

Advance Nottingham

England & Wales · Charity number 1119003

Details

Other names	CASTLE CAVENDISH FOUNDATION, NEIGHBOURHOOD DEVELOPMENT COMPANY, NEIGHBOURHOOD DEVELOPMENT COMPANY
Status	Registered
Legal form	Charitable company
Company number	04209702
Registered	2007-04-27
Register	View on the Charity Commission register

Contact

Address	Castle Cavendish Works Dorking Road Radford Nottingham NG7 5PN
Phone	01159003100
Email	info@castlecavendish.org.uk
Website	www.castlecavendish.org.uk

Activities

Objects: THE PROMOTION FOR THE BENEFIT OF THE PUBLIC OF URBAN REGENERATION IN AREAS OF SOCIAL AND ECONOMIC DEPRIVATION (AND IN PARTICULAR IN RADFORD AND HYSON GREEN) BY ALL OR ANY OF THE FOLLOWING MEANS:A) THE RELIEF OF THOSE IN NEED, BY REASON OF YOUTH, AGE, ILL-HEALTH, DISABILITY, FINANCIAL HARDSHIP OR OTHER DISADVANTAGES;B) THE RELIEF OF UNEMPLOYMENT;C) THE ADVANCEMENT OF EDUCATION AND TRAINING, PARTICULARLY AMONG UNEMPLOYED PEOPLE, AND PROVIDING UNEMPLOYED PEOPLE WITH WORK EXPERIENCE;D) THE PROVISION OF FINANCIAL ASSISTANCE, TECHNICAL ASSISTANCE OR BUSINESS ADVICE OR CONSULTANCY IN ORDER TO PROVIDE TRAINING AND EMPLOYMENT OPPORTUNITIES FOR UNEMPLOYED PEOPLE IN CASES OF FINANCIAL OR OTHER CHARITABLE NEED THROUGH HELP: (I) IN SETTING UP THEIR OWN BUSINESS, OR (II) TO EXISTING BUSINESSES;E) THE CREATION OF TRAINING AND EMPLOYMENT OPPORTUNITIES BY THE PROVISION OF WORKSPACE, BUILDINGS, AND/OR LAND FOR USE ON FAVOURABLE TERMS;F) THE PROVISION OF HOUSING FOR THOSE WHO ARE IN CONDITIONS OF NEED AND THE IMPROVEMENT OF HOUSING IN THE PUBLIC SECTOR OR IN CHARITABLE OWNERSHIP PROVIDED THAT SUCH POWER SHALL NOT EXTEND TO RELIEVING ANY LOCAL AUTHORITIES OR OTHER BODIES OF A STATUTORY DUTY TO PROVIDE OR IMPROVE HOUSING;G) THE MAINTENANCE, IMPROVEMENT OR PROVISION OF PUBLIC AMENITIES, INCLUDING THE ADVANCEMENT OF ARTS, CULTURE, HERITAGE AND SCIENCE;H) THE PRESERVATION OF BUILDINGS OR SITES OF HISTORIC OR ARCHITECTURAL IMPORTANCE;I) THE PROVISION OF RECREATIONAL FACILITIES FOR THE PUBLIC AT LARGE OR THOSE WHO BY REASON OF THEIR YOUTH, AGE , INFIRMITY OR DISABLEMENT, FINANCIAL HARDSHIP OR SOCIAL AND ECONOMIC CIRCUMSTANCES, HAVE NEED OF SUCH FACILITIES;J) THE PROTECTION OR CONSERVATION OF THE ENVIRONMENT;K) THE PROVISION OF PUBLIC HEALTH FACILITIES AND CHILDCARE;L) THE PROMOTION OF PUBLIC SAFETY AND THE PREVENTION OF CRIME;M) THE DEVELOPMENT OF THE CAPACITY AND SKILLS OF THE MEMBERS OF THE COMMUNITY IN SUCH A WAY THAT THEY ARE BETTER ABLE TO IDENTIFY, AND HELP MEET, THEIR NEEDS AND TO PARTICIPATE MORE FULLY IN SOCIETY; ANDN) THE PROMOTION OF ANY OTHER RECOGNISED CHARITABLE PURPOSE, THROUGH SUCH OTHER MEANS AS MAY FROM TIME TO TIME BE DETERMINED SUBJECT TO THE PRIOR WRITTEN CONSENT OF THE CHARITY COMMISSION FOR ENGLAND AND WALES.

Activities: Advance Nottingham will oversee a programme and property portfolio that will deliver community renewal in an ethical, inclusive and sustainable way. Its vision is to help create a better Nottingham where places and spaces thrive, local people reach their full potential and communities are stronger, connected and more resilient than ever before.

Classification

- **How:** Makes Grants To Organisations, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information, Acts As An Umbrella Or Resource Body
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives, The Prevention Or Relief Of Poverty, Accommodation/housing, Amateur Sport, Environment/conservation/heritage, Economic/community Development/employment
- **Who:** Children/young People, Elderly/old People, People With Disabilities, People Of A Particular Ethnic Or Racial Origin, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- **Area of benefit:** RADFORD AND HYSON GREEN AND BEYOND
- Nottingham City

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£161,056	£308,219	-	-
2024-03-31	£1,093,208	£1,169,246	£1,518,703	13
2023-03-31	£1,134,603	£1,078,448	£1,594,741	13
2022-03-31	£1,086,938	£1,113,788	£1,538,586	13
2021-03-31	£905,953	£1,044,327	£1,565,436	12

Trustees

Name	Role	Appointed
Andrew Michael Atherton		2024-01-31
Bengisu Sahin		2021-04-28
Fadzai Gambanga		2020-05-27
Jay Paul Ludditt		2019-07-25
John Abdo Rowland Ydlibi		2021-02-03
Natalie Rebecchi		2023-11-15
Parveen Begum		2018-10-04
SHOAIB KHAN		2017-04-13
Zane Powers		2019-02-26

Advance Nottingham

England & Wales - Charity number 1119003

Accounts

Charity registration number 1119003 (England and Wales)

Company registration number 04209702

ADVANCE NOTTINGHAM LTD
PREVIOUSLY KNOWN AS "CASTLE CAVENDISH FOUNDATION"
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

ADVANCE NOTTINGHAM LTD

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

A M Atherton
P Begum
M S J Khan
J P Ludditt
Z Powers
N Rebecchi
B Sahin
J A R Ydlibi
F Gambanga

Senior management

D Brennan

Chief Executive

Charity number (England and Wales)

1119003

Company number

04209702

Registered office

Castle Cavendish Works
Dorking Road
Nottingham
NG7 5PN

Independent examiner

Rogers Spencer
Newstead House
Pelham Road
Nottingham
NG5 1AP

Bankers

Natwest Plc
16 South Parade
Nottingham
NG1 2JX

ADVANCE NOTTINGHAM LTD

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ADVANCE NOTTINGHAM LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2025

The Trustees, who are also directors of the charity for the purposes of the Companies Act, present their annual report and financial statements for the year ended 31 March 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "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)".

Mission & Key Aims & Objectives

Advance Nottingham (the Charity) is a 'not for profit' organisation. Its vision is for a better Nottingham where places and spaces thrive, local people reach their full potential, and communities are stronger, connected and more resilient than ever before. To bring this vision to reality, the Charity will oversee a programme and property portfolio that will deliver community renewal in an ethical, inclusive and sustainable way. Its strategy will focus on:

People - To improve quality of life conditions by addressing the needs of local people through community-led programmes by:

- *Supporting programmes and initiatives that address local need through a community-based approach.*
- *Directly managing and deliver community renewal projects, increasing reach and impact.*
- *Collaborating and working in partnership with local, regional and national organisations to enhance community renewal opportunities.*

and

Places - To manage, develop and expand our property portfolio, supporting the needs of business, the voluntary sector and local communities.

- *Achieving high occupancy and usage levels at all its properties, maximizing net return.*
- *Expanding its property base by transforming redundant buildings into community assets.*
- *Ensuring that all its properties are well maintained and safe and secure, matching up to all relevant regulations, standards and good practice.*

The Charity's main goals are:

- To be a 'changemaker' for community renewal - By delivering innovative, yet practical, solutions it will be one of the City's key partners in delivering community renewal.
- To be financially sustainable - Generating an annual net surplus without relying on public grant.
- To be independent - Having an external funding base that is not dominated or influenced by one source.
- To have excellent Environmental, Social & Governance credentials - Matching UN Sustainable Development Goals, adopting best practice, gaining accreditations and becoming carbon neutral by 2030.

Public benefit

The Trustees have referred to the guidance in the Charity Commission's general guidance on public benefit when reviewing their aim and objectives and in planning their future activities. In particular, the Trustees consider how planned activities will contribute to the aim and objectives they have set.

In 2024-25, the Charity continued to provide a significant public benefit to the communities within the Charity's area of operation.

ADVANCE NOTTINGHAM LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Annual review

Overview:

In 2024/25, the Charity made a significant contribution to supporting the business and voluntary sector, and the communities they serve. Even considering the challenging times – the global turbulence, an economic depression, higher utility costs, the cost-of-living crisis and the removal of City Council grants – it continued to make an impact, locally, by managing its places and spaces effectively, combining its own resources with grant funding to support a range of local voluntary and community groups.

Supporting Communities

Following the demise of City Council funding through the Area Based Grant (ABG), the Charity's work underwent a major transition from programme co-ordination through to project delivery. That said, the Charity still secured its role as a major Holiday Activity Fund Co-ordinator for 2024/25.

Holiday Activity Fund (HAF) Programme:

The HAF programme is funded by the Department for Education for tackling holiday hunger, targeting the support towards low-income households with children eligible for Free School Meals. In 2024/25, the Charity successfully secured £160,872 of grant from the HAF allocation. Through partnership agreements with 10 trusted delivery partners, alongside its own delivery from Haydn Road Pavilion & Sportsground, it organised and delivered 320hrs of holiday provision, across 16 points of delivery and provided over 5,000 free meals to some of our city's most vulnerable families.

Haydn Road Heritage Project:

Following a funding application process with the National Lottery Heritage Fund, the Charity was successful in being awarded a grant of £50k to uncover the rich sporting and cultural past of the Haydn Road Pavilion & Sports Ground. The Charity is now looking forward to work with local residents, volunteers, historians and other stakeholders to develop and deliver a heritage-themed community project, exploring the sporting and social history of the pavilion and sportsground. With key outcomes including raising the profile of the site through social media channels; establishing a Friends of Haydn Rd Pavilion; creating of a multimedia exhibition; developing of an Oral History archive; and delivering a Centenary Celebration Event in 2026.

Redeveloping Haydn Road Pavilion & Sportsground:

Through its developing relationship with Nottinghamshire County Cricket Club, the Charity is now in detailed discussions with Sport England (and their agents) on the development of Haydn Road Pavilion & Sports Ground. As part of this process, Sport England commissioned a 5 Year Business & Investment Plan, which was completed in November 2024 by Sporting Assets. The Charity is now having dialogue with them on other potential funding opportunities.

The Charity's previous work around health and wellbeing, along with its developing community-based sporting facility at Haydn Road, has been recognised by the Nottingham City Placed Based Partnership. This strategic health and wellbeing partnership invited the Charity to play a leading role in its new Integrated Neighbourhood Working Group. Hopefully, some of its knowledge and intelligence can be included into new ways of working that are more user-led, rather than service-orientated.

Redundant Library Programme:

Nottingham City Councils Library Review in 2024 resulted in 3 library buildings – Aspley, Basford and Bilborough – being identified as redundant and surplus to requirements. Following consultation with key stakeholders, the Charity was asked to submit an Expression of Interest to take forward the management of these iconic facilities.

In January 2025, the Charity was recognised as the City Council's preferred partner, and since then it has worked on developing strategic partnerships to take forward all 3 library buildings. These partnerships with such bodies as Citizens Advice Service, Nottingham CVS, The Bestwood Partnership, The Toy Library, and Belong Nottingham signals a new role for these library buildings, transforming them into much needed community hubs.

ADVANCE NOTTINGHAM LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Managing Properties

The Charity, through its trading arm (Castle Cavendish Limited), continued to manage its property base through tough economic conditions and an increasing cost base. The role of remote/hybrid working has ensured that our business centres - Castle Cavendish Works & Castle Cavendish Enterprise Centre – have had to change and have had to deal with high levels of churn. In particular, Castle Cavendish Works has suffered the most and with larger than required office space offerings being undermined by City Centre competitors.

Although these business centres match up to the needs and priorities of most small businesses, it was felt right that they should also respond to the developing Environment, Social and Governance (ESG) agenda. Following the formal launch of Castle Cavendish Works as Nottingham's Ethical Business Centre in 2022, it adopted a range of measures in the way that it operated. This put in place new policies that supports its ethical stance: how it selects new business tenants with a social purpose; how it procures supplies from local sources; how it tries to reduce its environmental impact; and how it expects businesses to act with each other. All with the focus of achieving the triple bottom line of social, environmental and financial returns.

This work has culminated with the formation of 'The Good Ethical Standard'. This Standard sets out 10 key principles in how a building should be managed in an ethical way, ensuring good policy and practice. This was formally launched in April 2024 by Lillian Greenwood MP. Importantly, a key component of The Good Ethical Standard is to reduce the negative impact on the environment. Steps are now being taken to minimise energy usage, water consumption, waste and CO2 emissions, whilst switching to sustainable products and materials and promoting sustainable transport. The new Cycle Shelters, EV charging points, the EV van and the conversion to renewable energy rates are notable signs of progress in the quest to achieve Net Zero.

In regard to the other properties, high occupancy levels continued to be seen. Tennyson Hall, a renovated Victorian school, is currently 100% occupied by 2 VCS Organisations - Belong and Signpost to Polish Success - who have both benefited from the Charity's patronage and who have secured future grant from national funders. Close nearby on Alfreton Road, the Charity's retail units make up a very impressive shopping parade. Through refurbishment of the Boden Street unit, the parade is now 88% occupied at the time of writing.

In March 2024, the Charity also took possession of Forest Fields Play Centre from the City Council on a 'Tenancy at Will' basis. It is now working with a local VCS partner – Take 1 Studios – in supporting young people that have been, or are close to, excluded from mainstream education.

In order to understand the value of its property portfolio, the Charity commissioned a new Valuation Report in November 2024. This was undertaken by Musson Liggins and re-set our current values for each of the Charity's properties. Details of which can be seen in Note 13. In effect, this recalculates the total property value from £1,548,052 to £2,330,000.

Financial Review

The charity incurred an operating deficit of £147,163 during the year ended 31 March 2025 and, as of that date, the charity's current net assets were £826,996, with free reserves of £754,772 prior to the net gain on investments of £781,948. However, this includes £950,000 in relation to a property held for sale and means that cash flow is restricted and is monitored on a daily basis.

In order to assist cashflow, an additional loan has been taken out after the year end as indicated in note 30.

ADVANCE NOTTINGHAM LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Plans for future periods

As we progress through these challenging times, the Charity realised that a fundamental shift in its future direction was required. As well as being 'asset rich and cash poor', Trustees recognised 2 key drivers for change:

- Firstly, the realisation that market competition is rapidly affecting the business offer presented by Castle Cavendish Works; and
- Secondly, the opportunity that presents itself to take forward the library buildings, to use our track record and expertise to save them, to redevelop them and to create much need community hubs for the most marginalised and vulnerable in Nottingham's most deprived areas.

As a result, the Charity revised its Strategic Prospectus (see Page 1) and, in order to fulfil its new ambitions and aspirations, took the significant step of agreeing to dispose of Castle Cavendish Works.

It is anticipated that the sale of Castle Cavendish Works will provide a significant capital receipt that will increase the level of unrestricted funds. This will improve the liquidity of the Charity's Balance Sheet, as well as enable the Charity to fund some of the redevelopment and transition costs of taking forward the library buildings.

Importantly, this new direction focused on developing library buildings into community hubs is at the forefront of current policy within public sector partners and civil society. This growing momentum has gained further traction having been identified as a key way of developing social capital within the Final Report of the Inclusive Growth Commission (Sept 2025) set up by the East Midlands Combined County Authority (EMCCA). With this in mind, it is anticipated that future grant funding should be attainable.

As well as taking forward the library buildings through robust business plans and new income streams, the Charity will continue to manage its property portfolio supporting local businesses to deliver their products and services and hosting social purpose type organisations and voluntary sector bodies. It will also continue to deliver a programme focused on Out-of-Term Children & Young People sessions, funded by the Holiday Activity Fund and the Haydn Road Heritage Project, funded by the National Lottery Heritage Fund.

In regard to the Haydn Road Pavilion & Sportsground, we will continue to explore potential funding streams, such as Sport England, on implementing our redevelopment aspirations contained in the Business & Investment Plan.

Structure, governance and management

Advance Nottingham (formerly Castle Cavendish Foundation) is a company limited by guarantee governed by its Memorandum and Articles of Association as amended on 21st May 2025. It is registered as a Charity with the Charity Commission. Anyone over the age of 16 can become a member of the Company, each of whom agrees to contribute a maximum of £1 in the event of the Charity winding-up.

COMPANY REGISTRATION NO. The company registration number is 04209702.
CHARITY REGISTRATION NO. The company is also registered with the Charity Commission.
The registration number is 1119003.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

A M Atherton
P Begum
M S J Khan
J P Ludditt
Z Powers
N Rebecchi
B Sahin
J A R Ydlibi
F Gambanga

During 2024/25, Mark Spouge, John Ydlibi and Dave Brennan acted as non-executive directors of the trading arm (CCL).

ADVANCE NOTTINGHAM LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Organisational structure

Advance Nottingham (the Charity) has a Board of Trustees that governs and administers the organisation. Up to 15 Trustees are allowed on the Board at any one time. The Board meets every 6-8 weeks and has the ability to appoint a Chief Executive to manage the day-to-day operations of the organisation. To facilitate effective operations, the Chief Executive has delegated authority, within terms of delegation approved by the Trustees, for operational matters including finance and human resources.

The Charity has established a wholly owned trading subsidiary, Castle Cavendish Limited (the Trading Arm). This is administered by non-executive directors, and operates on a commercial basis to maximise income, which is then donated through to the Charity.

Delivering Good Governance:

In terms of governance, the Board of Trustees met throughout the year, and made a number of key decisions. Here are just a few of them:

- In May 2024, the Board agreed a Proposed Business Plan for 2024-25, along with a Draft Asset Investment Plan.
- In July 2024, the Board reviewed and agreed the 2024/25 Community Programme.
- In September 2024, the Board approved the Draft Consolidated Accounts & Trustees Report for 2023-24 and undertook a financial scenario planning exercise for the remainder of the year.
- In November 2024, the Board supported the idea of taking forward the redundant library buildings.
- In November, the Charity also held its Annual General Meeting, where the Charity's Company Accounts were passed, following the Audit by Rogers Spencer.
- In January 2025, the Board agreed to re-orientate its property base, dispose of Castle Cavendish Works and refresh its strategic direction.
- In March 2025, the Board agreed an outline financial plan for 2025-26.

The trustees' report was approved by the Board of Trustees.



.....
M S J Khan
Trustee

Date: 18/12/2025
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ADVANCE NOTTINGHAM LTD

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF ADVANCE NOTTINGHAM LTD

I report to the trustees on my examination of the financial statements of Advance Nottingham Ltd (the charity) for the year ended 31 March 2025.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law), you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006.

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

Independent examiner's statement

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 that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the Companies Act 2006.
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the Companies Act 2006 other than any requirement that the financial statements give a true and fair view, which is not a matter considered as part of an independent examination; or
- 4 the financial statements 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 financial statements 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 financial statements to be reached.



Melvin Bailey FCCA DChA

Rogers Spencer
Newstead House
Pelham Road
Nottingham

NG5 1AP

Date: 18/12/25

ADVANCE NOTTINGHAM LTD

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Income from:							
Donations and grants	3	10	161,046	161,056	24,239	423,305	447,544
Total income		10	161,046	161,056	24,239	423,305	447,544
Expenditure on:							
Raising funds	4	1,200	4,236	5,436	1,279	-	1,279
Charitable activities	5	149,563	153,220	302,783	137,296	385,006	522,302
Total expenditure		150,763	157,456	308,219	138,575	385,006	523,581
Net gains/(losses) on investments	11	781,948	-	781,948	-	-	-
Net income/(expenditure)		631,195	3,590	634,785	(114,336)	38,299	(76,037)
Transfers between funds		22,209	(22,209)	-	98,446	(98,446)	-
Net movement in funds	8	653,404	(18,619)	634,785	(15,890)	(60,147)	(76,037)
Reconciliation of funds:							
Fund balances at 1 April 2024		1,493,685	18,619	1,512,304	1,509,575	78,766	1,588,341
Fund balances at 31 March 2025		2,147,089	-	2,147,089	1,493,685	18,619	1,512,304

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

ADVANCE NOTTINGHAM LTD

BALANCE SHEET

AS AT 31 MARCH 2025

	Notes	2025		2024	
		£	£	£	£
Fixed assets					
Tangible assets	13		12,217		18,766
Investment property	14		1,380,000		1,548,052
Investments	15		100		100
			<u>1,392,317</u>		<u>1,566,918</u>
Current assets					
Debtors	16	150		54,302	
Investments	17	950,000		-	
Cash at bank and in hand		242		18,390	
		<u>950,392</u>		<u>72,692</u>	
Creditors: amounts falling due within one year	19	<u>(123,396)</u>		<u>(39,628)</u>	
Net current assets			<u>826,996</u>		<u>33,064</u>
Total assets less current liabilities			<u>2,219,313</u>		<u>1,599,982</u>
Creditors: amounts falling due after more than one year	20		<u>(72,224)</u>		<u>(87,678)</u>
Net assets			<u>2,147,089</u>		<u>1,512,304</u>
The funds of the charity					
Restricted funds	23		-		18,619
Unrestricted funds	24		2,147,089		1,493,685
			<u>2,147,089</u>		<u>1,512,304</u>


The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2025.

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

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the trustees on 17/12/2025


.....
M S J Khan
Trustee

Company registration number 04209702 (England and Wales)

ADVANCE NOTTINGHAM LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

Charity information

Advance Nottingham Ltd is a private company limited by guarantee incorporated in England and Wales. The registered office is Castle Cavendish Works, Dorking Road, Nottingham, NG7 5PN.

1.1 Basis of preparation

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "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 charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

These financial statements are prepared on the going concern basis. The trustees have a reasonable expectation that the charity will continue in operational existence for the foreseeable future.

The charity incurred an operating deficit of £147,163 during the year ended 31 March 2025 and, as of that date, the charity's current net assets were £826,996, with free reserves of £754,772 prior to the net gain on investments of £781,948. This includes £950,000 in relation to a property held for sale at the balance sheet date, which is mentioned below.

The sale of Castle Cavendish Works in December 2025 will provide a significant capital receipt that will increase the level of unrestricted funds. This will improve the liquidity of the Charity's Balance Sheet, as well as enable the Charity to fund some of the redevelopment and transition costs of taking forward the library buildings.

In order to assist cashflow until the sale, an additional loan has been taken out after the year end as indicated in note 30.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

ADVANCE NOTTINGHAM LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

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 grant have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Gifts in kind donated are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

All capital grants received in respect of any depreciated assets are credited to the deferred income and amortised to the profit and loss account over the useful economic life of the assets to which they relate.

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.

1.5 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of the resources.

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by the following activities:

- Costs of raising funds comprise the promotional costs to the charity
- Expenditure on charitable activities - includes all costs undertaken to further the purposes of the charity and their associated support costs, including costs of governance.

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

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at the lower of cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	15% Straight Line
Computers	33.33% Straight Line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

Where fair value cannot be achieved without undue cost or effort, investment property is accounted for as tangible fixed assets.

ADVANCE NOTTINGHAM LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Taxation

The Trust is a registered Charity and is exempt from taxation.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

ADVANCE NOTTINGHAM LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

2 Critical accounting estimates and judgements

In the application of the charity'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 underlying 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 the revision and future periods where the revision affects both current and future periods.

3 Income from donations and grants

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Donations	10	174	184	24,239	-	24,239
Grants	-	160,872	160,872	-	423,305	423,305
	<u>10</u>	<u>161,046</u>	<u>161,056</u>	<u>24,239</u>	<u>423,305</u>	<u>447,544</u>
Grants						
Area Based Grant - Area 2	-	-	-	-	116,891	116,891
Area Based Grant - Area 4	-	-	-	-	96,259	96,259
Area Based Grant - Area 5	-	-	-	-	84,587	84,587
Holiday Activity Fund	-	160,872	160,872	-	111,143	111,143
Community Vaccine Champions	-	-	-	-	3,990	3,990
NCC Ward Councillors Budget	-	-	-	-	10,435	10,435
	<u>-</u>	<u>160,872</u>	<u>160,872</u>	<u>-</u>	<u>423,305</u>	<u>423,305</u>

4 Expenditure on raising funds

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Fundraising and publicity						
Advertising and promotion	1,200	4,236	5,436	1,279	-	1,279
	<u>1,200</u>	<u>4,236</u>	<u>5,436</u>	<u>1,279</u>	<u>-</u>	<u>1,279</u>

ADVANCE NOTTINGHAM LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

5 Expenditure on charitable activities

	2025 £	2024 £
Staff costs	94,706	94,660
Depreciation and impairment	7,214	6,883
Insurance	17,183	6,215
Repairs & maintenance	9,940	8,773
Printing, postage & stationery	1,524	1,067
Telephone	180	(17)
Computer maintenance & support	357	1,020
Travelling expenses	63	176
Legal & professional fees	20,809	2,587
Accountancy fees	2,454	-
Bank charges	2,282	10
Refreshments	100	153
Sundry expenses	384	499
Irrecoverable VAT	9,144	6,250
Grant payments	101,348	344,114
Non-bank interest on loans	5,793	4,084
	<u>273,481</u>	<u>476,474</u>
Share of support and governance costs (see note 7)		
Governance	29,302	45,828
	<u>302,783</u>	<u>522,302</u>
Analysis by fund		
Unrestricted funds	149,563	137,296
Restricted funds	153,220	385,006
	<u>302,783</u>	<u>522,302</u>

ADVANCE NOTTINGHAM LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

6 Grants payable

	Restricted grants 2025 £	Restricted grants 2024 £
Grants were awarded to the following organisations during the year:		
Take 1 Studios	7,500	5,540
Signpost to Polish Success	-	8,500
Notts Club for Young People	16,320	16,063
The Lenton Centre	-	5,950
Switch Up CIC	-	7,940
Greenfields Community School	-	600
Growing Forward CIC	-	1,600
Hyson Green Youth Club	10,000	17,000
Building Bridges Breaking Barriers	-	7,180
East African Education Centre	-	3,000
Chayah Development Project	10,640	5,525
Communities Unite	-	1,476
Freedom Foundation	5,000	2,500
Helping Kids Achieve	-	5,352
Basford Rd Baptist Church	-	200
The Toy Library	27,536	94,516
Edwards Lane	-	1,925
Support Through Sport	6,786	7,180
Empleo	-	8,450
Notts County Football in the Community	-	22,342
Community Based Fitness	-	4,625
Sherwood Playgroup	-	5,700
Belong	-	29,750
Hoop Dreams Basketball Club	-	4,000
AJ Sports	-	7,180
Wild Things	-	8,700
The Bridges Community Trust	-	16,660
The Bestwood Partnership	-	18,245
Djanogly Lettings	-	940
AKA Health Wealth & Oneness	13,516	12,000
Nottingham Health & Education Centre	-	7,000
Nottingham Forest Community Trust	-	6,475
Ellivision UK Movement	2,820	-
Nottinghamshire County Cricket Club	900	-
Table Tennis England	330	-
	<u>101,348</u>	<u>344,114</u>

ADVANCE NOTTINGHAM LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

7 Governance costs

	2025 £	2024 £
Staff costs	24,502	36,812
Audit fees	-	9,016
Independent examination fees	4,800	-
	<u>29,302</u>	<u>45,828</u>

8 Net movement in funds

	2025 £	2024 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the independent examination / audit of the charity's financial statements	4,800	9,016
Depreciation of owned tangible fixed assets	7,214	6,883
	<u>12,014</u>	<u>15,900</u>

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

10 Employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
	2	3
	<u>2</u>	<u>3</u>

Employment costs

	2025 £	2024 £
Wages and salaries	105,921	115,904
Social security costs	9,229	10,900
Other pension costs	4,059	4,668
	<u>119,209</u>	<u>131,472</u>

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

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

	2025 £	2024 £
Aggregate compensation	49,004	53,509
	<u>49,004</u>	<u>53,509</u>

ADVANCE NOTTINGHAM LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

11 Gains and losses on investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Gains/(losses) arising on:		
Revaluation of investment properties	781,948	-

12 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

13 Tangible fixed assets

	Fixtures and fittings £	Computers £	Total £
Cost			
At 1 April 2024	104,476	19,024	123,500
Additions	-	665	665
At 31 March 2025	104,476	19,689	124,165
Depreciation and impairment			
At 1 April 2024	85,861	18,873	104,734
Depreciation charged in the year	6,915	299	7,214
At 31 March 2025	92,776	19,172	111,948
Carrying amount			
At 31 March 2025	11,700	517	12,217
At 31 March 2024	18,615	151	18,766

14 Investment property

	2025 £
Fair value	
At 1 April 2024	1,548,052
Transfers to held for sale	(950,000)
Net gains or losses through fair value adjustments	781,948
At 31 March 2025	1,380,000

ADVANCE NOTTINGHAM LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

14 Investment property

(Continued)

Investment property comprises of five premises - Castle Cavendish Works, Castle Cavendish Enterprise Centre, Alfreton Road Retail Parade, Tennyson Hall and Haydn Road Pavilion & Sportsground. The fair value of the latter four investment properties has been arrived at on the basis of a valuation carried out in November 2024 by Musson Liggins Limited (Chartered Surveyors), who are not connected with the Charity. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties. The value of Castle Cavendish Works is the amount it was sold for at auction in December 2025. Values are as below:

Castle Cavendish Works	£950,000
Castle Cavendish Enterprise Centre	£680,000
Tennyson Hall	£520,000
Alfreton Road	£130,000
Haydn Road Pavilion & Sportsground	£50,000
Total Property Valuation	£2,330,000

The value of Castle Cavendish Works of £950,000 has been transferred to current assets as this was sold post year end.

15 Fixed asset investments

	Other investments £
Cost or valuation	
At 1 April 2024 & 31 March 2025	100
Carrying amount	
At 31 March 2025	100
At 31 March 2024	100

	Notes	2025 £	2024 £
Other investments comprise:			
Investments in subsidiaries	27	100	100

16 Debtors

	2025 £	2024 £
Amounts falling due within one year:		
Trade debtors	-	3,499
Amounts owed by subsidiary undertakings	-	23,532
Other debtors	150	27,270
	150	54,302

ADVANCE NOTTINGHAM LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

17 Current asset investments

	2025 £	2024 £
Investment property	950,000	-

18 Loans and overdrafts

	2025 £	2024 £
Bank overdrafts	50,738	-
Bank loans	90,181	99,719
	<u>140,919</u>	<u>99,719</u>
Payable within one year	68,695	12,041
Payable after one year	72,224	87,678

The bank loans and overdrafts are secured by way of a legal charged dated 2 June 2016 over the Castle Cavendish Works property and a debenture dated 25 January 2016 over all assets of the company.

19 Creditors: amounts falling due within one year

	Notes	2025 £	2024 £
Bank loans and overdrafts	18	68,695	12,041
Other taxation and social security		-	772
Deferred government grants	21	36,824	-
Trade creditors		5,839	19,565
Amounts owed to subsidiary undertakings		5,398	-
Other creditors		1,840	-
Accruals		4,800	7,250
		<u>123,396</u>	<u>39,628</u>

20 Creditors: amounts falling due after more than one year

	Notes	2025 £	2024 £
Bank loans	18	72,224	87,678

21 Government grants

Deferred income, relating to government grants received within the financial period relating to future periods, is included in the financial statements as follows:

ADVANCE NOTTINGHAM LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

21 Government grants (Continued)

	2025 £	2024 £
Deferred income is included within:		
Current liabilities	36,824	-
Movements in the year:		
Deferred income at 1 April 2024	-	-
Resources deferred in the year	36,824	-
Deferred income at 31 March 2025	36,824	-

22 Retirement benefit schemes

	2025 £	2024 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	4,059	4,668

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

23 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 April 2024 £	Incoming resources £	Resources expended £	Transfers £	At 31 March 2025 £
Holiday Activity Fund	18,619	161,046	(157,456)	(22,209)	-
Previous year:	At 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	At 31 March 2024 £
Area Based Grants (Areas 2, 4 & 5)	68,061	297,737	(272,432)	(93,366)	-
Holiday Activity Fund	1,540	111,143	(94,064)	-	18,619
Community Vaccine Champions	9,165	3,990	(8,075)	(5,080)	-
NCC Ward Councillors Budget	-	10,435	(10,435)	-	-
	78,766	423,305	(385,006)	(98,446)	18,619

ADVANCE NOTTINGHAM LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

23 Restricted funds

(Continued)

Area Based Grants

Nottingham City Council provided grant funding to cover Areas 2, 4 & 5's ABG Programmes that funded the associated costs of delivering a range of community-based activities that supported children & young people, trained and supported people into work, supported the elderly and most vulnerable, and supported the growth and development of the local community and voluntary sector.

