

Company Number: 3476510

**Charity Numbers: 1072425
SC047557**

**The Caxton Trust
(A company limited by guarantee)**

Report and Financial Statements

for the year ended 31st December 2022



The Caxton Trust
Report and Financial Statements
Contents

	Page
Report of the Trustees (including Directors' report)	1 - 10
Independent auditors' report	11 - 14
Statement of financial activities (Including income and expenditure account)	15
Balance sheet	16
Statement of cash flows	17
Notes to the financial statements	18 - 28

The Caxton Trust
Report of the Trustees (including Directors' report)
for the year ended 31st December 2022

In this document the Trustees present their report and the audited financial statements for the year ended 31st December 2022.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and Statement of Recommended Practice: Accounting and Reporting by Charities applicable in the UK and Republic of Ireland (effective 1 January 2015) – known as Charities SORP (FRS102). The Trustees' report is also a directors' report for the purposes of the Companies Act 2006 and other company legislation.

Chairman's Report

The Caxton Trust operates under the name of Catch Up. Our overall aim is to increase both the take-up of Catch Up training by schools and their long-term engagement with Catch Up, so that many more struggling learners are supported by Catch Up's products.

The educational market has seen the growth of academy chains and free schools, the decline of local education authorities, and increasing public sector budgetary pressures. To address these challenges, Catch Up seeks to offer cost-effective and readily accessible products, to allow the maximum number of struggling learners in schools to be reached. The one-off cost of £450 for a person to be trained in one of our interventions means that the average cost per pupil reduces significantly as more beneficiaries receive the intervention, with the result that the Catch Up interventions offer exceptionally good value for money. As part of the Catch Up Training Support Package, we offer additional tools to help schools embed the interventions and further resources that support them.

The Caxton Trust has charitable status in Scotland and Catch Up is an authorised supplier to several Scottish local authorities. Further relationships in Scotland are being developed in order to expand the reach of Catch Up there.

For many years our main delivery model was face-to-face training using a network of Regional Training Centres (RTCs) supplemented by individual courses for organisations when requested. An online offer was trialled during 2019 and regular online training courses for both literacy and numeracy interventions were offered at the beginning of 2020. As a result of the Covid-19 pandemic all our training ceased in March 2020. Upon resumption of training in the autumn of that year, we experienced strong demand for online training, and we recognised that face-to-face training would not be practicable for the immediate future. The necessity of remote training and the growing acceptance of that form of model meant that we have since offered most of our courses online, with bespoke face-to-face courses being offered to individual organisations when requested. We continue to adapt and refine our online courses to ensure an efficient and quality delivery of training for our interventions.

We use our website and database to provide an efficient automated booking process; this enables Catch Up to continue to be a reasonably priced intervention and to be accessible to the widest possible audience. Our discounted training places continue to prove popular, offering good value to organisations taking up these offers and encouraging the creation of an optimal team of three trainees, including a Catch Up co-ordinator, to be embedded in a school. Incentives for whole school training are also offered to maximise the take-up of the Catch Up interventions in individual organisations.

The Caxton Trust
Report of the Trustees (including Directors' report)
for the year ended 31st December 2022

Catch Up trained 924 trainees in 2022, including 30 project trainees. Indications are that 2023 will be a challenging year for the education sector.

In March 2020 Catch Up was awarded a grant of £349,127 from The Charity of Sir Richard Whittington, of which The Mercers' Company is a trustee. This was to be used to undertake research over a three-year period for the creation of literacy and numeracy interventions for the early years foundation stage. Whilst the immediate start to the project was delayed as a result of the Covid-19 pandemic, the majority of milestones to date have been achieved and Catch Up is on track to deliver the project in line with the overall project timetable.

In November 2021 Catch Up entered into an agreement with What Works for Children's Social Care for a pilot project to train up to 50 foster carers in Catch Up Literacy. It is pleasing that Catch Up is looking to expand its reach to young people in care who will be able to benefit from this intervention.

The continued demand for online training coupled with the ongoing support of The Manor 2056 Trust and the Mercers' project has allowed the organisation to end the year on a stable financial footing.

On behalf of the Trustees, I thank our Chief Executive, Theresa Rogers, and her colleagues, for the commitment they have shown in responding to the fluctuating levels of demand experienced and in developing new areas to ensure Catch Up reaches as wide an audience as possible. Theresa has chosen to retire with effect from March 2023 and I would like to place on record our gratitude from all involved with Catch Up for her dedication and guidance over recent years in overseeing the professional development of the organisation. We wish her a long and happy retirement. The Senior Leadership Team will take charge of the day to day running of Catch Up in the interim. During 2022, Sue Walker, a long serving and valued member of the Catch Up team, sadly passed away. Sue had been involved from the early days of Catch Up and will be sorely missed.

To find out more about Catch Up, visit our website www.catchup.org or telephone: 01842 668080.

J.P.S. Crawford

Patrick Crawford CB
Chairman

The Caxton Trust
Report of the Trustees (including Directors' report)
for the year ended 31st December 2022

Our purpose and activities

Our charity's purpose, set out in the objects of the Trust in its governing documents, is the advancement of education. Our mission statement is to address literacy and numeracy difficulties that contribute to under-achievement.

Ensuring our work delivers our aims

We review our aims, objectives and activities each year. This review looks at what we achieved and the outcomes of our work in the previous 12 months. We look at the success of each key activity and the benefits brought to those groups of people we are set up to help. This process also helps us to ensure that our aim, objectives and activities remain focussed on our stated purposes. We have complied with the duty in the 2011 Charities Act and the Charities and Trustee Investment (Scotland) Act 2005 to have due regard to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. The Trustees accordingly consider how planned activities will contribute to the aims and objectives they have set.

