

# **Catalyst Housing Charitable Trust**

## **Annual Report and Financial Statements**

**31 March 2021**

**Registered Charity Number 1113922  
Companies House Registered  
Company Number 5677196**

## Contents

Board members, executives and advisers	2
Report of the Trustees	3 - 8
Independent Auditor's Report to the members of Catalyst Housing Charitable Trust	9 - 12
Statement of financial activities	13
Balance sheet	14
Statement of cash flows	15
Notes to the financial statements	16-24

## Report of the Trustees

### Reference & Administrative Information

Charity registration number: 1113922  
Company registration number: 5677196

### Secretary & Registered Office

Suzanne Maguire (appointed 17/06/2021)  
Sophie Atkinson (resigned 17/06/2021)

Ealing Gateway  
26 - 30 Uxbridge Road  
Ealing  
W5 2AU

### Trustees

Chinyere Ugwu – Chair (retired 12/11/20)  
Sahil Khan – Chair  
Delphine Merlot (appointed 08/04/20)  
Edward Waite-Roberts (retired 7/10/20)  
Dipa Joshi  
Marie Vernal  
Karina Skinner  
Alison Blakeburn (resigned 15/05/2020)  
Catherine Williams  
Joseph Chambers (resigned 08/04/20)

### Auditors

BDO LLP  
2 City Place  
Beehive Ring Road  
Gatwick  
West Sussex  
RH6 0PA

### Solicitors

Winckworth Sherwood LLP  
Minerva House  
5 Montague Close  
London  
SE1 9BB

### Management Team

Elizabeth Finch                      Charitable Trust Officer

### Bankers

National Westminster Bank Plc  
1 The Mall  
Ealing  
W5 2PL

## Report of the Trustees

The Trustees are pleased to present their report together with the audited financial statements for the year ended 31 March 2021.

### Structure, Governance and Management

The charity is governed by a Board of Trustees. The Board is responsible for the strategic direction and management of the charity and monitoring the achievements against the charitable objectives. The Board meets quarterly where officers report on project progress, grant award recommendations and financial performance.

The day to day management of the Trust is provided by Catalyst Housing Limited, the parent entity, under the responsibility of its Director of Catalyst Communities. The DOSH Big Lottery (project which offers support to tenants living in social housing, in the London Borough of Ealing) and Active Londoners (social prescribing project) both fund support that is similarly provided via Catalyst Housing Limited.

### Organisation

The charity was registered as a company on 17 January 2006 with registered company number 5677196. The company received charitable status on 26 April 2006 with registered charity number 1113922.

The charity's governing documents are the Articles of Association and it is incorporated as a private company limited by guarantee and not having share capital under the Companies Act 2006 and any further legislation of a similar nature and any statutory modification or re-enactment thereof. The Articles of Association grants to the Trustees their general investment powers.

The Trustees who have served during the year and since year end are set out on page 2. All Trustees are appointed by the Catalyst Housing Group board and are not subject to a limited period of time on the board. The Trustees meet quarterly to review the performance of the charity against the business plan.

Trustees are not remunerated. The Members are listed on page 2 of these accounts.

Financial information about Catalyst Housing Charitable Trust's subsidiary, Southall Day Centre Limited, is set out in Note 8 to the accounts..

On 9 October 2019 the Board of Southall Day Centre Limited agreed to transfer its business to Catalyst Housing Limited. This was subsequently approved by the boards of Catalyst Housing Charitable Trust on 17 October and the board of CHL on 23 October.

From 1 of April 2020 Southall Day Centre Limited has transferred all its business to Catalyst Housing Limited.

### Risk Management

Risks managed by the charity Board and officers are the appropriate award of grants to residents and local community groups. A set of criteria has to be met which is tested and monitored by the charities administrator. Each community grant has to be agreed by the Board of Trustees.

The Trustees have overall responsibility for establishing, maintaining and reviewing the system of internal controls but day to day responsibility has been delegated to employees at Catalyst Housing Limited. The charity is subject to the same control environment as the rest of the Group and is consistent with 'Internal Control: Guidance to Directors' principles. Risks to which the charity is exposed are reviewed on a regular basis and procedures put in place to manage them as far as possible.

A key principle risk at present is the ongoing Covid-19 global pandemic, and its effect on our colleagues, customers, supply chain and wider economy. We will continue to monitor the progress of the pandemic in conjunction with our parent company, and the impact of the customers during this time.