Community Vaccine Champion

The Community Vaccine Champions funding was from Nottingham City Council with the aim of supporting the delivery of innovative approaches to engaging members of the community to increase the uptake of vaccinations and to proactively address health inequalities.

Holiday Activity Fund

This is a City-wide programme supported by the Department of Education's Holiday Activity & Food Programme, which is aimed at tackling child hunger during the school holidays. The programme is focused on providing free activities and food for children in receipt of free school meals and is delivered in partnership with Play & Youth community partners.

NCC Ward Councillors Budget

This funding came from the budget held by Ward Councillors of Nottingham City Council. It was awarded to support additional youth provision in the Berridge and Sherwood wards and at the Edwards Lane Community Centre.

24 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2024 £	Incoming resources £	Resources expended £	Transfers £	Gains and losses £	At 31 March 2025 £
General funds	1,493,685	10	(150,763)	22,209	781,948	2,147,089
Previous year:	At 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	Gains and losses £	At 31 March 2024 £
General funds	1,509,575	24,239	(138,575)	98,446	-	1,493,685

ADVANCE NOTTINGHAM LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

25 Analysis of net assets between funds

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £
At 31 March 2025:			
Tangible assets	12,217	-	12,217
Investment properties	1,380,000	-	1,380,000
Investments	100	-	100
Current assets/(liabilities)	826,996	-	826,996
Long term liabilities	(72,224)	-	(72,224)
	<u>2,147,089</u>	<u>-</u>	<u>2,147,089</u>
	<u>2,147,089</u>	<u>-</u>	<u>2,147,089</u>
	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
At 31 March 2024:			
Tangible assets	18,766	-	18,766
Investment properties	1,548,052	-	1,548,052
Investments	100	-	100
Current assets/(liabilities)	14,445	18,619	33,064
Long term liabilities	(87,678)	-	(87,678)
	<u>1,493,685</u>	<u>18,619</u>	<u>1,512,304</u>
	<u>1,493,685</u>	<u>18,619</u>	<u>1,512,304</u>

26 Operating lease commitments

Lessee

The below includes an annual charge payable of £63,885 on a 125-year lease to 8 October 2131 with Nottingham City Council. The total amount payable is therefore £7m.

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2025 £	2024 £
Within one year	2,697	4,367
Between two and five years	-	2,547
In over five years	63,885	63,885
	<u>66,582</u>	<u>70,799</u>
	<u>66,582</u>	<u>70,799</u>

ADVANCE NOTTINGHAM LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

27 Subsidiaries

These financial statements are separate charity financial statements for Castle Cavendish Limited.

The Charity owns the whole of the issued ordinary share capital of Castle Cavendish Limited, a company registered in England & Wales, company number 06113675.

Details of the charity's subsidiaries at 31 March 2025 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Castle Cavendish Ltd	United Kingdom	Management of real estate on a fee or contract basis	Ordinary	100.00	

The aggregate capital and reserves and the result for the year of subsidiaries excluded from consolidation was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£
Castle Cavendish Ltd	(12,960)	(6,460)

ADVANCE NOTTINGHAM LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

28 Related party transactions

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

During the year, various transactions took place between Advance Nottingham Ltd and Castle Cavendish Limited, a wholly owned subsidiary. There were also two related party transactions outside of the group.

The subsidiary is a trading arm of Advance Nottingham Ltd and commercially manages its property portfolio, receiving income from property rentals, conference bookings, training sessions and room hire, whilst also acting as agent for the management of the rest of the investment property portfolio.

At the balance sheet date £5,398 was owed to (2024: £23,532 owed from) Castle Cavendish Limited from Advance Nottingham Ltd .

During the year, Castle Cavendish Limited has donated profits totalling £nil (2024: £24,239). £Nil (2024: £24,239) of this remains due to Advance Nottingham Ltd at the balance sheet date, in addition to the above amounts.

Z Powers, who is a trustee of Advance Nottingham Ltd , provides marketing services through his business Altermata. This company provided marketing support to Castle Cavendish Limited and Advance Nottingham Ltd during the year totalling £638 (2024: £638).

Indemnity insurance was purchased relating to Castle Cavendish Limited totalling £7,030, with £65 of insurance for Advance Nottingham Ltd being purchased by Castle Cavendish Limited.

ADVANCE NOTTINGHAM LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

29 Analysis of changes in net (debt)/funds

	At 1 April 2024	Cash flows	At 31 March 2025
	£	£	£
Cash at bank and in hand	18,390	(18,148)	242
Bank overdrafts	-	(50,738)	(50,738)
	<u>18,390</u>	<u>(68,886)</u>	<u>(50,496)</u>
Loans falling due within one year	(12,041)	(5,916)	(17,957)
Loans falling due after more than one year	(87,678)	15,454	(72,224)
	<u>(81,329)</u>	<u>(59,348)</u>	<u>(140,677)</u>

30 Post balance sheet event

The charity took on a new loan of £240,000 after the year end which is secured on the properties. This loan will initially be used to repay the existing loan of £90,181 shown in note 18 of these financial statements.

Advance Nottingham

England & Wales - Charity number 1119003

Accounts

CASTLE CAVENDISH FOUNDATION

(A company limited by guarantee)

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2024

**CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2024**

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CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)

TRUSTEES' ANNUAL REPORT

The Trustees, who are also directors of the charity for the purposes of the Companies Act, submit their annual report and the audited financial statements for the year ended 31 March 2024. The Trustees have opted to prepare the accounts using the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) and follow the Charities SORP (FRS 102).

1. GOVERNING DOCUMENT

Castle Cavendish Foundation is a company limited by guarantee governed by its Memorandum and Articles of Association as amended on 15th November 2023. It is registered as a Charity with the Charity Commission. Anyone over the age of 16 can become a member of the Company, each of whom agrees to contribute a maximum of £1 in the event of the Charity winding-up.

COMPANY REGISTRATION NO. The company registration number is 04209702.

CHARITY REGISTRATION NO. The company is also registered with the Charity Commission. The registration number is 1119003.

2. ORGANISATIONAL STRUCTURE

Castle Cavendish Foundation (the Charity) has a Board of Trustees that governs and administers the organisation. Up to 15 Trustees are allowed on the Board at any one time. The Board meets every 6 weeks, and has the ability to appoint a Chief Executive to manage the day-to-day operations of the organisation. To facilitate effective operations, the Chief Executive has delegated authority, within terms of delegation approved by the Trustees, for operational matters including finance and human resources.

The Charity has established a wholly owned trading subsidiary, Castle Cavendish Limited (the Trading Arm). This is administered by non-executive directors, and operates on a commercial basis to maximise income, which is then donated through to the Charity.

3. PUBLIC BENEFIT

The Trustees have referred to the guidance in the Charity Commission's general guidance on public benefit when reviewing their aim and objectives and in planning their future activities. In particular, the Trustees consider how planned activities will contribute to the aim and objectives they have set.

In 2023-24, Castle Cavendish continued to provide a significant public benefit to the communities within the Charity's area of operation.

4. MISSION & KEY AIMS & OBJECTIVES

Castle Cavendish is a 'not for profit' organisation and certified social enterprise. It sees itself as a social impact company supporting some of the most diverse and disadvantaged communities of Nottingham. Its mission is to improve people's lives by supporting the voluntary and business sectors to grow and develop in an ethical and sustainable way.

We believe that working with local communities and businesses to help them build their capacity, capability and resilience is vital if we are to tackle societal challenges, achieve a just transition to Net Zero and help us progress as a society in a way that reduces inequality and leads to better work and healthier, happier lives.

**CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)**

TRUSTEES' ANNUAL REPORT

5. TRUSTEES

Members of the Board of Trustees and also directors for company law purposes. The Trustees during the year ended 31 March 2024 were as follows:

Mark Spouge	(Retired 15 th November 2023)
Shoaib Khan	(Chair)
Parveen Begum	
Zane Powers	
Jay Ludditt	
Fadzai Gambanga	
John Ydlibi	
Bengisu Sahin	
Natalie Rebecchi	(Appointed 15 th November 2023)
Andrew Atherton	(Appointed 31 st January 2024)

During 2023/24, Craig Elder, John Ydlibi and Dave Brennan acted as non-executive directors of the trading arm (CCL). Mark Spouge was appointed as a non-executive director on 24th January 2024.

6. PRINCIPAL OFFICE

The principal office is Castle Cavendish Works, Dorking Road, Radford, Nottingham, NG7 5PN.

7. RELEVANT ORGANISATIONS

Bankers

Natwest Plc
536 Valley Road
Basford
Nottingham
NG5 1LF

Auditors

Rogers Spencer
Newstead House
Pelham Road
Nottingham
NG5 1AP

CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)

TRUSTEES' ANNUAL REPORT

8. ANNUAL REVIEW

Overview:

In 2023/24 Castle Cavendish made a significant contribution to supporting the organisations and communities it serves. Even considering the challenging times – the global turbulence, an economic depression, higher utility costs and the cost-of-living crisis - we have continued to make an impact, locally, by managing our places and spaces effectively, generating a net surplus, and combining our resources with grant funding to support a range of local voluntary and community groups.

Supporting our Communities

As in previous years, a large proportion of our external funding has been provided by Nottingham City Council, via the Area Based Grant (ABG). Unfortunately, this suffered a further reduction in 2023/24. Yet despite this, we have continued to work effectively with our trusted delivery partners to achieve a level of outputs that has delivered real outcomes for our communities.

Children & Young People:

There has been continued focus on supporting activities for Children and Young People (C&YP). Last year, we were able to work with 23 trusted VCS delivery partners to provide more "things to do and places to go" for local C&YP than ever before. From youth groups, playschemes, sports clubs and physical activity sessions to forestry schools, dance classes, fitness boot camps and much more, we developed and supported 33 x Play (for 5-11 yr olds) or Youth (for 11-17 yr olds) projects across the city, offering an unmatched range of out-of-school activities for C&YP throughout school term-times.

Complementing this has been our support for families over the school holidays through the Holiday Activity & Food (HAF) programme. The HAF programme is funded by the Department for Education for tackling holiday hunger, targeting the support towards low-income households with children eligible for Free School Meals. Once again, by working closely with our trusted VCS partners we have delivered over 560 hrs of holiday provision and over 3,620 free meals to some of our city's most vulnerable families.

Employment & Skills:

Also seen as a top priority is supporting local jobseekers to overcome problems of poor literacy and numeracy, enhance their language and IT skills, and access training opportunities designed to help improve their employment prospects. We have therefore worked closely with several specialist VCS providers, utilising ABG funding as match, enabling them to access European Social Funding (ESF) and deliver a high-quality intensive support offer for 16-24 yr olds. Overall, 136 local jobseekers have been supported into sustainable, long-term employment of 6 months or more.

We also worked in partnership to deliver a range of open access weekly "Work Clubs" from the network of local libraries. These sessions provide both group and 1-2-1 support for local jobseekers not eligible for the ESF supported projects and were able to support a further 230 local jobseekers, with many moving on into work, training or education.

Alongside this, we also offered a range of accredited and informal ESOL (English for Speakers of Other Languages) classes, IT literacy courses, a community Jobs Fair and various other initiatives that all helped local communities overcome their barriers to employment.

Health & Wellbeing:

Last year saw a further emphasis of our work towards improving the health and wellbeing of our residents. We successfully secured additional grant funding from Nottingham City Council to support a range of health and wellbeing activities, using this funding to support our trusted VCS delivery partners that are embedded within those communities to develop a number of unique and innovative projects, including: seated exercise classes; walking football; bespoke community cricket and netball projects; community eating projects; creative arts sessions; along with projects that helped people access local parks, green spaces and nature reserves.

All these activities were particularly successful in helping those with limited mobility, loneliness and isolation, social anxiety and other low-level mental health issues to improve their overall health and wellbeing.

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TRUSTEES' ANNUAL REPORT

8. ANNUAL REVIEW (continued)

Community Group Support:

We also provided bespoke advice and support for 42 local community groups over the last year. This ranged from responding to questions and queries over governance and procedural matters, to providing more in-depth support and guidance enabling them to draft up a working constitution, guide them through the CIO, CIC or Charitable Trust application process and/or support them in bidding for funds.

Indeed, we assisted and supported several local VCS groups to access funding, including: Signpost to Polish Success (SPS) who were awarded £249k from the National Lottery Community Fund; Nottingham Health Education Support (NHES) who were awarded a £45k grant from BBC Children in Need; and The Lenton Centre was successful in applying for £147k from the Governments Community Ownership Fund to repair the Centres roof.

Managing our Properties

Castle Cavendish, through its trading arm (Castle Cavendish Ltd), continued to manage its property base through tough economic conditions. Although the post-pandemic world and the economic downturn had led to temporary reduction in occupancy rates, this has now been reversed. The increasing role of remote/hybrid working has ensured that our business centres - Castle Cavendish Works & Castle Cavendish Enterprise Centre - provide the right flexible approach, with easy-in and easy out terms. Both business centres now having occupancy rates over 90%. Alongside this has been the increasing use of our meeting spaces, with the hustle and bustle of our communal areas once again making them ideal places to do business. Recently, we also launched a new Business Assist Membership that provides a small business with all the things they need, without actually renting a physical office space.

Although our business centres are matching up to business needs and priorities, it was also felt right that Castle Cavendish should also respond to the developing Environment, Social and Governance (ESG) agenda. Following the formal launch of Castle Cavendish Works as Nottingham's Ethical Business Centre in 2022, we have adopted a range of measures in the way we operate and manage our facilities. This puts in place new policies that supports our ethical stance: how we select new business tenants with a social purpose; how we procure our supplies from local sources; how we try to reduce our environmental impact; how we support B2B workshops; and how we expect our businesses to act and operate with each other. All with the focus of achieving the triple bottom line of social, environmental and financial returns. This has now culminated with 'The Good Ethical Standard', which was formally launched in April 2024 by Lillian Greenwood MP. This Standard sets out 10 key principles in how we manage our buildings in an ethical way, ensuring good policy and practice in the way that we do things.

Importantly, a key component of The Good Ethical Standard is to reduce our negative impact on the environment. We are now taking steps to minimise our energy usage, water consumption, waste and CO2 emissions, whilst switching to sustainable products and materials and promoting sustainable transport. Our Cycle Shelters, our EV charging points, our electric van and the conversion to 75% renewable energy rates are notable signs of progress in our quest to achieve Net Zero.

In regards our other properties, we have continued to see high occupancy levels. Tennyson Hall, a renovated Victorian school, is currently 100% occupied by 2 VCS Organisations - Belong and Signpost to Polish Success - who have both benefited from our patronage and who have secured future grant from national funders. Close nearby on Alfreton Road, our retail units make up a very impressive shopping parade. Through refurbishment of the Boden Street unit, the parade is now 100% occupied.

In August 2023, we took over the management of Haydn Road Pavilion & Sports Ground. Following 18 months of negotiations and due diligence, we entered into an innovative, 50-year Lease Agreement with The Lady Carol Djanogly Memorial Fund to manage the site and release its potential. With a partnership with Djanogly Learning Trust and Nottinghamshire County Cricket Club, and through a User Agreement with Nottingham Free School, we hope to develop the site as a thriving community sports facility for young people and marginalised groups. Early discussions with Sport England and the National Lottery Heritage Fund on the potential for future investment and support seem highly promising.

In March 2024, we also took possession of Forest Fields Play Centre from the City Council. We are now working with a local VCS partner in supporting young people that have been, or are close to, excluded from mainstream education.

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TRUSTEES' ANNUAL REPORT

8. ANNUAL REVIEW (continued)

Developing Partnerships:

As part of our role as Area Lead Organisation for Nottingham City Council, our external work with key stakeholders and community partners has been ongoing throughout the year. This has certainly benefitted out developing relationship with new delivery partners associated with our HAF programme.

Through our relationship with Nottinghamshire County Cricket Club, initiated from the HAF programme, we are now in detailed discussions with Sport England (and their agents) on the future redevelopment and use of Haydn Road Pavilion & Sports Ground. As part of this process, Sport England commissioned a Health Check on Castle Cavendish, and we have matched their requirements. We are now having dialogue with them on other potential funding opportunities.

Moreover, Haydn Road Pavilion & Sports Ground has also been the subject of a bid for funds from the National Lottery Heritage Fund, following the uncovering of its rich sporting past - it hosted an International Hockey Match between England and Wales in 1926. We are now developing a heritage-based project to bring back to life the historical importance of Haydn Road on civic life, and we have recently secured funds from the National Lottery Heritage Fund for the first phase.

Our previous work around health and wellbeing projects, along with our developing community-based sporting facility at Haydn Road, has been recognised by the Active Notts (the Local Sports Partnership) along with Nottingham City Place Based Partnership (the Health and Wellbeing Partnership). Hopefully, some of our knowledge and intelligence can be included into new ways of working that are more user-led, rather than service-orientated.

Having been recently certified as a 'Social Enterprise' by Social Enterprise UK, we are now working with them on the concept of developing 'The Good Ethical Standard' into an approach that is transferrable to other similar property-based, social enterprises.

Performing Financially:

In 2023/24, our trading subsidiary generated an overall revenue of just under £670k. This is really good given the difficult economic conditions. In effect, this has provided us a yield of 43%. At the same time, our charitable side was able to attract a total of £423k of grant from various funding streams. Therefore, 2023/24 has seen a total combined income of £1.093m. This compares to £1.134m in the previous year. The income generated by our trading activities represents 61%, with 39% of income received for our charitable activities. This compares with the previous year of 54% and 46%, respectively.

In regards costs, 2023/24 saw us spend £645k on our trading activities, and has had to deal with the higher cost of supplies and energy costs. Our grant programme expenditure, along with support costs, has totalled £524k in 2023/24, with 30 trusted VCS delivery partners supported by grant funding. Our overall combined spend, therefore, amounts to £1.169m, compared to £1.078m in 2022-23, with our trading costs equating to 55% and 45% on our charitable costs, compared to a 50/50 split in 2022/23.

Taking into account depreciation and other accountancy entries, our trading arm (Castle Cavendish Ltd) has made a net profit of £24k, with a net return of 3.7%.

In regards our core management and governance costs, we have worked hard to ensure that this is as low as possible. For 2023-24, we have spent £112k on core management costs, and once taken into account project fees, this results in a net cost of 50k. In terms of governance costs, this has been £45k in 2023-24, compared to £42k in the previous year.

Delivering Good Governance:

In terms of governance, the Board of Trustees met throughout the year, and made a number of key decisions. Here are just a few of them:

- In May 2023, the Board agreed a detailed Financial Plan for 2023-24, along with Key Actions & Activities and an associated Risk Assessment.

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TRUSTEES' ANNUAL REPORT

8. ANNUAL REVIEW (continued)

- In August 2023, the Board reviewed the progress and performance in the quarter 1 period.
- In September 2023, the Board approved the Draft Consolidated Accounts & Trustees Report for 2022-23, and agreed a Business Plan for Haydn Road.
- In November 2023, the Board reviewed progress and performance for the quarter 2 period.
- In November, Castle Cavendish held its Annual General Meeting, where the Charity's Company Accounts were passed, following the Audit by Rogers Spencer.
- In January 2024, the Board considered its future options for delivering its charitable objectives, and reviewed the progress and performance in the quarter 3 period.
- In March 2024, the Board agreed an outline financial plan for 2024-25.

Ensuring Compliance:

Castle Cavendish has met all its reporting requirements, including its audited Company Account & Financial Statement through to Companies House, its Annual Report through to the Charity Commission, and Grant Claims to external funding bodies, such as Nottingham City Council.

Going Forward:

As we progress through these challenging times, Castle Cavendish's trading activities has managed to improve its occupancy levels to close to pre-pandemic levels and increase its revenue. However, its cost base has increased significantly over the last few years, partly due to increasing energy costs. That said, it is still posting a reasonable profit, and is likely to increase these profits now an uplift in charges has been agreed. As in previous years, this profit is transferred (via a dividend) to support Castle Cavendish's charitable activities.

The net proceeds from our trading activities combines with our external grant income to fund our charitable activities. Previously, this has been focused on co-ordinating and distributing grant to local VCS groups. However, from April 2024 a major source of funding from Nottingham City Council - the Area Based Grant - has been withdrawn. Fortunately, our successful management of the HAF programme over recent years has paid dividends with Castle Cavendish awarded funding of £131k to deliver a HAF programme in 2024.

With the removal of a major source of funding, the Board of Trustees has reviewed its future 'operating model'. It has agreed to transition from a 'grant distribution' approach to a direct provision role, in line with the priorities of funders. In effect, this will translate into a business plan that will see Castle Cavendish change its approach and deliver more of an 'in-house' Community Programme, whilst continuing to distribute grant, where appropriate, to local community partners.

The intention is to fund this new Community Programme through the HAF programme, alongside successful bids from the National Lottery Heritage Fund, National Lottery Community Fund and other, yet to be identified, funding sources. The Community Programme will be delivered primarily at Haydn Road Pavilion & Sports Ground with some work taking place at Forest Fields Play Centre, and will focus on C&YP provision, supporting marginalised groups and delivering heritage-based activities and events.

It has been recognised that there will be a level of risk attached to this approach, as only a proportion of the funding has currently been secured. However, this is mitigated by the flexibility of the scope and scale of the proposed approach which, at best, could well be circa. £120k, but could easily be scaled down to a more realistic £100k, but will be much less in magnitude than in previous years.

With a reduced budget and a change in operating model, it is inevitable that staff changes needed to be made. Following a staff review, a restructuring took place that ensured we are now more streamlined than previously, with the focus on ensuring we have the right capacity and capabilities to manage our expanding property base and deliver the Community Programme.

As we plan for 2025/26, our primary aim is to continue to effectively and efficiently manage our property base, through our trading arm, with the intention of generating a net return of at least 6%, whilst at the

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TRUSTEES' ANNUAL REPORT

8. ANNUAL REVIEW (continued)

same time develop a Community Programme that releases the full potential of the Haydn Road Pavilion & Sports Ground. In regards the latter, we already have secured Heritage Lottery Funds to explore, record and celebrate the sites history and heritage, and we anticipate accessing HAF funding once again in 2025 to support holiday activity sessions. More importantly, 2025/26 should see our developing relationship with Sport England pay dividends, and lead to further funding to support the renovation and enhancement of the Pavilion, as well as delivering sessions for marginalised groups. Overall, a programme worth approx. £250k is estimated.

9. PAY POLICY FOR SENIOR STAFF

The Board of Trustees and the senior management team comprise the key management personnel of the Charity in charge of directing, controlling running and operating the Foundation on a day-to-day basis. All Trustees give their time freely and no trustee received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in note 15 to the accounts.

The pay of senior staff is reviewed annually and normally increased in accordance with average earnings. In view of the nature of the charity, the trustees benchmark against pay levels in similar sectors.

10. RISK MANAGEMENT

The Trustees have a risk management strategy which comprises:

- an annual review of the principal risks and uncertainties that the Charity and its subsidiary Castle Cavendish Limited 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 or manage any potential impact on the Charity should those risks materialise.

This work has identified that financial sustainability is the major financial risk for both the Charity and its subsidiary. A key element in the management of financial risk is a regular review of available liquid funds to settle debts as they fall due, regular liaison with the bank, and active management of trade debtors and creditor balances to ensure sufficient working capital by the Charity and its subsidiary company.

11. RESERVES POLICY

The Charity holds a general reserve from income received in previous years, along with income generated from its trading subsidiary and donated through. It has the ability to use these reserves each year to contribute to investments, grants and the running of the organisation, in line with the Charity's Reserve Policy.

As of 31st March 2024, the organisation's Current Assets are made up of 'Debtors' (£107k) and 'Cash in Bank' (£91k), amounting to £199k. This is offset by Liabilities (falling in one year) of £189k. The approved Reserves Policy identifies that, under the current circumstances, the estimated level of reserves should be at least £100k, and action is being taken to increase current assets and reduce our liabilities, thereby increasing our level of reserves.

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TRUSTEES' ANNUAL REPORT

12. TRUSTEE INDUCTION & TRAINING

New Trustees are provided with a Trustee Handbook, and undergo an orientation process to brief them on the Charity and their role as a Trustee, including:

- legal obligations under Charity and company law;
- the content of the Memorandum and Articles of Association;
- the committee and decision-making process;
- the latest business plan; and
- the performance of the Charity.

Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

13. RELATED PARTIES

In 2023-24, Castle Cavendish had a strategic relationship with Nottingham City Council, as the main funder of the ABG Programme. From an operational point of view, it had contractual relationship, through grant agreements, with 30 VCS groups.

14. STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of Castle Cavendish Foundation for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing 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 FRS 102;
- 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware: and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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TRUSTEES' ANNUAL REPORT

14. STATEMENT OF TRUSTEES' RESPONSIBILITIES (continued)

The Board of Trustees adopted the Charity Governance Code in October 2018. This sets out seven key principles of good governance:

1. **Organisational Purpose:**
The Board is clear about the charity's aims and ensures that these are being delivered effectively and sustainably.
2. **Leadership:**
The Board provides effective, strategic leadership in line with the charity's aims and values.
3. **Integrity:**
The Board acts with integrity adopting values and creating a culture which help achieve the organisations charitable purposes. The Board is aware of the importance of the public's confidence and trust in charities, and Trustees undertake their duties accordingly.
4. **Decision-making, risk and control:**
The Board makes sure that its decision-making processes are informed, rigorous and timely and that effective delegation, control and risk assessment and management systems are set up and monitored.
5. **Board effectiveness:**
The Board works as an effective team, using the appropriate balance of skills, experience, backgrounds and knowledge to make informed decisions.
6. **Diversity:**
The Board's approach to diversity supports its effectiveness, leadership and decision-making.
7. **Openness and accountability:**
The Board leads the organisation in being transparent and accountable. The charity is open in its work, unless there is good reason for it not to be.

15. AUDITORS

A resolution will be proposed at the Annual General Meeting that Rogers Spencer be re-appointed as auditors to the charity for the ensuing year.

Approved by the Board of Trustees on 13 November 2024 and signed on its behalf by



Shoaib Khan
Chair of Trustees

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
CASTLE CAVENDISH FOUNDATION (A company limited by guarantee)**

Independent Auditor's Report to the members and Trustees of Castle Cavendish Foundation (a company limited by guarantee)

Opinion

We have audited the financial statements of Castle Cavendish Foundation (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2024 which comprise the group statement of financial activities, the group and parent charitable company balance sheet, the group cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2024, and of the group's incoming resources and application of resources, including 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 and the Charities Act 2011.

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 group and parent 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.

Material uncertainty 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.

We draw attention to Note 1 in the financial statements, which indicates that the charitable group incurred a deficit of £76,038 during the year ended 31 March 2024 and, as of that date, the charitable group's current net assets were £9,647, with free reserves of (£8,972). As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the charitable group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

Emphasis of matter

As mentioned within the Investments note (note 8), the long-term investment properties, which represent 97% of fixed assets and 86% of gross assets, have been valued by the Trustees as at 31 March 2024. The last professional valuation was undertaken by Savills in 2013.

We do not modify our opinion with regard to this matter.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
CASTLE CAVENDISH FOUNDATION (A company limited by guarantee)**

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.

Opinions 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' annual report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
CASTLE CAVENDISH FOUNDATION (A company limited by guarantee)**

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on pages 8 & 9, 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 group's and parent 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 group or the parent 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 the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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

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

Our approach to identifying and assessing the risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We identified the laws and regulations applicable to the group through discussions with trustees and other management, and from our knowledge and experience of the charity sector and grant providers;
- We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the group, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation;
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- Identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the group's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- Making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
CASTLE CAVENDISH FOUNDATION (A company limited by guarantee)**

- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- Understanding the design of the group's remuneration policies.

To address the risk of fraud through management bias and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships;
- Tested journal entries to identify unusual transactions;
- Assessed whether judgements and assumptions made in determining the accounting estimates set out in note 2 were indicative of potential bias; and
- Investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- Agreeing financial statement disclosures to underlying supporting documentation;
- Reading the minutes of meetings of those charged with governance;
- Enquiring of management as to actual and potential litigation and claims; and
- Reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

This report is made solely to the 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 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 company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Date 13/11/24

**Melvin Bailey FCCA DChA (Senior Statutory Auditor)
For and on behalf of Rogers Spencer**

**Chartered Certified Accountant
Statutory Auditor**

**Newstead House
Pelham Road
Nottingham NG5 1AP**

Rogers Spencer is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

**CASTLE CAVENDISH FOUNDATION
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**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
~ INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST MARCH 2024**

	Note	Unrestricted £	Restricted £	Total 2024 £	Total 2023 £
<u>INCOME AND ENDOWMENTS FROM</u>					
Income from charitable activities:					
Grants receivable	3a	-	423,305	423,305	518,303
Income from trading activities:					
Rent and room hire		507,762	-	507,762	464,971
Other property income		100,881	-	100,881	104,831
Service charges		61,260	-	61,260	46,498
Other grants receivable		-	-	-	-
		<u>669,903</u>	<u>-</u>	<u>669,903</u>	<u>616,300</u>
<u>TOTAL INCOME</u>		<u>669,903</u>	<u>423,305</u>	<u>1,093,208</u>	<u>1,134,603</u>
<u>EXPENDITURE ON</u>					
Raising funds	4a	3,294	-	3,294	12,215
Charitable activities	4c	780,946	385,006	1,165,952	1,066,233
<u>TOTAL EXPENDITURE</u>		<u>784,240</u>	<u>385,006</u>	<u>1,169,246</u>	<u>1,078,448</u>
<u>NET INCOME/(EXPENDITURE) BEFORE TRANSFERS</u>		(114,337)	38,299	(76,038)	56,155
Transfers between funds		<u>98,446</u>	<u>(98,446)</u>	-	-
<u>NET MOVEMENT IN FUNDS</u>		(15,891)	(60,147)	(76,038)	56,155
Fund balances brought forward		<u>1,515,975</u>	<u>78,766</u>	<u>1,594,741</u>	<u>1,538,586</u>
<u>FUND BALANCES CARRIED FORWARD</u>		<u>1,500,084</u>	<u>18,619</u>	<u>1,518,703</u>	<u>1,594,741</u>

The consolidated statement of financial activities contains all the gains and losses recognised in current and previous period.

All activities are continuing activities.

The notes on pages 19 to 36 form part of these financial statements.

CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
~ INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST MARCH 2024

PRIOR YEAR ONLY:

	Note	Unrestricted £	Restricted £	Total 2023 £
<u>INCOME AND ENDOWMENTS FROM</u>				
Income from charitable activities:				
Grants receivable	3b	-	518,303	518,303
Income from trading activities:				
Rent and room hire		464,971	-	464,971
Other property income		104,831	-	104,831
Service charges		46,498	-	46,498
Other grants receivable		-	-	-
		<u>616,300</u>	<u>-</u>	<u>616,300</u>
<u>TOTAL INCOME</u>		<u>616,300</u>	<u>518,303</u>	<u>1,134,603</u>
<u>EXPENDITURE ON</u>				
Raising funds	4b	12,215	-	12,215
Charitable activities	4d	600,147	466,086	1,066,233
<u>TOTAL EXPENDITURE</u>		<u>612,362</u>	<u>466,086</u>	<u>1,078,448</u>
<u>NET INCOME/(EXPENDITURE) BEFORE TRANSFERS</u>		3,938	52,217	56,155
Transfers between funds		-	52,217	-
<u>NET MOVEMENT IN FUNDS</u>		3,938	52,217	56,155
Fund balances brought forward		<u>1,512,037</u>	<u>26,549</u>	<u>1,538,586</u>
<u>FUND BALANCES CARRIED FORWARD</u>		<u>1,515,975</u>	<u>78,766</u>	<u>1,594,741</u>

All activities are continuing activities.

The notes on pages 19 to 36 form part of these financial statements.

CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2024

	Note	2024		2023	
		£	£	£	£
<u>FIXED ASSETS</u>					
Tangible fixed assets	7a		48,682		48,458
Investments	8		<u>1,548,052</u>		<u>1,548,052</u>
			1,596,734		1,596,510
<u>CURRENT ASSETS</u>					
Debtors	9	107,809		105,448	
Cash at bank and in hand		<u>91,618</u>		<u>122,939</u>	
		199,427		228,387	
<u>LIABILITIES:</u> Amounts falling due within one year	10	<u>(189,780)</u>		<u>(130,836)</u>	
<u>NET CURRENT ASSETS / (LIABILITIES)</u>			<u>9,647</u>		<u>97,551</u>
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>			1,606,381		1,694,061
<u>LIABILITIES:</u> Amounts falling due after more than one year	11		<u>(87,678)</u>		<u>(99,320)</u>
<u>NET ASSETS</u>			<u>1,518,703</u>		<u>1,594,741</u>
<u>FUNDS</u>					
Unrestricted					
General funds	13		1,500,084		1,515,975
Restricted					
	12		<u>18,619</u>		<u>78,766</u>
Total funds			<u>1,518,703</u>		<u>1,594,741</u>

The financial statements are prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved by the Board of Trustees on 13 November 2024 and signed on its behalf by



Shoaib Khan
Chair of Trustees

Company Number 04209702

The notes on pages 19 to 36 form part of these financial statements.

CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)


BALANCE SHEET AS AT 31ST MARCH 2024 (CHARITY ONLY)

	Note	2024		2023	
		£	£	£	£
<u>FIXED ASSETS</u>					
Tangible fixed assets	7b		18,766		20,404
Investments	8		<u>1,548,152</u>		<u>1,548,152</u>
			1,566,918		1,568,556
<u>CURRENT ASSETS</u>					
Debtors	9	54,301		104,096	
Cash at bank and in hand		<u>18,390</u>		<u>43,033</u>	
			72,691		147,129
<u>LIABILITIES:</u> Amounts falling due within one year	10	<u>(39,628)</u>		<u>(28,024)</u>	
<u>NET CURRENT ASSETS / (LIABILITIES)</u>			<u>33,063</u>		<u>119,105</u>
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>			1,599,981		1,687,661
<u>LIABILITIES:</u> Amounts falling due after more than one year	11		<u>(87,678)</u>		<u>(99,320)</u>
NET ASSETS			<u>1,512,303</u>		<u>1,588,341</u>
<u>FUNDS</u>					
Unrestricted					
General funds	13		1,493,684		1,509,575
Restricted					
	12		<u>18,619</u>		<u>78,766</u>
Total funds			<u>1,512,303</u>		<u>1,588,341</u>

As permitted by s408 of the Companies Act 2006, the parent charitable company has not presented its own statement of financial activities and related notes. The parent charitable company's deficit for the year was £76,038 (2023: £56,155).

The financial statements are prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved by the Board of Trustees on 13 November 2024 and signed on its behalf by


Shoaib Khan
Chair of Trustees

Company Number 04209702

The notes on pages 19 to 36 form part of these financial statements.

CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2024

	Note	2024 £	2023 £
Cashflows from operating activities			
Cash generated from/(absorbed by) operations	18	1,032	62,902
Interest paid		<u>(4,084)</u>	<u>(4,084)</u>
Net cash (outflow) /inflow from operating activities		<u>(3,052)</u>	<u>58,818</u>
Investing activities			
Purchase of tangible fixed assets		<u>(16,626)</u>	<u>(12,775)</u>
Net cash (used) /received in investing activities		<u>(16,626)</u>	<u>(12,775)</u>
Financing activities			
Repayment of bank loans		<u>(11,643)</u>	<u>(11,643)</u>
Net cash (used) /received in financing activities		<u>(11,643)</u>	<u>(11,643)</u>
Net increase /(decrease) in cash and cash equivalents		(31,321)	34,400
Cash and cash equivalents at beginning of the year		<u>122,939</u>	<u>88,539</u>
Cash and cash equivalents at end of year		<u>91,618</u>	<u>122,939</u>

CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2024

1. ACCOUNTING POLICIES

Basis of accounting

The charity constitutes a public benefit entity as defined by FRS 102. The charity is limited by guarantee and was incorporated in England & Wales. 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 Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £1.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Basis of consolidation

The consolidated financial statements include the financial statements of the parent charitable company and its subsidiary company Castle Cavendish Limited.

Going concern

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value.

The charitable group incurred a deficit of £76,038 during the year ended 31 March 2024 and, as of that date, the charitable group's current net assets were £9,647, with free reserves of (£8,972). This combined with the loss of the local authority grant has resulted in a restricted cash flow which is monitored on a daily basis.

As mentioned above, although the Charitable Group has previously drawn upon grants from the Local Authority and other potential funders, it equally has generated a significant amount of income (61%) through its trading subsidiary. As grant income reduces in 2024/25, and trading activities continue to expand, it is anticipated that this figure will increase to over 70%.

The trading activities of the Group is therefore becoming more and more important. Focused on flexible workspace opportunities at both Castle Cavendish Works and Castle Cavendish Enterprise Centre, along with retail and office space at Alfreton Road Shopping Parade and Tennyson Hall, the demand for workspace held by Castle Cavendish is continuing to be buoyant. Moreover, its management of Haydn Road Pavilion & Sports Ground and Forest Fields Play Centre fits in to the developing agenda around health and wellbeing and support for marginalised groups. With User Agreements in place and funding secured, it is anticipated that these sites will not just be the key delivery sites for a new Community Programme and the way we can deliver its charitable objects, but will also ensure a reasonable level of revenue generated for the trading subsidiary.

In May 2024, the Board of Trustees approved a Financial Plan for 2024-25 which incorporates a trading income and expenditure forecast that results in a projected net profit of £50k, alongside a reduced Community Programme, directly facilitated by the Group. Although all the external funding to support this new Community Programme has not been secured as yet, the approach is designed to be able to scale-up or scale-down so as to reduce the level of risk. As previously noted, if the trading subsidiary matches up to optimum levels in 2024-25, and there is no reason why this should not be achieved given the current trends, then trading profits will ensure that the governance costs and management responsibilities for the Group will be properly supported on an ongoing basis.

In 2025/26, the aim of Castle Cavendish is to continue to effectively and efficiently manage its property base through its trading arm, with the intention of generating a net return of at least 6%, whilst at the same time develop a Community Programme that releases the full potential of the Haydn Road Pavilion & Sports Ground. In regards the latter, Heritage Lottery Funds have already been secured and it is anticipate that HAF funding will once again be in place to support holiday activity sessions. More importantly, 2025/26 should see the developing relationship with Sport England pay dividends, and lead to further funding to support the renovation and enhancement of the

CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2024

1. ACCOUNTING POLICIES (continued)

Pavilion, as well as delivering sessions for marginalised groups. Overall, a programme worth approx. £250k is estimated.

Fund accounting

General funds are unrestricted funds which 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.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements. Restricted funds are funds which are to be used in accordance with specific restriction imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Restricted funds represent grants, donations and legacies received which are allocated by the donor for specific purposes.

Income

All income is included in the SOFA when the charity is legally entitled to the income, 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.

Gifts in kind donated are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

All capital grants received in respect of any depreciated assets are credited to deferred income and amortised to the profit and loss account over the useful economic life of the assets to which they relate.

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.

Expenditure and irrecoverable VAT

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of the resources.

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:

- Costs of raising funds comprise the promotional costs to the charity.
- Expenditure on charitable activities includes all costs undertaken to further the purposes of the charity and their associated support costs, including costs of governance.

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

Taxation

The Trust is a registered Charity and is exempt from taxation. Its subsidiary company, Castle Cavendish Limited, is liable to corporation taxation on its profits however. Any tax incurred is charged to resources expended.

CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2024

1. ACCOUNTING POLICIES (continued)

Fixed assets and depreciation

Tangible fixed assets are stated at the lower of cost less accumulated depreciation and valuation. Depreciation is charged on a straight-line basis over the expected economic useful lives of the assets at the following annual rates:

Computer equipment	33 1/3% straight line basis
Fixtures, fittings, vehicles and equipment	15% straight line basis

Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured using the fair value model and stated at its fair value as the reporting end date. The surplus or deficit on revaluation is recognised in the profit and loss account.

Where fair value cannot be achieved without undue cost or effort, investment property is accounted for as tangible fixed assets.

2. JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the group'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 underlying 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 the revision and future periods where the revision affects both current and future periods.

CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2024

3a. GRANTS RECEIVABLE

	Unrestricted funds	Restricted funds	Total 2024	Total 2023
	£	£	£	£
Area Based Grant - Area 2	-	116,891	116,891	134,520
Area Based Grant - Area 4	-	96,259	96,259	110,776
Area Based Grant - Area 5	-	84,587	84,587	97,344
Holiday Activity Fund	-	111,143	111,143	117,243
Community Vaccine Champions	-	3,990	3,990	45,000
NCC Ward Councillors Budget	-	10,435	10,435	-
The Bestwood Partnership	-	-	-	13,420
	<u>-</u>	<u>423,305</u>	<u>423,305</u>	<u>518,303</u>

3b. GRANTS RECEIVABLE (Prior year)

	Unrestricted funds	Restricted funds	Total 2023
	£	£	£
Area Based Grant - Area 2	-	134,520	134,520
Area Based Grant - Area 4	-	110,776	110,776
Area Based Grant - Area 5	-	97,344	97,344
Holiday Activity Fund	-	117,243	117,243
Community Vaccine Champions	-	45,000	45,000
The Bestwood Partnership	-	13,420	13,420
	<u>-</u>	<u>518,303</u>	<u>518,303</u>

4a. RAISING FUNDS

	Unrestricted funds	Restricted funds	Total 2024
	£	£	£
Advertising and promotion	3,294	-	3,294
	<u>3,294</u>	<u>-</u>	<u>3,294</u>

4b. RAISING FUNDS (Prior year)

	Unrestricted funds	Restricted funds	Total 2023
	£	£	£
Advertising and promotion	12,215	-	12,215
	<u>12,215</u>	<u>-</u>	<u>12,215</u>

CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2024

4c. CHARITABLE ACTIVITIES	Unrestricted	Restricted	Total	Total
	funds	funds	2024	2023
	£	£	£	£
Staff costs	278,877	40,892	319,769	303,953
Repairs and maintenance	94,345	-	94,345	75,179
Premises security	10,465	-	10,465	11,225
Computer costs	1,020	-	1,020	317
Heat, light, water and telephone	75,710	-	75,710	69,076
Insurance	22,311	-	22,311	15,201
Motor and travel	5,720	-	5,720	3,440
Printing, postage and stationery	12,023	-	12,023	13,347
Training	300	-	300	-
Service charges	56,005	-	56,005	43,467
Legal and professional fees	10,260	-	10,260	16,671
Accountancy fees	4,875	-	4,875	4,080
Equipment leasing	8,281	-	8,281	6,860
Rent and rates	110,470	-	110,470	85,371
Sundry expenses	758	-	758	1,582
Bad debts	15,786	-	15,786	(12,290)
Bank charges	1,177	-	1,177	1,257
Grant payments (Note 4i)	-	344,114	344,114	362,530
Loan interest	4,084	-	4,084	4,084
Governance (Note 4e)	45,828	-	45,828	41,941
Depreciation	16,401	-	16,401	15,560
Unrecoverable VAT	6,250	-	6,250	3,382
	<u>780,946</u>	<u>385,006</u>	<u>1,165,952</u>	<u>1,066,233</u>

CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2024

4d. CHARITABLE ACTIVITIES (Prior year)	Unrestricted funds £	Restricted funds £	Total 2023 £	
Staff costs	200,397	103,556	303,953	
Repairs and maintenance	75,179	-	75,179	
Premises security	11,225	-	11,225	
Computer costs	317	-	317	
Heat, light, water and telephone	69,076	-	69,076	
Insurance	15,201	-	15,201	
Motor and travel	3,440	-	3,440	
Printing, postage and stationery	13,347	-	13,347	
Service charges	43,467	-	43,467	
Legal and professional fees	16,671	-	16,671	
Accountancy fees	4,080	-	4,080	
Equipment leasing	6,860	-	6,860	
Rent and rates	85,371	-	85,371	
Sundry expenses	1,582	-	1,582	
Bad debts	(12,290)	-	(12,290)	
Bank charges	1,257	-	1,257	
Grant payments (Note 4i)	-	362,530	362,530	
Loan interest	4,084	-	4,084	
Governance (Note 4f)	41,941	-	41,941	
Depreciation	15,560	-	15,560	
Unrecoverable VAT	3,382	-	3,382	
	<u>600,147</u>	<u>466,086</u>	<u>1,066,233</u>	
4e. GOVERNANCE COSTS	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
Staff costs	36,812	-	36,812	34,841
Audit fees	<u>9,016</u>	<u>-</u>	<u>9,016</u>	<u>7,100</u>
	<u>45,828</u>	<u>-</u>	<u>45,828</u>	<u>41,941</u>
4f. GOVERNANCE COSTS (Prior year)	Unrestricted funds £	Restricted funds £	Total 2023 £	
Staff costs	34,841	-	34,841	
Audit fees	<u>7,100</u>	<u>-</u>	<u>7,100</u>	
	<u>41,941</u>	<u>-</u>	<u>41,941</u>	

CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2024

4g. TOTAL RESOURCES EXPENDED

	Basis of allocation	<u>Projects and grants</u>	<u>Property management</u>	<u>Governance</u>	2024	2023
		£	£	£	£	£
Costs directly allocated to activities						
Staff costs	Direct	94,661	225,109	36,812	356,582	338,794
Advertising	Direct	1,279	2,015	-	3,294	12,215
Premises costs	Direct	15,992	354,333	-	370,325	299,836
Travel	Direct	176	5,544	-	5,720	3,441
Hire of equipment	Direct	-	8,281	-	8,281	6,860
Printing, stationery etc	Direct	1,067	10,956	-	12,023	13,347
Depreciation	Direct	6,884	9,518	-	16,402	15,559
Legal and professional	Direct	2,587	12,548	9,016	24,151	27,851
Bank charges	Direct	10	1,169	-	1,179	1,257
Bad and doubtful debts	Direct	-	15,786	-	15,786	(12,290)
Grant payments	Direct	344,114	-	-	344,114	362,530
Unrecoverable VAT	Direct	6,250	-	-	6,250	3,381
Other costs	Direct	<u>4,734</u>	<u>405</u>	<u>-</u>	<u>5,139</u>	<u>5,667</u>
		<u>477,754</u>	<u>645,664</u>	<u>45,828</u>	<u>1,169,246</u>	<u>1,078,448</u>

CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2024

4h. TOTAL RESOURCES EXPENDED (Prior year)

	<u>Basis of allocation</u>	<u>Projects and grants</u>	<u>Property management</u>	<u>Governance</u>	2023
Costs directly allocated to activities		£	£	£	£
Staff costs	Direct	97,094	206,859	34,841	338,794
Advertising	Direct	7,951	4,264	-	12,215
Premises costs	Direct	3,549	296,287	-	299,836
Travel	Direct	110	3,331	-	3,441
Hire of equipment	Direct	-	6,860	-	6,860
Printing, stationery etc	Direct	152	13,195	-	13,347
Depreciation	Direct	7,296	8,263	-	15,559
Legal and professional	Direct	7,094	13,657	7,100	27,851
Bank charges	Direct	45	1,212	-	1,257
Bad and doubtful debts	Direct	-	(12,290)	-	(12,290)
Grant payments	Direct	362,530	-	-	362,530
Unrecoverable VAT	Direct	3,381	-	-	3,381
Other costs	Direct	<u>4,937</u>	<u>730</u>	<u>-</u>	<u>5,667</u>
		<u>494,139</u>	<u>542,368</u>	<u>41,941</u>	<u>1,078,448</u>

CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2024

4i. GRANT PAYMENTS

Grants were awarded to the following organisations during the year:

	2024	2023
	£	£
Restricted Grants:		
Take 1 Studios	5,540	12,600
Signpost to Polish Success	8,500	10,450
Notts Club for Young People	16,063	4,180
The Lenton Centre	5,950	7,960
Switch Up CIC	7,940	9,525
Greenfields Community School	600	-
Growing Forward CIC	1,600	-
Hyson Green Youth Club	17,000	9,300
Building Bridges Breaking Barriers	7,180	8,000
East African Education Centre	3,000	3,000
Chayah Development Project	5,525	-
Communities Unite	1,476	-
Freedom Foundation	2,500	9,205
Helping Kids Achieve	5,352	5,000
Basford Rd Baptist Church	200	750
The Toy Library	94,516	62,615
Edwards Lane	1,925	-
Support Through Sport	7,180	-
Positively Empowered Kids	-	2,100
Empleo	8,450	19,100
Notts County Football in the Community	22,342	4,700
Community Based Fitness	4,625	4,415
Sherwood Playgroup	5,700	6,400
Sikh Community & Youth Services	-	1,900
Queen's Walk Community Association	-	595
The Vine Community Centre	-	2,500
	<hr/>	<hr/>
Restricted grants carried forward	233,164	184,295

CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2024

4i. GRANT PAYMENTS (continued)

	2024	2023
	£	£
Restricted grants brought forward	233,164	184,295
Belong	29,750	20,000
Hoop Dreams Basketball Club	4,000	5,500
When Women Gather	-	1,900
AJ Sports	7,180	22,235
Wild Things	8,700	8,700
Windmill Community Gardens	-	2,000
Women in Tandem	-	2,180
The Bridges Community Trust	16,660	10,500
The Bestwood Partnership	18,245	21,500
Djanogly Lettings	940	940
Vanclaron CIC	-	3,320
AKA Health Wealth & Oneness	12,000	24,080
St Aidan's Church	-	2,010
Nottingham Health & Education Centre	7,000	7,520
Nottinghamshire County Cricket Club	-	2,660
Nottingham Forest Community Trust	6,475	8,550
Trent Bridge Community Trust	-	34,640
Total Restricted Grants	<u>344,114</u>	<u>362,530</u>

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2024

5. STAFF COSTS AND TRUSTEES REMUNERATION

	Total 2024	Total 2023
	£	£
Wages and salaries	322,771	302,151
Social security costs	22,536	25,683
Pension costs	<u>11,275</u>	<u>10,960</u>
	<u>356,582</u>	<u>338,794</u>

The number of employees whose annual remuneration (staff costs and pension contributions) was £60,000 or more were:

	2024 Number	2023 Number
£60,001 - £70,000	<u>1</u>	<u>1</u>

Average number of employees, calculated on a full-time equivalent basis, analysed by function was:

	Number 2024	Number 2023
Charitable activities	12	12
Governance	<u>1</u>	<u>1</u>
	<u>13</u>	<u>13</u>

None of the Trustees received remuneration during the year.
No Trustee expenses were incurred in the year.

Remuneration of key management personnel

Remuneration of key management personnel is as follows:

	Total 2024	Total 2023
	£	£
Aggregate compensation	<u>66,547</u>	<u>67,788</u>

6. TRUSTEES INDEMNITY INSURANCE

The charity paid £665 (2023: £465) during the year in respect of indemnity insurance for Trustees.

CASTLE CAVENDISH FOUNDATION
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2024

7a. TANGIBLE FIXED ASSETS (Group)

	Computer equipment £	Fixtures, fittings, vehicles & equipment £	Total £
<u>COST</u>			
Brought forward at 1 April 2023	56,712	228,592	285,304
Transfer to investment property	-	-	-
Additions	4,029	12,597	16,626
Disposals	-	-	-
At 31 March 2024	<u>60,741</u>	<u>241,189</u>	<u>301,930</u>
<u>DEPRECIATION</u>			
Brought forward at 1 April 2023	54,251	182,595	236,846
Transfer to investment property	-	-	-
Charge for the year	1,858	14,544	16,402
Eliminated on disposals	-	-	-
At 31 March 2024	<u>56,109</u>	<u>197,139</u>	<u>253,248</u>
<u>NET BOOK VALUE</u>			
At 31 March 2024	<u>4,632</u>	<u>44,050</u>	<u>48,682</u>
At 31 March 2023	<u>2,461</u>	<u>45,997</u>	<u>48,458</u>

7b. TANGIBLE FIXED ASSETS (Charity)

	Computer equipment £	Fixtures, fittings, vehicles & equipment £	Total £
<u>COST</u>			
Brought forward at 1 April 2023	19,024	99,231	118,255
Additions	-	5,245	5,245
Disposals	-	-	-
At 31 March 2024	<u>19,024</u>	<u>104,476</u>	<u>123,500</u>
<u>DEPRECIATION</u>			
Brought forward at 1 April 2023	18,511	79,340	97,851
Charge for the year	362	6,521	6,883
Eliminated on disposals	-	-	-
At 31 March 2024	<u>18,873</u>	<u>85,861</u>	<u>104,734</u>
<u>NET BOOK VALUE</u>			
At 31 March 2024	<u>151</u>	<u>18,615</u>	<u>18,766</u>
At 31 March 2023	<u>513</u>	<u>19,891</u>	<u>20,404</u>

CASTLE CAVENDISH FOUNDATION
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2024

8. INVESTMENTS	Group 2024	Group 2023	Charity 2024	Charity 2023
	£	£	£	£
<u>FIXED ASSETS</u>				
Investment Properties:				
Cost/valuation b/f	1,548,052	1,548,052	1,548,052	1,548,052
Additions	-	-	-	-
Disposals	-	-	-	-
Revaluations	-	-	-	-
Transfer to current assets	-	-	-	-
Cost/valuation c/f	<u>1,548,052</u>	<u>1,548,052</u>	<u>1,548,052</u>	<u>1,548,052</u>
Shares in Subsidiary Undertaking:	-	-	100	100
	<u>1,548,052</u>	<u>1,548,052</u>	<u>1,548,152</u>	<u>1,548,152</u>

The properties were last professionally revalued by Savills in 2013. The Trustees believe that there would be undue cost involved in attaining a further professional valuation and have instead opted to value the properties themselves individually at open market value as at 31 March 2024.

The shares relate to one hundred shares (2023: one hundred shares) of £1 in Castle Cavendish Limited (company registration number 06113675) which is a wholly owned subsidiary of Castle Cavendish Foundation and the shares are stated at cost.

9. DEBTORS	Group 2024	Group 2023	Charity 2024	Charity 2023
	£	£	£	£
Trade debtors	58,091	62,405	3,500	-
Amounts owed from subsidiary undertakings	-	-	23,532	21,733
Other debtors	<u>49,718</u>	<u>43,043</u>	<u>27,269</u>	<u>82,363</u>
	<u>107,809</u>	<u>105,448</u>	<u>54,301</u>	<u>104,096</u>

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2024

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
10. <u>LIABILITIES:</u> Amounts falling due with one year				
Trade creditors	84,100	37,428	19,565	9,193
Taxation and social security	8,028	12,020	772	772
Accruals and deferred income	62,078	47,656	7,250	6,500
Bank loans and overdrafts	12,041	11,559	12,041	11,559
Other creditors	<u>23,533</u>	<u>22,173</u>	-	-
	<u>189,780</u>	<u>130,836</u>	<u>39,628</u>	<u>28,024</u>

Deferred income of £11,978 (2023: £19,227) is included within accruals and deferred income and represents the amounts prepaid by tenants.

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
11. <u>LIABILITIES:</u> Amounts falling due after one year				
Bank loans and overdrafts	<u>87,678</u>	<u>99,320</u>	<u>87,678</u>	<u>99,320</u>
Amounts included above which fall due after five years are as follows:				
Payable by instalments	<u>19,212</u>	<u>61,562</u>	<u>19,212</u>	<u>61,562</u>

The bank loans and overdrafts are secured by way of a legal charge dated 2 June 2016 over the Castle Cavendish Works property and a debenture dated 25 January 2016 over all assets of the company.

CASTLE CAVENDISH FOUNDATION
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2024

12. RESTRICTED FUNDS

	At 1 April 2023 £	Income £	Expenditure £	Transfers £	At 31 March 2024 £
Area Based Grant (Areas 2, 4 & 5)	68,061	297,737	272,432	(93,366)	-
Community Vaccine Champions	9,165	3,990	8,075	(5,080)	-
NCC Ward Councillors Budget	-	10,435	10,435	-	-
Holiday Activity Fund	<u>1,540</u>	<u>111,143</u>	<u>94,064</u>	<u>-</u>	<u>18,619</u>
	<u>78,766</u>	<u>423,305</u>	<u>385,006</u>	<u>(98,446)</u>	<u>18,619</u>

RESTRICTED FUNDS (Prior year)

	At 1 April 2022 £	Income £	Expenditure £	Transfers £	At 31 March 2023 £
Area Based Grant (Areas 2, 4 & 5)	26,549	342,640	301,128	-	68,061
Community Vaccine Champions	-	45,000	40,155	4,320	9,165
The Bestwood Partnership	-	13,420	-	(13,420)	-
Holiday Activity Fund	<u>-</u>	<u>117,243</u>	<u>124,803</u>	<u>9,100</u>	<u>1,540</u>
	<u>26,549</u>	<u>518,303</u>	<u>466,086</u>	<u>-</u>	<u>78,766</u>

Area Based Grants:

Nottingham City Council has provided grant funding to cover Areas 2, 4 & 5's ABG Programmes that will fund the associated costs of delivering a range of community-based activities that will support children & young people, train and support people into work, support the elderly and most vulnerable, and support the growth and development of the local community and voluntary sector.

Community Vaccine Champion

The Community Vaccine Champions funding was from Nottingham City Council with the aim of supporting the delivery of innovative approaches to engaging members of the community to increase the uptake of vaccinations and to proactively address health inequalities.

The Bestwood Partnership

Throughout 2022-23 we developed and delivered several jointly-funded projects in partnership with a fellow Area-Lead Organisation, The Bestwood Partnership. This work focused on supporting the Holiday Activity Fund provision for children & young people, along with joint initiatives relating to the Community Vaccine Champions funding.

Holiday Activity Fund

This is a City-wide programme supported by the Department of Education's Holiday Activity & Food Programme, which is aimed at tackling child hunger during the school holidays. The programme is focused on providing free activities and food for children in receipt of free school meals and is delivered in partnership with Play & Youth community partners.

NCC Ward Councillors Budget

This funding has come from the budget held by Ward Councillors of Nottingham City Council. It was awarded to support additional youth provision in the Berridge and Sherwood Wards and at the Edwards Lane Community Centre.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2024

13a. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	General funds £	Restricted funds £	Total £
<u>GROUP</u>			
Tangible fixed assets and investments	1,596,734	-	1,596,734
Net current assets/(liabilities)	(8,972)	18,619	9,647
Long term liabilities	<u>(87,678)</u>	<u>-</u>	<u>(87,678)</u>
	<u>1,500,084</u>	<u>18,619</u>	<u>1,518,703</u>
<u>CHARITY</u>			
Tangible fixed assets and investments	1,566,918	-	1,566,918
Net current assets/(liabilities)	14,444	18,619	33,063
Long term liabilities	<u>(87,678)</u>	<u>-</u>	<u>(87,678)</u>
	<u>1,493,684</u>	<u>18,619</u>	<u>1,512,303</u>

13b. ANALYSIS OF NET ASSETS BETWEEN FUNDS (prior year)

	General funds £	Restricted funds £	Total £
<u>GROUP</u>			
Tangible fixed assets and investments	1,596,510	-	1,596,510
Net current assets/(liabilities)	18,785	78,766	97,551
Long term liabilities	<u>(99,320)</u>	<u>-</u>	<u>(99,320)</u>
	<u>1,515,975</u>	<u>78,766</u>	<u>1,594,741</u>
<u>CHARITY</u>			
Tangible fixed assets and investments	1,568,556	-	1,568,556
Net current assets/(liabilities)	40,339	78,766	119,105
Long term liabilities	<u>(99,320)</u>	<u>-</u>	<u>(99,320)</u>
	<u>1,509,575</u>	<u>78,766</u>	<u>1,588,341</u>

14. SUBSIDIARY COMPANY

The Charity owns the whole of the issued ordinary share capital of Castle Cavendish Limited, a company registered in England & Wales, company number 06113675. All activities have been consolidated on a line-by-line basis in the SOFA. Any total net profits will be gifted to the charity as and when the company begins to make a profit. A summary of the results of the subsidiary is shown below:

<u>Castle Cavendish Limited</u>	2024 £	2023 £
Income	669,905	616,300
Other income	-	-
Administrative expenses	<u>(620,362)</u>	<u>(546,395)</u>
Trading profit	<u>49,543</u>	<u>69,905</u>
Other operating costs	<u>(25,304)</u>	<u>4,026</u>
Net operating profit	<u>24,239</u>	<u>73,931</u>
Distribution to charity (CCF)	<u>(24,239)</u>	<u>(73,931)</u>
Profit for period	<u>-</u>	<u>-</u>

CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2024

14. SUBSIDIARY COMPANY (continued)

	2024	2023
	£	£
The aggregate of the assets, liabilities and funds was:		
Assets	180,890	204,974
Liabilities	<u>(174,390)</u>	<u>(198,474)</u>
Funds (representing 100 ordinary shares of £1)	<u>6,500</u>	<u>6,500</u>

15. RELATED PARTY TRANSACTIONS

During the year, various transactions took place between Castle Cavendish Foundation and Castle Cavendish Limited, a wholly owned subsidiary. There were also two related party transactions outside of the group.

The subsidiary is a trading arm of the Charity and commercially manages its property portfolio, receiving income from property rentals, conference bookings, training sessions and room hire, whilst also acting as agent for the management of the rest of the investment property portfolio.

At the balance sheet date £23,532 (2023: £21,733) was owed from Castle Cavendish Limited to the Charity.

During the year, Castle Cavendish Limited has donated profits totalling £24,239 (2023: £73,931). £24,239 (2023: £73,931) of this remains due to Castle Cavendish Foundation at the balance sheet date, in addition to the above amounts.

C Elder, one of the directors of the subsidiary, is a partner at Browne Jacobson. Browne Jacobson provided legal services to Castle Cavendish Limited but C Elder was not involved in the services provided. The services provided during the year totalled £nil (2023: £5,139).

Z Powers, who is a trustee of Castle Cavendish Foundation, provides marketing services through his business Altermata. This company provided marketing support to Castle Cavendish Limited and Castle Cavendish Foundation during the year totalling £638 (2023: £10,202).

16. FINANCIAL COMMITMENTS

As at 31 March 2024, the company was committed to making the following payments under non-cancellable operating leases relating to leased properties:

	2024	2023
	£	£
Operating leases which expire:		
Within one year	4,367	4,367
Between two and five years	2,547	6,914
In over five years	<u>63,885</u>	<u>63,885</u>
	<u>70,799</u>	<u>75,166</u>

The above includes an annual charge payable of £63,885 on a 125-year lease to 8 October 2131 with Nottingham City Council. The total amount payable is therefore £7m.

CASTLE CAVENDISH FOUNDATION
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2024

17. PENSION COSTS

Defined Contribution Scheme:

The charity operates a defined contribution scheme in respect of some staff. The scheme and its assets are held by independent managers and contributions were made from April 2016. Total contributions made during the year were £11,274 (2023: £10,960).

18. CASH GENERATED FROM OPERATIONS

	2024	2023
	£	£
Surplus /(Deficit) for the year	(76,038)	56,155
Adjustments for:		
Interest paid	4,084	4,084
Depreciation of tangible assets	16,401	15,561
Movements in working capital:		
Increase in debtors	(2,361)	(21,767)
Increase in creditors	58,946	8,869
Cash generated from/(absorbed by) operations	<u>1,032</u>	<u>62,902</u>

Advance Nottingham

England & Wales - Charity number 1119003

Accounts

CASTLE CAVENDISH FOUNDATION

(A company limited by guarantee)

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2023

CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2023

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CASTLE CAVENDISH FOUNDATION
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TRUSTEES' ANNUAL REPORT

The Trustees, who are also directors of the charity for the purposes of the Companies Act, submit their annual report and the audited financial statements for the year ended 31 March 2023. The Trustees have opted to prepare the accounts using the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) and follow the Charities SORP (FRS 102).

1. GOVERNING DOCUMENT

Castle Cavendish Foundation is a company limited by guarantee governed by its Memorandum and Articles of Association as amended on 18th November 2020. It is registered as a Charity with the Charity Commission. Anyone over the age of 16 can become a member of the Company, each of whom agrees to contribute a maximum of £1 in the event of the Charity winding-up.

COMPANY REGISTRATION NO. The company registration number is 04209702.

CHARITY REGISTRATION NO. The company is also registered with the Charity Commission. The registration number is 1119003.

2. ORGANISATIONAL STRUCTURE

Castle Cavendish Foundation (the Charity) has a Board of Trustees that governs and administers the organisation. Up to 15 Trustees are allowed on the Board at any one time. The Board meets every 6 weeks, and has the ability to appoint a Chief Executive to manage the day-to-day operations of the organisation. To facilitate effective operations, the Chief Executive has delegated authority, within terms of delegation approved by the Trustees, for operational matters including finance and human resources.