How our activities deliver public benefit

A significant proportion of primary and secondary school children in the UK have difficulties in attaining the levels of literacy and numeracy expected of them. Whilst these difficulties are often not severe enough to entitle those struggling learners to statutory additional learning support, they may still be sufficient to restrict the access to the curriculum. Without additional support, these children may fall further behind their peers. The adverse consequences are wide-ranging and well-documented: long-term poor academic achievement, low self-esteem, lower motivation to read, disengagement with the learning process, behavioural problems, reduced employment prospects and the possibility of social exclusion. It was with this in mind, that the Catch Up interventions were developed. By helping individuals experiencing learning difficulties to reach their full potential, it is hoped that their lives will be enriched and that they will be able to play a fuller part in society, so benefiting the communities in which they live.

Our main activities and those whom we try to help are described below. All our charitable activities focus on the advancement of the literacy and numeracy skills of struggling learners and are undertaken to further our charitable purposes for the public benefit.

Catch Up, the working name of The Caxton Trust, is a not-for-profit charity that:

- offers comprehensive and integrated training and resource packages to support the management and delivery of the Catch Up interventions;
- provides ongoing support, through the Catch Up community, for those who deliver the Catch Up interventions; and
- undertakes research into the development and enhancement of the Catch Up interventions, and into extending the support it provides to struggling learners.

Catch Up Literacy and Catch Up Numeracy are:

- structured one-to-one interventions for struggling readers and for learners who struggle with numeracy respectively;
- centred on 15-minute sessions delivered twice a week, targeted to the needs of the individual;
- grounded in rigorous academic research and shown to be effective in schools (and other settings); and
- realistic, practical and inexpensive.

The Caxton Trust
Report of the Trustees (including Directors' report)
for the year ended 31st December 2022

Who used and benefited from our Services?

Those who use our services are initially teachers, teaching assistants, carers and other 'supporting adults'. The ultimate beneficiaries are struggling learners.

Achievements and performance

OPERATIONAL

- Catch Up continues to develop its Key Performance Indicators in order to manage and develop its work effectively. The number of struggling learners helped is the ultimate measure of the work of the charity. As trained supporting adults can assist many struggling learners over time, the ultimate number of beneficiaries is difficult to quantify. We feel accordingly that the best measure of the activity of the charity is the number of supporting adults trained. In 2022, there were a total of 924 trainees, compared to 1,286 in 2021.
- 2020 saw the suspension of Catch Up Regional Training Centres (RTCs) as a result of the Covid-19 restrictions. Upon resumption of training in September 2020 all training was delivered online. The offer of face-to-face training restarted in 2021 and 8 face-to-face training courses were delivered to organisations at Covid-secure venues during 2022.
- The changing financial climate within the public sector, changes in local authority staffing in England, and the development of academies and free schools combine to provide a challenging environment for the delivery of Catch Up's operations.
- The effects of the Covid-19 pandemic meant there was an even greater need for the Catch Up interventions following the reduction of face-to-face teaching and given that not all members of the school community can access online learning.
- To make our interventions more affordable and to encourage the ideal team size of a minimum of three Catch Up trainees in each school, discounted places are offered to organisations booking training for each intervention. Whole school block discounts are also offered to provide incentives to widen Catch Up's reach.
- Accreditation continues to be offered for a one off cost of £100. The Catch Up qualification is administered by Gateway qualifications and is Ofqual recognised.
- Since 2000, we have trained in excess of 35,000 supporting adults to deliver the Catch Up interventions and we estimate that they have supported well in excess of half a million struggling learners.

COMMUNICATIONS, MARKETING AND BUSINESS DEVELOPMENT

- Activities included direct mail, email advertising, publisher inserts, brochure mailings, email newsletters, Twitter, training campaigns, webinars, automated emails, and Excellence Awards.
- We recognised that, with the diminishing roles of English local authorities, we needed to find new ways of communicating and working with English schools directly, including exploring the use of new partnerships. Schools are keen to maximise the benefits from their use of Targeted Pupil Funding/Pupil Premium, especially as this is scrutinised as part of school inspections
- A Pupil Reporting Tool enables users to benefit as much as they can from the Catch Up interventions and provides more evidence of the benefits of using Catch Up.
- Following the growth of enquiries from Scotland, work to increase awareness of Catch Up continues to be pursued to encourage more opportunities there.

The Caxton Trust
Report of the Trustees (including Directors' report)
for the year ended 31st December 2022

- An agreement was reached with the National Literacy Trust (NLT) to promote Catch Up as a preferred option to help with literacy for struggling learners. Further opportunities to promote Catch Up in conjunction with NLT are being explored.
- Hodder Education now notes that its New Salford Sentence Reading Test is recommended by Catch Up; this has helped to raise the profile of the organisation to members of the education sector by being associated with this well-respected teaching tool.
- Our pilot programme with What Works for Children's Social Care has raised awareness of Catch Up in a new sector for us that includes many young people that would benefit from the Catch Up Literacy intervention.
- During the year links were made with Norfolk Virtual School for Children in Care and Children Previously in Care. A bespoke training package focussing on the reading aspect of literacy was delivered and further training is planned. It is envisaged that training can be delivered to similar organisations across the UK.