## Report of the Trustees

### Objectives and Aims

The charity's mission is to enhance the lives and the communities of West London and the South East in order to create better futures for both the residents of Catalyst Housing Limited and the wider local community.

The objective of the charity is the relief of persons who are in necessitous circumstances and in need of assistance and to improve the social and economic conditions of disadvantaged neighbourhoods by enhancing the independence, choice and prosperity of people that live in them.

Trustees want to maintain their support for practitioners working to help residents reduce debt and improve financial inclusion, into employment or increasing skills and education, ensure young people are able to engage in positive activities outside of school and offer improved community activities in line with service outcomes.

### Activities and achievements

The focus for 2020/21 has been shaped by the Covid-19 pandemic and the well-being of our customers and limitations on group activities. It has been essential to ensure that grants were awarded effectively during a time of particular hardship. The main impacts of the pandemic were:

- Face to face meetings with customers being replaced with telephone consultations only
- No community centres open or group activities led to fewer Community Chest grants and the suspension of Partnership Grants but more budget available for individual customers
- Well-being calls made by Catalyst Housing Limited colleagues proactively reaching out to customers leading to more Individual Grants
- The £40,000 carpet and garden clearance fund, available for 2020/21 only, wasn't used until December 2020 when home visits resumed. However, in four months £22,000 was spent improving customer homes and outside spaces.

A review of the current Grant Programme initiated by discussion with the Board in January 2020 was put on hold until January 2021 due to the impact of the pandemic. The review has been shaped by customers experience of hardship and the budget needed to support them. Board approval for the new programme will be requested in April 2021.

All of these actions have been completed successfully in the year and grants have been awarded. The table on the following page demonstrates the target levels of grants to award and the actual awards made. The Trustees have had regards to the Charity Commission guidance on Public Benefit.

## Charitable Trust Grants 2020/21

Catalyst Housing Charitable Trust have not had any fundraising activities.

The table shows a breakdown of the four grant programmes across areas of Catalyst Housing Charitable Trust. 'Partnership Grants' for large scale projects with community partners (suspended to the restrictions of the Covid-19 pandemic), 'Community Chest' for local resident community project, 'Individual Grants' which support residents in line with Catalyst Gateway service outcomes. This could include but is not limited to household necessities, children's activities, training and education and 'Carpet/Garden Grants' which is a fund specific to these areas for this financial year only.

## Report of the Trustees

<b>Total Budget</b>	<b>£140,000</b>	
<b>Total Grant Spend</b>	£113,299.93	80.93%
of which Traditional Grants	£91,867.59	
of which Carpet/Garden Clearance Grants	£21,432.34	

Grant Type 2020/21	Total Number of Entries	Remained Enquiries	Converted to applications	Applications - Successful	Applications - Pending	Applications - Not Approved	Applications - Paid
Individual Grants	220	-	220	210	-	10	210
Community Chest	6	-	6	6	-	-	6
Partnership Grants	-	-	-	-	-	-	-
Carpet/Garden Grants	25	-	25	22	-	3	22
<b>TOTAL</b>	251	-	251	238	-	13	238

Year on Year comparison	2020/21	2019/20	2018/19	2017/18	2016/17	2015/16
Individual Grants	£88,926.14	£63,544.76	£45,636.85	£45,851.59	£38,324.95	£29,176.63
Community Chest	£2,941.45	£9,475.48	£5,789.22	£3,930.52	£3,228.00	£1,954.45
Partnership Grants	£0.00	£19,050.00	£43,740.00	£40,000.00	£15,464.38	£18,242.00
Carpet/Garden Grants	£21,432.34	-	-	-	-	-
<b>TOTAL</b>	£113,299.93	£92,070.24	£95,166.07	£89,782.11	£57,017.33	£49,373.08

	2020/21						
Area wise Comparison 2020-21	Catalyst London - Kensington	Catalyst London - Brent	Catalyst London - London	Catalyst London - South East	Catalyst Counties - Income Max Team	Catalyst Counties - Community Investment Team	Southall Day Centre
Individual Grants	£6,893.04	£7,784.74	£32,213.07	£24,110.10	£17,925.19	£0.00	£0.00
Community Chest	£0.00	£0.00	£2,377.47	£563.98	-	-	-
Partnership Grants	-	-	-	-	-	-	-
Carpet/Garden Grants	£6,994.84	£2,527.94	£7,155.57	£4,753.99	£0.00	£0.00	£0.00
<b>TOTAL</b>	£13,887.88	£10,312.68	£41,746.11	£29,428.07	£17,925.19	£0.00	£0.00

## Report of the Trustees

### Financial Review

Grant awards are met from the charity's remaining reserves.