The Charity has established a wholly owned trading subsidiary, Castle Cavendish Limited (the Trading Arm). This is administered by non-executive directors, and operates on a commercial basis to maximise income, which is then donated through to the Charity.

3. PUBLIC BENEFIT

The Trustees have referred to the guidance in the Charity Commission's general guidance on public benefit when reviewing their aim and objectives and in planning their future activities. In particular, the Trustees consider how planned activities will contribute to the aim and objectives they have set.

In 2022-23, Castle Cavendish continued to provide a significant public benefit to the communities within the Charity's area of operation.

4. MISSION & KEY AIMS & OBJECTIVES

Castle Cavendish sees itself as a Social Impact Company. Covering some of the most diverse and disadvantaged parts of Nottingham, it is committed to improving the 'quality of life' in those areas by using its assets, its buildings, its people, its expertise and its funding to make a difference. Its mission is to improve people's lives in Nottingham by supporting the voluntary and business sectors to grow and develop in an ethical and sustainable way.

CASTLE CAVENDISH FOUNDATION
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TRUSTEES' ANNUAL REPORT

5. TRUSTEES

Members of the Board of Trustees and also directors for company law purposes. The Trustees during the year ended 31 March 2023 were as follows: -

Mark Spouge	(Chair)
Shoaib Khan	
Parveen Begum	
Zane Powers	
Jay Ludditt	
Fadzai Gambanga	
Gurpal Singh Basra	(Retired 30 th September 2022)
John Ydlibi	
Bengisu Sahin	

During 2022/23, Craig Elder, John Ydlibi and Dave Brennan acted as non-executive directors of the trading arm (CCL). Gurpal Basra Singh resigned as non-executive director on 30th September 2022.

6. PRINCIPAL OFFICE

The principal office is Castle Cavendish Works, Dorking Road, Radford, Nottingham, NG7 5PN.

7. RELEVANT ORGANISATIONS

Bankers

Natwest Plc
536 Valley Road
Basford
Nottingham
NG5 1LF

Auditors

Rogers Spencer
Newstead House
Pelham Road
Nottingham
NG5 1AP

CASTLE CAVENDISH FOUNDATION
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TRUSTEES' ANNUAL REPORT

8. ANNUAL REVIEW

Overview:

Last year saw Castle Cavendish make a significant impact to the communities it serves. Even taking into account the challenging times – the global turbulence, an economic depression, higher utility costs and increasing inflation - we have continued to manage our property portfolio effectively through our trading arm, generating a relatively high level of revenue and managing our cost base efficiently, thereby posting a sizeable profit.

This surplus, along with public grant from the likes of Nottingham City Council, has enabled us to support many of the grassroots voluntary and community sector (VCS) groups to deliver outstanding services to our communities, whilst coping with the cost-of-living crisis.

Supporting our Communities

As in previous years, a large proportion of our external funding comes from Nottingham City Council via the Area Based Grant (ABG). Unfortunately, this has suffered a further reduction this year of approx.14%. Yet despite this reduction, we have continued to work effectively with our trusted delivery partners to achieve relatively high levels of outputs, which has delivered outcomes that have made a significant impact to our communities.

Children & Young People:

There has been a continued emphasis on supporting activities for Children and Young People (C&YP). We were able to work with 17 local VCS trusted delivery partners to provide more “things to do and places to go” for local C&YP than ever before. From youth groups, playschemes, sports clubs and physical activity sessions to forestry schools, dance classes, fitness boot camps and much more, we developed and supported over 30 x Play (for 5-11 yr olds) or Youth (for 11-17 yr olds) projects across the City last year, offering an unmatched range of out-of-school activities for C&YP throughout school term-times.

Complementing this has been our support for families over the school holidays through the Holiday Activity Fund. This is funded by the Department for Education’s Holiday Activity & Food Programme for tackling holiday hunger, targeting the support towards low-income households with children eligible for Free School Meals. By working closely with our ABG Play & Youth partnership, alongside some new providers, we were able to deliver 1,280 hrs of holiday provision and over 850 free meals to some of our City’s most vulnerable families.

Employment & Skills:

Also seen as a top priority is supporting local jobseekers to overcome problems of poor literacy and numeracy, enhance their language and IT skills, and access training opportunities designed to help improve their employment prospects. We have therefore worked closely with several specialist Employment & Skills (E&S) providers, utilising our ABG funding as match, enabling them to access European Social Funding (ESF) and deliver a high-quality intensive support offer for 16-24 yr olds. Overall, 84 local jobseekers have been supported into sustainable, long-term employment of 6 months or more.

We also worked in partnership to deliver a range of open access weekly “Work Clubs” from the network of local libraries. These sessions provide both group and 1-2-1 support for local jobseekers not eligible for the ESF supported projects and were able to support a further 63 local jobseekers into work.

Alongside those main E&S outputs, we also offered a range of accredited and informal ESOL (English for Speakers of Other Languages) classes, IT literacy courses, a community Jobs Fair and various other initiatives that all helped local communities overcome their barriers to employment.

CASTLE CAVENDISH FOUNDATION
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TRUSTEES' ANNUAL REPORT

8. ANNUAL REVIEW (continued)

Health & Wellbeing:

Last year saw a further emphasis of our charitable work towards improving the health and wellbeing of our residents. Indeed, a need analysis provided us with some startling insight into the health disparities faced by some of our communities.

As a result, we successfully secured additional grant funding from Nottingham City Council to support the delivery of various health and wellbeing activities and outputs, and used this funding we engaged key individuals and trusted delivery partners embedded within those communities to develop a number of unique and innovative projects, including: seated exercise classes; walking football; bespoke community cricket and netball projects; community eating projects; creative arts sessions; along with projects that helped people access local parks, green spaces and nature reserves. All these activities were particularly successful in helping those with limited mobility, loneliness and isolation, social anxiety and other low-level mental health issues to improve their overall health and wellbeing.

Small Group Support:

We also provided bespoke advice and support for over 30 local VCS groups over the last year. Whether it is through phone calls or emails, we have responded to questions and queries and resolved them quickly. Indeed, one query asking one question can lead to other work, so it genuinely is the case that 'one thing leads to another' as the saying goes.

We also have provided more in-depth support and guidance to a number of small groups: enabling them to draft up a working constitution; guide them through the CIO, CIC, Charitable Trust application process; ensure that they have evidence of need; they have support from other people competent and willing act as trustees or directors; they adopt relevant policies and procedures; and they develop a sustainable funding plan.

Indeed, in April 2022, we provided advice and guidance to a number of boaters from the Castle Marina as they were struggling to be heard when they raise issues and concerns individually about safety and standards on the Marina, itself. By supporting them to set up a constituted group and put forward a collective voice their points were taken on board. We also supported Skilled Hands, also one of our business tenants, in reviewing their legal structure and setting up a CIC. This will, hopefully, put them in a better position to access funding. We have also supported groups with funding applications, including Signpost to Polish Success (SPS), who have now reached the second stage of their NLCF Funding application.

We also provide a regular e-bulletin focused on funding opportunities for small groups, and share information on issues that affect directly the local VCS, including a bank of resources that we can distribute on email. That said, our one-to-one interactions and meeting people face-to-face remains a vital and unique part of our service.

Managing our Properties

Castle Cavendish, through its trading arm (Castle Cavendish Ltd), continues to manage its property base through tough economic conditions. Although, the post-pandemic world and the economic downturn led to temporary reduction in occupancy rates, this has now been completely reversed and business tenants have returned in increasing numbers, especially in relation to our two business centres - Castle Cavendish Works and Castle Cavendish Enterprise Centre. The increasing role of remote/hybrid working ensured that they provided a relevant flexible workspace approach, with easy-in and easy out terms, alongside a virtual tenancy offer, has matched up to the increasing demand, with both business centres now having occupancy rates close to 100%. Alongside this has been the increasing use of our meeting spaces, with the hustle and bustle of our communal areas once again making them ideal places to do business. Indeed, it was great to see one of our previous business tenants (Approach Personnel) coming back to hire out one of our conference suites over the summer months, whilst its own premises was being refurbished.

CASTLE CAVENDISH FOUNDATION
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TRUSTEES' ANNUAL REPORT

8. ANNUAL REVIEW (continued)

Although our business centres are matching up to business needs and priorities, it was also felt right that Castle Cavendish should also respond to the developing Environment, Social and Governance (ESG) agenda. As a result, we have worked hard to change to match up to these requirements and in April 2022 we formally launched Castle Cavendish Works as Nottingham's Ethical Business Centre. This has seen us adopt a range of measures to change the way the facility is operated and managed, through 'Our Core Essentials' prospectus. In particular: how we select new business tenants with a social purpose; how we procure our supplies from local sources; how we try to reduce our environmental impact; how we support B2B workshops; and how we expect our businesses to act and operate with each other. All with the focus of achieving the triple bottom line of social, environmental and financial returns.

Importantly, a key component of the Ethical Business Centre approach is to reduce our negative impact on the environment. Through an Environmental Impact Framework, worked up with help and assistance from Nottingham Trent University, we are now taking steps to minimise Castle Cavendish Works energy usage, water consumption, waste and CO2 emissions, whilst switching to sustainable products and materials and promoting sustainable transport. The new Cycle Shelter, EV charging points and conversion to an average of 75% renewable energy at our business centre are notable signs of progress. Moreover, Castle Cavendish itself has invested in a brand new fully electric van, following a free trial organised by the City Council, that will ensure our property maintenance service is reducing its carbon footprint. It is anticipated that the approach taken at Castle Cavendish Works could be rolled out to our other properties, and aid us in our quest to become Carbon Neutral by 2028.

In regards our other retail and commercial properties, we have continued to see high occupancy levels. Tennyson Hall currently hosts two VCS Organisations – Belong and Signpost to Polish Success. Both bodies are benefiting from occupying a key landmark building with upgraded facilities tailored to their needs right in the heart of Radford. Close nearby on Alfreton Road, our retail units make up a very impressive shopping parade. That said, the prevailing retail conditions are particularly challenging for most of our retail tenants. Only through our close relationship with them, fully understanding their financial capabilities, have we been able to minimise our occupancy churn.

Impressively, given the economic downturn, the revenue generated for the full year reached £616k. This is excellent given the unprecedented and extraordinary circumstances since 2020. In regards costs, this has come in at £546k. Taking into account depreciation and other accountancy entries, this gives us an operating profit of just under £74k.

Developing Partnerships:

As part of our role as Area Lead Organisation for Nottingham City Council, covering area 2, 4 & 5, our external work with key stakeholders and community partners has been ongoing throughout the year, especially creating and nurturing the relationships associated with new VCS delivery partners relating to our HAF programme.

Last year also saw us develop a partnership with the Djanogly Learning Trust, Nottinghamshire County Cricket Club and Nottingham Free School in relation to the development and management of the Haydn Road Pavilion & Sports Ground.

Performing Financially:

In 2022-23, Castle Cavendish's overall income rose to £1.134m, compared to last year's £1.087m. The revenue generated by our trading activities represents 54% with 46% income coming from external grant income. This compares with the previous year's figures of 48% and 52%, respectively. Castle Cavendish's overall expenditure in 2022-23 was £1.078m, compared to a higher figure of £1.114m in 2021-22. The split between the costs of our trading activities and our charitable work is now shared at 50/50.

In regards our core management costs, we have worked hard to ensure that this is as low as possible, and that what costs are incurred are supported through management fees and project delivery charges. Indeed, approx. 94% of our core management costs have been covered through external grant. In terms of governance costs, for 2022-23 this stand at just under £42k, compared to £52k in the previous year.

Overall, taking all the above into account, the result is that we have achieved a net surplus of £56k.

CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)

TRUSTEES' ANNUAL REPORT

8. ANNUAL REVIEW (continued)

Delivering Good Governance:

In terms of governance, the Board of Trustees met throughout the year, and made a number of key decisions. Here are just a few of them:

- In May it set out a new Strategic Prospectus for the organisation, alongside a detailed financial budget for 2022-23. It also agreed a new Safeguarding Policy.
- In August it reviewed the progress and performance in the quarter 1 period, and agreed a provisional business plan for Haydn Road.
- In September the Board approved the Draft Consolidated Accounts & Trustees Report for 2021-22.
- In October Trustees reviewed progress and performance for the quarter 2 period, alongside a review and assessment of the energy price increase on our properties.
- In November 2022, Castle Cavendish held its Annual General Meeting, where the Charity's Company Accounts were passed, following the Audit by Rogers Spencer.
- In February 2023, it reviewed the progress and performance in the quarter 3 period.

Ensuring Compliance:

Castle Cavendish has met all its reporting requirements, including its audited Company Account & Financial Statement through to Companies House, its Annual Report through to the Charity Commission, and Grant Claims to external funding bodies, such as Nottingham City Council.

Going Forward:

As we progress through these challenging times, Castle Cavendish's trading activities has increased significantly, improving its occupancy levels to close to pre-pandemic levels and increasing its profitability. Although there has been an increase in the number of commercial tenants struggling to pay their rent, and indeed survive, especially at Alferton Road, the level of bad debt has actually reduced. What 'bad debt' there is can be accommodated within the balance sheet. As in previous years, this profit is transferred (via a dividend) to support Castle Cavendish's charitable activities.

The financial support from our trading activities combines with our external grant income for Castle Cavendish to provide its charitable activities, primarily by co-ordinating, managing and distributing funding to our trusted delivery partners in the VCS. A major source of this external funding is Nottingham City Council, and in January 2023 it confirmed that, albeit reduced in size, it would extend the Area Based Grant for Area 2, Area 4 and 5 for a further 12 months. This shall provide Castle Cavendish with a combined Area Based Grant of £297k. In addition, Castle Cavendish's successful management of the HAF programme in 2022 has paid dividends and in February 2023 it was confirmed that Castle Cavendish would continue its role in 2023, accessing up to £111k of grant support. Overall, it is anticipated that we will be aiming to access nearly £450k of external grant in 2023-24.

Along with maximising grant funding to our trusted delivery partners in the VCS, this level of grant will fund Castle Cavendish to deliver its charitable activities directly, as well as generating significant management fees. Potentially this will provide up to £65k, and will cover at least 50% of the core management costs that are required to manage the organisation. The other half is covered by its trading arm contribution. This business model approach ensures that Castle Cavendish can continue as a 'going concern', even if external grant is significantly reduced, as long as restructuring takes place to match-up to the funds available.

As we look forward to 2023-24, the organisation has exciting plans on how to take forward its future role in, especially in regards managing community spaces and buildings. A Lease Agreement has now been signed with the landowners of the Haydn Road Pavilion & Sports Ground that will ensure we make a significant impact to communities nearby and further afield, developing partnerships and programmes associated with education, health and sport and active lifestyle which should widen the scope of funding and diversify its income streams.

CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)

TRUSTEES' ANNUAL REPORT

9. PAY POLICY FOR SENIOR STAFF

The Board of Trustees and the senior management team comprise the key management personnel of the Charity in charge of directing, controlling running and operating the Foundation on a day-to-day basis. All Trustees give their time freely and no trustee received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in note 15 to the accounts.

The pay of senior staff is reviewed annually and normally increased in accordance with average earnings. In view of the nature of the charity, the trustees benchmark against pay levels in similar sectors.

10. RISK MANAGEMENT

The Trustees have a risk management strategy which comprises:

- an annual review of the principal risks and uncertainties that the Charity and its subsidiary Castle Cavendish Limited 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 or manage any potential impact on the Charity should those risks materialise.

This work has identified that financial sustainability is the major financial risk for both the Charity and its subsidiary. A key element in the management of financial risk is a regular review of available liquid funds to settle debts as they fall due, regular liaison with the bank, and active management of trade debtors and creditor balances to ensure sufficient working capital by the Charity and its subsidiary company.

11. RESERVES POLICY

The Charity holds a general reserve from income received in previous years, along with income generated from its trading subsidiary and donated through. It has the ability to use these reserves each year to contribute to investments, grants and the running of the organisation, in line with the Charity's Reserve Policy.

As of 31st March 2023, the organisation's Current Assets are made up of 'Debtors' (£105k) and 'Cash in Bank' (£123k) amounts to £228k. This is offset by Liabilities (falling in one year) of £130k. The approved Reserves Policy identifies that, under the current circumstances, the estimated level of reserves should be at least £100k, and action will be undertaken to increase current assets and reduce our liabilities, thereby increasing our level of reserves.

12. TRUSTEE INDUCTION & TRAINING

New Trustees are provided with a Trustee Handbook, and undergo an orientation process to brief them on the Charity and their role as a Trustee, including:

- legal obligations under Charity and company law;
- the content of the Memorandum and Articles of Association;
- the committee and decision-making process;
- the latest business plan; and
- the performance of the Charity.

Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)

TRUSTEES' ANNUAL REPORT

13. RELATED PARTIES

In 2022-23, Castle Cavendish had a strategic relationship with Nottingham City Council, as the main funder of the ABG Programme. From an operational point of view, it had contractual relationship, through grant agreements.

14. STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of Castle Cavendish Foundation for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing 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 FRS 102;
- 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware: and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Board of Trustees adopted the Charity Governance Code in October 2018. This sets out seven key principles of good governance:

1. **Organisational Purpose:**
The Board is clear about the charity's aims and ensures that these are being delivered effectively and sustainably.
2. **Leadership:**
The Board provides effective, strategic leadership in line with the charity's aims and values.
3. **Integrity:**
The Board acts with integrity adopting values and creating a culture which help achieve the organisations charitable purposes. The Board is aware of the importance of the public's confidence and trust in charities, and Trustees undertake their duties accordingly.

**CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)**

TRUSTEES' ANNUAL REPORT

14. STATEMENT OF TRUSTEES' RESPONSIBILITIES (continued)

4. Decision-making, risk and control:
The Board makes sure that its decision-making processes are informed, rigorous and timely and that effective delegation, control and risk assessment and management systems are set up and monitored.

5. Board effectiveness:
The Board works as an effective team, using the appropriate balance of skills, experience, backgrounds and knowledge to make informed decisions.

6. Diversity:
The Board's approach to diversity supports its effectiveness, leadership and decision-making.

7. Openness and accountability:
The Board leads the organisation in being transparent and accountable. The charity is open in its work, unless there is good reason for it not to be.

15. AUDITORS

A resolution will be proposed at the Annual General Meeting that Rogers Spencer be re-appointed as auditors to the charity for the ensuing year.

Approved by the Board of Trustees onand signed on its behalf by

**Mark Spouge
Chair of Trustees**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
CASTLE CAVENDISH FOUNDATION (A company limited by guarantee)**

Independent Auditor's Report to the members and Trustees of Castle Cavendish Foundation (a company limited by guarantee)

Opinion

We have audited the financial statements of Castle Cavendish Foundation (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2023 which comprise the group statement of financial activities, the group and parent charitable company balance sheet, the group cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2023, and of the group's incoming resources and application of resources, including 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 and the Charities Act 2011.

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 group and parent 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.

Emphasis of matter

As mentioned within the Investments note (note 8), the long term investment properties, which represent 97% of fixed assets and 85% of gross assets, have been valued by the Trustees as at 31 March 2023. The last professional valuation was undertaken by Savills in 2013.

We do not modify our opinion with regard to this matter.

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 group's or parent 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
CASTLE CAVENDISH FOUNDATION (A company limited by guarantee)**

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.

Opinions 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' annual report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
CASTLE CAVENDISH FOUNDATION (A company limited by guarantee)**

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on pages 8 & 9, 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 group's and parent 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 group or the parent 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 the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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

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

Our approach to identifying and assessing the risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We identified the laws and regulations applicable to the group through discussions with trustees and other management, and from our knowledge and experience of the charity sector and grant providers;
- We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the group, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation;
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- Identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the group's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- Making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
CASTLE CAVENDISH FOUNDATION (A company limited by guarantee)**

- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- Understanding the design of the group's remuneration policies.

To address the risk of fraud through management bias and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships;
- Tested journal entries to identify unusual transactions;
- Assessed whether judgements and assumptions made in determining the accounting estimates set out in note 2 were indicative of potential bias; and
- Investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- Agreeing financial statement disclosures to underlying supporting documentation;
- Reading the minutes of meetings of those charged with governance;
- Enquiring of management as to actual and potential litigation and claims; and
- Reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

This report is made solely to the 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 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 company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

.....
Melvin Bailey FCCA DChA (Senior Statutory Auditor)
For and on behalf of Rogers Spencer

Date:

Chartered Certified Accountant
Statutory Auditor

Newstead House
Pelham Road
Nottingham NG5 1AP

Rogers Spencer is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

CASTLE CAVENDISH FOUNDATION
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CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
~ INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST MARCH 2023

	Note	Unrestricted £	Restricted £	Total 2023 £	Total 2022 £
<u>INCOME AND ENDOWMENTS FROM</u>					
Income from charitable activities:					
Grants receivable	3a	-	518,303	518,303	545,196
Income from trading activities:					
Rent and room hire		464,971	-	464,971	415,862
Other property income		104,831	-	104,831	81,972
Service charges		46,498	-	46,498	32,051
Other grants receivable		-	-	-	11,857
		<u>616,300</u>	<u>-</u>	<u>616,300</u>	<u>541,742</u>
<u>TOTAL INCOME</u>		<u>616,300</u>	<u>518,303</u>	<u>1,134,603</u>	<u>1,086,938</u>
<u>EXPENDITURE ON</u>					
Raising funds	4a	12,215	-	12,215	15,293
Charitable activities	4c	600,147	466,086	1,066,233	1,098,495
<u>TOTAL EXPENDITURE</u>		<u>612,362</u>	<u>466,086</u>	<u>1,078,448</u>	<u>1,113,788</u>
<u>NET INCOME/(EXPENDITURE) BEFORE TRANSFERS</u>		3,938	52,217	56,155	(26,850)
Transfers between funds		-	-	-	-
<u>NET MOVEMENT IN FUNDS</u>		3,938	52,217	56,155	(26,850)
Fund balances brought forward		<u>1,512,037</u>	<u>26,549</u>	<u>1,538,586</u>	<u>1,565,436</u>
<u>FUND BALANCES CARRIED FORWARD</u>		<u>1,515,975</u>	<u>78,766</u>	<u>1,594,741</u>	<u>1,538,586</u>

The consolidated statement of financial activities contains all the gains and losses recognised in current and previous period.

All activities are continuing activities.

The notes on pages 19 to 36 form part of these financial statements.

CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
~ INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST MARCH 2023

PRIOR YEAR ONLY:	Note	Unrestricted £	Restricted £	Total 2022 £
<u>INCOME AND ENDOWMENTS FROM</u>				
Income from charitable activities:				
Grants receivable	3b	-	<u>545,196</u>	<u>545,196</u>
Income from trading activities:				
Rent and room hire		415,862	-	415,862
Other property income		81,972	-	81,972
Service charges		32,051	-	32,051
Other grants receivable		-	<u>11,857</u>	-
		<u>529,885</u>	<u>11,857</u>	<u>541,742</u>
<u>TOTAL INCOME</u>		<u>529,885</u>	<u>557,053</u>	<u>1,086,938</u>
<u>EXPENDITURE ON</u>				
Raising funds	4b	15,293	-	15,293
Charitable activities	4d	<u>574,852</u>	<u>523,643</u>	<u>1,098,495</u>
<u>TOTAL EXPENDITURE</u>		<u>590,145</u>	<u>523,643</u>	<u>1,113,788</u>
<u>NET INCOME/(EXPENDITURE) BEFORE TRANSFERS</u>		(60,260)	33,410	(26,850)
Transfers between funds		<u>33,713</u>	<u>(33,713)</u>	-
<u>NET MOVEMENT IN FUNDS</u>		(26,547)	(303)	(26,850)
Fund balances brought forward		<u>1,538,584</u>	<u>26,852</u>	<u>1,565,436</u>
<u>FUND BALANCES CARRIED FORWARD</u>		<u>1,512,037</u>	<u>26,549</u>	<u>1,538,586</u>

All activities are continuing activities.

The notes on pages 19 to 36 form part of these financial statements.

CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2023

	Note	2023		2022	
		£	£	£	£
<u>FIXED ASSETS</u>					
Tangible fixed assets	7a		48,458		51,242
Investments	8		<u>1,548,052</u>		<u>1,548,052</u>
			1,596,510		1,599,294
<u>CURRENT ASSETS</u>					
Debtors	9	105,448		83,681	
Cash at bank and in hand			<u>122,939</u>		<u>88,539</u>
			228,387		172,220
<u>LIABILITIES:</u> Amounts falling due within one year	10		<u>(130,836)</u>		<u>(121,966)</u>
<u>NET CURRENT ASSETS / (LIABILITIES)</u>			<u>97,551</u>		<u>50,254</u>
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>			1,694,061		1,649,548
<u>LIABILITIES:</u> Amounts falling due after more than one year	11		<u>(99,320)</u>		<u>(110,962)</u>
NET ASSETS			<u>1,594,741</u>		<u>1,538,586</u>
<u>FUNDS</u>					
Unrestricted					
General funds	13		1,515,975		1,512,037
Restricted					
	12		<u>78,766</u>		<u>26,549</u>
Total funds			<u>1,594,741</u>		<u>1,538,586</u>

The financial statements are prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved by the Board of Trustees on and signed on its behalf by

Mark Spouge
Chair of Trustees

Company Number 04209702

The notes on pages 19 to 36 form part of these financial statements.

CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)

BALANCE SHEET AS AT 31ST MARCH 2023 (CHARITY ONLY)

	Note	2023		2022	
		£	£	£	£
<u>FIXED ASSETS</u>					
Tangible fixed assets	7b		20,404		27,700
Investments	8		<u>1,548,152</u>		<u>1,548,152</u>
			1,568,556		1,575,852
<u>CURRENT ASSETS</u>					
Debtors	9	104,096		70,905	
Cash at bank and in hand		<u>43,033</u>		<u>16,157</u>	
		147,129		87,062	
<u>LIABILITIES:</u> Amounts falling due within one year	10	<u>(28,024)</u>		<u>(19,766)</u>	
<u>NET CURRENT ASSETS / (LIABILITIES)</u>			<u>119,105</u>		<u>67,296</u>
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>			1,687,661		1,643,148
<u>LIABILITIES:</u> Amounts falling due after more than one year	11		<u>(99,320)</u>		<u>(110,962)</u>
<u>NET ASSETS</u>			<u>1,588,341</u>		<u>1,532,186</u>
<u>FUNDS</u>					
Unrestricted					
General funds	13		1,509,575		1,505,637
Restricted	12		<u>78,766</u>		<u>26,549</u>
Total funds			<u>1,588,341</u>		<u>1,532,186</u>

As permitted by s408 of the Companies Act 2006, the parent charitable company has not presented its own statement of financial activities and related notes. The parent charitable company's surplus for the year was £56,155 (2022: £26,850 deficit).

The financial statements are prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved by the Board of Trustees on and signed on its behalf by

Mark Spouge
Chair of Trustees

Company Number 04209702

The notes on pages 19 to 36 form part of these financial statements.

CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2023

	Note	2023 £	2022 £
Cashflows from operating activities			
Cash generated from/(absorbed by) operations	18	62,902	(10,618)
Interest paid		<u>(4,084)</u>	<u>(4,817)</u>
Net cash inflow /(outflow) from operating activities		<u>58,818</u>	<u>(15,435)</u>
Investing activities			
Purchase of tangible fixed assets		<u>(12,775)</u>	<u>(21,071)</u>
Net cash (used) /received in investing activities		<u>(12,775)</u>	<u>(21,071)</u>
Financing activities			
Repayment of bank loans		<u>(11,643)</u>	<u>(11,150)</u>
Net cash (used) /received in financing activities		<u>(11,643)</u>	<u>(11,150)</u>
Net increase /(decrease) in cash and cash equivalents		34,400	(47,656)
Cash and cash equivalents at beginning of the year		<u>88,539</u>	<u>136,195</u>
Cash and cash equivalents at end of year		<u>122,939</u>	<u>88,539</u>

CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2023

1. ACCOUNTING POLICIES

Basis of accounting

The charity constitutes a public benefit entity as defined by FRS 102. The charity is limited by guarantee and was incorporated in England & Wales. 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 Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £1.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Basis of consolidation

The consolidated financial statements include the financial statements of the parent charitable company and its subsidiary company Castle Cavendish Limited.

Going concern

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value.

Although the Charitable group draws upon grants from the Local Authority and other potential funders, it equally generates a significant amount of income through its trading subsidiary. It is anticipated that future business requirements lend itself to the flexible workspace opportunities that exist at both Castle Cavendish Works and Castle Cavendish Enterprise Centre. Indeed, the initial forecasted trading profit for 2023-24 is estimated to be in the order of £90k, due to a steady growth in usage and occupancy. Indeed, it is anticipated that occupancy levels will reach their optimum in 2023-24. However, as energy costs increase, the trading activities may well be affected.

In May 2023, the Board of Trustees approved a Financial Plan for 2023-24 which builds in the trading subsidiary income and expenditure forecasts, alongside an anticipated grant programme worth up to £450k, fully supported through external grant funding. Even with the significant task of managing this grant programme and the cost associated with this role, it is anticipated that the Charitable group will still generate a net surplus in 2023-24.

However, it should be noted that there are some question marks over grant funds in the future, especially in regards the Area Based Grant from 2024 onwards, as well as the level of funds to be allocated. The cost of delivering aspects of the City Council's Area Based Grant and managing its distribution is covered through an element of the Area Based Grant itself, alongside a percentage Management Fee. Obviously, with some uncertainty surrounding this matter, the potential fees generated and the 'in-house' project delivery grant are difficult to estimate. The Board of Trustees are well aware of this issue and have a risk management approach which will respond to the prevailing circumstances, scaling up or scaling up, depending on the grant funds that are awarded.

However, as previously noted, if the trading subsidiary matches up to optimum levels in 2023-24, and there is no reason why this should not happen given the current trends, then trading profits will be substantial. This dividend donation to the Charitable group, will ensure that the governance costs and management responsibilities for the group as a whole will be properly supported on an ongoing basis.

CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2023

1. ACCOUNTING POLICIES (continued)

Fund accounting

General funds are unrestricted funds which 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.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements. Restricted funds are funds which are to be used in accordance with specific restriction imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Restricted funds represent grants, donations and legacies received which are allocated by the donor for specific purposes.

Income

All income is included in the SOFA when the charity is legally entitled to the income, 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.

Gifts in kind donated are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

All capital grants received in respect of any depreciated assets are credited to deferred income and amortised to the profit and loss account over the useful economic life of the assets to which they relate.

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.

Expenditure and irrecoverable VAT

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of the resources.

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:

- Costs of raising funds comprise the promotional costs to the charity.
- Expenditure on charitable activities includes all costs undertaken to further the purposes of the charity and their associated support costs, including costs of governance.

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

Taxation

The Trust is a registered Charity and is exempt from taxation. Its subsidiary company, Castle Cavendish Limited, is liable to corporation taxation on its profits however. Any tax incurred is charged to resources expended.

CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2023

1. ACCOUNTING POLICIES (continued)

Fixed assets and depreciation

Tangible fixed assets are stated at the lower of cost less accumulated depreciation and valuation.

Depreciation is charged on a straight-line basis over the expected economic useful lives of the assets at the following annual rates:

Computer equipment	33 1/3% straight line basis
Fixtures, fittings, vehicles and equipment	15% straight line basis

Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured using the fair value model and stated at its fair value as the reporting end date. The surplus or deficit on revaluation is recognised in the profit and loss account.

Where fair value cannot be achieved without undue cost or effort, investment property is accounted for as tangible fixed assets.

2. JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the group'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 underlying 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 the revision and future periods where the revision affects both current and future periods.

