts for the year ended 31 December 2021 (continued)

8 Staff costs

Staff costs during the year were as follows:

	2021 £	2020 £
Wages and salaries	32,100	39,590
Social security costs	-	37
Pension costs	-	-
	32,100	39,627
	32,100	39,627
Allocated as follows:		
Support costs	6,600	17,072
Church Grove project management	25,500	22,555
	32,100	39,627
	32,100	39,627

The charity employed the Operations Director from August 2018 on a 3 days per week contract, primarily to undertake the project management of the Church Grove project. The days employed were reduced to 2 days per week in September 2021 and 1 day per week in November 2021.

The average number of staff employed during the period was 1.4 (2020: 2).

No employee received remuneration in excess of £60,000 (2020: Nil).

The key management personnel of the charity comprise the trustees and the Operations Director. The total employee benefits of the key management personnel of the charity were £28,000 (2020: £30,000).

9 Trustee remuneration and expenses, and related party transactions

No member of the management committee nor any persons connected with them received any remuneration or reimbursed expenses during the year (2020: Nil).

No trustees received travel and subsistence expenses during the year (2020: £Nil).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity, including guarantees, during the year (2020: nil).

Rural Urban Synthesis Society Limited

Notes to the accounts for the year ended 31 December 2021 (continued)

10 Government grants

The government grants recognised in the accounts were as follows:

	2021 £	2020 £
Greater London Authority	1,018,307	383,880
Lewisham Council	-	5,000
	1,018,307	388,880
	1,018,307	388,880

11 Corporation tax

The charity is exempt from tax on income and gains falling within Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

12 Fixed assets: tangible assets

	Long lease	The Hub £	Total £
Cost			
At 1 January 2021	1	94,196	94,197
Additions (see note 14)	558,358	-	558,358
Irrecoverable VAT	-	-	-
	558,359	94,196	652,555
	558,359	94,196	652,555
Depreciation			
At 1 January 2021	-	40,819	40,819
Charge for the year	-	37,679	37,679
	-	78,498	78,498
	-	78,498	78,498
Net book value			
At 31 December 2021	558,359	15,698	574,057
	558,359	15,698	574,057
<i>At 31 December 2020</i>	<i>1</i>	<i>53,377</i>	<i>53,378</i>
	<i>1</i>	<i>53,377</i>	<i>53,378</i>

On 30 September 2019 the charity concluded a 250 year lease on the land at Church Grove. The lease is subject to restrictions regarding its use so it is not believed that the land has any value in excess of the premium of £1.

Rural Urban Synthesis Society Limited

Notes to the accounts for the year ended 31 December 2021 (continued)

13 Stock

	2021 £	2020 £
Balance brought forward as originally stated	1,072,888	814,845
Additions in the year (see note 6)	1,041,126	245,427
Irrecoverable VAT	(61,230)	12,616
Transfer to fixed assets re shared ownership	(558,358)	-
	1,494,426	1,072,888
Cost at the end of the year	1,494,426	1,072,888

14 Debtors

	2021 £	2020 £
Value Added Tax (see Note 1 (h))	83,991	15,119
Community Led Housing - London	8,250	-
Prepayments and accrued income		
Loan payments - Triodos Loan	238,875	47,750
- BII loan	28,107	-
Other	352	179
	359,575	63,048
	359,575	63,048

15 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	708,125	34,412
Accruals	199,777	11,371
Loans falling due in less than one year	-	222,092
	907,902	267,875
	907,902	267,875

16 Creditors: amounts falling after more than one year

	2021 £	2020 £
Other loans (see note 22)	54,763	52,263
	54,763	52,263

17 Share capital

	2021 £	2020 £
Shares brought forward	13,313	18,099
Issued	625	413
Repaid	-	(5,199)
	13,938	13,313
	13,938	13,313

All shares have a nominal value of £1 and cannot be transferred. Shares may be redeemed at par at the discretion of the board. Interest may be paid on shares at the discretion of the board. Shares do not entitle the shareholder to the assets in the event of a winding up, but shareholders are entitled to attend and vote at the Annual General Meeting.