BUILDING CAPACITY

- The use of our website and database provides an efficient booking and administration system, with trainees made fully aware of our on-line functionality.
- The automation of database-driven tasks has allowed efficient management of courses by our office team and the use of a third-party provider to deliver online connectivity for courses has allowed our office resources to be deployed to facilitate the growing number of courses being delivered.
- Using the knowledge, expertise, and commitment of the Catch Up team has been beneficial in developing and reviewing operational issues and resources, as well as in identifying potential new areas of development especially in refining online delivery.
- Trainers have been trained in delivering the training online which allows a more flexible delivery model. This was a necessity following the Covid-19 pandemic but also has advantages for those geographically remote or those wishing to access training at the earliest possible time.

RESEARCH AND GRANTS

- In March 2020, Catch Up was awarded a grant of £349,127 over a three-year period from the charity of Sir Richard Whittington, of which The Mercers' Company is a trustee. The grant is for the undertaking of research to create early years' literacy and numeracy interventions for pupils' Foundation Stage and is scheduled for completion during 2023. The grant, payable in instalments includes a contribution toward the associated overheads of the charity as well as income associated with training of participants. The profile of grant saw £80,427 received in 2020, £134,983 in 2021 and £111,183 in 2022. The remaining £22,534 is due to be paid in 2023. The expenditure incurred in relation to this grant in the year was £77,652 with a transfer to unrestricted funds of £41,859. The project was heavily affected by the Covid-19 Pandemic which resulted in initial one to one sessions being delayed until Summer 2021. During the project, it was evident that an assumed contribution from project schools would not materialise, consequently the project expenditure was re-profiled with Mercers agreement. As the project entered its final year it became apparent that despite trying to recruit project schools via a variety of methods, the expected number of schools participating would not materialise. This has resulted in a reduced amount of expenditure which has resulted in a greater amount of project income being transferred to unrestricted reserves. Despite these setbacks the development of the Catch Up interventions for early years has been achieved and case studies will be provided to support its use in the future.

The Caxton Trust
Report of the Trustees (including Directors' report)
for the year ended 31st December 2022

- In November 2021 Catch Up entered into an agreement with What Works for Children's Social Care for a pilot project to train up to 50 foster carers in Catch Up Literacy. The project had an expected grant value of £86,735 with completion expected by March 2023. £54,900 was received in 2021 and £27,335 in 2022, with the remaining £4,500 expected in 2023.
- The Manor 2056 Trust provided a financial donation of £30,000 which was used to support core costs during the year.

FUND-RAISING STANDARD INFORMATION

- Catch Up does not carry out fund raising activities. It relies upon the sale of the Catch Up training and resources for its operating costs and upon grants for its research projects.

Financial review

- 2020 was hugely impacted by the Covid-19 pandemic whereas 2021 saw a level of activity similar to that experienced in 2019, the last full calendar year before the pandemic. The surge in demand experienced in 2021 then tailed off in 2022. As a result of the steady demand for training, the continued support of The Manor 2056 Trust and the continuing work in delivering The Mercers' Company's project, a positive financial result for the year was achieved. Catch Up had a financial surplus of £9,625 for the year on unrestricted funds and at the year-end the balance on unrestricted reserves was £256,350.
- Total income for 2022 was £559,299, which represented a 26% decrease from £754,488 in 2021. There was an 21% decrease in grants and donations in 2022 to £176,518 from £222,883 in 2021. Income from the sale of Catch Up materials and training decreased to £381,418 from £531,586.
- Total expenditure in 2022 was £500,823, down from £584,610, a 14% decrease.
- The total net surplus for 2022 was £58,476 (2021 - surplus of £169,878).
- Total reserves at the end of 2022 were £317,767, comprising unrestricted reserves of £256,350 and restricted reserves of £61,417; the restricted reserves were in respect of funding received, which will be spent during 2023.

Pricing policy

Catch Up maintains a pricing policy that reflects the strategy of enabling its interventions to be available to as many beneficiaries as possible. Hence, the Trustees and management seek to offer a price that provides a reasonably priced and cost-effective intervention that covers the core costs of the charity, enabling the charity to be sustainable. We give incentives for more trainees from the same organisation to encourage what Catch Up sees as the optimal number of trainees at each location to achieve the most successful outcomes for itself and for schools.

Reserves policy

The Trustees have established the level of unrestricted (freely available) reserves that the charity should aim to have. These reserves are needed to bridge the funding gaps between spending on Catch Up interventions and receipt of income. The seasonal nature of the training also requires the level of cash reserves to be sufficient to cover core costs and working capital requirements during periods when reduced income is experienced, typically during the first half of the year.

The Caxton Trust
Report of the Trustees (including Directors' report)
for the year ended 31st December 2022

The aim of Trustees is to achieve a level of unrestricted reserves equivalent to between three to six months of core costs, currently estimated to be between £85,313 and £170,626. This target level of reserves was achieved in 2022 and it is hoped this level will be maintained during 2023. However, as a result of the uncertainty within the educational sector and the reduced level of bookings experienced in 2023, the Trustees feel that that is prudent to maintain an additional level of unrestricted reserves at the 2022 year end than the policy would suggest. Especially as there is no immediate prospect of additional grant funding expected in the near future.

Going concern

A surplus was achieved in 2022, but the indications are that 2023 will be a challenging year. It is expected that a deficit on unrestricted reserves in the region of £65,000 will be incurred in 2023 with the aim to a breakeven position in 2024 following the marketing campaigns to increase the level of trainees and cost reductions implemented in 2023. A joint marketing campaign is being planned with the National Literacy Trust which will see Catch Up being promoted to their network of contacts. Should the marketing campaigns not be successful, further cost reductions may be necessary to enable a return to a breakeven position. The cost of any reorganisation is expected to be met from unrestricted reserves.

