

Charity Registration Number 1089853

Company Registration Number 03885646 (England and Wales)

Caterham Barracks Community Trust

Trustees' Report and Unaudited Accounts

30 November 2021

Caterham Barracks Community Trust
Report and accounts
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Caterham Barracks Community Trust

Legal and Administrative information

Trustees

R B Clements (Village resident member) - resigned 27 September 2021
J Blyth (Co-opted)
O Ibrahim (User member)
J Starmer (User member)
L Johnston (Youth member) - resigned 1 October 2021
C Botten (Tandridge District Council member)
S Patel - appointed 8 November 2021
G Duck - appointed 8 November 2021
R Kay - appointed 1 December 2021
M Thom - appointed 1 December 2021

Chief Executive Officer

Richard Moran

Chief Financial Officer

Robin Clements

Charity number

1089853

Company number

03885646

Registered office and principal address

The Officers' Mess
Coldstream Road
Caterham
Surrey
CR3 5QX

Independent examiner

Lisa Swan ACA
Parkes & Swan Limited
The Officers' Mess
Coldstream Road
Caterham
Surrey
CR3 5QX

Bankers

Barclays Bank
Leicester
LE8 2BB

Caterham Barracks Community Trust
Trustees' Report
For the year ended 30 November 2021

ANNUAL REPORT

The trustees are pleased to present their report along with the financial statements for the Caterham Barracks Community Trust (the "Trust") for the year ended on 30th November 2021.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Trust's memorandum and articles of association, the Companies Act 2006 and the Statement of Recommended Practice, "Accounting and Reporting by Charities". [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

Structure, governance and management

Caterham Barracks Community Trust is a company limited by guarantee governed by its Memorandum and Articles of Association dated 17th December 2001. It is registered as a charity with the Charities Commission. Anyone over the age of 18 can become a member of the company and there are currently 6 members.

Trustees

The trustees, who are also the directors for the purpose of company law and who served during the year were:

J Blyth (Co-opted) Chair
O Ibrahim (User member)
J Starmer (User member)
C Botten (Tandridge District Council member)
S Patel - appointed 8 November 2021
G Duck - appointed 8 November 2021
R B Clements (Village resident member) - resigned 27 September 2021
L Johnston (Youth member) - resigned 1 October 2021

Executive Leadership:

Dick Moran - Chief Executive Officer
Robin Clements - Chief Financial Officer (consultant)

All members are circulated with invitations to nominate trustees prior to the AGM. When considering co-opting trustees, the board has regard to the requirement for any specialist skills needed. Categories of Membership referred to in the description of elected trustees are set out in the Memorandum and Articles as follows:

(a) "User members" shall be members who participate and/or use the Trust's sports, arts, leisure and other activities and facilities.

(b) "Youth members" shall be members who are between 18 and 25 years of age who participate in the Trust's youth activities.

(c) "Village resident members" shall be members resident in Caterham Barracks.

(d) "Village business members" shall be members who have a business in Caterham Barracks.

(e) "Caterham members" shall be members who are community organisations and other organisations that have an interest outside Caterham Barracks, but within the area of benefit.

Caterham Barracks Community Trust
Trustees' Report
For the year ended 30 November 2021

Admission to membership is at the absolute discretion of the board of trustees who shall ensure membership of the Trust equitably represents individuals and organisations specified in this Article. New trustees receive a full briefing and induction process, including an induction pack. The board of trustees, which can have up to 12 members, administers the charity. The board meets quarterly.

A Chief Executive ("CEO") is appointed by the trustees to manage the day to day operations of the charity. To facilitate effective operations, the CEO has delegated authority, within terms of delegation approved by the trustees, for operational matters including finance, employment and business activity associated with the trading arm, CBCT Trading Limited of which he is a director.

CBCT Trading Limited (Company number 04410262) is a trading company which is a wholly owned subsidiary of the Trust. It runs businesses on behalf of the Trust and covenants profits to the Trust for distribution according to the objectives of the Trust.