Rural Urban Synthesis Society Limited

Notes to the accounts for the year ended 31 December 2021 (continued)

18 Analysis of movements in restricted funds

Year ended 31 December 2021

	As at 1 January 2021 £	Income £	Revenue expenditure £	Transfers: expenditure on stock and prepayments £	Transfers: irrecoverable VAT £	Transfers to general funds £	Balance at 31 December 2021 £
Church Grove							
Greater London Authority - Innovation Fund	117,938	-	-	(123,824)	5,886	-	-
Greater London Authority - Community Housing Fund	58,308	1,018,307	(16,338)	(674,839)	2,910	(271,935)	116,413
London Borough of Lewisham	13,973	-	-	(13,973)	-	-	-
Groundwork/Locality	5,724	-	-	(7,315)	1,591	-	-
Other							
Co-operative Foundation	13,490	-	(4,749)	-	-	-	8,741
Co-operative Foundation - volunteer co-ordinator	-	10,000	-	-	-	-	10,000
Community Led Housing - London	-	8,250	-	-	-	-	8,250
Total	209,433	1,036,557	(21,087)	(819,951)	10,387	(271,935)	143,404

Rural Urban Synthesis Society Limited

Notes to the accounts for the year ended 31 December 2021 (continued)

Year ended 31 December 2020

	As at 1 January 2019 £	Income £	Revenue expenditure £	Transfers: expenditure on stock and prepayments £	Transfers: spend on fixed assets £	Transfers to general funds	Balance at 31 December 2020 £
Church Grove							
Greater London Authority - Innovation Fund	32,527	256,880	765	(158,009)	(5,886)	(8,339)	117,938
Greater London Authority - London Borough of Lewisham	-	127,000	-	(65,782)	(2,910)	-	58,308
Groundwork/Locality Access Reach	28,580	-	-	(10,861)	-	(3,746)	13,973
Other	5,724	-	-	-	-	-	5,724
Co-operative Foundation		13,125	(13,125)	-	-	-	-
Tesco - Bags of Help	23,325	-	(9,835)	-	-	-	13,490
RUSS School - Awards for	2,980	1,116	(1,116)	-	-	-	-
		2,980	(2,980)	-	-	-	-
Total	93,136	398,121	(26,291)	(234,652)	(8,796)	(12,085)	209,433

**Name of
restricted fund**

Greater London Authority

Groundwork/Locality
London Borough of Lewisham
Community Hub

Co-operative Foundation
Co-operative Foundation -
volunteer co-ordinator
Community Led Housing -
London

Description, nature and purposes of the fund

Grant funding towards the pre-development costs for the Church Grove project (Innovation Fund and Community Housing Fund). Following start on site the grants to date (Innovation Fund £988,000, Community Housing Fund £127,000) have been repaid but replaced by an increased grant from the Community Housing Fund.

Grant to support the co-design process for the Church Grove project.

Funding for community-led housing to support the Church Grove project

Crowd-funded donations and small grants to support the creation of a community training space where local people can learn about self-build.

Core costs to support environmentally sustainable homes at Church Grove.

The employment of a volunteer co-ordinator.

Bid costs for a new project in Greenwich.

Rural Urban Synthesis Society Limited

Notes to the accounts for the year ended 31 December 2021 (continued)

19 Transfers between funds

Stock

The charity spent restricted grant money on property development. Once the grant had been spent, there was no longer a restriction on the money and the resulting asset can be developed in accordance with the general aims of the charity. The funds have therefore been transferred from restricted to unrestricted funds.

Transfers to general funds

The grant funders agreed that any VAT reclaimed by the charity could be put to the general purposes of the charity. VAT reclaimed on grant funded expenditure has therefore been transferred to general funds.