#### Reserves policy

The charity has a number of designated reserves; the purpose of the funds is to give grants and loans to community groups delivering projects to benefit the community in their areas of operation, at the discretion of the sub-committees. The balance of the designated reserves at the year-end was £264,138 – Note 13.

The designated fund for Southall Day Centre Building and Repairs Fund is specifically for the maintenance of 20 Western Road, which is owned by the Trust. This fund receives a £10,000 per annum transfer from the unrestricted fund plus 2.5% interest on the previous year's balance.

The company calculate the reserves as that part of the charity's unrestricted income funds that is freely available after taking account of designated funds that have been earmarked for specific building or major equipment purchase, research and other projects.

The available reserves currently stand at £227,547 and are calculated as follows:

Total unrestricted funds of	£491,685
Less designated funds	(£264,138)
<b>Available reserves</b>	<b>£227,547</b>

#### Results

The deficit for the year amounted to £128,519 (2020: £132,711).

### Outlook for 2021/22

The focus for 2021/22 will be on ensuring successful delivery of the grant funding approach as well as the ongoing success of DOSH. The main actions for the year will be:

- Reviewing the success of the grant programme ensuring the allocation process, financial values, target groups, methods of advertising, and geographical allocation are working and making changes if they are required to ensure the grants reach the residents and communities we work in.
- Working on an enhanced Community Chest grant which encourages community control and participation.
- Monitoring the awards of grants to individuals and neighbourhood projects under the agreed financial level in line with the parameters set out by Trustees (authority for approval delegated to staff at Catalyst Housing Limited).
- Meeting quarterly to review applications and award grants to individuals and neighbourhood projects over the agreed financial levels.
- Improving the monitoring and evaluation process for Partnership grants throughout the project to ensure that there is a measureable impact and a successful outcome from the money spent.
- Review the DOSH programme as appropriate.
- Due to Covid 19 we repurposed our resources to identify and support vulnerable customers. The activities that we have started last year are continuing.

## **Report of the Trustees**

### **Going Concern**

After reviewing the charity forecasts and the results of the stress testing, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for a period of no less than 12 months from the date of sign off of the financial statements. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

### **Auditors**

Catalyst Housing Charitable Trust has no requirement for an Annual General Meeting, as such the auditors appointment will continue until such time as the Trustees appoint new auditors.

### **Disclosure of information to the auditors**

The Trustees who held office at the date of approval of this report confirm that, so far as they are each aware, there is no relevant audit information of which the charity's auditors are unaware; and each trustee has taken all the steps that he/ she ought to have taken as a Trustee to make himself/herself aware of any relevant audit information and to establish that the charity's auditors are aware of that information.



## Report of the Trustees

### Statement of Trustees Responsibilities in Respect of the Trustees Report and the Financial Statements

The Trustees are responsible for preparing the Trustees Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including its profit or loss of the charity for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and 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) 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 company will continue in business.


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 that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for ensuring that the report of the board is prepared in accordance with the 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).

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the Trustees. The Trustees responsibility also extends to the ongoing integrity of the financial statements contained therein.

In preparing the Trustees report the Trustee have taken advantage of the exemptions allowed for small companies as set out in the Companies Act 2006.

Approved by the Trustees and signed on their behalf by:

  
Sahil Khan  
Chair

Date 3 August 2021

## **INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF CATALYST HOUSING CHARITABLE TRUST**

### **Opinion on the financial statements**

In our opinion, the financial statements:

- give a true and fair view of the state of the Charitable Company's affairs as at 31 March 2021 and of its incoming resources and application of resources 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.

We have audited the financial statements of Catalyst Housing Charitable Trust ("the Charitable Company") for the year ended 31 March 2021, which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

### **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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Independence*

We remain independent of the Charitable Company in accordance with the ethical requirements 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.

### **Conclusions related 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 Charitable Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

### **Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report and Financial Statements, other than the financial statements and our auditor's report thereon. The other information comprises the Report of the Trustees. 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Other Companies Act 2006 reporting**

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

- the information given in the Trustees' Report, which includes the Directors' Report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report, which is included in the Trustees' Report, has been prepared in accordance with applicable legal requirements.