The research grant from The Mercers' Company in March 2020 has provided financial stability for the beginning of 2023. In addition, the Trustees have negotiated a working capital line of credit from The Manor 2056 Trust, should it be required, to support the organisation for a 12-month period.

The level of reserves coupled with our forecasts of trading and cashflows for 2023 and 2024, based on the expected demand for 2023, cause the Trustees to be of the view that the charity is a going concern.

Plans for future periods

Catch Up began offering on-line training courses during 2020. These have the advantage of reaching geographically remote groups or trainees that wish to access Catch Up training at the earliest opportunity without the need to incur travel time and costs. The incidence of Covid-19 in 2020 demonstrated how flexible these on-line courses are and how well-suited they are to remote delivery. The pandemic has made society more comfortable with remote learning and online delivery is now the preferred delivery method for our interventions. Face-to face courses are offered to organisations that are looking to train a minimum of 10 trainees.

Early indications from both The Mercers' Company's Early Years project and the project for What Works for Children's Social Care show that these are areas which Catch Up can have an impact. Once the projects are complete, development work will take place to explore these areas further.

The dedication, commitment and professionalism of the Catch Up team, combined with an adaptable strategy, a refined delivery model, excellent value for money and proven effectiveness, allow the Trustees to be confident that continued take-up of Catch Up interventions will be achieved, thus helping many more children benefit from our interventions.

The Caxton Trust
Report of the Trustees (including Directors' report)
for the year ended 31st December 2022

Reference and administrative details

Charity Numbers: 1072425
SC047557

Company Number: 3476510

Registered Office: Catch Up, Keystone Enterprise Factory, Brunel Way, Thetford, IP24 1HP

Auditors: Kevin J Rhind, Corner Cottages, Hempstead, Norwich NR12 0SH

Bankers: CAF Bank, Kings Hill, West Malling, Kent ME19 4TA

The charity is officially registered as The Caxton Trust but conducts its charitable work under the working name of Catch Up.

Directors and trustees

The directors of the charitable company ("the charity") are its trustees for the purpose of charity law and throughout this report they are collectively known as the Trustees. The Trustees and officers serving during the year and since the year-end were as follows:

Patrick Crawford CB - Chairman

Sioned Bowen

Vanessa Emmett

Andrew Lane

Professor Ingrid Lunt

Jocelyn Stuart-Grumbar

Alan Warner

The key staff members were:

Chief Executive Theresa Rogers (retired 9th March 2023)

Deputy Director Dr Graham Sigley – with responsibility for research programmes

Governing document and members

The Caxton Trust is a company limited by guarantee and a registered charity in England and Scotland. On 12th June 2017, the company adopted a new Memorandum and Articles of Association in substitution to its Memorandum and Articles of Association dated 4th December 1997 as amended on 22nd October 1998.

The members are the owners of the charity. Applications for membership require approval by the Trustees. Each of the members has agreed to contribute £1 in the event of the charity winding up. The current membership comprises the existing Trustees.

Appointment of trustees

The Trustees are responsible for governance, directing and overseeing the operation of the charity. Trustees are appointed by a recruitment process which includes an interview. The minimum number of trustees is three; there is no maximum number.

The Caxton Trust
Report of the Trustees (including Directors' report)
for the year ended 31st December 2022

Trustee induction and training

All new trustees are given an induction meeting to brief them on their legal obligations under charity and company law, the contents of the Memorandum and Articles of Association, the decision-making process, the business plan, recent financial performance of the charity and a job description. They are also invited to meet key employees and members of staff.

Organisation

The board of trustees administers the charity. The board meets at least quarterly. 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 the terms of delegation approved by the Trustees, for operational matters including finance, employment, the sale of Catch Up resources and training. Following the retirement of Theresa Rogers on 9th March 2023, Catch Up is being managed by the senior management team of Clare Mangan, Janice Myhill, Dr Graham Sigley and Stuart Wright (the Senior Management Team). There are no immediate plans to appoint a new Chief Executive until the new activity level of the charity is assessed following the drop in bookings and the completion of the Mercers project.

Remuneration policy for trustees and senior staff

The Trustees and the Senior Management Team members comprise the key management personnel of the charity. The Trustees give their time without compensation and no trustee received any remuneration in the year.

Details of the senior staff remuneration is disclosed in note 8 to the financial statements. The pay of senior staff is reviewed annually along with other members of the staff team and assessment given to the sustainability of the charity, local market rates and the performance of both individuals and of the organisation.

Risk management

The Trustees have a risk management strategy, which comprises:

- an annual review of the risks and uncertainties the charity may face;
- the establishment of policies, systems and procedures to mitigate those risks identified in the annual review; and
- the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

This review has identified that financial sustainability is the major financial risk for the charity. A key element in the management of financial risk is a regular review of available liquid funds and the active management of trade debtors and creditors to ensure sufficient working capital is available to the charity. Operationally, the charity aims to ensure that training courses only take place where a positive financial contribution can be achieved.

The Caxton Trust
Report of the Trustees (including Directors' report)
for the year ended 31st December 2022

Trustees' responsibility in relation to the financial statements

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the financial activities of the charity and of its financial position at the end of that period.