The trustees have a risk management strategy which comprises:

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

The work has identified a few risks but it has resulted in better emergency procedures and contingency plans and has given the impetus for better planning. This work identified that the biggest risk to the Trust in the short term is the health of the current executive as the function is numerically small. The strategy to subcontract work and progressively reconsider the workload is a deliberate plan to minimise the risk which arises from too much dependence on a small function.

Objectives and activities

The objects of the Trust are set out in the Memorandum and Articles item 3.

"3. The objects of the charity are, for the benefit of those who live, work or study in the area of Caterham Barracks and Caterham ("the area of benefit"):

(1) To provide, or assist in the provision of facilities for recreational and other leisure time activity in the interests of social welfare, with the object of improving the conditions of life of people who live, work or study in the area of benefit, including those who have special need of facilities by reason of youth, disability or social or economic circumstances.

(2) To further education and training for children and adults

(3) To preserve and enhance such parts of the natural or built environment in the area of benefit as are of aesthetic, historic or scientific interest, including in particular, the former Chapel at Caterham Barracks."

Caterham Barracks Community Trust
Trustees' Report
For the year ended 30 November 2021

Achievements and performance

The charity continued to use its physical building assets to generate income streams to create funds to maintain charitable purpose. The Officers' Mess, NAAFI, Arc and Pavilion have faced a challenging year with the Coronavirus pandemic permeating all activities. Government guidelines were followed and appropriate preventative measures were introduced in order that those activities still permissible could take place safely.

Other activities were initiated in response to the level of local need including working in partnership to provide pizzas for key NHS workers and those with food vouchers. Rental reductions were provided for those businesses and tenants facing financial difficulties.

The Arc has performed well in its role of Community Centre and the trustees are grateful to the management and staff for their efforts in most unusual circumstances. The Officer's Mess and NAAFI have both maintained high levels of occupancy and there is currently a waiting list for office space.

A charity that supports victims of modern-day slavery, "Their Voice" is renting the Pavilion and the Pumas continue to run a highly successful football club on the pitches owned by the Charity.

The charity remains in reasonable financial health and can plan for the future with confidence. The trustees have commissioned an internal review to establish the current position of the charity in the key elements of; leadership, ambition, finance, activities, resources, results. The process has been delayed through Covid but the evidence will be gathered by the end of February 2022 and the discernment stage will then commence. The outcomes of the review will assist the trustees in setting future objectives and will also be of assistance with funding bids and developing external partnerships.

It is now almost two decades since the charity began and it is timely to revisit the vision and refresh it to ensure the long-term sustainability of the charity in order to serve the people of Caterham. This will include detailed plans for the development and maintenance of the physical assets for which the trustees are the legal custodians. These activities will provide a focus for much of the work that will be undertaken by the trustees in the coming year.

The trustees have undertaken a skills audit to establish areas of expertise both of shortage and excellence in order to recruit future Trustees to address the skills shortfall.

The trustees are responsible for the preparation of the Trustees' Report and the accompanying financial statements in accordance with applicable law and United Kingdom Accounting Standards. The law requires the trustees to prepare financial statements which give a fair and true view of the state of the affairs of the charity. This includes incoming resources, the application of those resources, including but not exclusively its income and expenditure. In exercising these responsibilities, the trustees are required to:

1. Select suitable accounting policies and then apply them consistently.
2. Observe the methods and principles of the Charities SORP (FRS 102).
3. Make judgements and accounting estimates that are reasonable and prudent.
4. State whether UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements.
5. Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure the financial statements comply with the Charities Act 2011 and the Charity Accounts and Reports Regulation 2008. They are also responsible for safeguarding the assets, including the physical assets of the charity and taking all reasonable steps for the prevention and detection of fraud and any other irregularities.

The trustees are grateful to the staff, management and executive team for their efforts to serve the community and deliver the objectives of the charity.

Caterham Barracks Community Trust
Trustees' Report
For the year ended 30 November 2021

Financial review

The trustees have continued to look critically at the Trust's financial position. Credit control has been tightened to address issues of cashflow.

Within the accounts, donations from CBCT Trading limited totalled £158,000 (2020: £125,000). Investment income was £20,052 compared to £16,918 last year. This is made up of interest recovered from the Trust's subsidiary, CBCT Trading Limited, on the Officers' Mess mortgage.