CASTLE CAVENDISH FOUNDATION
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2023

3a. GRANTS RECEIVABLE

	Unrestricted funds	Restricted funds	Total 2023	Total 2022
	£	£	£	£
Area Based Grant - Area 2	-	134,520	134,520	175,283
Area Based Grant - Area 4	-	110,776	110,776	144,345
Area Based Grant - Area 5	-	97,344	97,344	126,842
Holiday Activity Fund	-	117,243	117,243	98,726
Community Vaccine Champions	-	45,000	45,000	-
The Bestwood Partnership	-	13,420	13,420	-
	<u>-</u>	<u>518,303</u>	<u>518,303</u>	<u>545,196</u>

3b. GRANTS RECEIVABLE (Prior year)

	Unrestricted funds	Restricted funds	Total 2022
	£	£	£
Area Based Grant - Area 2	-	175,283	175,283
Area Based Grant - Area 4	-	144,345	144,345
Area Based Grant - Area 5	-	126,842	126,842
Holiday Activity Fund	-	98,726	98,726
	<u>-</u>	<u>545,196</u>	<u>545,196</u>

4a. RAISING FUNDS

	Unrestricted funds	Restricted funds	Total 2023
	£	£	£
Advertising and promotion	<u>12,215</u>	-	<u>12,215</u>
	<u>12,215</u>	-	<u>12,215</u>

4b. RAISING FUNDS (Prior year)

	Unrestricted funds	Restricted funds	Total 2022
	£	£	£
Advertising and promotion	<u>15,293</u>	-	<u>15,293</u>
	<u>15,293</u>	-	<u>15,293</u>

CASTLE CAVENDISH FOUNDATION
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2023

4c. CHARITABLE ACTIVITIES	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Staff costs	200,397	103,556	303,953	273,180
Repairs and maintenance	75,179	-	75,179	71,951
Premises security	11,225	-	11,225	3,998
Computer costs	317	-	317	3,506
Heat, light, water and telephone	69,076	-	69,076	54,267
Insurance	15,201	-	15,201	10,849
Motor and travel	3,440	-	3,440	349
Printing, postage and stationery	13,347	-	13,347	9,919
Training	-	-	-	525
Service charges	43,467	-	43,467	30,432
Legal and professional fees	16,671	-	16,671	13,149
Accountancy fees	4,080	-	4,080	4,076
Equipment leasing	6,860	-	6,860	6,730
Rent and rates	85,371	-	85,371	80,412
Sundry expenses	1,582	-	1,582	1,338
Bad debts	(12,290)	-	(12,290)	(2,199)
Bank charges	1,257	-	1,257	1,152
Grant payments (Note 4i)	-	362,530	362,530	452,034
Loan interest	4,084	-	4,084	4,817
Governance (Note 4e)	41,941	-	41,941	52,373
Depreciation	15,560	-	15,560	14,047
Unrecoverable VAT	<u>3,382</u>	-	<u>3,382</u>	<u>11,590</u>
	<u>600,147</u>	<u>466,086</u>	<u>1,066,233</u>	<u>1,098,495</u>

CASTLE CAVENDISH FOUNDATION
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2023

4d. <u>CHARITABLE ACTIVITIES (Prior year)</u>	Unrestricted funds £	Restricted funds £	Total 2022 £
Staff costs	201,571	71,609	273,180
Repairs and maintenance	71,951	-	71,951
Premises security	3,998	-	3,998
Heat, light, water and telephone	54,267	-	54,267
Insurance	10,849	-	10,849
Motor and travel	349	-	349
Printing, postage and stationery	9,919	-	9,919
Training	525	-	525
Service charges	30,432	-	30,432
Legal and professional fees	13,149	-	13,149
Accountancy fees	4,076	-	4,076
Equipment leasing	6,730	-	6,730
Rent and rates	80,412	-	80,412
Sundry expenses	1,338	-	1,338
Bad debts	(2,199)	-	(2,199)
Bank charges	1,152	-	1,152
Grant payments (Note 4i)	-	452,034	452,034
Loan interest	4,817	-	4,817
Governance (Note 4f)	52,373	-	52,373
Depreciation	14,047	-	14,047
Unrecoverable VAT	<u>11,590</u>	-	<u>11,590</u>
	<u>574,852</u>	<u>523,643</u>	<u>1,098,495</u>

4e. <u>GOVERNANCE COSTS</u>	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Staff costs	34,841	-	34,841	46,373
Audit fees	<u>7,100</u>	-	<u>7,100</u>	<u>6,000</u>
	<u>41,941</u>	-	<u>41,941</u>	<u>52,373</u>

4f. <u>GOVERNANCE COSTS (Prior year)</u>	Unrestricted funds £	Restricted funds £	Total 2022 £
Staff costs	46,373	-	46,373
Audit fees	<u>6,000</u>	-	<u>6,000</u>
	<u>52,373</u>	-	<u>52,373</u>

CASTLE CAVENDISH FOUNDATION
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2023

4g. TOTAL RESOURCES EXPENDED

	<u>Basis of allocation</u>	<u>Projects and grants</u>	<u>Property management</u>	<u>Governance</u>	2023	2022
Costs directly allocated to activities		£	£	£	£	£
Staff costs	Direct	97,094	206,859	34,841	338,794	319,554
Advertising	Direct	7,951	4,264	-	12,215	15,293
Premises costs	Direct	3,549	296,287	-	299,836	255,416
Travel	Direct	110	3,331	-	3,441	349
Hire of equipment	Direct	-	6,860	-	6,860	6,730
Printing, stationery etc	Direct	152	13,195	-	13,347	9,919
Depreciation	Direct	7,296	8,263	-	15,559	14,047
Legal and professional	Direct	7,094	13,657	7,100	27,851	23,225
Bank charges	Direct	45	1,212	-	1,257	1,152
Bad and doubtful debts	Direct	-	(12,290)	-	(12,290)	(2,199)
Grant payments	Direct	362,530	-	-	362,530	452,034
Unrecoverable VAT	Direct	3,381	-	-	3,381	11,587
Other costs	Direct	<u>4,937</u>	<u>730</u>	<u>-</u>	<u>5,667</u>	<u>6,681</u>
		<u>494,139</u>	<u>542,368</u>	<u>41,941</u>	<u>1,078,448</u>	<u>1,113,788</u>

CASTLE CAVENDISH FOUNDATION
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2023

4h. TOTAL RESOURCES EXPENDED (Prior year)

	<u>Basis of allocation</u>	<u>Projects and grants</u>	<u>Property management</u>	<u>Governance</u>	2022
Costs directly allocated to activities		£	£	£	£
Staff costs	Direct	93,482	179,699	46,373	319,554
Advertising	Direct	14,523	770	-	15,293
Premises costs	Direct	17,982	237,434	-	255,416
Travel	Direct	78	271	-	349
Hire of equipment	Direct	-	6,730	-	6,730
Printing, stationery etc	Direct	623	9,296	-	9,919
Depreciation	Direct	6,389	7,658	-	14,047
Legal and professional	Direct	3,805	13,420	6,000	23,225
Bank charges	Direct	15	1,137	-	1,152
Bad and doubtful debts	Direct	-	(2,199)	-	(2,199)
Grant payments	Direct	452,034	-	-	452,034
Unrecoverable VAT	Direct	11,587	-	-	11,587
Other costs	Direct	<u>4,880</u>	<u>1,801</u>	<u>-</u>	<u>6,681</u>
		<u>605,398</u>	<u>456,017</u>	<u>52,373</u>	<u>1,113,788</u>

CASTLE CAVENDISH FOUNDATION
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2023

4i. GRANT PAYMENTS

Grants were awarded to the following organisations during the year:

	2023	2022
	£	£
Restricted Grants:		
Take 1 Studios	12,600	7,500
Signpost to Polish Success	10,450	8,000
A-Star Sports Development	-	7,720
Notts Club for Young People	4,180	18,970
The Lenton Centre	7,960	5,160
Primary (Nottingham Studios)	-	3,000
Switch Up CIC	9,525	12,200
Nottingham Health & Education Support	-	17,500
The Pythian Club	-	29,825
Hyson Green Youth Club	9,300	22,800
Building Bridges Breaking Barriers	8,000	23,708
East African Education Centre	3,000	2,250
Nottingham Bikeworks	-	10,525
Fearless Youth Association	-	9,025
Freedom Foundation	9,205	14,600
Helping Kids Achieve	5,000	3,000
Basford Rd Baptist Church	750	750
The Toy Library	62,615	34,191
Inspire-Succeed CIC	-	8,300
Skills Exchange	-	400
OnPoint Distribution	-	1,540
Positively Empowered Kids	2,100	5,610
Empleo	19,100	14,325
Notts County Football in the Community	4,700	3,000
SALTAR	-	1,000
Community Based Fitness	4,415	5,000
Sherwood Playgroup	6,400	6,660
Sikh Community & Youth Services	1,900	-
Queen's Walk Community Association	595	-
The Vine Community Centre	2,500	-
Senior Support Group	-	4,000
	<hr/>	<hr/>
Restricted grants carried forward	184,295	280,559

CASTLE CAVENDISH FOUNDATION
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2023

4i. GRANT PAYMENTS (continued)

	2023	2022
	£	£
Restricted grants brought forward	184,295	280,559
Belong	20,000	18,250
Hoop Dreams Basketball Club	5,500	8,340
When Women Gather	1,900	6,000
AJ Sports	22,235	30,100
Wild Things	8,700	10,150
Wollaton Park Community Association	-	1,500
Windmill Community Gardens	2,000	7,000
Women in Tandem	2,180	8,040
The Bridges Community Trust	10,500	34,425
The Bestwood Partnership	21,500	21,100
Djanogly Learning Trust	-	4,000
Welcome to Education project	-	1,780
Djanogly Lettings	940	400
Vanclaron CIC	3,320	4,100
Himmah	-	1,600
Jawaid Khaliq Boxing Academy	-	1,520
Leadership, Empowerment & Diversity (LED)	-	1,800
Mother's Voices	-	770
AKA Health Wealth & Oneness	24,080	9,600
St Aidan's Church	2,010	1,000
Nottingham Health & Education Centre	7,520	-
Nottinghamshire County Cricket Club	2,660	-
Nottingham Forest Community Trust	8,550	-
Trent Bridge Community Trust	34,640	-
Total Restricted Grants	<u>362,530</u>	<u>452,034</u>

CASTLE CAVENDISH FOUNDATION
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2023

5. STAFF COSTS AND TRUSTEES REMUNERATION

	Total 2023	Total 2022
	£	£
Wages and salaries	302,151	288,674
Social security costs	25,683	21,204
Pension costs	<u>10,960</u>	<u>9,676</u>
	<u>338,794</u>	<u>319,554</u>

The number of employees whose annual remuneration (staff costs and pension contributions) was £60,000 or more were:

	2023 Number	2022 Number
£60,001 - £70,000	<u>1</u>	<u>1</u>

Average number of employees, calculated on a full-time equivalent basis, analysed by function was:

	Number 2023	Number 2022
Charitable activities	12	12
Governance	<u>1</u>	<u>1</u>
	<u>13</u>	<u>13</u>

None of the Trustees received remuneration during the year.
No Trustee expenses were incurred in the year.

Remuneration of key management personnel

Remuneration of key management personnel is as follows:

	Total 2023	Total 2022
	£	£
Aggregate compensation	<u>67,788</u>	<u>65,638</u>

6. TRUSTEES INDEMNITY INSURANCE

The charity paid £465 (2022: £829) during the year in respect of indemnity insurance for Trustees.

CASTLE CAVENDISH FOUNDATION
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2023

7a. TANGIBLE FIXED ASSETS (Group)

	Computer equipment £	Fixtures, fittings, vehicles & equipment £	Total £
<u>COST</u>			
Brought forward at 1 April 2022	55,339	217,190	272,529
Transfer to investment property	-	-	-
Additions	1,373	11,402	12,775
Disposals	-	-	-
At 31 March 2023	<u>56,712</u>	<u>228,592</u>	<u>285,304</u>
<u>DEPRECIATION</u>			
Brought forward at 1 April 2022	53,398	167,889	221,287
Transfer to investment property	-	-	-
Charge for the year	853	14,706	15,559
Eliminated on disposals	-	-	-
At 31 March 2023	<u>54,251</u>	<u>182,595</u>	<u>236,846</u>
<u>NET BOOK VALUE</u>			
At 31 March 2023	<u>2,461</u>	<u>45,997</u>	<u>48,458</u>
At 31 March 2022	<u>1,941</u>	<u>49,301</u>	<u>51,242</u>

7b. TANGIBLE FIXED ASSETS (Charity)

	Computer equipment £	Fixtures, fittings, vehicles & equipment £	Total £
<u>COST</u>			
Brought forward at 1 April 2022	19,024	99,231	118,255
Transfer to investment property	-	-	-
Additions	-	-	-
Disposals	-	-	-
At 31 March 2023	<u>19,024</u>	<u>99,231</u>	<u>118,255</u>
<u>DEPRECIATION</u>			
Brought forward at 1 April 2022	18,149	72,406	90,555
Transfer to investment property	-	-	-
Charge for the year	362	6,934	7,296
Eliminated on disposals	-	-	-
At 31 March 2023	<u>18,511</u>	<u>79,340</u>	<u>97,851</u>
<u>NET BOOK VALUE</u>			
At 31 March 2023	<u>513</u>	<u>19,891</u>	<u>20,404</u>
At 31 March 2022	<u>875</u>	<u>26,825</u>	<u>27,700</u>

CASTLE CAVENDISH FOUNDATION
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2022

8. <u>INVESTMENTS</u>	Group	Group	Charity	Charity
	2023	2022	2023	2022
	£	£	£	£
<u>FIXED ASSETS</u>				
Investment Properties:				
Cost/valuation b/f	1,548,052	1,532,502	1,532,502	1,532,502
Additions	-	15,550	-	15,550
Disposals	-	-	-	-
Revaluations	-	-	-	-
Transfer to current assets	-	-	-	-
Cost/valuation c/f	<u>1,548,052</u>	<u>1,548,052</u>	<u>1,548,052</u>	<u>1,548,052</u>
Shares in Subsidiary Undertaking:	-	-	100	100
	<u>1,548,052</u>	<u>1,532,502</u>	<u>1,548,152</u>	<u>1,548,152</u>

The properties were last professionally revalued by Savills in 2013. The Trustees believe that there would be undue cost involved in attaining a further professional valuation and have instead opted to value the properties themselves individually at open market value as at 31 March 2023.

The shares relate to one hundred shares (2022: one hundred shares) of £1 in Castle Cavendish Limited (company registration number 06113675) which is a wholly owned subsidiary of Castle Cavendish Foundation and the shares are stated at cost.

9. <u>DEBTORS</u>	Group	Group	Charity	Charity
	2023	2022	2023	2022
	£	£	£	£
Trade debtors	62,405	32,235	-	-
Amounts owed from subsidiary undertakings	-	-	21,733	24,171
Other debtors	<u>43,043</u>	<u>51,446</u>	<u>82,363</u>	<u>46,734</u>
	<u>105,448</u>	<u>83,681</u>	<u>104,063</u>	<u>70,905</u>

CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2023

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
10. <u>LIABILITIES:</u> Amounts falling due with one year				
Trade creditors	37,428	33,450	9,193	2,266
Taxation and social security	12,020	773	772	773
Accruals and deferred income	47,656	55,938	6,500	5,650
Bank loans and overdrafts	11,559	11,077	11,559	11,077
Other creditors	<u>22,173</u>	<u>20,728</u>	-	-
	<u>130,836</u>	<u>121,966</u>	<u>28,024</u>	<u>19,766</u>

Deferred income of £19,227 (2022: £21,247) is included within accruals and deferred income and represents the amounts prepaid by tenants.

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
11. <u>LIABILITIES:</u> Amounts falling due after one year				
Bank loans and overdrafts	<u>99,320</u>	<u>110,962</u>	<u>99,320</u>	<u>110,962</u>
Amounts included above which fall due after five years are as follows:				
Payable by instalments	<u>61,562</u>	<u>61,753</u>	<u>61,562</u>	<u>61,753</u>

The bank loans and overdrafts are secured by way of a legal charge dated 2 June 2016 over the Castle Cavendish Works property and a debenture dated 25 January 2016 over all assets of the company.

CASTLE CAVENDISH FOUNDATION
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2023

12. RESTRICTED FUNDS

	At 1 April 2022 £	Income £	Expenditure £	Transfers £	At 31 March 2023 £
Area Based Grant (Areas 2, 4 & 5)	26,549	342,640	301,128	-	68,061
Community Vaccine Champions	-	45,000	40,155	4,320	9,165
The Bestwood Partnership	-	13,420	-	(13,420)	-
Holiday Activity Fund	-	117,243	124,803	9,100	1,540
	<u>26,549</u>	<u>518,303</u>	<u>466,086</u>	<u>-</u>	<u>78,766</u>

RESTRICTED FUNDS (Prior year)

	At 1 April 2021 £	Income £	Expenditure £	Transfers £	At 31 March 2022 £
Area Based Grant (Areas 2, 4 & 5)	26,852	446,470	413,060	(33,713)	26,549
The Kickstart Scheme	-	11,857	11,857	-	-
Holiday Activity Fund	-	98,726	98,726	-	-
	<u>26,852</u>	<u>557,053</u>	<u>523,643</u>	<u>(33,713)</u>	<u>26,549</u>

Area Based Grants:

Nottingham City Council has provided grant funding to cover Areas 2, 4 & 5's ABG Programmes that will fund the associated costs of delivering a range of community-based activities that will support children & young people, train and support people into work, support the elderly and most vulnerable, and support the growth and development of the local community and voluntary sector.

Community Vaccine Champion

The Community Vaccine Champions funding was from Nottingham City Council with the aim of supporting the delivery of innovative approaches to engaging members of the community to increase the uptake of vaccinations and to proactively address health inequalities.

The Bestwood Partnership

Throughout 2022-23 we developed and delivered several jointly-funded projects in partnership with a fellow Area-Lead Organisation, The Bestwood Partnership. This work focused on supporting the Holiday Activity Fund provision for children & young people, along with joint initiatives relating to the Community Vaccine Champions funding.

Holiday Activity Fund

This is a City-wide programme supported by the Department of Education's Holiday Activity & Food Programme, which is aimed at tackling child hunger during the school holidays. The programme is focused on providing free activities and food for children in receipt of free school meals and is delivered in partnership with Play & Youth community partners.

The Kickstart Scheme

This was government funding that tried to support 16-24 year olds on Universal Credit into work. Funding covers 100% of the National Minimum Wage for 25 hours per week for a total of 6 months, alongside funding towards Employer National Insurance contributions and automatic enrolment pension contributions.

CASTLE CAVENDISH FOUNDATION
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2023

13a. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	General funds £	Restricted funds £	Total £
GROUP			
Tangible fixed assets and investments	1,596,510	-	1,596,510
Net current assets/(liabilities)	18,785	78,766	97,551
Long term liabilities	<u>(99,320)</u>	-	<u>(99,320)</u>
	<u>1,515,975</u>	<u>78,766</u>	<u>1,594,741</u>
CHARITY			
Tangible fixed assets and investments	1,568,556	-	1,568,556
Net current assets/(liabilities)	40,339	78,766	119,105
Long term liabilities	<u>(99,320)</u>	-	<u>(99,320)</u>
	<u>1,509,575</u>	<u>78,766</u>	<u>1,588,341</u>

13b. ANALYSIS OF NET ASSETS BETWEEN FUNDS (prior year)

	General funds £	Restricted funds £	Total £
GROUP			
Tangible fixed assets and investments	1,599,294	-	1,599,294
Net current assets/(liabilities)	23,706	26,549	50,255
Long term liabilities	<u>(110,963)</u>	-	<u>(110,963)</u>
	<u>1,512,037</u>	<u>26,549</u>	<u>1,538,586</u>
CHARITY			
Tangible fixed assets and investments	1,575,852	-	1,575,852
Net current assets/(liabilities)	40,748	26,549	67,297
Long term liabilities	<u>(110,963)</u>	-	<u>(110,963)</u>
	<u>1,505,637</u>	<u>26,549</u>	<u>1,532,186</u>

14. SUBSIDIARY COMPANY

The Charity owns the whole of the issued ordinary share capital of Castle Cavendish Limited, a company registered in England & Wales, company number 06113675. All activities have been consolidated on a line-by-line basis in the SOFA. Any total net profits will be gifted to the charity as and when the company begins to make a profit. A summary of the results of the subsidiary is shown below:

Castle Cavendish Limited	2023 £	2022 £
Income	616,300	529,886
Other income	-	11,857
Administrative expenses	<u>(546,395)</u>	<u>(450,029)</u>
Trading profit	<u>69,905</u>	<u>91,714</u>
Other operating costs	<u>4,026</u>	<u>(5,459)</u>
Net operating profit	<u>73,931</u>	<u>86,255</u>
Distribution to charity (CCF)	<u>(73,931)</u>	<u>(86,255)</u>
Profit for period	-	-

CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2023

14. SUBSIDIARY COMPANY (continued)

	2023	2022
	£	£
The aggregate of the assets, liabilities and funds was:		
Assets	204,974	159,126
Liabilities	<u>(198,474)</u>	<u>(152,626)</u>
Funds (representing 100 ordinary shares of £1)	<u>6,500</u>	<u>6,500</u>

15. RELATED PARTY TRANSACTIONS

During the year, various transactions took place between Castle Cavendish Foundation and Castle Cavendish Limited, a wholly owned subsidiary. There were also two related party transactions outside of the group.

The subsidiary is a trading arm of the Charity and commercially manages its property portfolio, receiving income from property rentals, conference bookings, training sessions and room hire, whilst also acting as agent for the management of the rest of the investment property portfolio.

At the balance sheet date £21,733 was owed from (2022: £24,171 was owed to) Castle Cavendish Limited by the Charity.

During the year, Castle Cavendish Limited has donated profits totalling £49,493 (2022: £86,255). £49,202 (2022: £26,255) of this remains due to Castle Cavendish Foundation at the balance sheet date, in addition to the above amounts.

C Elder, one of the directors of the subsidiary, is a partner at Browne Jacobson. Browne Jacobson provided legal services to Castle Cavendish Limited but C Elder was not involved in the services provided. The services provided during the year totalled £5,139 (2022: £nil).

Z Powers, who is a trustee of Castle Cavendish Foundation, provides marketing services through his business Altermata. This company provided marketing support to Castle Cavendish Limited and Castle Cavendish Foundation during the year totalling £10,202 (2022: £5,363).

16. FINANCIAL COMMITMENTS

As at 31 March 2023, the company was committed to making the following payments under non-cancellable operating leases relating to leased properties:

	2023	2022
	£	£
Operating leases which expire:		
Within one year	4,367	-
Between two and five years	6,914	-
In over five years	<u>63,885</u>	<u>63,885</u>

The above includes an annual charge payable of £63,885 on a 125-year lease to 8 October 2131 with Nottingham City Council.

CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2023

17. PENSION COSTS

Defined Contribution Scheme:

The charity operates a defined contribution scheme in respect of some staff. The scheme and its assets are held by independent managers and contributions were made from April 2016. Total contributions made during the year were £10,960 (2022: £9,676).

18. CASH GENERATED FROM OPERATIONS

	2023	2022
	£	£
Surplus /(Deficit) for the year	56,155	(26,850)
Adjustments for:		
Interest paid	4,084	4,817
Depreciation of tangible assets	15,561	15,541
Transfer to investment property	-	(1,494)
Movements in working capital:		
Increase in debtors	(21,767)	(17,342)
Increase in creditors	8,869	14,710
Cash generated from/(absorbed by) operations	<u>62,902</u>	<u>(10,618)</u>

Advance Nottingham

England & Wales - Charity number 1119003

Accounts

CASTLE CAVENDISH FOUNDATION

(A company limited by guarantee)

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2022

**CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2022**

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**CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)**

TRUSTEES' ANNUAL REPORT

The Trustees, who are also directors of the charity for the purposes of the Companies Act, submit their annual report and the audited financial statements for the year ended 31 March 2022. The Trustees have opted to prepare the accounts using the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) and follow the Charities SORP (FRS 102).

1. GOVERNING DOCUMENT

Castle Cavendish Foundation is a company limited by guarantee governed by its Memorandum and Articles of Association as amended on 26th November 2012. It is registered as a Charity with the Charity Commission. Anyone over the age of 16 can become a member of the Company, each of whom agrees to contribute a maximum of £1 in the event of the Charity winding-up.

COMPANY REGISTRATION NO. The company registration number is 04209702.

CHARITY REGISTRATION NO. The company is also registered with the Charity Commission. The registration number is 1119003.

2. ORGANISATIONAL STRUCTURE

Castle Cavendish Foundation (the Charity) has a Board of Trustees that governs and administers the organisation. Up to 15 Trustees are allowed on the Board at any one time. The Board meets every 6 weeks, and has the ability to appoint a Chief Executive to manage the day-to-day operations of the organisation. To facilitate effective operations, the Chief Executive has delegated authority, within terms of delegation approved by the Trustees, for operational matters including finance and human resources.

The Charity has established a wholly owned trading subsidiary, Castle Cavendish Limited (the Trading Arm). This is administered by two non-executive directors, and operates on a commercial basis to maximise income, which is then donated through to the Charity.

3. PUBLIC BENEFIT

The Trustees have referred to the guidance in the Charity Commission's general guidance on public benefit when reviewing their aim and objectives and in planning their future activities. In particular, the Trustees consider how planned activities will contribute to the aim and objectives they have set.

In 2021/22, Castle Cavendish continued to provide a significant public benefit to the communities within the Charity's area of operation.

4. MISSION & KEY AIMS & OBJECTIVES

Castle Cavendish is seen as a new breed of organisation – a Social Impact Company. Covering some of the most diverse and disadvantaged parts of Nottingham, it is committed to improving the 'quality of life' in those areas. It uses its assets, its buildings, its people, its expertise and its funding to make a difference, and to improve people's lives, it will support the business community and the voluntary sector to grow and develop, enhancing social and economic conditions for the wider community.

**CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)**

TRUSTEES' ANNUAL REPORT

5. TRUSTEES

Members of the Board of Trustees and also directors for company law purposes. The Trustees during the year ended 31 March 2022 were as follows: -

Mark Spouge	(Chair)
Shoaib Khan	
Parveen Begum	
Zane Powers	
Alex Scurtu	(Retired 17 November 2021)
Jay Ludditt	
Fadzai Gambanga	
Gurpal Singh Basra	
John Ydlibi	
Sahin Bengisu	(Appointed 28 April 2021)

During 2021/22, Craig Elder, Gurpal Basra and Dave Brennan acted as non-executive directors of the trading arm (CCL).

6. PRINCIPAL OFFICE

The principal office is Castle Cavendish Works, Dorking Road, Radford, Nottingham, NG7 5PN.

7. RELEVANT ORGANISATIONS

Bankers

Natwest Plc
536 Valley Road
Basford
Nottingham
NG5 1LF

Auditors

Rogers Spencer
Newstead House
Pelham Road
Nottingham
NG5 1AP

CASTLE CAVENDISH FOUNDATION
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TRUSTEES' ANNUAL REPORT

8. ANNUAL REVIEW

Overview:

Last year saw society try to recover from the Coronavirus Pandemic, a global event that is still ongoing, touching the lives of nearly everyone, and potentially changing the way we work, play and interact forever. Under these uncertain and unprecedented times, Castle Cavendish continued to provide its services to the best of its abilities, supporting and funding many of the front-line voluntary and community sector (VCS) groups, and also ensuring that our properties and associated business workspaces were thriving and viable, yet as safe as possible.

In total, Castle Cavendish funded 48 VCS groups to the tune of £452k, delivering more than 100 projects, events or other community-based activities. This programme of community support to some of the most vulnerable residents was primarily enabled through the Area Based Grant (ABG) and Holiday Activity Fund (HAF) funded by Nottingham City Council, along with other funding sourced by Castle Cavendish. To provide core support for this, Castle Cavendish through its trading arm, managed its properties and workspace in an effective and efficient manner. As occupancy levels increased to post-Pandemic levels Castle Cavendish has posted a credible trading net profit of £86k.

The impact of our funding support, our co-ordination and facilitation and our management of our assets, can be seen in our "Impact Report". Overall, Castle Cavendish has been able to respond to the challenges presented by the post-Pandemic world. It has withstood the economic downturn, and achieved a sizable trading profit, whilst making a significant impact in the communities it serves in one of the most critical years.

Providing Support to the VCS

Play & Youth – Following the Pandemic our community partners have worked on developing new ways of engaging and interacting with young children and young people, including Whatsapp groups, zoom parties and creating online content via platforms such as Youtube and Tiktok. This has complemented the support we have provided to universal youth centre provision and the targeted outreach work. In total, Castle Cavendish has funded 25 VCS groups.

Holiday Activity – Following the Pandemic, Castle Cavendish was successful in being part of the City-wide Holiday Activity Fund (HAF) programme supported by the Department of Education. Aimed at tackling child hunger during the school holidays, the programme focused on providing free activities and food for children in receipt of free school meals. Delivered in partnership with 10 of our Play & Youth community partners, our HAF programme provided over 240 hours of free activities and distributed almost 3,300 meals during the school holidays.

Employment & Skills – With record numbers of people being made redundant and the unemployment rates rising sharply they could only offer essential support via virtual meetings and telephone contact. Inequalities around digital inclusion were most sharply felt amongst the unemployed and this has been recognised by our community partners by providing devices, data packages and IT training to local jobseekers. To support this process, Castle Cavendish has invested £76k into 5 VCS groups specialising in delivering community-based employability support.

Community Development & Engagement – Castle Cavendish has recognised that this was an important theme in the post-Pandemic world, as our local social infrastructure required re-building, and many VCS groups found themselves on the frontline of the response to the pandemic. Over 65 local VCS groups received some form of support and engagement costing £59k and ranging from one-to-one advice on specific issues such as crisis management, funding applications and best practise; to wider, more general support delivered across the network via email bulletins and virtual meetings.

Loneliness & Isolation – Castle Cavendish recognised that loneliness and isolation is one of the biggest factors caused by Pandemic, especially in those deemed as senior citizens. To address this, Castle Cavendish distributed almost £33k in grants to support projects and events tackling this issue.

**CASTLE CAVENDISH FOUNDATION
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TRUSTEES' ANNUAL REPORT

8. ANNUAL REVIEW (continued)

Even before 2021-22, Castle Cavendish realised the importance of supporting ways to reduce this and provided a grant of £20k to support the Radford Care Group in the development of its new building at Prospect Street. This modern and purpose-built facility will play a key role in supporting senior citizens to have positive and active lifestyles.

Food Insecurity – Prior to the pandemic we were already seeing a year-on-year rise in the number of people reliant on foodbanks but this has now grown exponentially. Food insecurity also became an issue for many elderly or clinically vulnerable people who struggled simply because they were unable to leave the house to purchase food. As a result, we have worked with 3 local VCS partners and awarded a total of £4,500 in grant support to address this issue.

Managing our Properties Successfully

Castle Cavendish, through its trading arm (Castle Cavendish Ltd), continued to manage its property base through difficult and changing circumstances. The resulting economic downturn led to a downturn in occupancy rates. However, this has only been a temporary phase, as the increasing role of remote/hybrid working ensured that our business centres – Castle Cavendish Works and Castle Cavendish Enterprise Centre – provided a flexible workspace approach that has been increasing in demand. Indeed, at Castle Cavendish Works, for example, occupancy declined from 95% to 68% occupancy in 2020-21, but by the end of 2021-22 that figure had risen back to 88%. Both business centres are now flourishing and looking 'fit for purpose', especially now that Castle Cavendish Enterprise Centre has had its long awaited, and rather impressive, entrance canopy installed.

However, the same cannot be said for Castle Cavendish properties on Alfreton Road. These retail properties on a 1930's shopping parade do benefit from being on a strategic corridor coming in and out of the City, but retail businesses are more inclined to come and go, especially given the economic conditions. Although occupancy levels have remained high, there has been a 'churn' of business tenants, and the debt accrued has increased, due to rental arrears. This is understandable, and Castle Cavendish are assisting and supporting these retail tenants through various payment arrangements. As a result, Castle Cavendish has a 'bad debt provisions' of £72k that has been built-in to our Balance Sheet.

In regards Tennyson Hall, this renovated school building provides an impressive feature on Forest Road West. Although changes in tenants have taken place, the building is still fully let on a commercial basis to 2 key VCS groups who operate across the City.

Impressively, given the economic downturn, the revenue generated for the full year reached £529k. This may not be as much as in the pre-Pandemic years; however, it is still excellent given the unprecedented and extra ordinary circumstances. In regards costs, this has likewise been reduced, and came in at £444k. Taking into account depreciation and other accountancy entries, this provides a net profit of just over £86k, with a net return of 16.2%.

Although our business centres are matching up to emerging work practices, which bode well for the future, it was also felt that Castle Cavendish should respond to the developing ESG agenda within the business world. As a result, a range of internal operational changes were developed at Castle Cavendish Works, and it was formally launched as Nottingham's Ethical Business Centre on 1st April 2022.

Developing Our External Relationships:

As part of our role as Area Lead Organisation for Nottingham City Council, covering area 2, 4 & 5, our external work with key stakeholders and community partners is ongoing, especially creating and nurturing the new relationships associated with the Holiday Activity Fund programme. An example of this is the arrangements that have been developed and established in the Berridge Ward with Djanogly Learning Trust and Nottinghamshire County Cricket Club on the use of Haydn Road Campus, with its under-used sports field, Multi-Use Games Area and Pavilion.