In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities' SORP FRS102;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. They are also responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement as to disclosure to our auditors

In so far as the Trustees are aware at the time of approving our Trustees' annual report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the charity's auditor is unaware, and
- the Trustees, having made such enquiries of fellow trustees and the charity's auditor that they ought to have individually taken, have each taken all steps that they are obliged to take as a trustee, in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

A resolution proposing Kevin J. Rhind is re-appointed as auditor of the charity will be put to the Annual General Meeting.

Small company provisions

The report of the Trustees has been prepared taking advantage of the small companies' exemption of section 415A of the Companies Act 2006.

Signed on behalf of the Trustees by:

J.P.S. Crawford

Patrick Crawford CB
Chairman

Dated: 22nd June 2023

Independent Auditor's Report to the Trustees of The Caxton Trust

Opinion

We have audited the financial statements of The Caxton Trust ('the charitable company') for the year ended 31st December 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including 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 charitable company's affairs as at 31 December 2022, and of its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

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 charitable company 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 trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

We have nothing to report in this regard.

Independent Auditor's Report to the Trustees of The Caxton Trust

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with the applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- adequate and sufficient accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 10, the trustees (who are also the directors of the charitable company for the purposes of company law) are 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 trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under section 44(1)(c) of the Charities and Investment (Scotland) Act 2005, under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

Independent Auditor's Report to the Trustees of The Caxton Trust

Extent to which the audit was considered capable of detecting irregularities including fraud

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those relating to the reporting framework (FRS 102, The Charities SORP FRS102, the Companies Act 2006, the Charities Act 2011, the Charities and Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006) and the relevant direct and indirect compliance tax regulations in the United Kingdom.
- We understood how the company is complying with those frameworks by making enquiries of management and the trustees to understand how the company maintains and communicates its policies and procedures in these areas and corroborated this by reviewing documentation. We have also reviewed correspondence with relevant authorities.
- Reviewing minutes of meetings of trustees.
- Reviewing financial statement disclosures and testing supporting documentation to assess compliance with applicable laws and regulations.
- Performing audit work over the risk of management override of the controls, including testing of journal entries and other adjustments for appropriateness, evaluation of the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for evidence of bias.

On occasion where we may also have determined that certain matters relating to non-compliance with laws and regulations are key audit matters, we must still include the required explanation, in our report, as to what extent the audit was capable of detecting irregularities, including fraud.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission, or misrepresentation.

Conclusion relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis for 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 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 trustees in respect to going concern are described in the relevant sections.

A further description of our responsibilities is available on the Financial Reporting Council's website at:

<https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>.

This description forms part of our auditor's report.

Independent Auditor's Report to the Trustees of The Caxton Trust

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body, in accordance with section 44 (1)(c) of the Charities and Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006.

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



Kevin J. Rhind (Senior Statutory Auditor)
For and on behalf of
Kevin J. Rhind, Statutory Auditor

Corner Cottages,
Hempstead,
Norwich
NR12 0SH

Dated: 22 August 2023

The Caxton Trust
Statement of Financial Activities
(including Income and Expenditure Account)
for the year ended 31st December 2022

	Note	Unrestricted Funds £	Restricted Funds £	2022 £	2021 £
Income					
Grants and donations	3	38,000	138,518	176,518	222,883
<i>Income from charitable activities:</i>					
Sales of Catch Up materials, training and conferences	4	381,418	-	381,418	531,586
Investment income	5	1,363	-	1,363	19
		<hr/>	<hr/>	<hr/>	<hr/>
Total income		420,781	138,518	559,299	754,488
		<hr/>	<hr/>	<hr/>	<hr/>
Expenditure					
<i>Expenditure on charitable activities:</i>					
Development and sale of Catch Up materials, training and conferences	6	411,156	89,667	500,823	584,610
		<hr/>	<hr/>	<hr/>	<hr/>
Total expenditure		411,156	89,667	500,823	584,610
		<hr/>	<hr/>	<hr/>	<hr/>
Net income/(expenditure)	7	9,625	48,851	58,476	169,878
 Transfer between funds		 54,364	 (54,364)	 -	 -
		<hr/>	<hr/>	<hr/>	<hr/>
Net movement in funds for the year		63,989	(5,513)	58,476	169,878
		<hr/>	<hr/>	<hr/>	<hr/>
Reconciliation of funds					
Fund balances brought forward		192,361	66,930	259,291	89,413
		<hr/>	<hr/>	<hr/>	<hr/>
Fund balances carried forward	16	£256,350	£61,417	£317,767	£259,291
		<hr/>	<hr/>	<hr/>	<hr/>

The Statement of Financial Activities includes all gains and losses recognised in the year.

All incoming resources and resources expended are derived from continuing activities.

The notes on page 18 to 28 form part of these financial statements

**The Caxton Trust
Balance Sheet
as at 31st December 2022**

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	11	2,925	615
		<hr/>	<hr/>
Current assets			
Stocks	12	5,726	9,948
Debtors	13	51,918	62,231
Cash at bank and in hand		330,243	280,146
		<hr/>	<hr/>
Total current assets		387,887	352,325
Creditors: amounts falling due within one year	14	73,045	93,649
		<hr/>	<hr/>
Net current assets/(liabilities)		314,842	258,676
		<hr/>	<hr/>
Net assets/(liabilities)		£317,767	£259,291
		<hr/>	<hr/>
The funds of the charity			
Restricted income funds	16	61,417	66,930
Unrestricted income funds	16	256,350	192,361
		<hr/>	<hr/>
Total charity funds	17	£317,767	£259,291
		<hr/>	<hr/>

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The financial statements were approved by the board of Trustees on 22nd June 2023 and signed on its behalf by:

J.P.S. Crawford

Patrick Crawford CB
Trustee

Company registration number: 3476510
Charity Number: 1072425

The notes on pages 18 to 28 form part of these financial statements.