Grant income and donations were £22,230 compared to £24,507 in 2020. Income and expenses related to the charitable activities that take place at the Arc are included in the accounts and the impact this year has been net income of £10,120 compared to £4,487 net income in 2020.

The total funds at the end of the year totalled £377,872 (compared to £281,010 at 30 November 2020). Of this, £157,263 was held in cash. The policy of the Trust is to hold £60,000 in cash reserves which is the estimated working capital commitments for three months.

On behalf of the Board of Trustees

J Blyth
Trustee
28 July 2022

Caterham Barracks Community Trust

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF CATERHAM BARRACKS COMMUNITY TRUST ("the Trust")

I report to the charity trustees on my examination of the accounts of the Trust for the year ended 30 November 2021.

Responsibilities and basis of report

As the charity's trustees of the Trust (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Trust are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since the Trust's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Trust as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Mrs L Swan ACA
Institute of Chartered Accountants in England and Wales
Parkes & Swan Limited
The Officers' Mess
Coldstream Road
Caterham
Surrey
CR3 5QX

28/07/2022

Caterham Barracks Community Trust
Statement of Financial Activities
Including Income and Expenditure
for the year ended 30 November 2021

		Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	2020 £
	Notes				
Incoming resources					
Donations and subscriptions	2	192,148	-	192,148	156,615
Charitable activities	3	225,627	22,230	247,857	223,273
Investment income	4	20,053	-	20,053	16,918
Total incoming resources		437,828	22,230	460,058	396,806
Resources expended					
Charitable activities	5	(349,897)	(13,308)	(363,205)	(315,415)
Total resources expended		(349,897)	(13,308)	(363,205)	(315,415)
Interest receivable		9	-	9	45
Net income before interest payable		87,940	8,922	96,862	81,436
Interest payable		-	-	-	-
Net movement in funds		89,785	8,922	96,862	81,436
Reconciliation of funds					
Funds brought forward at 1 December 2020		281,010	-	281,010	199,574
Transfer between funds		1,845	(1,845)	-	-
Funds carried forward at 30 November 2021		370,795	7,077	377,872	281,010

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

Caterham Barracks Community Trust
Balance Sheet
as at 30 November 2021

	Notes	Total Funds 2021 £	Total Funds 2020 £
Fixed assets			
Tangible assets	10	1,076,734	1,139,691
Investments	11	2	2
Total Fixed Assets		1,076,736	1,139,693
Current assets			
Debtors	12	259,728	256,789
Cash at bank and in hand		157,263	79,951
Total Current Assets		416,991	-
Creditors: amounts falling due within one year	13	(65,729)	(63,101)
Net current assets		351,262	273,639
Total assets less current liabilities		1,427,998	1,413,332
Creditors: amounts falling due after more than one year	14	(1,050,126)	(1,132,322)
Net assets		377,872	281,010
Funds of the Charity			
Unrestricted funds		370,795	281,010
Restricted funds	15	7,077	-
		377,872	281,010

The directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.

J Blyth
Trustee

Approved by the board on 28 July 2022

Caterham Barracks Community Trust
Notes to the Accounts
for the year ended 30 November 2021

1 Accounting policies

Basis of preparation

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards, the Statement of Recommended Practice (SORP FRS 102) and the Companies Act 2006.

Incoming resources

All income receivable is recognised on an accruals basis. Income is included in the Statement of Financial Activities when the charity becomes entitled to the resources.

Resources expended

Liabilities and resources expended are recognised when they are due and payable.

Depreciation

Depreciation has been provided at the following rates in order to write off the assets over their estimated useful lives.

Freehold land	Not depreciated
Freehold building	Not depreciated
Building improvements	Straight line over 24 years
Plant and machinery	20% reducing balance
Fixtures, fittings & equipment	20% reducing balance

No depreciation is provided in respect of the freehold building on the basis that the trustees consider that the residual value of the building is such to make any depreciation charge immaterial.

Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertaking comprise a small-sized group. The company has therefore taken advantage of the exemptions provided by section 398 of the Companies Act 2006 not to prepare group accounts.