CASTLE CAVENDISH FOUNDATION
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TRUSTEES' ANNUAL REPORT

8. ANNUAL REVIEW (continue)

Financial:

Therefore, taking into account all our activities, Castle Cavendish's overall income for 2021-22 was £1.087m, compared to the £905k the previous year. The income generated for our charitable activities represents 50.2% and 49.8% for our trading activities. This compares with the previous year of 48.4% of income generated by our charitable activities and 46.3% from our trading activities.

Castle Cavendish's overall expenditure in 2021-22 was £1.114m, compared to £1.044m in 2020-21. Of the overall costs, 54.4% of our costs have been associated with our charitable projects and grants, with 40.9% related to our property management. In the previous year, this was 52.6% and 42.6%. In regards Governance costs, these have decreased from 5.0% last year to 4.7% this year, which is remarkably low and good value for money.

In regards our management costs, we have worked hard to ensure that this is as low as possible. For 2021-22, this now stands at 10.8%, compared to 9.2% in the previous year (2020-21). However, once project co-ordination and management fees are taken into account, the net management costs come in at just 2.4%.

Governance:

In terms of governance, 2021-22 has seen the Board of Trustees start to meet face-to-face following the previous years, remote working arrangements. Throughout the year, it made a number of key decisions. Here are just a few of them:

- In May 2021, it set out an overall Business Plan for 2021-22, taking into account various scenarios regarding the post-Pandemic situation.
- In July 2021, it reviewed the progress and performance in the quarter 1 period.
- In September, the Board approved the Draft Consolidated Accounts & Trustees Report for 2020-21, and also agreed to develop Castle Cavendish Works as a 'Ethical Business Centre'.
- In October 2021, Trustees reviewed progress and performance for the quarter 2 period.
- In November 2021, Castle Cavendish held its Annual General Meeting, where the Charity's Company Accounts were passed, following the Audit by Rogers Spencer.
- In February 2022, it reviewed the progress and performance in the quarter 3 period, and also undertook a Banking Review.

Compliance:

Castle Cavendish has met all its reporting requirements, including its audited Company Account & Financial Statement through to Companies House, its Annual Report through to the Charity Commission, and Grant Claims to external funding bodies, such as Nottingham City Council.

Going Forward:

As we come out of the pandemic, Castle Cavendish's trading activities has increased significantly, improving its occupancy levels to close to pre-pandemic levels and increasing its profitability. Although there has been an increase in the number of business tenants struggling to pay their rent, and indeed survive, especially at Alfreton Road, it is felt that this can be accommodated within the existing 'bad debt provisions' in the balance sheet. As in previous years, this profit is transferred (via a dividend) to support Castle Cavendish's charitable activities.

CASTLE CAVENDISH FOUNDATION
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TRUSTEES' ANNUAL REPORT

8. ANNUAL REVIEW (continued)

This financial support from our trading activities combines with our external funding in order for Castle Cavendish to provide its charitable activities, primarily by co-ordinating, managing and distributing funding to the VCS. A major source of this external funding is Nottingham City Council, and in December 2021 it confirmed that it would extend the Area Based Grant for Area 2, Area 4 and 5 for a further year into 2022-23, resulting in a combined total of £344k of ABG funding. In addition, Castle Cavendish's successful management of the Holiday Activity Fund in 2021 has paid dividends, as in March 2022 it was confirmed that Castle Cavendish would continue its role in 2022, accessing up to £111k of grant support. Recently, Nottingham City Council have also agreed to provide Castle Cavendish with £40k of grant to deliver part of the Community Vaccine Champions programme. All in all, it is anticipated that over £500k of external grant will be accessed in 2022-23.

Along with maximising grant funding to our community partners in the VCS, this level of grant will fund Castle Cavendish to deliver its charitable activities directly, as well as generating significant management fees. Potentially this could be up to £75k, and will cover at least two-thirds of the core support costs that are required to manage the organisation. The other third is covered by its trading arm contribution outlined above. This business model approach ensures that Castle Cavendish can continue as a 'going concern', even if external grant is significantly reduced, as long as restructuring takes place to match-up to the funds available.

In March 2022, Castle Cavendish's Trustees had a Strategic Planning Workshop to consider the organisations future role and remit, given the potential that the Area Based Grant will no longer be provided on the same basis from 2023 onwards. The Workshop concluded that Castle Cavendish should see 2022-23 as a year in transition, and:

- Seek opportunities to provide direct delivery, but not in competition with local VCS groups.
- Develop our role as the 'go to' agency to manage and run community buildings.
- Establish a new funding strategy that looks at maximising grant income through collaboration with key community partners as well as tendering for contracts to deliver services.
- Seek to raise additional finance for our trading activities through social investment/social bonds and generating equity capital.
- Enhance our ethical and sustainable credentials.

The Trustees also decided to revise the organisations Mission Statement and Key Aims to be more reflective of the current needs and requirements of the communities it serves, setting down a number of relevant and ambitious priorities, delivered through a series of working principles. This Strategic Prospectus, combined with annual Financial Plans, will replace the previous Business Plan approach, so as the organisation can be more agile and flexible, responding to future opportunities as they come forward.

As we look forward to 2023-24, the organisation has exciting plans on how to take forward its future role in: firstly, distributing grant to the VCS; and secondly, managing community spaces and buildings, with discussions with Nottingham City Council, as one of the key stakeholders and funders, going particularly well. The latter role has also ensured that the organisation has engaged other key stakeholders associated with education, health and sport and active lifestyle that could widen the scope of funding and diversify its income streams.

CASTLE CAVENDISH FOUNDATION
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TRUSTEES' ANNUAL REPORT

9. PAY POLICY FOR SENIOR STAFF

The trustees consider the board of trustees and the senior management team comprise the key management personnel of the charity in charge of directing, controlling running and operating the Foundation on a day-to-day basis. All trustees give their time freely and no trustee received remuneration in the year. Details of trustees' expenses and related party transactions are disclosed in note 17 to the accounts.

The pay of senior staff is reviewed annually and normally increased in accordance with average earnings. In view of the nature of the charity, the trustees benchmark against pay levels in similar sectors.

10. RISK MANAGEMENT

The trustees have a risk management strategy which comprises:

- an annual review of the principal risks and uncertainties that the charity and its subsidiary Castle Cavendish Limited 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 or manage any potential impact on the charity should those risks materialise.

This work has identified that financial sustainability is the major financial risk for both the charity and its Subsidiary. A key element in the management of financial risk is a regular review of available liquid funds to settle debts as they fall due, regular liaison with the bank, and active management of trade debtors and creditor balances to ensure sufficient working capital by the Foundation and its subsidiary company.

11. RESERVES POLICY

The Charity holds a general reserve from income received in previous years, along with income generated from its trading subsidiary (CCL) and donated through. It has the ability to use these reserves each year to contribute to investments, grants and the running of the organisation, in line with the Charity's Reserve Policy.

As of 31st March 2022, the organisation's Current Assets are made up of 'Debtors' (£72k) and 'Cash in Bank' (£89k), amounting to £161k. This is offset by Liabilities (falling in one year) of £121k. The approved Reserves Policy identifies that, under the current circumstances, the estimated level of reserves should be at least £101k, and action is being taken to increase current assets and reduce our liabilities, thereby increasing our level of reserves.

12. TRUSTEE INDUCTION & TRAINING

New Trustees are provided with a Trustee Handbook, and undergo an orientation process to brief them on the Charity and their role as a Trustee, including:

- legal obligations under Charity and company law;
- the content of the Memorandum and Articles of Association;
- the committee and decision making process;
- the latest business plan; and
- the performance of the Charity.

Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

**CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)**

TRUSTEES' ANNUAL REPORT

13. RELATED PARTIES

In 2021-22, Castle Cavendish had a strategic relationship with Nottingham City Council, as the main funder of the ABG Programme. From an operational point of view, it had contractual relationship, through grant agreements, with 27 VCS groups.

14. STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of Castle Cavendish Foundation for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing 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 FRS 102;
- 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Board of Trustees adopted the Charity Governance Code in October 2018. This sets out seven key principles of good governance:

1. **Organisational Purpose:**
The Board is clear about the charity's aims and ensures that these are being delivered effectively and sustainably.
2. **Leadership:**
The Board provides effective, strategic leadership in line with the charity's aims and values.
3. **Integrity:**
The Board acts with integrity adopting values and creating a culture which help achieve the organisations charitable purposes. The Board is aware of the importance of the public's confidence and trust in charities, and Trustees undertake their duties accordingly.

**CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)**

TRUSTEES' ANNUAL REPORT

14. STATEMENT OF TRUSTEES' RESPONSIBILITIES (continued)

4. **Decision-making, risk and control:**
The Board makes sure that its decision-making processes are informed, rigorous and timely and that effective delegation, control and risk assessment and management systems are set up and monitored.
5. **Board effectiveness:**
The Board works as an effective team, using the appropriate balance of skills, experience, backgrounds and knowledge to make informed decisions.
6. **Diversity:**
The Board's approach to diversity supports its effectiveness, leadership and decision-making.
7. **Openness and accountability:**
The Board leads the organisation in being transparent and accountable. The charity is open in its work, unless there is good reason for it not to be.

15. AUDITORS

A resolution will be proposed at the Annual General Meeting that Rogers Spencer be re-appointed as auditors to the charity for the ensuing year.

Approved by the Board of Trustees on 16/11/22 and signed on its behalf by



**Mark Spouge
Chair of Trustees**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
CASTLE CAVENDISH FOUNDATION (A company limited by guarantee)**

Independent Auditor's Report to the members and Trustees of Castle Cavendish Foundation (a company limited by guarantee)

Opinion

We have audited the financial statements of Castle Cavendish Foundation (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2022 which comprise the group statement of financial activities, the group and parent charitable company balance sheet, the group cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2022, and of the group's incoming resources and application of resources, including 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 and the Charities Act 2011.

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 group and parent 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.

Emphasis of matter

As mentioned within the Investments note (note 9), the long term investment properties, which represent 96% of fixed assets and 87% of gross assets, have been valued by the Trustees as at 31 March 2022. The last professional valuation was undertaken by Savills in 2013. Due to unknown future impact with regard to Covid-19, there is less certainty attached to any valuation at this time.

We do not modify our opinion with regard to this matter.

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 group's or parent 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
CASTLE CAVENDISH FOUNDATION (A company limited by guarantee)**

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.

Opinions 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' annual report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
CASTLE CAVENDISH FOUNDATION (A company limited by guarantee)**

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 7, 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 group's and parent 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 group or the parent 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 the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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

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

Our approach to identifying and assessing the risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We identified the laws and regulations applicable to the group through discussions with trustees and other management, and from our knowledge and experience of the charity sector and grant providers;
- We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the group, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation;
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- Identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the group's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- Making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
CASTLE CAVENDISH FOUNDATION (A company limited by guarantee)**

- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- Understanding the design of the group's remuneration policies.

To address the risk of fraud through management bias and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships;
- Tested journal entries to identify unusual transactions;
- Assessed whether judgements and assumptions made in determining the accounting estimates set out in note 2 were indicative of potential bias; and
- Investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- Agreeing financial statement disclosures to underlying supporting documentation;
- Reading the minutes of meetings of those charged with governance;
- Enquiring of management as to actual and potential litigation and claims; and
- Reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

This report is made solely to the 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 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 company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



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**Melvin Bailey FCCA DChA (Senior Statutory Auditor)
For and on behalf of Rogers Spencer**

Date 18/11/22

**Chartered Certified Accountant
Statutory Auditor**

**Newstead House
Pelham Road
Nottingham NG5 1AP**

Rogers Spencer is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
~ INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST MARCH 2022

	Note	Unrestricted £	Restricted £	Total 2022 £	Total 2021 £
<u>INCOME AND ENDOWMENTS FROM</u>					
Income from charitable activities:					
Grants receivable	3a	-	545,196	545,196	438,710
Income from trading activities:					
Rent and room hire		415,862	-	415,862	330,489
Other property income		81,972	-	81,972	51,734
Service charges		32,051	-	32,051	31,278
Other grants receivable		-	11,857	11,857	6,140
		<u>529,885</u>	<u>11,857</u>	<u>541,742</u>	<u>419,641</u>
Other income -- Government Covid support	4	-	-	-	47,602
<u>TOTAL INCOME</u>		<u>529,885</u>	<u>557,053</u>	<u>1,086,938</u>	<u>905,953</u>
<u>EXPENDITURE ON</u>					
Raising funds	5a	15,293	-	15,293	1,373
Charitable activities	5c	574,852	523,643	1,098,495	1,042,954
<u>TOTAL EXPENDITURE</u>		<u>590,145</u>	<u>523,643</u>	<u>1,113,788</u>	<u>1,044,327</u>
<u>NET INCOME/(EXPENDITURE) BEFORE TRANSFERS</u>		(60,260)	33,410	(26,850)	(138,374)
Transfers between funds		<u>33,713</u>	<u>(33,713)</u>	-	-
<u>NET MOVEMENT IN FUNDS</u>		(26,547)	(303)	(26,850)	(138,374)
Fund balances brought forward		<u>1,538,584</u>	<u>26,852</u>	<u>1,565,436</u>	<u>1,703,810</u>
<u>FUND BALANCES CARRIED FORWARD</u>		<u>1,512,037</u>	<u>26,549</u>	<u>1,538,586</u>	<u>1,565,436</u>

The consolidated statement of financial activities contains all the gains and losses recognised in current and previous period.

All activities are continuing activities.

The notes on pages 19 to 36 form part of these financial statements.

CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
~ INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST MARCH 2022

PRIOR YEAR ONLY:

	Note	Unrestricted £	Restricted £	Total 2021 £
<u>INCOME AND ENDOWMENTS FROM</u>				
Income from charitable activities:				
Grants receivable	3b	-	438,710	438,710
Income from trading activities:				
Rent and room hire		330,489	-	330,489
Other property income		51,734	-	51,734
Service charges		31,278	-	31,278
Other grants receivable		<u>6,140</u>	<u>-</u>	<u>6,140</u>
		<u>419,641</u>	<u>-</u>	<u>419,641</u>
Other income – Government Covid Support	4	<u>47,602</u>	<u>-</u>	<u>47,602</u>
<u>TOTAL INCOME</u>		<u>467,243</u>	<u>438,710</u>	<u>905,953</u>
<u>EXPENDITURE ON</u>				
Raising funds	5b	1,373	-	1,373
Charitable activities	5d	<u>610,366</u>	<u>432,588</u>	<u>1,042,954</u>
<u>TOTAL EXPENDITURE</u>		<u>611,739</u>	<u>432,588</u>	<u>1,044,327</u>
<u>NET INCOME/(EXPENDITURE) BEFORE TRANSFERS</u>		(144,496)	6,122	(138,374)
Transfers between funds		<u>60,156</u>	<u>(60,156)</u>	<u>-</u>
<u>NET MOVEMENT IN FUNDS</u>		(84,340)	(54,034)	(138,374)
Fund balances brought forward		<u>1,622,924</u>	<u>80,886</u>	<u>1,703,810</u>
<u>FUND BALANCES CARRIED FORWARD</u>		<u>1,538,584</u>	<u>26,852</u>	<u>1,565,436</u>

All activities are continuing activities.

The notes on pages 19 to 36 form part of these financial statements.

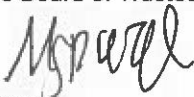
CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2022

	Note	2022		2021	
		£	£	£	£
<u>FIXED ASSETS</u>					
Tangible fixed assets	8a		51,242		59,768
Investments	9		<u>1,548,052</u>		<u>1,532,502</u>
			1,599,294		1,592,270
<u>CURRENT ASSETS</u>					
Debtors	10	83,681		66,340	
Cash at bank and in hand		<u>88,539</u>		<u>136,195</u>	
		172,220		202,535	
<u>LIABILITIES:</u> Amounts falling due within one year	11	<u>(121,966)</u>		<u>(107,256)</u>	
<u>NET CURRENT ASSETS / (LIABILITIES)</u>			<u>50,254</u>		<u>95,279</u>
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>			1,649,548		1,687,549
<u>LIABILITIES:</u> Amounts falling due after more than one year	12		<u>(110,962)</u>		<u>(122,113)</u>
NET ASSETS			<u>1,538,586</u>		<u>1,565,436</u>
<u>FUNDS</u>					
Unrestricted					
General funds	14		1,512,037		1,538,584
Restricted					
	13		<u>26,549</u>		<u>26,852</u>
Total funds			<u>1,538,586</u>		<u>1,565,436</u>

The financial statements are prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved by the Board of Trustees on 16/11/22 and signed on its behalf by


Mark Spouge
Chair of Trustees

Company Number 04209702

The notes on pages 19 to 36 form part of these financial statements.

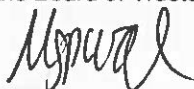
CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)

BALANCE SHEET AS AT 31ST MARCH 2022 (CHARITY ONLY)

	Note	2022		2021	
		£	£	£	£
<u>FIXED ASSETS</u>					
Tangible fixed assets	8b		27,700		37,983
Investments	9		<u>1,548,152</u>		<u>1,532,602</u>
			1,575,852		1,570,585
<u>CURRENT ASSETS</u>					
Debtors	10	70,905		62,486	
Cash at bank and in hand		<u>16,157</u>		<u>64,569</u>	
		87,062		127,055	
<u>LIABILITIES:</u> Amounts falling due within one year	11		<u>(19,766)</u>		<u>(16,492)</u>
<u>NET CURRENT ASSETS / (LIABILITIES)</u>			<u>67,296</u>		<u>110,563</u>
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>			1,643,148		1,681,148
<u>LIABILITIES:</u> Amounts falling due after more than one year	12		<u>(110,962)</u>		<u>(122,113)</u>
NET ASSETS			<u>1,532,186</u>		<u>1,559,035</u>
<u>FUNDS</u>					
Unrestricted					
General funds	14		1,505,637		1,532,183
Restricted	13		<u>26,549</u>		<u>26,852</u>
Total funds			<u>1,532,186</u>		<u>1,559,035</u>

The financial statements are prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved by the Board of Trustees on 16/11/22 and signed on its behalf by



Mark Spouge
Chair of Trustees

Company Number 04209702

The notes on pages 19 to 36 form part of these financial statements.

CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2022

	Note	2022 £	2021 £
Cashflows from operating activities			
Cash generated from/(absorbed by) operations	20	(10,618)	(345,309)
Interest paid		<u>(4,817)</u>	<u>(6,335)</u>
Net cash (outflow)/ inflow from operating activities		<u>(15,435)</u>	<u>(351,644)</u>
Investing activities			
Purchase of tangible fixed assets		(21,071)	(15,733)
Sale proceeds		<u>-</u>	<u>375,000</u>
Net cash received/(used) in investing activities		<u>(21,071)</u>	<u>359,267</u>
Financing activities			
Repayment of bank loans		(11,150)	(5,247)
Net cash received/ (used) in financing activities		<u>(11,150)</u>	<u>(5,247)</u>
Net decrease in cash and cash equivalents		(47,656)	2,376
Cash and cash equivalents at beginning of the year		<u>136,195</u>	<u>133,819</u>
Cash and cash equivalents at end of year		<u>88,539</u>	<u>136,195</u>

CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2022

1. ACCOUNTING POLICIES

Basis of accounting

The charity constitutes a public benefit entity as defined by FRS 102. The charity is limited by guarantee and was incorporated in England & Wales. 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 Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £1.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Basis of consolidation

The consolidated financial statements include the financial statements of the parent charitable company and its subsidiary company Castle Cavendish Limited.

Going concern

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value.

Although the Charitable group draws upon grants from the Local Authority and other potential funders, it equally generates a significant amount of income through its trading subsidiary. As society comes out of the pandemic, it is anticipated that the changing business requirements lend itself to the flexible workspace opportunities that exist at both Castle Cavendish Works and Castle Cavendish Enterprise Centre. Indeed, the initial forecasted trading profit for 2022-23 was estimated to be in the order of £90k, due to a steady growth in usage and occupancy. Indeed, it is anticipated that occupancy levels will reach their optimum in 2022-23. However, as energy costs increase, the trading activities may well be affected, and a net profit of £77k is more likely.

In May 2022, the Board of Trustees approved a Strategic Prospectus for the next few years, alongside a Financial Budget for 2022-23 which builds in the trading subsidiary income and expenditure forecasts, alongside an anticipated grant programme worth up to £500k, fully supported through external funders. Even with the significant task of managing this grant programme and the cost associated with this role, it is anticipated that the Charitable group will generate a net surplus in 2022-23.

However, it should be noted that there are some question marks over grant funds in the future, especially in regards the Area Based Grant from 2023 onwards, as well as the level of funds to be allocated. The cost of delivering aspects of the Area Based Grant and managing its distribution is covered through an element of the Area Based Grant itself, alongside a percentage Management Fee. Obviously, with some uncertainty surrounding this matter, the potential fees generated and the 'in-house' project delivery grant are difficult to estimate. The Board of Trustees are well aware of this issue and have a risk management approach which will respond to the prevailing circumstances, scaling up or scaling up, depending on the grant funds that are awarded.

However, as previously noted, if the trading subsidiary matches up to optimum levels in 2022-23, and there is no reason why this should not happen given the current trends, then trading profits will be substantial. This donation to the Charitable group, will ensure that the governance costs and management responsibilities for the group as a whole will be properly supported on an ongoing basis.

As we look forward to 2023-24, the organisation has exciting plans on how to take forward its future role in: firstly, distributing grant to the VCS; and secondly, managing community spaces and buildings, with discussions with Nottingham City Council, as one of the key stakeholders and funders, going particularly well. The latter role has also ensured that the organisation has engaged other key stakeholders associated with education, health and sport and active lifestyle that could widen the scope of funding and diversify its income streams.

CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2022

1. ACCOUNTING POLICIES (continued)

Fund accounting

General funds are unrestricted funds which 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.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements. Restricted funds are funds which are to be used in accordance with specific restriction imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Restricted funds represent grants, donations and legacies received which are allocated by the donor for specific purposes.

Income

All income is included in the SOFA when the charity is legally entitled to the income, 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.

Gifts in kind donated are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

All capital grants received in respect of any depreciated assets are credited to deferred income and amortised to the profit and loss account over the useful economic life of the assets to which they relate.

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.

Expenditure and irrecoverable VAT

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of the resources.

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:

- Costs of raising funds comprise the promotional costs to the charity.
- Expenditure on charitable activities includes all costs undertaken to further the purposes of the charity and their associated support costs, including costs of governance.

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

Taxation

The Trust is a registered Charity and is exempt from taxation. Its subsidiary company, Castle Cavendish Limited, is liable to corporation taxation on its profits however. Any tax incurred is charged to resources expended.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2022

1. ACCOUNTING POLICIES (continued)

Fixed assets and depreciation

Tangible fixed assets are stated at the lower of cost less accumulated depreciation and valuation.

Depreciation is charged on a straight line basis over the expected economic useful lives of the assets at the following annual rates:

Computer equipment	33 1/3% straight line basis
Fixtures, fittings, vehicles and equipment	15% straight line basis

Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured using the fair value model and stated at its fair value as the reporting end date. The surplus or deficit on revaluation is recognised in the profit and loss account.

Where fair value cannot be achieved without undue cost or effort, investment property is accounted for as tangible fixed assets.

2. JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the group'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 underlying 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 the revision and future periods where the revision affects both current and future periods.

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3a. GRANTS RECEIVABLE

	Unrestricted funds	Restricted funds	Total 2022	Total 2021
	£	£	£	£
Nottingham City Council: Area 2 Grant	-	175,283	175,283	168,016
Nottingham City Council: Area 4 Grant	-	144,345	144,345	137,570
Nottingham City Council: Area 5 Grant	-	126,842	126,842	120,656
Nottingham City Council: 51 Holiday Activity Fund	-	98,726	98,726	-
Breaking Barriers Building Bridges	-	-	-	12,468
	<u>-</u>	<u>545,196</u>	<u>545,196</u>	<u>438,710</u>

3b. GRANTS RECEIVABLE (Prior year)

	Unrestricted funds	Restricted funds	Total 2021
	£	£	£
Nottingham City Council: Area 2 Grant	-	168,016	168,016
Nottingham City Council: Area 4 Grant	-	137,570	137,570
Nottingham City Council: Area 5 Grant	-	120,656	120,656
Breaking Barriers Building Bridges	-	12,468	12,468
	<u>-</u>	<u>438,710</u>	<u>438,710</u>

4. OTHER INCOME – COVID SUPPORT
(unrestricted)

	Total 2022	Total 2021
	£	£
Furlough income	-	37,602
Business Support grant	-	10,000
	<u>-</u>	<u>47,602</u>

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FOR THE YEAR ENDED 31ST MARCH 2022

5a. <u>RAISING FUNDS</u>	Unrestricted	Restricted	Total	
	funds	funds	2022	
	£	£	£	
Advertising and promotion	<u>15,293</u>	-	<u>15,293</u>	
	<u>15,293</u>	-	<u>15,293</u>	
5b. <u>RAISING FUNDS (Prior year)</u>	Unrestricted	Restricted		
	funds	funds		
	£	£		
Advertising and promotion	<u>1,373</u>	-		
	<u>1,373</u>	-		
5c. <u>CHARITABLE ACTIVITIES</u>	Unrestricted	Restricted	Total	Total
	funds	funds	2022	2021
	£	£	£	£
Staff costs	201,571	71,609	273,180	280,286
Repairs and maintenance	71,951	-	71,951	39,989
Premises security	3,998	-	3,998	1,941
Computer costs	3,506	-	3,506	-
Heat, light, water and telephone	54,267	-	54,267	49,205
Insurance	10,849	-	10,849	12,147
Motor and travel	349	-	349	511
Printing, postage and stationery	9,919	-	9,919	3,454
Training	525	-	525	-
Service charges	30,432	-	30,432	30,639
Legal and professional fees	13,149	-	13,149	10,060
Accountancy fees	4,076	-	4,076	3,865
Equipment leasing	6,730	-	6,730	4,978
Rent and rates	80,412	-	80,412	77,953
Sundry expenses	1,338	-	1,338	831
Bad debts	(2,199)	-	(2,199)	10,623
Bank charges	1,152	-	1,152	1,039
Grant payments (Note 5i)	-	452,034	452,034	405,763
Loan interest	4,817	-	4,817	6,335
Governance (Note 5e)	52,373	-	52,373	51,807
Depreciation	14,047	-	14,047	24,829
Unrecoverable VAT	11,590	-	11,590	5,922
Loss on sale of property	-	-	-	20,777
	<u>574,852</u>	<u>523,643</u>	<u>1,098,495</u>	<u>1,042,954</u>

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5d. CHARITABLE ACTIVITIES (Prior year)	Unrestricted funds £	Restricted funds £	Total 2021 £	
Staff costs	233,151	46,825	279,976	
Repairs and maintenance	39,989	-	39,989	
Premises security	1,941	-	1,941	
Heat, light, water and telephone	49,205	-	49,205	
Insurance	12,147	-	12,147	
Motor and travel	511	-	511	
Printing, postage and stationery	3,764	-	3,764	
Service charges	30,639	-	30,639	
Legal and professional fees	10,060	-	10,060	
Accountancy fees	3,865	-	3,865	
Equipment leasing	4,978	-	4,978	
Rent and rates	77,953	-	77,953	
Sundry expenses	831	-	831	
Bad debts	10,623	-	10,623	
Bank charges	1,039	-	1,039	
Grant payments (Note 5i)	20,000	385,763	405,763	
Loan interest	6,335	-	6,335	
Governance (Note 5f)	51,807	-	51,807	
Depreciation	24,829	-	24,829	
Unrecoverable VAT	5,922	-	5,922	
Loss on sale of property	<u>20,777</u>	<u>-</u>	<u>20,777</u>	
	<u>610,366</u>	<u>432,588</u>	<u>1,042,954</u>	
5e. GOVERNANCE COSTS	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Staff costs	46,373	-	46,373	46,107
Audit fees	<u>6,000</u>	<u>-</u>	<u>6,000</u>	<u>5,700</u>
	<u>52,373</u>	<u>-</u>	<u>52,373</u>	<u>51,807</u>
5f. GOVERNANCE COSTS (Prior year)	Unrestricted funds £	Restricted funds £	Total 2021 £	
Staff costs	46,107	-	46,107	
Audit fees	<u>5,700</u>	<u>-</u>	<u>5,700</u>	
	<u>51,807</u>	<u>-</u>	<u>51,807</u>	

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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5g. TOTAL RESOURCES EXPENDED

	<u>Basis of allocation</u>	<u>Projects and grants</u>	<u>Property management</u>	<u>Governance</u>	2022	2021
Costs directly allocated to activities		£	£	£	£	£
Staff costs	Direct	93,482	179,699	46,373	319,554	326,083
Advertising	Direct	14,523	770	-	15,293	1,373
Premises costs	Direct	17,982	237,434	-	255,416	211,873
Travel	Direct	78	271	-	349	511
Hire of equipment	Direct	-	6,730	-	6,730	4,978
Printing, stationery etc	Direct	623	9,296	-	9,919	3,764
Depreciation	Direct	6,389	7,658	-	14,047	24,829
Legal and professional	Direct	3,805	13,420	6,000	23,225	19,625
Bank charges	Direct	15	1,137	-	1,152	1,039
Bad and doubtful debts	Direct	-	(2,199)	-	(2,199)	10,623
Grant payments	Direct	452,034	-	-	452,034	405,763
Unrecoverable VAT	Direct	11,587	-	-	11,587	5,922
Loss on sale of property	Direct	-	-	-	-	20,777
Other costs	Direct	<u>4,880</u>	<u>1,801</u>	<u>-</u>	<u>6,681</u>	<u>7,167</u>
		<u>605,398</u>	<u>456,017</u>	<u>52,373</u>	<u>1,113,788</u>	<u>1,044,327</u>

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5h. TOTAL RESOURCES EXPENDED (Prior year)

	<u>Basis of allocation</u>	<u>Projects and grants</u>	<u>Property management</u>	<u>Governance</u>	2021
		£	£	£	£
Costs directly allocated to activities					
Staff costs	Direct	96,757	183,219	46,107	326,083
Advertising	Direct	1,373	-	-	1,373
Premises costs	Direct	3,904	207,969	-	211,873
Travel	Direct	46	465	-	511
Hire of equipment	Direct	-	4,978	-	4,978
Printing, stationery etc	Direct	532	3,232	-	3,764
Depreciation	Direct	7,252	17,577	-	24,829
Legal and professional	Direct	3,768	10,157	5,700	19,625
Bank charges	Direct	19	1,020	-	1,039
Bad and doubtful debts	Direct	-	10,623	-	10,623
Grant payments	Direct	405,763	-	-	405,763
Unrecoverable VAT	Direct	-	5,922	-	5,922
Loss on sale of property	Direct	20,777	-	-	20,777
Other costs	Direct	<u>6,761</u>	<u>406</u>	<u>-</u>	<u>7,167</u>
		<u>546,952</u>	<u>445,568</u>	<u>51,807</u>	<u>1,044,327</u>

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2022

51. GRANT PAYMENTS

Grants were awarded to the following organisations during the year:

	2022 £	2021 £
Unrestricted Grants:		
Radford Care Group	-	20,000
Total Unrestricted Grants	-	20,000
Restricted Grants:		
Take 1 Studios	7,500	13,500
Signpost to Polish Success	8,000	4,000
A-Star Sports Development	7,720	4,005
Notts Club for Young People	18,970	2,040
The Lenton Centre	5,160	7,375
Primary (Nottingham Studios)	3,000	-
Switch Up CIC	12,200	19,100
Nottingham Health & Education Support	17,500	12,500
The Pythian Club	29,825	39,107
Hyson Green Youth Club	22,800	14,500
Building Bridges Breaking Barriers	23,708	15,828
East African Education Centre	2,250	3,750
Nottingham Bikeworks	10,525	5,750
Fearless Youth Association	9,025	1,820
Freedom Foundation	14,600	-
Helping Kids Achieve	3,000	-
Basford Rd Baptist Church	750	-
The Toy Library	34,191	27,000
Daniyaal's Martial Arts Academy	-	800
Inspire-Succeed CIC	8,300	-
Skills Exchange	400	-
OnPoint Distribution	1,540	-
Think Children	-	5,350
Positively Empowered Kids	5,610	-
Empleo	14,325	23,875
Notts County Football in the Community	3,000	2,778
9 th Nottingham Girls Brigade	-	250
SALTAR	1,000	-
Community Based Fitness	5,000	10,000
Sherwood Playgroup	6,660	9,000
Senior Support Group	4,000	-
Restricted grants carried forward	280,559	222,328

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FOR THE YEAR ENDED 31ST MARCH 2022

51. GRANT PAYMENTS (continued)

	2022	2021
	£	£
Restricted grants brought forward	280,559	222,328
Belong	18,250	28,210
Hoop Dreams Basketball Club	8,340	-
When Women Gather	6,000	-
AJ Sports	30,100	20,500
Wild Things	10,150	-
Wollaton Park Community Association	1,500	375
Windmill Community Gardens	7,000	-
The Vine Community Centre	-	4,420
Women in Tandem	8,040	-
The Bridges Community Trust	34,425	45,071
Disability Support Nottingham	-	2,500
The Bestwood Partnership	21,100	27,824
Djanogly Learning Trust	4,000	-
Welcome to Education project	1,780	2,529
Djanogly Lettings	400	-
Radford Care Group	-	2,602
Radford Methodist Church	-	3,200
YogaEd	-	587
Nottinghamshire Police & Crime Commissioner	-	1,232
Vanclaron CIC	4,100	7,160
Himmah	1,600	11,200
Jawaid Khaliq Boxing Academy	1,520	-
Leadership, Empowerment & Diversity (LED)	1,800	-
Mother's Voices	770	-
AKA Health Wealth & Oneness	9,600	-
St Aidan's Church	1,000	-
Mesopotamia	-	6,025
Total Restricted Grants	<u>452,034</u>	<u>385,763</u>

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2022**

6. STAFF COSTS AND TRUSTEES REMUNERATION

	Total 2022	Total 2021
	£	£
Wages and salaries	288,674	295,592
Social security costs	20,299	20,478
Pension costs	9,676	10,013
	<u>318,649</u>	<u>326,083</u>

No employee earned £60,000 p.a. or more.