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 Strategic report or the Trustee's report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion;

- adequate 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 Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

### **Responsibilities of Trustees**

As explained more fully in the Statement of Trustees Responsibilities in Respect of the Trustees Report and the Financial Statements, 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 determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the 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 as auditor under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

### *Extent to which the audit was capable of detecting irregularities, including fraud*

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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Audit procedures capable of detecting irregularities including fraud performed by the engagement team included:

- Performing analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatement due to fraud. Areas of identified risk are then tested substantively;
- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Reading minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with HMRC and relevant regulators to identify any actual or potential frauds or any potential weaknesses in internal control which could result in fraud susceptibility;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Reviewing items included in the group's fraud register;
- Challenging assumptions made by management in their significant accounting estimates in particular in relation to allocation of support costs;
- Carrying out detailed testing, on a sample basis, of transactions and balances agreeing to appropriate documentary evidence to verify the completeness, existence and accuracy of the reported financial statements; and
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments.

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

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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

DocuSigned by:

*E Kulczycki*

C7998D5EC4924F4

Elizabeth Kulczycki (Senior Statutory Auditor)  
For and on behalf of BDO LLP, statutory auditor  
Gatwick, UK

Date: 29 October 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

**Statement of financial activities**  
**(Including the income and expenditure account)**  
**Year ended 31 March**

	<i>Note</i>	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total funds 2021</b>	<b>Total funds 2020</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Income</b>					
Investment income		1,532	-	1,532	4,062
Income from charitable activities	2	22,500	192,472	214,972	213,362
<b>Total income</b>		<u>24,032</u>	<u>192,472</u>	<u>216,504</u>	<u>217,424</u>
<b>Expenditure</b>					
Expenditure on charitable activities	3	(152,551)	(192,472)	(345,023)	(350,135)
<b>Total expenditure</b>		<u>(152,551)</u>	<u>(192,472)</u>	<u>(345,023)</u>	<u>(350,135)</u>
<b>Net expenditure</b>		<u>(128,519)</u>	<u>-</u>	<u>(128,519)</u>	<u>(132,711)</u>
<b>Net movement in funds</b>		<u>(128,519)</u>	<u>-</u>	<u>(128,519)</u>	<u>(132,711)</u>
<b>Total funds brought forward</b>		620,204	-	620,204	752,915
<b>Total funds carried forward</b>	12, 13, 14	<u>491,685</u>	<u>-</u>	<u>491,685</u>	<u>620,204</u>

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

The notes on pages 16 to 24 form part of these financial statements.

## Balance sheet As at 31 March

	<i>Note</i>	<b>2021</b> £	<b>2020</b> £
<b>Fixed assets</b>			
Tangible assets	7	119,061	120,562
Investments	8	58	58
		<hr/> 119,119	<hr/> 120,620
<b>Current assets</b>			
Debtors	9	-	212
Cash and cash equivalents	10	434,956	782,942
		<hr/> 434,956	<hr/> 783,154
<b>Creditors: amounts falling due within one year</b>	11	(62,390)	(283,570)
<b>Net current assets</b>		<hr/> 372,566	<hr/> 499,584
<b>Net assets</b>		<hr/> 491,685	<hr/> 620,204
<b>The funds of the charity</b>			
Unrestricted income funds	12	491,685	620,204
<b>Total charity funds</b>	14	<hr/> 491,685	<hr/> 620,204

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved and authorised for issue by the Trustees on 3 August 2021 and signed on their behalf by:



**Sahil Khan**  
Chair

Date 3 August 2021

The notes on pages 16 to 24 form part of these financial statements.

## Statement of cash flows

### Year ended 31 March

	<i>Note</i>	<b>2021</b> £	<b>2020</b> £
<b>Cash flows from operating activities</b>			
Net movement in funds		(128,520)	(132,711)
Adjustments for:			
Depreciation of fixed assets – other	7	1,501	1,501
Interest received		(1,531)	(4,062)
Movement in trade and other debtors	9	212	19,941
Movement in trade and other creditors	11	(221,179)	148,141
<b>Net cash generated (used in)/from operating activities</b>		<b>(349,517)</b>	<b>32,810</b>
<b>Cash flows from investing activities</b>			
Interest received		1,531	4,062
<b>Net cash from investing activities</b>		<b>1,531</b>	<b>4,062</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(347,986)</b>	<b>36,872</b>
Cash and cash equivalents at beginning of the year		782,942	746,070
<b>Cash and cash equivalents at end of the year</b>		<b>434,956</b>	<b>782,942</b>

The notes on pages 16 to 24 form part of these financial statements



## Notes to the financial statements

### 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:

#### **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), the Statement of Recommended Practice: Accounting & Reporting by Charities (SORP 2015) issued in March 2015 and the Companies Act 2006.