The Caxton Trust
Statement of Cash Flows
for the year ended 31st December 2022

	Note	2022 £	2021 £
Cash provided by/(used in) operating activities	18	53,122	171,176
Cash flows from investing activities			
Investment income		1,363	19
Purchase of tangible fixed assets		(4,388)	-
Cash provided by/(used in) investing activities		(3,025)	19
Increase/(decrease) in cash and cash equivalents in the year		50,097	171,195
Cash and cash equivalents at the beginning of the year		280,146	108,951
Total cash and cash equivalents at the end of the year		£330,243	£280,146

The notes on pages 18 to 28 form part of these financial statements

The Caxton Trust
Notes to the Financial Statements
for the year ended 31st December 2022

1. Accounting policies

The principal accounting policies adopted, judgements 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) including the provisions of Section 1A applicable to Small Entities - (Charities' SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006, the Charities and Trustees Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006.

The financial statements are presented in sterling, rounded to the nearest whole £1.

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

b. Preparation of the accounts on a going concern basis

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The demand for training in 2023 is expected to be lower than that experienced in 2022 with the result that a deficit on unrestricted reserves in the region of £65,000 is expected for the year. Cost reductions have taken place in the first half of 2023 and a marketing campaign has been embarked upon with the aim of moving to a break even position for 2024. Should the marketing campaigns not be successful, further cost reductions may be necessary to enable a return to a breakeven position. The cost of any reorganisation is expected to be met from unrestricted reserves. The charity has sufficient brought forward reserves to absorb the deficit expected for 2023 and any reorganizational cost to still have sufficient working capital available to continue trading throughout 2024.

In March 2022, Catch Up was awarded a grant of £349,127 over a three-year period from the charity of Sir Richard Whittington, of which The Mercers' Company is a trustee. The grant is to undertake research to create literacy and numeracy interventions for the early years' foundation stage and is scheduled for completion during 2023. The grant, payable in instalments includes a contribution toward the associated overheads of the charity as well as income associated with training of participants. The income profile of grant saw £80,427 received in 2020, £134,983 in 2021 and £111,183 in 2022. A further receipt of £22,534 was received in March 2023. This income provides extra financial stability for the charity during 2023.

The charity has renewed its working capital line of credit which is enough to meet the expected shortfall of cash that might occur if budgeted training numbers are not met. The budgeted level of income and expenditure combined with the level of reserves for the charity are sufficient for it to be able to continue as a going concern.

The Caxton Trust
Notes to the Financial Statements
for the year ended 31st December 2022

c. Company status

The charity is a private company limited by guarantee incorporated in England within the United Kingdom. The guarantors are the members. The liability in respect of the guarantee, as set out in the memorandum and articles, is limited to £1 per member of the charity.

The charity is also a registered charity in Scotland. The address of the registered office is given in the information on page 8 of these financial statements.

d. Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the items 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.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executors to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably, and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income from the sale of Catch Up training and materials is recognised on a receivable basis when due. Income received in advance of training is deferred until the criteria for income recognition are met (see note 14 below).

Donated professional services are recognised as income when the charity has control over them, 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 the economic benefit can be measured reliably. On receipt, donated professional services are recognised on the basis of the value of the gift to the charity, which is the amount the charity would have had to pay to obtain services of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period.

e. 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.

f. Fund accounting

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

Restricted funds are funds subject to specific restrictive conditions imposed by donors or by the purpose of the donation. The purpose and use of the restricted funds are set out in the notes to the financial statements.

The Caxton Trust
Notes to the Financial Statements
for the year ended 31st December 2022

g. Expenditure

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 delivering the Catch Up training, training staff, delivering conferences, development and marketing, and other activities undertaken to further the purposes of the charity and their associated support costs.

h. Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back-office costs, finance, personnel, payroll and governance costs which support the charity's activities. The bases on which such support costs have been allocated are set out in note 6 below.

i. Leases

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged as incurred.

j. Tangible fixed assets

Individual assets costing £1,000 or more are capitalised at cost.

Assets in the course of development are capitalised although not depreciated until the asset is brought into use.

Depreciation is provided on all tangible fixed assets in order to write off their cost, less estimated residual value, over their expected useful lives on the following basis:

Office equipment and fixtures	33%	straight line basis
Website and software	25%	straight line basis

k. Stock

Stocks are stated at the lower of cost and net realisable value on a FIFO basis after making allowance for slow moving and obsolete stock.

l. Debtors

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

m. Creditors

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.

The Caxton Trust
Notes to the Financial Statements
for the year ended 31st December 2022

n. Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution stakeholder pension scheme which is administered by Prudential plc. The scheme is open to all employees and is funded by contributions from the employee and employer. A separate National Employment Savings Trust defined contribution stakeholder pension scheme became operational on 1st January 2019, the charity's staging date for auto-enrolment. The pension cost charge represents contributions payable by the charity to the funds in respect of the year.

o. Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

p. Redundancy costs

Redundancy costs are provided for once the decision for termination has been made. These are quantified in accordance with the employee's right to redundancy payments based on years of service. In addition, any pay in lieu of notice due is calculated in accordance with the relevant employment contract.