Average number of employees, calculated on a full-time equivalent basis, analysed by function was:

	Number 2022	Number 2021
Charitable activities	12	11
Governance	<u>1</u>	<u>1</u>
	<u>13</u>	<u>12</u>

None of the Trustees received remuneration during the year.
No Trustee expenses were incurred in the year.

Remuneration of key management personnel
Remuneration of key management personnel is as follows:

	Total 2022	Total 2021
	£	£
Aggregate compensation	<u>65,638</u>	<u>103,274</u>

7. TRUSTEES INDEMNITY INSURANCE

The charity paid £829 (2021: £935) during the year in respect of indemnity insurance for Trustees.

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FOR THE YEAR ENDED 31ST MARCH 2022

8a. TANGIBLE FIXED ASSETS (Group)

	Computer equipment £	Fixtures, fittings, vehicles & equipment £	Total £
<u>COST</u>			
Brought forward at 1 April 2021	53,123	213,885	267,008
Transfer to investment property	-	(4,980)	(4,980)
Additions	2,216	8,285	10,501
Disposals	-	-	-
At 31 March 2022	<u>55,339</u>	<u>217,190</u>	<u>272,529</u>
<u>DEPRECIATION</u>			
Brought forward at 1 April 2021	52,003	155,237	207,240
Transfer to investment property	-	(1,494)	(1,494)
Charge for the year	1,395	14,146	15,541
Eliminated on disposals	-	-	-
At 31 March 2022	<u>53,398</u>	<u>167,889</u>	<u>221,287</u>
<u>NET BOOK VALUE</u>			
At 31 March 2022	<u>1,941</u>	<u>49,301</u>	<u>51,242</u>
At 31 March 2021	<u>1,120</u>	<u>58,648</u>	<u>59,768</u>

8b. TANGIBLE FIXED ASSETS (Charity)

	Computer equipment £	Fixtures, fittings, vehicles & equipment £	Total £
<u>COST</u>			
Brought forward at 1 April 2021	17,938	104,211	122,149
Transfer to investment property	-	(4,980)	(4,980)
Additions	1,086	-	1,086
Disposals	-	-	-
At 31 March 2022	<u>19,024</u>	<u>99,231</u>	<u>118,255</u>
<u>DEPRECIATION</u>			
Brought forward at 1 April 2021	17,660	66,506	84,166
Transfer to investment property	-	(1,494)	(1,494)
Charge for the year	489	7,394	7,883
Eliminated on disposals	-	-	-
At 31 March 2022	<u>18,149</u>	<u>72,406</u>	<u>90,555</u>
<u>NET BOOK VALUE</u>			
At 31 March 2022	<u>875</u>	<u>26,825</u>	<u>27,700</u>
At 31 March 2021	<u>278</u>	<u>37,705</u>	<u>37,983</u>

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9. <u>INVESTMENTS</u>	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
<u>FIXED ASSETS</u>				
Investment Properties:				
Cost/valuation b/f	1,532,502	1,532,502	1,532,502	1,532,502
Additions	15,550	-	15,550	-
Disposals	-	-	-	-
Revaluations	-	-	-	-
Transfer to current assets	-	-	-	-
Cost/valuation c/f	<u>1,548,052</u>	<u>1,532,502</u>	<u>1,548,052</u>	<u>1,532,502</u>
Shares in Subsidiary Undertaking:	-	-	100	100
	<u>1,548,052</u>	<u>1,532,502</u>	<u>1,548,152</u>	<u>1,532,602</u>

The properties were last professionally revalued by Savills in 2013. The Trustees believe that there would be undue cost involved in attaining a further professional valuation and have instead opted to value the properties themselves individually at open market value as at 31 March 2022. However, under the current circumstances there will be less certainty in any valuation due to unknown future impact with regard to COVID-19.

The shares relate to one hundred shares (2021: one hundred shares) of £1 in Castle Cavendish Limited (company registration number 06113675) which is a wholly owned subsidiary of Castle Cavendish Foundation and the shares are stated at cost.

10. <u>DEBTORS</u>	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Trade debtors	32,235	26,154	-	-
Amounts owed from subsidiary undertakings	-	-	24,171	9,759
Other debtors	<u>51,446</u>	<u>40,186</u>	<u>46,734</u>	<u>52,727</u>
	<u>83,681</u>	<u>66,340</u>	<u>70,905</u>	<u>62,486</u>

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	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
11. LIABILITIES: Amounts falling due with one year				
Trade creditors	33,450	31,272	2,266	292
Taxation and social security	773	2,072	773	-
Accruals and deferred income	55,938	29,809	5,650	5,585
Bank loans and overdrafts	11,077	10,615	11,077	10,615
Other creditors	<u>20,728</u>	<u>33,488</u>	-	-
	<u>121,966</u>	<u>107,256</u>	<u>19,766</u>	<u>16,492</u>

Deferred income of £21,247 (2021: £18,854) is included within accruals and deferred income and represents the amounts prepaid by tenants.

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
12. LIABILITIES: Amounts falling due after one year				
Bank loans and overdrafts	<u>110,962</u>	<u>122,113</u>	<u>110,962</u>	<u>122,113</u>
Amounts included above which fall due after five years are as follows:				
Payable by instalments	<u>61,753</u>	<u>74,866</u>	<u>61,753</u>	<u>74,866</u>

The bank loans and overdrafts are secured by way of a legal charge dated 2 June 2016 over the Castle Cavendish Works property and a debenture dated 25 January 2016 over all assets of the company.

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13. RESTRICTED FUNDS

	At 1 April 2021 £	Income £	Expenditure £	Transfers £	At 31 March 2022 £
Nottingham City Council: Areas 2, 4 & 5	26,852	446,470	413,060	(33,713)	26,549
The Kickstart Scheme	-	11,857	11,857	-	-
Nottingham City Council: Holiday Activity Fund	-	<u>98,726</u>	<u>98,726</u>	-	-
	<u>26,852</u>	<u>557,053</u>	<u>523,643</u>	<u>(33,713)</u>	<u>26,549</u>

RESTRICTED FUNDS (Prior year)

	At 1 April 2020 £	Income £	Expenditure £	Transfers £	At 31 March 2021 £
Nottingham City Council: Areas 2, 4 & 5	80,886	426,242	420,120	(60,156)	26,852
Breaking Barriers Building Bridges	-	<u>12,468</u>	<u>12,468</u>	-	-
	<u>80,886</u>	<u>438,710</u>	<u>432,588</u>	<u>(60,156)</u>	<u>26,852</u>

Area Based Grants:

Nottingham City Council has provided grant funding to cover Areas 2, 4 & 5's ABG Programmes that will support the associated costs of delivering a range of community-based activities that support children & young people, jobseekers, the elderly & isolated and other vulnerable groups present in those areas.

Breaking Barriers Building Bridges (BBBB)

Community Roots project seeks to provide intensive 1-2-1 support activities to children, young people and their families in need of specialist support services. The project start date has been delayed until Q3 of 2020 although remote support has begun through use of phone, WhatsApp, video calls etc. allowing signposting to appropriate services and authorities. Castle Cavendish acted as the accountable body, accepting and accessing the funding from Nottinghamshire's Police & Crime Commissioner, on behalf of the BBBB.

The Kickstart Scheme

The Scheme provides government funding to create new jobs for 16-24 year olds on Universal Credit who are at risk of long-term unemployment. Funding covers 100% of the National Minimum Wage for 25 hours per week for a total of 6 months, alongside funding towards Employer National Insurance contributions and automatic enrolment pension contributions.

Holiday Activity Fund

The Holiday Activity Fund is a City-wide programme supported by the Department of Education, which is aimed at tackling child hunger during the school holidays. The programme is focused on providing free activities and food for children in receipt of free school meals and is delivered in partnership with Play & Youth community partners.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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14a. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	General funds £	Restricted funds £	Total £
GROUP			
Tangible fixed assets and investments	1,599,294	-	1,599,294
Net current assets/(liabilities)	23,706	26,549	50,255
Long term liabilities	<u>(110,963)</u>	-	<u>(110,963)</u>
	<u>1,512,037</u>	<u>26,549</u>	<u>1,538,586</u>
CHARITY			
Tangible fixed assets and investments	1,575,852	-	1,575,852
Net current assets/(liabilities)	40,748	26,549	67,297
Long term liabilities	<u>(110,963)</u>	-	<u>(110,963)</u>
	<u>1,505,637</u>	<u>26,549</u>	<u>1,532,186</u>

14b. ANALYSIS OF NET ASSETS BETWEEN FUNDS (prior year)

	General funds £	Restricted funds £	Total £
GROUP			
Tangible fixed assets and investments	1,592,270	-	1,592,270
Net current assets/(liabilities)	68,427	26,852	95,279
Long term liabilities	<u>(122,113)</u>	-	<u>(122,113)</u>
	<u>1,538,584</u>	<u>26,852</u>	<u>1,565,436</u>
CHARITY			
Tangible fixed assets and investments	1,570,585	-	1,570,585
Net current assets/(liabilities)	83,711	26,852	110,563
Long term liabilities	<u>(122,113)</u>	-	<u>(122,113)</u>
	<u>1,532,183</u>	<u>26,852</u>	<u>1,559,035</u>

15. SUBSIDIARY COMPANY

The Charity owns the whole of the issued ordinary share capital of Castle Cavendish Limited, a company registered in England & Wales, company number 06113675. All activities have been consolidated on a line-by-line basis in the SOFA. Any total net profits will be gifted to the charity as and when the company begins to make a profit. A summary of the results of the subsidiary is shown below:

<u>Castle Cavendish Limited</u>	2022 £	2021 £
Income	529,886	425,861
Other income	11,857	43,227
Administrative expenses	<u>(450,029)</u>	<u>(411,448)</u>
Trading profit	<u>91,714</u>	<u>57,640</u>
Other operating costs	<u>(5,459)</u>	<u>(28,201)</u>
Net operating profit	<u>86,255</u>	<u>29,439</u>
Distribution to charity (CCF)	<u>(86,255)</u>	<u>(29,439)</u>
Profit for period	-	-

CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2022

15. SUBSIDIARY COMPANY (continued)

The aggregate of the assets, liabilities and funds was:

Assets	159,126	150,463
Liabilities	<u>(152,626)</u>	<u>(143,963)</u>
Funds (representing 100 ordinary shares of £1)	<u>6,500</u>	<u>6,500</u>

Castle Cavendish Limited exists solely to manage the property portfolio of Castle Cavendish Foundation.

16. CAPITAL COMMITMENTS

At the year end the charity had capital commitments contracted for of £nil (2021: £11,620).

17. RELATED PARTY TRANSACTIONS

During the year, various transactions took place between Castle Cavendish Foundation and Castle Cavendish Limited, a wholly owned subsidiary.

The subsidiary is a trading arm of the Charity and commercially manages its property portfolio, receiving income from property rentals, conference bookings, training sessions and room hire, whilst also acting as agent for the management of the rest of the investment property portfolio.

At the balance sheet date £24,171 was owed from (2021: £9,759 was owed to) Castle Cavendish Limited by the Charity.

During the year Castle Cavendish Limited has donated profits totalling £86,255 (2021: £43,439). £26,255 (2021: £9,759) of this remains due to Castle Cavendish Foundation at the balance sheet date, in addition to the above amounts.

18. FINANCIAL COMMITMENTS

As at 31 March 2022, the company was committed to making the following payments under non-cancellable operating leases relating to leased properties:

	2022	2021
	£	£
Operating leases which expire:		
Within one year	-	-
Between two and five years	-	-
In over five years	<u>63,885</u>	<u>63,885</u>

The above includes an annual charge payable of £63,885 on a 125-year lease to 8 October 2131 with Nottingham City Council.

19. PENSION COSTS

Defined Contribution Scheme:

The charity operates a defined contribution scheme in respect of some staff. The scheme and its assets are held by independent managers and contributions were made from April 2016. Total contributions made during the year were £9,676 (2021: £10,013).

CASTLE CAVENDISH FOUNDATION
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2022

20. CASH GENERATED FROM OPERATIONS

	2022	2021
	£	£
Deficit for the year	(26,850)	(138,374)
Adjustments for:		
Interest paid	4,817	6,335
Depreciation of tangible assets	15,541	24,829
Transfer to investment property	(1,494)	-
Movements in working capital:		
Decrease/(increase) in debtors	(17,342)	(7,167)
Increase/(decrease) in creditors	14,710	(230,932)
Cash generated from/(absorbed by) operations	(10,618)	(345,309)

Advance Nottingham

England & Wales - Charity number 1119003

Accounts

CASTLE CAVENDISH FOUNDATION

(A company limited by guarantee)

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2021

CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2021

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**CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)**

TRUSTEES' ANNUAL REPORT

The Trustees, who are also directors of the charity for the purposes of the Companies Act, submit their annual report and the audited financial statements for the year ended 31 March 2021. The Trustees have opted to prepare the accounts using the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) and follow the Charities SORP (FRS 102).

1. GOVERNING DOCUMENT

Castle Cavendish Foundation is a company limited by guarantee governed by its Memorandum and Articles of Association as amended on 26th November 2012. It is registered as a Charity with the Charity Commission. Anyone over the age of 16 can become a member of the Company, each of whom agrees to contribute a maximum of £1 in the event of the Charity winding-up.

COMPANY REGISTRATION NO. The company registration number is 04209702.

CHARITY REGISTRATION NO. The company is also registered with the Charity Commission. The registration number is 1119003.

2. ORGANISATIONAL STRUCTURE

Castle Cavendish Foundation (the Charity) has a Board of Trustees that governs and administers the organisation. Up to 15 Trustees are allowed on the Board at any one time. The Board meets every 6 weeks, and has the ability to appoint a Chief Executive to manage the day-to-day operations of the organisation. To facilitate effective operations, the Chief Executive has delegated authority, within terms of delegation approved by the Trustees, for operational matters including finance and human resources.

The Charity has established a wholly owned trading subsidiary, Castle Cavendish Limited (the Trading Arm). This is administered by two non-executive directors, and operates on a commercial basis to maximise income, which is then donated through to the Charity.

3. PUBLIC BENEFIT

The Trustees have referred to the guidance in the Charity Commission's general guidance on public benefit when reviewing their aim and objectives and in planning their future activities. In particular, the Trustees consider how planned activities will contribute to the aim and objectives they have set.

In 2020/21, Castle Cavendish continued to provide a significant public benefit to the communities within the Charity's area of operation.

4. MISSION & KEY AIMS & OBJECTIVES

Castle Cavendish is seen as a new breed of organisation – a Social Impact Company. Covering some of the most diverse and disadvantaged parts of Nottingham, it is committed to improving the 'quality of life' in those areas. It uses its assets, its buildings, its people, its expertise and its funding to make a difference, and to improve people's lives, it will support the business community and the voluntary sector to grow and develop, enhancing social and economic conditions for the wider community.

To deliver this mission, we will focus on four key aims:

Key Aim 1:

To manage its properties successfully, providing high quality business accommodation that is:

- ✓ at the right price
- ✓ flexible and responsive to businesses needs
- ✓ includes excellent customer services
- ✓ managed in an ethical way, and
- ✓ maximises the net surplus

CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)

TRUSTEES' ANNUAL REPORT

4. MISSION & KEY AIMS & OBJECTIVES (continued)

Key Aim 2:

To be a valued and respected funder, providing grants to support the VCS that:

- ✓ matches up to the local priorities
- ✓ is flexible, responsive and user-friendly
- ✓ delivers high quality activities and events
- ✓ is developed in an ethical way, and
- ✓ Demonstrates 'good value for money'

Key Aim 3:

To be an effective co-ordinator and connector, ensuring we work together with:

- ✓ Public sector bodies
- ✓ Local businesses
- ✓ VCS organisations
- ✓ Community groups and local people

Key Aim 4:

To be an advocate for our Area, working with local stakeholders and funders to:

- ✓ Lobby for better services
- ✓ Increase social and economic investment
- ✓ Promote local talent, and
- ✓ Champion its strength

To deliver this mission, it has agreed a set of "Values" and "Guiding Principles" that embodies the way it works. Its Core Values are:

- Being fair and transparent
- Listening and learning
- Being accessible and friendly
- Embracing equality and diversity
- Promoting respect
- Being bold and ambitious
- Being ethical in all we do

Its Guiding Principles:

- ensure that we are financially sustainable with commercial income from our trading subsidiary making up at least 51% of our overall income;
- develop our external funding base so that it is not dominated or influenced by a single source; safeguarding our independence;
- embrace the strengths and capabilities of the local voluntary and community sector, by ensuring that at least 75% of our funded projects are delivered by them;
- think about the impact of what we do, take a friendly approach and hold ourselves to high quality standards; and
- push ourselves to do better, achieve more, think creatively and inspire others.

**CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)**

TRUSTEES' ANNUAL REPORT

5. TRUSTEES

Members of the Board of Trustees and also directors for company law purposes. The Trustees during the year ended 31 March 2021 were as follows: -

Mark Spouge	(Chair)
Shoaib Khan	
Parveen Begum	
Zane Powers	
Alex Scurtu	
Jay Ludditt	
Fadzai Gambanga	(Appointed 27 May 2020)
Gurpal Singh Basra	(Appointed 29 September 2020)
John Ydlibi	(Appointed 3 February 2021)
Lorel Manders	(Retired 18 November)

There were a number of changes to the Board over the year, including the retirement of Lorel Manders, and the appointment of 3 new Trustees.

There has been the subsequent appointment of Bengisu Sahin (appointed 28 April 2021).

During 2020/21, Craig Elder and Dave Brennan acted as non-executive directors of the trading arm (CCL).

6. PRINCIPAL OFFICE

The principal office is Castle Cavendish Works, Dorking Road, Radford, Nottingham, NG7 5PN.

7. RELEVANT ORGANISATIONS

Bankers

Natwest Plc
536 Valley Road
Basford
Nottingham
NG5 1LF

Auditors

Rogers Spencer
Newstead House
Pelham Road
Nottingham
NG5 1AP

CASTLE CAVENDISH FOUNDATION
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TRUSTEES' ANNUAL REPORT

8. ANNUAL REVIEW

Overview:

Last year saw the onset of the Coronavirus Pandemic, an event that is still ongoing, touching the lives of nearly everyone, and potentially changing society forever. Under these uncertain and unprecedented times, Castle Cavendish continued to provide its services as society went in and out of lockdown, supporting and funding many of the front-line voluntary and community sector (VCS) groups to keep communities functioning, and also ensuring that our properties and associated business workspace was as safe as possible.

Although the Coronavirus Pandemic had a major impact on our City and on the local VCS, Castle Cavendish continued to support and fund many of our local community delivery partners to provide a range of important and critical services, at a time of great need. Through the Area Based Grant (ABG), provided by the City Council, Castle Cavendish was able to support our local delivery partners to continue to work across some of the most disadvantaged areas of the City, working flexibly to respond to the needs of the local communities in the Basford, Berridge and Sherwood Wards in the North (Area 2), the Hyson Green & Arboretum, Radford and Castle Wards in the central area (Area 4), and the Wollaton West, Lenton & Wollaton East and Meadows Wards in the South West (Area 5). Not only were our local partners able to rise above these challenging conditions, they also delivered to many of the most vulnerable. Without the support from Castle Cavendish, much of this work may not have been possible, and many of our local community delivery partners may well not have survived.

In total, £386k of ABG funding was distributed to 37 VCS groups, delivering over 70 projects, events or other community-based activities. This programme of community support was combined with other non-ABG funded activities, and collectively enabled Castle Cavendish to invest over £406k to some of the most vulnerable residents at a time of great need.

In relation to our property portfolio, Castle Cavendish's trading arm worked really hard to make all sites as safe as possible during the Coronavirus Pandemic, putting in measures to reduce the spread of the virus. However, it still had to deal with a series of Government-instructed lockdowns, which ensured it closed its doors for significant periods of time. Throughout this period of uncertainty, it was vital that Castle Cavendish continued to try provide the services required by its business tenants, as and when it could. But the stark reality was that it was a very challenging time for many of our businesses as the economic implications of lockdowns affected their financial viability, and their continued ability to 'do business' at our premises. As a result, occupancy levels have declined from levels, pre-Pandemic. Moreover, bad debt has also risen, understandably, especially in relation to our retail units. Even considering lockdowns, lower occupancy levels, and the ability of our business tenants to provide payment, remarkably, Castle Cavendish has still managed to post a credible trading profit of £57.6k.

Overall, Castle Cavendish has been able to respond to the challenges presented by the Coronavirus Pandemic - a year like no other in living memory. It has been able to withstand the economic downturn and still achieve a sizable trading profit, whilst at the same time having a significant impact in the communities it serves in one of the most critical years. Ultimately, this has been down to 3 things: firstly, resilient and resourceful staff who have shown an enormous amount of commitment and dedication, skill and intelligence, and responsiveness and flexibility; secondly, good financial management and robust working policies, procedures and practices which were able to deal with such an extraordinary series of events; and finally, a Board of Trustees who have demonstrated clear strategic thinking, insight and wisdom. All 3 have ensured that Castle Cavendish have not just survived, but have grown stronger.

CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)

TRUSTEES' ANNUAL REPORT

8. ANNUAL REVIEW (continued)

Providing Support to the VCS

As the Coronavirus Pandemic reached our communities, it had an acute impact and dramatically changed the way we supported them. Prior to the pandemic our outputs were principally venue-based service-provision. When the lockdown restrictions were introduced in March 2020 provision such as youth clubs, sports sessions, work clubs and day centres all had to close their doors. Despite not being able to deliver the agreed outputs we continued to provide our community partners with grant funding and support to adapt their delivery model away from being venue-based to a community outreach approach, ensuring many vulnerable people still had access to their support network. Our consistency offered our partners security and stability, enabling them to focus on finding new ways of remaining accessible to existing and new service users, whilst also responding to other community members in need.

Play & Youth. For long periods throughout the year it was not possible to deliver any of the agreed outcomes for children & young people. Instead, community partners worked on establishing new ways of staying in touch digitally via whatsapp groups, zoom parties and creating online content via platforms such as Youtube and Tiktok. This support was enhanced by the provision and distribution of almost 700 activity packs containing sports or fitness equipment, games, arts & crafts materials, books and toys for younger family members. As soon as they were able to, groups working with at-risk or vulnerable young people began meeting outdoors in small socially-distanced groups to offer face-to-face support where needed.

Employment & Skills partners faced some of the biggest challenges. With record numbers of people being made redundant and the unemployment rates rising sharply they could only offer essential support via virtual meetings and telephone contact. Inequalities around digital inclusion were most sharply felt amongst the unemployed and ABG grants were utilised by community partners to provide devices, data packages and IT training to local jobseekers.

Community Development & Engagement was critical during 2020-21 as our partner organisations found themselves on the frontline of the response to the pandemic. Over 60 local groups received some form of support and engagement ranging from one-to-one advice on specific issues such as crisis management, funding applications and best practise; to wider, more general support delivered across the network via email bulletins and virtual meetings.

We also provided additional information on how to operate safely within the guidelines, details on emergency funding and other resources. We also developed a new range templates for groups to adapt regarding operating safely, including risk assessment templates.

Locally Identified Needs. As well as responding to the four priorities above, a number of different needs became apparent, with these three standout priorities coming to the forefront across all of our ABG areas:

- **Food Insecurity.** Prior to the pandemic struck we were already seeing a year-on-year rise in the number of people reliant on foodbanks but in 2020-21 that need grew exponentially. Food insecurity also became an issue for many elderly or clinically vulnerable people who struggled simply because they were unable to leave the house to purchase food.
- **Digital Inclusion.** Tackling the uncertainty, anxiety, confusion and distress caused by the pandemic was at the centre of our response and technology played a significant role in keeping people connected. It also revealed that many people faced barriers to digital inclusion, such as a lack of technical skills, irregular internet access, old or outdated equipment, worries about internet safety or a lack of motivation; not everyone saw connecting online as helpful or relevant.
- **At-Home Resources.** The requirement to stay at home had a significantly greater impact for people living in disadvantaged or marginalised communities. Already extreme inequalities were widened even further. This made it necessary for us to develop a number of project proposals with our partners to provide and distribute different types of resources to engage and support people at home.

In addition to the ABG programme, Castle Cavendish provided a grant of £20k to support the Radford Care Group in the development of its new building at Prospect Street. This modern and purpose built facility will play a key role in supporting senior citizens to have positive and active lifestyles.

CASTLE CAVENDISH FOUNDATION
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TRUSTEES' ANNUAL REPORT

8. ANNUAL REVIEW (continued)

Managing our Properties Successfully

Castle Cavendish's trading arm, Castle Cavendish Ltd, continued to manage our property base under difficult and changing circumstances. Indeed, it had to deal with 3 national lockdown situations, whereby it had to close the doors at Castle Cavendish Works and Castle Cavendish Enterprise Centre for lengthy periods at a time. The resulting economic downturn, even taking into account Government-funded Job Retention Scheme that placed staff on 'furlough', along with other business support grants, still had a significant effect on us, and many business tenants. As a result, occupancy level at Castle Cavendish Works declined to 68% from the usual 95%. Other properties, such as Castle Cavendish Enterprise Centre where fortunate not to suffer the same fate, with occupancy still being as much as 85% by the end of March 2021.

In regards Tennyson Hall, all 3 tenants have been able to withstand the last 12 months, and deal with the financial consequences. However, the same cannot be said for Castle Cavendish properties on Alfreton Road. Although occupancy levels remain high, the debt accrued has increased, due to rental arrears. This is understandable, and Castle Cavendish are assisting and supporting these retail tenants through various payment arrangements. As a result, Castle Cavendish has had to increase its 'bad debt provisions' by a further £10k, resulting in a current bad debt provision of £99k, most applying to Alfreton Road tenants, that has been built-in to our Balance Sheet.

Astonishingly, the income generated for the full year reached £469k. Understandably, this is much lower than in previous years, but is still excellent given the unprecedented and extra ordinary circumstances. In regards costs, this has likewise been reduced down considerably, and came in at £440k. Our cost base has reduced primarily as a result of 'rechargeable expenditure' being much lower, with not being as open as much, along with the net financial effect of the Job Retention Scheme. This provides a trading profit of £57.6k, but taking into account the addition to bad debt provisions, along with depreciation, means that the net operating profit is just above £29k.

External Relationships:

As part of our role as Area Lead Organisation for Area 2, 4 & 5, our external work has increased significantly, especially creating and nurturing the new relationships with delivery partners and stakeholders in the Berridge, Basford and Sherwood wards. The role of a new Area Lead Organisation coming in to another area should not be underestimated. However, by already having good relationships with many of the existing providers, through work in Area 4 and Area 5, along with our fair and equitable approach, and the respect we already have, has ensure that we have been able to develop a range of support and interventions under the identified priorities. Much credit must go to our Area Partnership Manager who has done so much to develop an inclusive and impartial approach to delivering the ABG programme.

As a result, we have strengthened our role as the area's local "community anchor", building up good relationships with the City Council; both its staff and Councillors. In addition, we are continually working with other Area Leads to share experience and expertise, and develop further collaborations. Through our Chief Executive, Castle Cavendish also plays a key role in the City-wide VCS Strategy Group, reporting through into One Nottingham.

Financial:

Therefore, taking into account all our activities, including our charitable work associated with our community grants programme of support, along with our trading activities, the overall income for 2020-21 was £905k, compared to the £1.034m the previous year. The income generated for our charitable activities represents 48.4% and 46.3% for our trading activities, with 5.2% coming in from the Job Retention Scheme (furlough). In the previous year, 41.7% of income was generated for our charitable activities and 55.3% from our trading activities.

CASTLE CAVENDISH FOUNDATION
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TRUSTEES' ANNUAL REPORT

8. ANNUAL REVIEW (continued)

The overall costs incurred in 2020-21 was £1.044m, just over 10k more than 2019-20. Of the overall costs, 52.6% of our costs have been associated with our charitable projects and grants, with 42.6% related to our property management. In the previous year, this was 43.6% and 52.2%, respectively, thereby switching the balance of costs from property management to charitable projects and grants, primarily as a direct consequence of the pandemic.

In regards our management costs, we have worked hard to ensure that this is as low as possible. For 2020-21, this now stands at 9.2%, compared to 8.3% in the previous year (2019-20). However, once project co-ordination and management fees are taken into account, the net management costs comes in at just 1.5%. In regards Governance costs, these have increased from 4% last year to 4.6% this year, which is still remarkably low and good value for money.

Governance:

In terms of governance, 2020-21 has seen the Board of Trustees change the way they work, putting in place arrangements to meet remotely, and have been able to do this in an effective way without any major disruptions. Throughout the year, it made a number of key decisions. Here are just a few of them:

- In May, it set out its financial plans for 2020-21, taking into account various scenarios regarding the impact of the Coronavirus Pandemic.
- In July, it agreed a more detailed Business Plan for the year, and agreed the Underlease Agreements with the trading arm.
- In September, the Board approved the Draft Consolidated Accounts & Trustees Report for 2019-20.
- In November, Castle Cavendish held its Annual General Meeting, where the Charity's Company Accounts were passed, following the Audit by Rogers Spencer. The AGM also passed a Special Resolution to change Article 25, resulting in Trustees having the ability to have 3 terms of office.
- In March, it restructured the staff team and commissioned a PR consultancy to promote our work across the City and raise our profile.

Throughout the year, the Board received quarterly performance reports relating to our work across the organisation, alongside quarterly financial management reports.

Compliance:

Castle Cavendish has met all its reporting requirements, including its audited Company Account & Financial Statement through to Companies House, its Annual Report through to the Charity Commission, and Grant Claims to external funding bodies, such as Nottingham City Council.

Going Forward:

With the City Council increasing the level of Area Based Grant in 2021-22, Castle Cavendish will have an increase in funds to continue to co-ordinate and manage the 3 Area Based Grant programmes to the best of its abilities, working closely with its community delivery partners. It will also solidify its relationships and programmes of support, especially in Area 2, and will be mindful of COVID-19 implications. Indeed, many community delivery partners will now need greater financial support to remain solvent and, as a result, it will look to maintain previous levels of funding for them. There will also be an increase in the need for these groups to be supported to access external funding, through application to local and national funding bodies, and they may need additional support to establish other forms of fundraising such as donations and innovative new ways of generating income.

As we come out of the pandemic, Castle Cavendish's trading activities has increased significantly, improving its occupancy levels to close to pre-pandemic levels. Although there has been an increase in the number of business tenants struggling to pay their rent, and indeed survive, especially at Alfretton Road, it is felt that this can be accommodated within the existing 'bad debt provisions' already identified.

CASTLE CAVENDISH FOUNDATION
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TRUSTEES' ANNUAL REPORT

8. ANNUAL REVIEW (continued)

Castle Cavendish's Board of Trustees have approved a detailed Business Plan for 2021-22 that considers the future. Following much consideration, they have approved a Business Plan that reviews and assesses the impact of the pandemic on its operation, and agreed to adopt a low impact scenario from hereon in. It matched this assessment with a bold and ambitious approach, characterised by:

- a willingness to change our current business model, products and services
- a thrust to seek out new business opportunities
- an emphasis on developing new partnerships and collaborations
- a drive to bring in more funding opportunities
- a willingness to consider investing in additional capacity to generate a return
- a drive to mitigate the impact of the pandemic, and minimise its consequences to our triple bottom line.