Catalyst Housing Charitable 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 note(s).

#### **Income**

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

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

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

#### **Donated services and facilities**

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably.

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

#### **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.

## Notes to the financial statements

### 1 Accounting policies continued

#### Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of work or a specific project. The charity holds designated fund reserves for the purpose of giving grants and loans to community groups delivering projects to benefit the community in their areas of operation and to maintain the Trustees' obligations on 20 Western Road, Southall, respectively.

#### Going concern

The Trustees have a reasonable expectation based on the forecasting and analysis that the company has adequate resources to continue in operation for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

#### Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified as 'Expenditure on charitable activities' and includes the costs of activities undertaken to further the purposes of the charity and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

#### Tangible fixed assets

Individual fixed assets are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

Asset category	Annual rate
Freehold property	2%
Computer equipment	25%

Tangible fixed assets, are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as condition of the asset and future use of the asset are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

#### Debtors

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

#### Cash and cash equivalents

Cash at bank and cash equivalents includes cash and deposit investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

## Notes to the financial statements

### 1 Accounting policies continued

#### Creditors and provisions

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

#### Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

#### Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

#### Judgements in applying accounting policies and key sources of estimations.

In preparing these financial statements the key judgements have been made in respect of the following:

#### 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 programmes and activities. These costs have been allocated to expenditure on charitable activities.

## Notes to the financial statements

### 2 Income from charitable activities

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Community Enterprise	22,500	-	22,500	22,500
DOSH Plus	-	158,272	158,272	163,122
Active Londoners	-	34,200	34,200	27,740
<b>Total income from charitable activities</b>	<b>22,500</b>	<b>192,472</b>	<b>214,972</b>	<b>213,362</b>

### 3 Expenditure on charitable activities

	Activities undertaken directly £	Grant funding of activities £	Support Costs £	Total 2021 £	Total 2020 £
<b>Charitable activities:</b>					
Community Enterprise	113,300	-	-	113,300	91,963
Governance costs	47,961	-	1,501	49,462	67,094
DOSH Plus	-	158,272	-	158,272	163,122
Active Londoners	-	23,989	-	23,989	27,957
<b>Total expenditure on charitable activities</b>	<b>161,261</b>	<b>182,261</b>	<b>1,501</b>	<b>345,023</b>	<b>350,136</b>

Net income/(expenditure) is stated after charging:

	2021 £	2020 £
Depreciation	1,501	1,501

Expenditure on charitable activities was £345,023 (2020: £350,136) of which £161,261 (2020: £159,056) was unrestricted and £183,762 (2020: £191,080) was restricted.

Audit fees for the current year and prior year have been borne by the parent company, Catalyst Housing Limited.

## Notes to the financial statements

### 4 Catalyst Housing Charitable Trust sub-committee grant awards

In the period to 31 March 2021, the charity awarded grants of £113,300 through the Catalyst Gateway Grants Committee.

Additionally, the charity provided support to activities in Southall Day Centre Ltd of £22,500 towards the rental costs of 20 Western Road. From 1st of April 2020 Southall Day Centre Limited has transferred all its business to Catalyst Housing Limited.

### 5 Employee information

The number of employees employed during the year, expressed as full time equivalents was 2 (2020: 3). The employee costs for the above persons including salaries, social security costs and cost of pension scheme contributions, total £72,149 (2020: £60,947).

### 6 Trustees

No trustees, or any person with a family or business connection with any of the trustees, has received remuneration, directly or indirectly, from the charity (2020: £nil). None of the trustees were reimbursed for out of pocket expenses by the charity (2020: none), however travel expenses were reimbursed by Catalyst Housing Limited.

### 7 Tangible fixed assets

	Freehold Property £	Computer Equipment £	Total £
<b>Cost</b>			
At 1 April 2020	175,000	884	175,884
At 31 March 2021	175,000	884	175,884
<b>Depreciation</b>			
At 1 April 2020	(54,438)	(884)	(55,322)
Charge for year	(1,501)	-	(1,501)
At 31 March 2021	(55,939)	(884)	(56,823)
<b>Net book value</b>			
At 31 March 2021	119,061	-	119,061
At 31 March 2020	120,562	-	120,562

Freehold Property represents the Southall Day Centre building. The legal title of the property was transferred from Ealing Family Housing Association Limited in the year ending 31 March 1991 to Ealing Family Charitable Trust and then to the charity (known as Catalyst Communities Trust at the time of transfer) on 19 December 2006 and is shown in the balance sheet at historic cost less accumulated depreciation.