2. Critical accounting estimates and judgements

In the application of the charitable company's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of revision and future periods where the revision affects both current and future periods.

The estimates and assumptions with a significant risk of causing material adjustments to the carrying amount of assets and liabilities within the next financial year are:

Costs of completing the work funded by restricted grant funding, where judgement is made to estimate the amount of grant funded earned on the particular projects based on the milestones reached and the estimated costs of completing the project. This in turn allows the Trustees to estimate what amounts if any may be transferred from restricted reserves to unrestricted reserves.

The Caxton Trust
Notes to the Financial Statements
for the year ended 31st December 2022

3. Grants and donations

	2022	2021
	£	£
Unrestricted grants and donations		
The Manor 2056 Trust	30,000	30,000
Others	4,000	3,000
Apprenticeship grants	4,000	-
	<hr/>	<hr/>
	£38,000	£33,000
	<hr/>	<hr/>
Restricted grants and donations		
Charity of Sir Richard Whittington	111,183	134,983
What Works for Children's Social Care	27,335	54,900
	<hr/>	<hr/>
	£138,518	£189,883
	<hr/>	<hr/>
Total grants and donations	£176,518	£222,883
	<hr/>	<hr/>

4. Income from charitable activities

	2022	2021
	£	£
Sales of Catch Up products	232,136	323,796
Training and associated income	149,282	207,790
	<hr/>	<hr/>
	£381,418	£531,586
	<hr/>	<hr/>

The percentage of income attributable to markets outside the United Kingdom is 4.1%
(2021 - 3.1%)

5. Investment income

	2022	2021
	£	£
Bank interest	£1,363	£19
	<hr/>	<hr/>

The Caxton Trust
Notes to the Financial Statements
for the year ended 31st December 2022

6. Analysis of expenditure on charitable activities

	Staff costs	Direct costs	Office and support costs	Total 2022	Total 2021
	£	£	£	£	£
Costs of Catch Up materials and training	95,250	12,005	65,384	172,639	197,870
Training and conferences	49,692	90,008	1,509	141,209	187,479
Development and marketing	67,167	19,136	5,000	91,303	75,197
Project and grant costs	32,878	56,789	-	89,667	117,039
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	244,987	177,938	71,893	494,818	577,585
Governance costs:					
Audit fees	-	-	5,250	5,250	4,750
Legal fees	-	-	755	755	2,275
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	-	-	6,005	6,005	7,025
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	£244,987	£177,938	£77,898	£500,823	£584,610
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

For the year ended 31 December 2021

	Restricted	Unrestricted	Total
Expenditure on charitable activities	£117,039	£467,571	£584,610
	<hr/>	<hr/>	<hr/>

Staff costs are apportioned on a time basis. Office and support costs are apportioned to the activity to which they relate.

7. Net income/(expenditure) for the year

	2022	2021
	£	£
This is stated after charging/(crediting):		
Depreciation of own assets	2,078	615
Auditors' remuneration:		
Audit services	5,250	4,750
	<hr/>	<hr/>

The Caxton Trust
Notes to the Financial Statements
for the year ended 31st December 2022

8. Employee information

	2022 Number	2021 Number
The average number of persons employed was:		
Support and administration	9.4	9.3
The full time equivalent average number of persons was:		
Support and administration	6.0	5.9
Staff costs (for the above staff)		
	2022 £	2021 £
Wages and salaries	219,627	212,899
Social security costs	15,272	15,408
Pension costs	10,088	10,810
Total staff costs	£244,987	£239,117

During the year, retirement benefits were accruing to 7 employees (2021 - 7) in respect of money purchase schemes.

No employees received emoluments (excluding pension contributions) in excess of £60,000 (2021: none).

Trustees

No trustee received any remuneration for services during the year (2021 - £Nil). Directly incurred expenses are reimbursed when claimed and in 2022 a total of £Nil was claimed (2021 - £Nil).

9. Pensions

The charity operates a defined contribution pension scheme and a separate National Employment Savings Trust defined contribution stakeholder pension scheme which became operational on 1st January 2019. The assets of the schemes are held separately to those of the charity in independently administered funds. The pension cost charge represents the contributions payable by the charity to the funds for the year and these costs are included within staff costs and allocated to the activity for the relevant employee. The pension charge for 2022 was £10,088 (2021 - £10,810). At the year-end, there were no amounts payable in respect of outstanding contributions (2021 - £Nil).

10. Taxation

The Caxton Trust is a registered charity, and as such is entitled to certain tax exemptions on income and profits from investments, and on surpluses on any activities carried on in furtherance of the charity's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

The Caxton Trust
Notes to the Financial Statements
for the year ended 31st December 2022

11. Tangible Fixed Assets

	Computer equipment £	Website & database £	Total £
Cost			
At 1 st January 2022	13,857	121,885	135,742
Additions	4,388	-	4,388
	<hr/>	<hr/>	<hr/>
At 31 st December 2022	18,245	121,885	140,130
	<hr/>	<hr/>	<hr/>
Depreciation			
At 1 st January 2022	13,242	121,885	135,127
Charge for the year	2,078	-	2,078
	<hr/>	<hr/>	<hr/>
At 31 st December 2022	15,320	121,885	137,205
	<hr/>	<hr/>	<hr/>
Net Book Value			
At 31 st December 2022	£2,925	£-	£2,925
	<hr/>	<hr/>	<hr/>
At 31 st December 2021	£615	£-	£615
	<hr/>	<hr/>	<hr/>

12. Stock

	2022 £	2021 £
Stock of Catch Up materials	£5,726	£9,948
	<hr/>	<hr/>

13. Debtors

	2022 £	2021 £
Trade debtors	37,470	51,037
Prepayments	11,122	11,194
VAT repayable	3,326	-
	<hr/>	<hr/>
	£51,918	£62,231
	<hr/>	<hr/>

The Caxton Trust
Notes to the Financial Statements
for the year ended 31st December 2022

14. Creditors: falling due within one year

	2022	2021
	£	£
Trade creditors	46,538	25,321
Income in advance	15,330	28,205
Accruals	5,804	32,847
Taxation and social security	5,373	5,169
VAT payable	-	2,107
	<hr/>	<hr/>
	£73,045	£93,649
	<hr/>	<hr/>

Income in advance relates to training income invoiced in advance.