Caterham Barracks Community Trust
Notes to the Accounts
for the year ended 30 November 2021

2 Donations and subscriptions	2021	2020
	£	£
Donations and subscriptions	192,148	156,615

3 Charitable activities	2021	2020
	£	£
Grants received	22,230	24,507
Income from the ARC	193,127	166,766
Income from the Pavillion	7,000	6,000
Tandridge Covid grants	25,500	26,000
	<u>247,857</u>	<u>223,273</u>

4 Investment income	2021	2020
	£	£
Interest income	20,053	16,918

During the year £16,042 (2020: £16,918) of loan interest was incurred by the Trust in relation to bank loans for properties rented out by CBCT Trading Limited, the subsidiary of the Trust. Since CBCT Trading Limited have beneficial interest in the properties to which the loans relate, the interest is recharged by the Trust and the amount is included within investment income.

5 Resources expended

	Depreciation	Other costs	2021	2020
	£	£	£	£
Charitable activities				
<u>ARC expenses</u>				
- Running costs	-	89,757	89,757	83,744
- Staff costs	-	93,250	93,250	78,535
	<u>-</u>	<u>183,007</u>	<u>183,007</u>	<u>162,279</u>
<u>Community facilities</u>				
- Support costs	66,376	111,022	177,398	150,486
- Governance costs	-	2,800	2,800	2,650
	<u>66,376</u>	<u>113,822</u>	<u>180,198</u>	<u>153,136</u>
Total charitable activities costs	<u>66,376</u>	<u>296,829</u>	<u>363,205</u>	<u>315,415</u>

Governance costs include payments to the independent examiner of £2,800 (2019: £2,650) for their fees.

Caterham Barracks Community Trust
Notes to the Accounts
for the year ended 30 November 2021

6 Support costs	2021	2020
	£	£
Depreciation	66,376	66,974
Mortgage interest	40,105	42,294
Other costs	70,917	41,218
	<u>177,398</u>	<u>150,486</u>

7 Trustees and Key Personnel

The following payments were made to trustees and key personnel and persons connected with them in the financial year:

Laura Johnston, a trustee who resigned on 1 October 2021, is employed by CBCT Trading Limited, the wholly owned subsidiary of the Trust. Remuneration received for services related to the Arc's activities before resignation was £9,720.

Three persons connected with Robin Clements, the Chief Financial Officer, collectively received remuneration of £41,714 for services related to Arc activities.

Dick Moran, the Chief Executive Officer, is employed by CBCT Trading Limited, the wholly owned subsidiary of the Trust and remuneration received was £20,000.

There were no other remuneration payments to trustees and key personnel in the year.

There were no payments for trustees expenses.

£21,667 (2020- £18,667) was charged to CBCT Trading Limited, the wholly owned subsidiary of the Trust, by Rojen Consulting Limited, a company owned by Robin Clements, the Chief Financial Officer.

£3,019 (2020 - £3,019) was charged to CBCT Trading Limited, the wholly owned subsidiary of the Trust by Fast Fibre Hubs Limited, a company in which Geoff Duck, a trustee, is a person with significant control.

8 Employees

Number of employees

The average monthly number of employees during the year was:

	2021	2020
	£	£
Chief Executive	1	1
Administrative staff	1	1
ARC staff	16	17
	<u>18</u>	<u>19</u>

Wages and salaries are prepared and paid by the trading arm of the charity, CBCT Trading Limited, the 100% subsidiary of the Trust. The full cost of the salaries paid to ARC staff of £93,250 (2020: £78,535), are recharged to the Trust.

There were no employees whose annual remuneration was £60,000 or more.

Caterham Barracks Community Trust
Notes to the Accounts
for the year ended 30 November 2021

9 Operating profit	2021	2020
	£	£
This is stated after charging:		
Depreciation of owned fixed assets	66,376	66,974

10 Tangible fixed assets

	Land and buildings £	Plant and machinery etc £	Fixtures & fittings £	Total £
Cost				
At 1 December 2020	1,714,655	3,500	20,925	1,739,080
Additions	-	1,845	1,574	3,419
At 30 November 2021	1,714,655	5,345	22,499	1,742,499
Depreciation				
At 1 December 2020	586,603	3,462	9,324	599,389
Charge for the year	64,040	8	2,328	66,376
At 30 November 2021	650,643	3,470	11,652	665,765
Net book value				
At 30 November 2021	1,064,012	1,875	10,847	1,076,734
At 30 November 2020	1,128,052	38	11,601	1,139,691

The land and buildings relate to three freehold properties owned by the Trust together with capitalised building work carried out in relation to these properties.