20 Analysis of movement in unrestricted funds

Year ended 31 December 2021

	As at 1 January 2021 as restated £	Income £	Expenditure £	Abortive costs	Transfer from restricted funds: spend on stock, prepayments and fixed assets £	Transfer from restricted funds: Irrecoverable VAT £	Other transfers from restricted funds and further designation £	As at 31 December 2021 £
General fund	13,964	2,140	(13,092)	-	-	-	9,404	12,416
Designated fund - Church Grove	961,053	-	-	-	819,951	(10,387)	262,531	2,033,148
Designated fund - Community Hub	49,864	-	(35,085)	-	-	-	-	14,779
	<u>1,024,881</u>	<u>2,140</u>	<u>(48,177)</u>	<u>-</u>	<u>819,951</u>	<u>(10,387)</u>	<u>271,935</u>	<u>2,060,343</u>

Rural Urban Synthesis Society Limited

Notes to the accounts for the year ended 31 December 2021 (continued)

Year ended 31 December 2020

	<i>As at 1 January 2019</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Abortive costs £</i>	<i>Transfer from restricted funds: spend on stock, prepayments and fixed assets £</i>	<i>Transfer from restricted funds: Irrecoverable VAT £</i>	<i>Other transfers from restricted funds and further designation £</i>	<i>As at 31 December 2020 £</i>
<i>General fund</i>	9,825	6,717	(19,652)	-	-	-	17,074	13,964
<i>Designated fund - Church Grove</i>	722,594	-	-	-	234,652	8,796	(4,989)	961,053
<i>Designated fund - Community Hub</i>	84,949	-	(35,085)	-	-	-	-	49,864
	<u>817,368</u>	<u>6,717</u>	<u>(54,737)</u>	<u>-</u>	<u>234,652</u>	<u>8,796</u>	<u>12,085</u>	<u>1,024,881</u>

**Name of
unrestricted fund**

General fund
Designated fund - Church
Grove
Designated fund -
Community Hub

Description, nature and purposes of the fund

The free reserves after allowing for all designated funds
Unrestricted funds committed to the Church Grove Project and carried forward in the accounts as stock, or
fixed assets or as VAT recovered and not yet spent, or as prepayments of loan costs.
Unrestricted funds spent on the Community Hub and carried forward in the accounts as fixed assets.

Rural Urban Synthesis Society Limited

Notes to the accounts for the year ended 31 December 2021 (continued)

21 Analysis of net assets between funds

Current reporting period

	Share Capital £	General fund £	Designated fund - Church Grove £	Designated fund - Community Hub £	Restricted funds £	Total £
Tangible fixed assets	-	919	558,359	14,779	-	574,057
Stock	-	-	1,494,426	-	-	1,494,426
Other net current assets	13,938	66,260	(19,637)	-	143,404	203,965
Loans	-	(54,763)	-	-	-	(54,763)
Total	13,938	12,416	2,033,148	14,779	143,404	2,217,685

Previous reporting period

	Share Capital £	General fund £	Designated fund - Church Grove £	Designated fund - Community Hub £	Restricted funds £	Total £
Tangible fixed assets	-	3,514	-	49,864	-	53,378
Stock	-	-	1,072,888	-	-	1,072,888
Other net current assets	13,313	30,450	(79,572)	-	209,433	173,624
Loans	-	(20,000)	(32,263)	-	-	(52,263)
Total	13,313	13,964	961,053	49,864	209,433	1,247,627

Rural Urban Synthesis Society Limited

Notes to the accounts for the year ended 31 December 2021 (continued)

22 Financial instruments

Financial instruments measured at amortised cost comprise the loan financing provided by Triodos Bank, Big Issue Invest and The Co-operative Foundation to the charity. The CAF Venturesome loan was repaid in the year. The Triodos loan, not actually drawn until January 2022, is secured by a charge on Church Grove and the charity's assets.

	2021 £	2020 £
Loans payable falling due in more than one year but in less than five years	54,763	52,263
Loans payable falling due in less than one year	-	222,092
	<u>54,763</u>	<u>274,355</u>

The loan financing from The Co-operative Foundation is unsecured with a fixed interest rate.

23 Capital commitments

At 31 December 2021 the trustees had authorised expenditure of £9,177,583 on Church Grove (2020:£255,926). This excludes interest on loans. The expenditure committed at 31 December 2021 is being funded from balances of grants and loans agreed.

24 Net debt statement

	At 1 January 2021 £	Cash flows £	Other non- cash changes £	At 31 December 2021 £
Cash at bank and in hand	378,451	(373,841)	-	752,292
Loans falling due in one year	(222,092)	(222,092)	-	-
Loans falling due in more than one year	(52,263)	2,500	-	(54,763)
	<u>104,096</u>	<u>(593,433)</u>	<u>-</u>	<u>697,529</u>