	2022	2021
	£	£
Balance at 1 st January 2022	28,205	21,157
Amount released to income from charitable activities	(24,206)	(9,432)
Amount deferred in year	11,331	16,480
	<hr/>	<hr/>
Balance at 31 st December 2022	£15,330	£28,205
	<hr/>	<hr/>

15. Other Commitments

A three-year lease was entered into on 1st October 2020 with break clauses after 12 and 24 months. The annual rent and service charge for the property was £11,778.

At 31st December 2022, the charity had future minimum lease payments and service charge obligations under non-cancellable operating leases in respect of land and buildings of:

	2022	2021
	£	£
Amounts payable		
Within one year	£8,834	£8,834
	<hr/>	<hr/>

The amounts recognised as an expense for the period in respect of rent and service charge obligations for land and buildings was £11,778 (2021 - £11,778).

The Caxton Trust
Notes to the Financial Statements
for the year ended 31st December 2022

16. Funds

	At 1 st January 2022 £	Incoming resources £	Outgoing resources £	Transfers £	At 31 st December 2022 £
Restricted funds					
Charity of Sir Richard Whittington	69,745	111,183	(77,652)	(41,859)	61,417
What Works for Children's Social Care	(2,815)	27,335	(12,015)	(12,505)	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	66,930	138,518	(89,667)	(54,364)	61,417
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Unrestricted funds					
General reserve	192,361	420,781	(411,156)	54,364	256,350
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total funds	£259,291	£559,299	£(500,823)	£-	£317,767
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Charity of Sir Richard Whittington

In March 2020, Catch Up was awarded a grant of £349,127 over a three-year period from the charity of Sir Richard Whittington, of which The Mercers' Company is a trustee. The grant is to undertake research to create literacy and numeracy interventions at the early years' foundation stage and is scheduled for completion during 2023. The grant, payable in instalments, includes a contribution toward the associated overheads of the charity as well as income associated with training of participants. The income profile of grant saw £80,427 received in 2020, £134,983 in 2021 and £111,183 in 2022. The remaining £22,534 to be paid in 2023. The re-profiling of the project expenditure and the reduced number of participating schools resulted in a reduced amount of expected expenditure during 2022. This resulted a larger than expected amount of restricted reserves to be transferred to unrestricted reserves.

What Works for Children's Social Care

In November 2021, Catch Up entered into a pilot programme with What Works for Children's Social Care to deliver Catch Up Literacy training to carers of looked after children along with the provision of appropriate reading materials. The project allows for training of up to 50 carers and has a value of £86,735 with a completion date of March 2023. As a result of a lower level of trainees than expected, a reduced level of expenditure has resulted in a larger than expected amount of income being released to unrestricted reserves.

The Caxton Trust
Notes to the Financial Statements
for the year ended 31st December 2022

Projects are priced to generate a surplus over the direct costs attributable to delivering the projects in order to cover the associated overheads of the charity. In addition, surpluses arise where the income allowed is in excess of the direct costs of delivering the various elements of the project expenditure. These total surpluses over direct costs incurred are shown as a transfer between funds. Where projects incur costs that were not associated with the original funding bid, these extra costs are borne by Catch Up and allocated to the period incurred.

As shown above, there is a transfer between restricted and unrestricted reserves of £54,364 (2021: £41,127), this represents the estimated surplus earned on the project to date, based on the milestones reached on each project and the estimated costs to complete the project. There were 30 project trainees in the current year and 69 in 2021.

17. Analysis of net assets/(liabilities) between funds

	Tangible fixed assets	Net current assets	Total
	£	£	£
Restricted funds	-	61,417	61,417
Unrestricted funds	2,925	253,425	256,350
	<hr/>	<hr/>	<hr/>
	£2,925	£314,842	£317,767
	<hr/>	<hr/>	<hr/>

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

	2022	2021
	£	£
Net movement in funds	58,476	169,878
Add back depreciation charges	2,078	615
Deduct interest income shown in investing activities	(1,363)	(19)
(Increase)/decrease in stock	4,222	(3,758)
(Increase)/decrease in debtors	10,313	7,582
Increase/(decrease) in creditors	(20,604)	(3,122)
	<hr/>	<hr/>
Net cash provided by/(used in) operating activities	£53,122	£171,176
	<hr/>	<hr/>

19. Related party transactions

During the year Catch Up received a donation of £30,000 from The Manor 2056 Trust, which is a charity controlled by Mr A Lane who is a trustee of The Caxton Trust (2021 - £30,000). A donation of £2,500 was also received from Mr & Mrs Emmett. Mrs Emmett is a trustee of The Caxton Trust (2021 - £2,400).

20. Post balance sheet events

There were no post balance sheet events to note.