All buildings are rented to tenants partly on commercial terms, to provide an income stream, and partly on non-commercial terms (or with limitations), both of which enable the charity to carry out its charitable objects. As a result there is no readily ascertainable market value and because these interests in buildings cannot be defined as purely investment properties, they are shown at cost and depreciated accordingly.

Whilst maintaining the accounting policy of depreciated cost for freehold buildings, as part of the process of refinancing the group's loans in 2019, a professional valuation dated 4 October 2019 gave a market value of £5.565 million for the freehold buildings of the charity.

Caterham Barracks Community Trust
Notes to the Accounts
for the year ended 30 November 2021

11 Investments

	£
Carrying value at 1 December 2020 and 30 November 2021	<u>2</u>
Historical cost:	
At 30 November 2020	<u>2</u>
At 30 November 2021	<u>2</u>

Holdings of more than 20%:

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held	
Subsidiary undertakings		Class	%
CBCT Trading Limited	UK	Ordinary	100

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Principle Activities	Capital and reserves £	Profit/(loss) for the year £
CBCT Trading Limited	Property rental management	(287,818)	1,857

12 Debtors

	2021 £	2020 £
Amounts owed by group undertakings	249,392	248,224
Prepayments	10,336	8,565
	<u>259,728</u>	<u>256,789</u>

13 Creditors: amounts falling due within one year

	2021 £	2020 £
Bank loans and overdrafts	58,196	55,918
Accruals and deferred income	7,533	7,183
	<u>65,729</u>	<u>63,101</u>

Caterham Barracks Community Trust
Notes to the Accounts
for the year ended 30 November 2021

14 Creditors: amounts falling due after one year	2021	2020
	£	£
Bank loans	913,961	972,157
Other creditors	136,165	160,165
	<u>1,050,126</u>	<u>1,132,322</u>
Analysis of loans		
Wholly repayable	972,157	1,028,075
Included in current liabilities	(58,196)	(55,918)
	<u>913,961</u>	<u>972,157</u>
Loan maturity analysis		
Debt due in one year or less	58,196	55,918
In more than one year but not more than two years	58,197	58,197
In more than two years but not more than five years	60,567	189,207
In more than five years	795,197	666,557
	<u>972,157</u>	<u>969,879</u>

On the 11 November 2019 the Trust renegotiated and consolidated its loans and a loan of its subsidiary, CBCT Trading Limited. The resultant bank loan is secured by a fixed and floating charge over the properties and assets of the Trust and CBCT Trading Limited. The interest rate is 3.25% above base rate (minimum rate of 4%). Repayments are made monthly and the term of the loan is 15 years.

As at 30 November 2021, included in other creditors greater than one year is £136,165 (2020 : £160,165) owed to the Chief Executive, Richard Moran. No interest is charged and there is no repayment date for the loan.

15 Charity Funds

Restricted Fund:

Bfwd at 1 December 2020	-
Income	22,230
Expenditure	(13,308)
Transfers	(1,845)
Cfwd at 30 November 2021	<u>7,077</u>

The transfer from the restricted fund to the unrestricted fund was to transfer the value of tangible fixed assets that were purchased from a restricted fund grant but are held for general and not a restricted purpose.

Caterham Barracks Community Trust
Notes to the Accounts
for the year ended 30 November 2021

16 Related party transactions

During the year £20,053 (2020: £16,918) of loan interest was incurred by the Trust in relation to bank loans for properties rented out by CBCT Trading Limited. Since CBCT Trading Limited have beneficial interest in the properties to which the loans relate, the interest is recharged by Trust and the amount is included within investment income.

During the year, the Trust received donations of £158,000 (2020: £125,000) from CBCT Trading Limited.