## Notes to the financial statements

### 8 Investments

	<b>2021</b> <b>£</b>	<b>2020</b> <b>£</b>
Re-designated ordinary shares in Southall Day Centre Limited	58	58

This represents a 100% share of the issued £1 ordinary shares in the company, which is a charity registered in England. A Summary Statement of Financial Activities and Balance Sheet is provided below for Southall Day Centre for the year ended 31 March 2021.

#### Statement of financial activities – Southall Day Centre Limited

	<b>2021</b> <b>£</b>	<b>2020</b> <b>£</b>
Total income	-	571,761
Total expenditure	-	(547,751)
Net movement in funds	-	24,010

#### Balance sheet - Southall Day Centre Limited

	<b>2021</b> <b>£</b>	<b>2020</b> <b>£</b>
Fixed assets	-	-
Current assets	58	108,698
Current liabilities	-	(126,468)
Net assets	58	(17,770)
Called up share capital	58	58
Unrestricted funds	-	(17,828)
Total funds	58	(17,770)

## Notes to the financial statements

### 9 Debtors

	2021 £	2020 £
Trade debtors	-	212

### 10 Cash and cash equivalents

	2021 £	2020 £
Cash and cash equivalents	434,956	782,942

### 11 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade Creditors	594	1,994
Accruals and deferred income	41,730	62,285
Amounts due to group undertakings	20,066	219,291
	62,390	283,570

### 12 Unrestricted income funds

	£
At 1 April 2020	620,204
Total income	24,032
Total expenditure	(152,551)
At 31 March 2021	491,685

## Notes to the financial statements

### 13 Unrestricted income funds

#### Designated funds

	Balance 1 April 2020 £	Incoming/ (Outgoing) Resources £	Transfer to designated funds £	Balance 31 March 2021 £
Southall Day Centre Building & Repairs Fund	113,137	-	12,828	125,965
Property fund	120,562	(1,501)	-	119,061
Roundwood and Church End	150	-	-	150
Catalyst Gateway Grants Committee	18,962	-	-	18,962
	<u>252,811</u>	<u>(1,501)</u>	<u>12,828</u>	<u>264,138</u>

Fund balances are represented by:	Fixed assets £	Net Current assets £	Total £
Southall Day Centre building and repairs fund	-	125,965	125,965
Property Fund	119,061	-	119,061
Roundwood and Church End	-	150	150
Catalyst Gateway Grants Committee	-	18,962	18,962
	<u>138,173</u>	<u>145,077</u>	<u>264,138</u>

The Catalyst Gateway Grants Committee designated funds, totalling £18,962 for the purpose of giving grants and loans to community groups delivering projects to benefit the community in their areas of operation, at the discretion of the sub-committees.

The designated fund for Southall Day Centre building and repairs is specifically for the maintenance of 20 Western Road, which is owned by the Trust. This fund receives a £10,000 per annum transfer from the unrestricted fund plus 2.5% interest on the previous year's balance. The Southall Day Centre Building & Repairs Fund represents amounts held to maintain the Trustees' obligations on 20 Western Road, Southall.

The property fund arose from property gifted to the Trust and is maintained at the balance of tangible fixed assets.

The Roundwood & Church End Fund represents donations received specifically for welfare payments to tenants on the Roundwood & Church End Estates (historically part of Fortunegate Community Housing).

The Designated funds are recognised separately for internal classification and there are simply part of the unrestricted funds.



## Notes to the financial statements

### 14 Analysis of net assets between funds

	Restricted funds	Unrestricted funds	Total funds
	£	£	£
Tangible fixed assets	-	119,061	119,061
Investments	-	58	58
Cash at bank and in hand	-	434,956	434,956
Other net current liabilities	-	(62,390)	(62,390)
	-	<u>491,685</u>	<u>491,685</u>

### 15 Transactions with related parties

The financial statements include annual rental income of £22,500 from Southall Day Centre Activities under Catalyst Housing Limited, which the charity donates back to the centre.

The charity paid staff recharges of £35,588 (relating to Catalyst Housing Limited's staff time spent on the charity's project delivery) (2020: £21,474) and corporate overheads of £10,506 to Catalyst Housing Limited (2020: £10,506).

### 16 Parent entity

The charity's parent is Catalyst Housing Limited, a Registered Provider of Social Housing, but the charitable activities are independently managed by the Trustees. The consolidated accounts of Catalyst Housing Limited are available from their registered office, Ealing Gateway, 26-30 Uxbridge Road, London, W5 2AU.