The implications and consequences of this approach is that:

- It will utilise some of the net capital receipts to increase its capacity and capability, through the appointment of a PR Agency;
- It will develop a revised business model that is more relevant to the 'new normal', helping to mitigate against the short-term effect on profitability, and
- It should see new funding and partnership opportunities come its way.

Taking into account these actions, the forecast for 2021/22 is that the income from grants will again primarily come from the ABG Programme of up to £445k, and potentially through a further enhancements £198k from other sources, such as the Holiday Activities Fund, which Castle Cavendish has been awarded. The income from the trading activities has been estimated to be up to £520k, and with costs of £435k, the trading arm could potentially generate a net trading profit of £85k.

9. PAY POLICY FOR SENIOR STAFF

The trustees consider the board of trustees and the senior management team comprise the key management personnel of the charity in charge of directing, controlling running and operating the Foundation on a day to day basis. All trustees give their time freely and no trustee received remuneration in the year. Details of trustees' expenses and related party transactions are disclosed in note 13 to the accounts.

The pay of senior staff is reviewed annually and normally increased in accordance with average earnings. In view of the nature of the charity, the trustees benchmark against pay levels in similar sectors.

10. RISK MANAGEMENT

The trustees have a risk management strategy which comprises:

- an annual review of the principal risks and uncertainties that the charity and its subsidiary Castle Cavendish Limited 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 or manage any potential impact on the charity should those risks materialise.

This work has identified that financial sustainability is the major financial risk for both the charity and its Subsidiary. A key element in the management of financial risk is a regular review of available liquid funds to settle debts as they fall due, regular liaison with the bank, and active management of trade debtors and creditor balances to ensure sufficient working capital by the Foundation and its subsidiary company.

CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)

TRUSTEES' ANNUAL REPORT

11. RESERVES POLICY

The Charity holds a general reserve from income received in previous years, along with income generated from its trading subsidiary (CCL) and donated through. It has the ability to use these reserves each year to contribute to investments, grants and the running of the organisation, in line with the Charity's Reserve Policy.

As of 31st March 2021, the 'Net Current Assets' of Castle Cavendish was £95k, and the 'Cash in Bank' was £136k. The approved Reserves Policy of the Charity identifies that, under the current circumstances, the estimated level of reserves should be at least £101k. Therefore, Castle Cavendish has matched-up to its Reserve Policy.

12. TRUSTEE INDUCTION & TRAINING

New Trustees are provided with a Trustee Handbook, and undergo an orientation process to brief them on the Charity and their role as a Trustee, including:

- legal obligations under Charity and company law;
- the content of the Memorandum and Articles of Association;
- the committee and decision making process;
- the latest business plan; and
- the performance of the Charity.

Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

13. RELATED PARTIES

In 2020/21, Castle Cavendish had a strategic relationship with Nottingham City Council, as the main funder of the ABG Programme. From an operational point of view, it had contractual relationship, through grant agreements, with 27 VCS groups.

14. STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of Castle Cavendish Foundation for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing 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 FRS 102;
- 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CASTLE CAVENDISH FOUNDATION
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TRUSTEES' ANNUAL REPORT

14. STATEMENT OF TRUSTEES' RESPONSIBILITIES (continued)

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware: and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

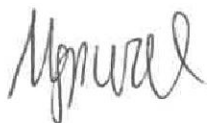
The Board of Trustees adopted the Charity Governance Code in October 2018. This sets out seven key principles of good governance:

1. **Organisational Purpose:**
The Board is clear about the charity's aims and ensures that these are being delivered effectively and sustainably.
2. **Leadership:**
The Board provides effective, strategic leadership in line with the charity's aims and values.
3. **Integrity:**
The Board acts with integrity adopting values and creating a culture which help achieve the organisations charitable purposes. The Board is aware of the importance of the public's confidence and trust in charities, and Trustees undertake their duties accordingly.
4. **Decision-making, risk and control:**
The Board makes sure that its decision-making processes are informed, rigorous and timely and that effective delegation, control and risk assessment and management systems are set up and monitored.
5. **Board effectiveness:**
The Board works as an effective team, using the appropriate balance of skills, experience, backgrounds and knowledge to make informed decisions.
6. **Diversity:**
The Board's approach to diversity supports its effectiveness, leadership and decision-making.
7. **Openness and accountability:**
The Board leads the organisation in being transparent and accountable. The charity is open in its work, unless there is good reason for it not to be.

15. AUDITORS

A resolution will be proposed at the Annual General Meeting that Rogers Spencer be re-appointed as auditors to the charity for the ensuing year.

Approved by the Board of Trustees on 4/11/21 and signed on its behalf by



Mark Spouge
Chair of Trustees

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
CASTLE CAVENDISH FOUNDATION (A company limited by guarantee)**

Independent Auditor's Report to the members and Trustees of Castle Cavendish Foundation (a company limited by guarantee)

Opinion

We have audited the financial statements of Castle Cavendish Foundation (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2021 which comprise the group statement of financial activities, the group and parent charitable company balance sheet, the group cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2021, and of the group's incoming resources and application of resources, including 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 and the Charities Act 2011.

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 group and parent 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.

Emphasis of matter

As mentioned within the Investments note (note 7), the long term investment properties, which represent 96% of fixed assets and 83% of gross assets, have been valued by the Trustees as at 31 March 2021. The last professional valuation was undertaken by Savills in 2013. Due to unknown future impact with regard to Covid-19, there is less certainty attached to any valuation at this time.

We do not modify our opinion with regard to this matter.

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 group's or parent 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
CASTLE CAVENDISH FOUNDATION (A company limited by guarantee)**

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.

Opinions 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' annual report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
CASTLE CAVENDISH FOUNDATION (A company limited by guarantee)**

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 7, 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 group's and parent 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 group or the parent 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 the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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

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

Our approach to identifying and assessing the risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We identified the laws and regulations applicable to the group through discussions with trustees and other management, and from our knowledge and experience of the charity sector and grant providers;
- We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the group, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation;
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- Identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the group's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- Making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
CASTLE CAVENDISH FOUNDATION (A company limited by guarantee)**

- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- Understanding the design of the group's remuneration policies.

To address the risk of fraud through management bias and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships;
- Tested journal entries to identify unusual transactions;
- Assessed whether judgements and assumptions made in determining the accounting estimates set out in note 2 were indicative of potential bias; and
- Investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- Agreeing financial statement disclosures to underlying supporting documentation;
- Reading the minutes of meetings of those charged with governance;
- Enquiring of management as to actual and potential litigation and claims; and
- Reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

This report is made solely to the 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 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 company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Melvin Bailey FCCA DChA (Senior Statutory Auditor)
For and on behalf of Rogers Spencer**

Date *5 November 2021*

**Chartered Certified Accountant
Statutory Auditor**

**Newstead House
Pelham Road
Nottingham NG5 1AP**

Rogers Spencer is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
~ INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST MARCH 2021

	Note	Unrestricted £	Restricted £	Total 2021 £	Total 2020 £
<u>INCOME AND ENDOWMENTS FROM</u>					
Income from charitable activities:					
Grants receivable	3a	-	438,710	438,710	461,916
Income from trading activities:					
Rent and room hire		330,489	-	330,489	422,440
Other property income		51,734	-	51,734	104,540
Service charges		31,278	-	31,278	46,007
Sundry income		6,140	-	6,140	42
		<u>419,641</u>	<u>-</u>	<u>419,641</u>	<u>573,029</u>
Other income – Government Covid support	4	<u>47,602</u>	<u>-</u>	<u>47,602</u>	<u>-</u>
<u>TOTAL INCOME</u>		<u>467,243</u>	<u>438,710</u>	<u>905,953</u>	<u>1,034,945</u>
<u>EXPENDITURE ON</u>					
Raising funds	5a	1,373	-	1,373	3,642
Charitable activities	5c	610,366	432,588	1,042,954	1,030,416
<u>TOTAL EXPENDITURE</u>		<u>611,739</u>	<u>432,588</u>	<u>1,044,327</u>	<u>1,034,058</u>
<u>NET INCOME/(EXPENDITURE)</u>		(144,496)	6,122	(138,374)	887
Net losses on investment properties		<u>-</u>	<u>-</u>	<u>-</u>	<u>(8,555)</u>
<u>NET INCOME/(EXPENDITURE) BEFORE TRANSFERS</u>		(144,496)	6,122	(138,374)	(7,668)
Transfers between funds		<u>60,156</u>	<u>(60,156)</u>	<u>-</u>	<u>-</u>
<u>NET MOVEMENT IN FUNDS</u>		(84,340)	(54,034)	(138,374)	(7,668)
Fund balances brought forward		<u>1,622,924</u>	<u>80,886</u>	<u>1,703,810</u>	<u>1,711,478</u>
<u>FUND BALANCES CARRIED FORWARD</u>		<u>1,538,584</u>	<u>26,852</u>	<u>1,565,436</u>	<u>1,703,810</u>

The consolidated statement of financial activities contains all the gains and losses recognised in current and previous period.

All activities are continuing activities.

The notes on pages 20 to 36 form part of these financial statements.

CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
~ INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST MARCH 2021

PRIOR YEAR ONLY:	Note	Unrestricted £	Restricted £	Total 2020 £
<u>INCOME AND ENDOWMENTS FROM</u>				
Income from charitable activities:				
Grants receivable	3b	-	461,916	461,916
Income from trading activities:				
Rent and room hire		422,440	-	422,440
Other property income		104,540	-	104,540
Service charges		46,007	-	46,007
Sundry income		<u>42</u>	<u>-</u>	<u>42</u>
<u>TOTAL INCOME</u>		<u>573,029</u>	<u>461,916</u>	<u>1,034,945</u>
<u>EXPENDITURE ON</u>				
Raising funds	5b	3,642	-	3,642
Charitable activities	5d	<u>696,051</u>	<u>334,365</u>	<u>1,030,416</u>
<u>TOTAL EXPENDITURE</u>		<u>699,693</u>	<u>334,365</u>	<u>1,034,058</u>
<u>NET INCOME/(EXPENDITURE)</u>		(126,664)	127,551	887
Net losses on investment properties		<u>(8,555)</u>	<u>-</u>	<u>(8,555)</u>
<u>NET INCOME/(EXPENDITURE) BEFORE TRANSFERS</u>		(135,219)	127,551	(7,668)
Transfers between funds		<u>46,665</u>	<u>(46,665)</u>	<u>-</u>
<u>NET MOVEMENT IN FUNDS</u>		(88,554)	80,886	(7,668)
Fund balances brought forward		<u>1,711,478</u>	<u>-</u>	<u>1,711,478</u>
<u>FUND BALANCES CARRIED FORWARD</u>		<u>1,622,924</u>	<u>80,886</u>	<u>1,703,810</u>

All activities are continuing activities.

The notes on pages 20 to 36 form part of these financial statements.

CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2021

	Note	2021		2020	
		£	£	£	£
<u>FIXED ASSETS</u>					
Tangible fixed assets	8a		59,768		68,864
Investments	9		<u>1,532,502</u>		<u>1,532,502</u>
			1,592,270		1,601,366
<u>CURRENT ASSETS</u>					
Investments	9	-		375,000	
Debtors	10	66,340		59,173	
Cash at bank and in hand		<u>136,195</u>		<u>133,819</u>	
			202,535	567,992	
<u>LIABILITIES:</u> Amounts falling due within one year	11	<u>(107,256)</u>		<u>(338,188)</u>	
<u>NET CURRENT ASSETS / (LIABILITIES)</u>			<u>95,279</u>		<u>229,804</u>
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>			1,687,549		1,831,170
<u>LIABILITIES:</u> Amounts falling due after more than one year	12		<u>(122,113)</u>		<u>(127,360)</u>
NET ASSETS			<u>1,565,436</u>		<u>1,703,810</u>
<u>FUNDS</u>					
Unrestricted					
General funds	14		1,538,584		1,622,924
Restricted					
	13		<u>26,852</u>		<u>80,886</u>
Total funds			<u>1,565,436</u>		<u>1,703,810</u>

The financial statements are prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved by the Board of Trustees on 4/11/21 and signed on its behalf by

Mark Spouge
Chair of Trustees



Company Number 04209702

The notes on pages 20 to 36 form part of these financial statements.

CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)

BALANCE SHEET AS AT 31ST MARCH 2021 (CHARITY ONLY)

	Note	2021		2020	
		£	£	£	£
<u>FIXED ASSETS</u>					
Tangible fixed assets	8b		37,983		29,502
Investments	9		<u>1,532,602</u>		<u>1,532,602</u>
			1,570,585		1,562,104
<u>CURRENT ASSETS</u>					
Investments	9	-		375,000	
Debtors	10	62,486		60,892	
Cash at bank and in hand		<u>64,569</u>		<u>58,750</u>	
			127,055		494,642
<u>LIABILITIES:</u> Amounts falling due within one year	11		<u>(16,492)</u>		<u>(231,976)</u>
<u>NET CURRENT ASSETS / (LIABILITIES)</u>			<u>110,563</u>		<u>262,666</u>
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>			1,681,148		1,824,770
<u>LIABILITIES:</u> Amounts falling due after more than one year	12		<u>(122,113)</u>		<u>(127,360)</u>
NET ASSETS			<u>1,559,035</u>		<u>1,697,410</u>
<u>FUNDS</u>					
Unrestricted					
General funds	14		1,532,183		1,616,524
Restricted	13		<u>26,852</u>		<u>80,886</u>
Total funds			<u>1,559,035</u>		<u>1,697,410</u>

The financial statements are prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved by the Board of Trustees on 4/11/21 and signed on its behalf by


Mark Spouge
Chair of Trustees

Company Number 04209702

The notes on pages 20 to 36 form part of these financial statements.

CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021

	Note	2021 £	2020 £
Cashflows from operating activities			
Cash generated from/(absorbed by) operations	20	(345,309)	8,864
Interest paid		<u>(6,335)</u>	<u>(6,280)</u>
Net cash (outflow)/ inflow from operating activities		<u>(351,644)</u>	<u>2,584</u>
Investing activities			
Purchase of tangible fixed assets		(15,733)	(42,290)
Sale proceeds		<u>375,000</u>	<u>107,500</u>
Net cash received/(used) in investing activities		<u>359,267</u>	<u>65,210</u>
Financing activities			
Repayment of bank loans		(5,247)	(10,055)
Net cash received/ (used) in financing activities		<u>(5,247)</u>	<u>(10,055)</u>
Net decrease in cash and cash equivalents		2,376	57,739
Cash and cash equivalents at beginning of the year		<u>133,819</u>	<u>76,080</u>
Cash and cash equivalents at end of year		<u>136,195</u>	<u>133,819</u>

CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2021

1. ACCOUNTING POLICIES

Basis of accounting

The charity constitutes a public benefit entity as defined by FRS 102. The charity is limited by guarantee and was incorporated in England & Wales. 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 Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £1.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Basis of consolidation

The consolidated financial statements include the financial statements of the parent charitable company and its subsidiary company Castle Cavendish Limited.

Going concern

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value.

Although the Charitable group draws upon grants from the Local Authority and other potential funders, it equally generates a significant amount of income through its trading subsidiary. However, in 2020-21 it had to endure a number of periods of 'lockdown' as a result of the COVID-19 Pandemic, causing a reduction in occupancy levels and income. This was countered by various Government programmes, such as the 'Furlough Scheme', along with the net proceeds from Hartley Court. Moreover, the implications of this reduction in income was assisted by a relatively low cost base. Overall, the trading subsidiary (Castle Cavendish Limited) still posted an 'in year' trading profit of £57k, which was remarkable given the circumstances.

As society comes out of the pandemic, it is anticipated that the changing business requirements lend itself to the flexible workspace opportunities that exist at both Castle Cavendish Works and Castle Cavendish Enterprise Centre. Indeed, the forecasted trading profit for 2021-22 has been estimated to be in the order of £85k, due to a steady growth in usage and occupancy. It is anticipated that, if occupancy levels reach optimum levels in 2022-23, then a net return of 6.5% is achievable, resulting in a trading profit of £100k.

In May 2021, the Board of Trustees has approved a Business Plan for 2021-22 which builds in the trading subsidiary income and expenditure forecasts, alongside an anticipated grant programme worth up to £666k, fully supported through external funders, including the Area Based Grant. Although some of these opportunities may not come to fruition, it is anticipated that at least £500k will be drawn down from external funders and distributed to our community partners. Even with the significant task of managing this grant programme and the cost associated with this role, it is anticipated that the Charitable group will generate a net surplus in 2021-22.

However, it should be noted that there are some question marks over grant funds in the future, especially in regards the Area Based Grant from 2022 onwards, as well as the level of funds to be allocated. The cost of delivering aspects of the Area Based Grant and managing its distribution is covered through an element of the Area Based Grant itself, alongside a percentage Management Fee. Obviously, with some uncertainty surrounding this matter, the potential fees generated and the 'in-house' project delivery grant are difficult to estimate. The Board of Trustees are well aware of this issue and have a risk management approach which will respond to the prevailing circumstances, scaling up or scaling up, depending on the grant funds that are awarded.

However, as previously noted, if the trading subsidiary matches up to optimum levels in 2022-23, and there is no reason why this should not happen given the current trends, then trading profits of £100k are attainable. This donation to the Charitable group, will ensure that the governance costs and management responsibilities for the group as a whole will be properly supported on an ongoing basis.

CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2021

1. ACCOUNTING POLICIES (continued)

Fund accounting

General funds are unrestricted funds which 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.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements. Restricted funds are funds which are to be used in accordance with specific restriction imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Restricted funds represent grants, donations and legacies received which are allocated by the donor for specific purposes.

Income

All income is included in the SOFA when the charity is legally entitled to the income, 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.

Gifts in kind donated are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

All capital grants received in respect of any depreciated assets are credited to deferred income and amortised to the profit and loss account over the useful economic life of the assets to which they relate.

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.

Expenditure and irrecoverable VAT

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of the resources.

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:

- Costs of raising funds comprise the promotional costs to the charity.
- Expenditure on charitable activities includes all costs undertaken to further the purposes of the charity and their associated support costs, including costs of governance.

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

Taxation

The Trust is a registered Charity and is exempt from taxation. Its subsidiary company, Castle Cavendish Limited, is liable to corporation taxation on its profits however. Any tax incurred is charged to resources expended.

CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2021

1. ACCOUNTING POLICIES (continued)

Fixed assets and depreciation

Tangible fixed assets are stated at the lower of cost less accumulated depreciation and valuation.

Depreciation is charged on a straight line basis over the expected economic useful lives of the assets at the following annual rates:

Computer equipment	33 1/3% straight line basis
Fixtures, fittings, vehicles and equipment	15% straight line basis

Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured using the fair value model and stated at its fair value as the reporting end date. The surplus or deficit on revaluation is recognised in the profit and loss account.

Where fair value cannot be achieved without undue cost or effort, investment property is accounted for as tangible fixed assets.

2. JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the group'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 underlying 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 the revision and future periods where the revision affects both current and future periods.

CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2021

3a. GRANTS RECEIVABLE

	Unrestricted funds	Restricted funds	Total 2021	Total 2020
	£	£	£	£
Nottingham City Council: Area 2 Grant	-	168,016	168,016	168,016
Nottingham City Council: Area 4 Grant	-	137,570	137,570	137,570
Nottingham City Council: Area 5 Grant	-	120,656	120,656	120,656
Nottingham City Council: Welcome to Education Grant	-	-	-	11,320
Nottingham City Council: Workplace Travel Grant	-	-	-	12,994
Breaking Barriers Building Bridges	-	12,468	12,468	11,360
	<u>-</u>	<u>12,468</u>	<u>12,468</u>	<u>11,360</u>
	<u>-</u>	<u>438,710</u>	<u>438,710</u>	<u>461,916</u>

3b. GRANTS RECEIVABLE (Prior year)

	Unrestricted funds	Restricted funds	Total 2020
	£	£	£
Nottingham City Council: Area 2 Grant	-	168,016	168,016
Nottingham City Council: Area 4 Grant	-	137,570	137,570
Nottingham City Council: Area 5 Grant	-	120,656	120,656
Nottingham City Council: Welcome to Education Grant	-	11,320	11,320
Nottingham City Council: Workplace Travel Grant	-	12,994	12,994
Breaking Barriers Building Bridges	-	11,360	11,360
	<u>-</u>	<u>11,360</u>	<u>11,360</u>
	<u>-</u>	<u>461,916</u>	<u>461,916</u>

4. OTHER INCOME – COVID SUPPORT

(unrestricted)

	Total 2021	Total 2020
	£	£
Furlough income	37,602	-
Business Support grant	10,000	-
	<u>47,602</u>	<u>-</u>

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5a. <u>RAISING FUNDS</u>	Unrestricted funds £	Restricted funds £	Total 2021 £	
Advertising and promotion	<u>1,373</u>	-	<u>1,373</u>	
	<u>1,373</u>	=	<u>1,373</u>	
5b. <u>RAISING FUNDS (Prior year)</u>	Unrestricted funds £	Restricted funds £		
Advertising and promotion	<u>3,642</u>	-		
	<u>3,642</u>	=		
5c. <u>CHARITABLE ACTIVITIES</u>	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Staff costs	233,151	46,825	279,976	277,569
Repairs and maintenance	39,989	-	39,989	82,168
Premises security	1,941	-	1,941	6,498
Heat, light, water and telephone	49,205	-	49,205	58,442
Insurance	12,147	-	12,147	12,289
Motor and travel	511	-	511	504
Printing, postage and stationery	3,764	-	3,454	12,427
Service charges	30,639	-	30,639	40,138
Legal and professional fees	10,060	-	10,060	11,314
Audit fees	7,140	-	7,140	6,730
Equipment leasing	4,978	-	4,978	9,386
Rent and rates	77,953	-	77,953	84,269
Sundry expenses	831	-	831	2,046
Bad debts	10,623	-	10,623	19,512
Bank charges	1,039	-	1,039	1,241
Grant payments (Note 5i)	20,000	385,763	405,763	304,471
Loan interest	6,335	-	6,335	6,280
Other interest	-	-	-	4,500
Governance (Note 5e)	48,532	-	48,532	42,109
Depreciation	24,829	-	24,829	25,804
Unrecoverable VAT	5,922	-	5,922	19,569
Loss on sale of property	<u>20,777</u>	-	<u>20,777</u>	<u>3,150</u>
	<u>610,366</u>	<u>432,588</u>	<u>1,042,954</u>	<u>1,030,416</u>

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FOR THE YEAR ENDED 31ST MARCH 2021

5d. CHARITABLE ACTIVITIES (Prior year)	Unrestricted funds £	Restricted funds £	Total 2020 £	
Staff costs	234,947	42,622	277,569	
Repairs and maintenance	82,168	-	82,168	
Premises security	6,498	-	6,498	
Heat, light, water and telephone	58,442	-	58,442	
Insurance	12,289	-	12,289	
Motor and travel	504	-	504	
Printing, postage and stationery	12,427	-	12,427	
Service charges	40,138	-	40,138	
Legal and professional fees	11,314	-	11,314	
Audit fees	6,730	-	6,730	
Equipment leasing	9,386	-	9,386	
Rent and rates	84,269	-	84,269	
Sundry expenses	1,184	862	2,046	
Bad debts	19,512	-	19,512	
Bank charges	1,241	-	1,241	
Grant payments (Note 5i)	13,590	290,881	304,471	
Loan interest	6,280	-	6,280	
	4,500	-	4,500	
Governance (Note 5f)	42,109	-	42,109	
Depreciation	25,804	-	25,804	
Unrecoverable VAT	19,569	-	19,569	
Loss on sale of property	3,150	-	3,150	
	<u>696,051</u>	<u>334,365</u>	<u>1,030,416</u>	
5e. GOVERNANCE COSTS	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Staff costs	46,107	-	46,107	38,106
Audit fees	2,425	-	2,425	2,738
Board costs	-	-	-	1,265
	<u>48,532</u>	<u>-</u>	<u>48,532</u>	<u>42,109</u>
5f. GOVERNANCE COSTS (Prior year)	Unrestricted funds £	Restricted funds £	Total 2020 £	
Staff costs	38,106	-	38,106	
Audit fees	2,738	-	2,738	
Board costs	1,265	-	1,265	
	<u>42,109</u>	<u>-</u>	<u>42,109</u>	

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FOR THE YEAR ENDED 31ST MARCH 2021

5g. TOTAL RESOURCES EXPENDED

	<u>Basis of allocation</u>	<u>Projects and grants</u>	<u>Property management</u>	<u>Governance</u>	2021	2020
Costs directly allocated to activities		£	£	£	£	£
Staff costs	Direct	96,757	183,219	46,107	326,083	315,675
Advertising	Direct	1,373	-	-	1,373	3,642
Premises costs	Direct	3,904	207,969	-	211,873	283,805
Travel	Direct	46	465	-	511	504
Hire of equipment	Direct	-	4,978	-	4,978	9,386
Printing, stationery etc	Direct	532	3,232	-	3,764	12,427
Depreciation	Direct	7,252	17,577	-	24,829	25,804
Legal and professional	Direct	7,043	10,157	2,425	19,625	20,783
Bank charges	Direct	19	1,020	-	1,039	1,241
Bad and doubtful debts	Direct	-	10,623	-	10,623	19,512
Grant payments	Direct	405,763	-	-	405,763	304,471
Unrecoverable VAT	Direct	-	5,922	-	5,922	19,569
Loss on sale of property	Direct	20,777	-	-	20,777	3,150
Other costs	Direct	<u>6,761</u>	<u>406</u>	<u>-</u>	<u>7,167</u>	<u>14,089</u>
		<u>550,227</u>	<u>445,568</u>	<u>48,532</u>	<u>1,044,327</u>	<u>1,034,058</u>

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FOR THE YEAR ENDED 31ST MARCH 2021

5h. TOTAL RESOURCES EXPENDED (Prior year)

	<u>Basis of allocation</u>	<u>Projects and grants</u>	<u>Property management</u>	<u>Governance</u>	2020
Costs directly allocated to activities		£	£	£	£
Staff costs	Direct	85,907	191,662	38,106	315,675
Advertising	Direct	3,484	158	-	3,642
Premises costs	Direct	21,410	262,395	-	283,805
Travel	Direct	185	319	-	504
Hire of equipment	Direct	-	9,386	-	9,386
Printing, stationery etc	Direct	1,019	11,408	-	12,427
Depreciation	Direct	7,519	18,285	-	25,804
Legal and professional	Direct	11,510	6,535	2,738	20,783
Bank charges	Direct	60	1,181	-	1,241
Bad and doubtful debts	Direct	-	19,512	-	19,512
Grant payments	Direct	304,471	-	-	304,471
Unrecoverable VAT	Direct	-	19,569	-	19,569
Loss on sale of property	Direct	3,150	-	-	3,150
Other costs	Direct	<u>12,916</u>	<u>(92)</u>	<u>1,265</u>	<u>14,089</u>
		<u>451,631</u>	<u>540,318</u>	<u>42,109</u>	<u>1,034,058</u>

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FOR THE YEAR ENDED 31ST MARCH 2021

5i. GRANT PAYMENTS

Grants were awarded to the following organisations during the year:

	2021	2020
	£	£
Unrestricted Grants:		
Nottingham Rotary Club	-	10,440
Think Children	-	3,150
Radford Care Group	20,000	-
Total Unrestricted Grants	<u>20,000</u>	<u>13,590</u>
Restricted Grants:		
Take 1 Studios	13,500	11,000
Signpost to Polish Success	4,000	5,830
A-Star Sports Development	4,005	3,320
Notts Club for Young People	2,040	1,700
The Lenton Centre	7,375	4,100
Primary (Nottingham Studios)	-	3,250
Switch Up CIC	19,100	16,000
Nottingham Health & Education Support	12,500	6,000
The Pythian Club	39,107	25,020
Hyson Green Youth Club	14,500	12,000
Building Bridges Breaking Barriers	15,828	18,360
East African Education Centre	3,750	2,200
Nottingham Bikeworks	5,750	5,100
Fearless Youth Association	1,820	1,000
Freedom Factory	-	2,000
ID Foundation	-	850
Project COFFE	-	660
The Toy Library	27,000	17,200
Daniyaal's Martial Arts Academy	800	2,250
Inspire-Succeed CIC	-	2,000
NG Community Hub	-	850
Shiefton Youth & Community Enterprise	-	1,000
Think Children	5,350	-
Hyson Green Cultural Festival	-	1,000
Empleo	23,875	16,140
Skills Exchange	-	575
Notts County Football in the Community	2,778	5,552
9 th Nottingham Girls Brigade	250	625
United Communities Network	-	800
Community Based Fitness	10,000	8,335
Sherwood Playgroup	9,000	596
Dunkirk & Old Lenton Community Association	-	400
Restricted grants carried forward	<u>222,328</u>	<u>175,713</u>

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FOR THE YEAR ENDED 31ST MARCH 2021

5i. GRANT PAYMENTS (continued)

	2021	2020
	£	£
Restricted grants brought forward	222,328	175,713
Belong	28,210	27,355
Mojatu	-	6,000
Kingswood Methodist Church	-	260
AJ Sports	20,500	14,430
SongTime	-	1,000
Wollaton Park Community Association	375	250
WPCA Bridge Club	-	100
The Vine Community Centre	4,420	4,000
Skilled Hands Organisation	-	3,000
The Bridges Community Trust	45,071	30,615
Disability Support Nottingham	2,500	7,235
The Bestwood Partnership	27,824	13,997
Basford Rd Baptist Church	-	165
Welcome to Education project	2,529	5,761
Moor Lionz	-	1,000
Radford Care Group	2,602	-
Radford Methodist Church	3,200	-
YogaEd	587	-
Nottinghamshire Police & Crime Commissioner	1,232	-
Vanclaron CIC	7,160	-
Himmah	11,200	-
Mesopotamia	6,025	-
Total Restricted Grants	385,763	290,881

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FOR THE YEAR ENDED 31ST MARCH 2021

6. STAFF COSTS AND TRUSTEES REMUNERATION

	Total 2021	Total 2020
	£	£
Wages and salaries	295,592	282,038
Social security costs	20,478	23,354
Pension costs	<u>10,013</u>	<u>10,283</u>
	<u>326,083</u>	<u>315,675</u>

No employee earned £60,000 p.a. or more.

Average number of employees, calculated on a full-time equivalent basis, analysed by function was:

	Number 2021	Number 2020
Charitable activities	11	11
Governance	<u>1</u>	<u>1</u>
	<u>12</u>	<u>12</u>

None of the Trustees received remuneration during the year.
No Trustee expenses were incurred in the year.

Remuneration of key management personnel

Remuneration of key management personnel is as follows:

	Total 2021	Total 2020
	£	£
Aggregate compensation	<u>103,274</u>	<u>107,454</u>

7. TRUSTEES INDEMNITY INSURANCE

The charity paid £935 (2020: £778) during the year in respect of indemnity insurance for Trustees.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2021

8a. TANGIBLE FIXED ASSETS (Group)

	Computer equipment £	Fixtures, fittings, vehicles & equipment £	Total £
<u>COST</u>			
Brought forward at 1 April 2020	53,123	198,152	251,275
Additions	-	15,733	15,733
Disposals	-	-	-
At 31 March 2021	<u>53,123</u>	<u>213,885</u>	<u>267,008</u>
<u>DEPRECIATION</u>			
Brought forward at 1 April 2020	48,107	134,304	182,411
Charge for the year	3,896	20,933	24,829
Eliminated on disposals	-	-	-
At 31 March 2021	<u>52,003</u>	<u>155,237</u>	<u>207,240</u>
<u>NET BOOK VALUE</u>			
At 31 March 2021	<u>1,120</u>	<u>58,648</u>	<u>59,768</u>
At 31 March 2020	<u>5,016</u>	<u>63,848</u>	<u>68,864</u>

8b. TANGIBLE FIXED ASSETS (Charity)

	Computer equipment £	Fixtures, fittings, vehicles & equipment £	Total £
<u>COST</u>			
Brought forward at 1 April 2020	17,938	88,478	106,416
Additions	-	15,733	15,733
Disposals	-	-	-
At 31 March 2021	<u>17,938</u>	<u>104,211</u>	<u>122,149</u>
<u>DEPRECIATION</u>			
Brought forward at 1 April 2020	17,382	59,532	76,914
Charge for the year	278	6,974	7,252
Eliminated on disposals	-	-	-
At 31 March 2021	<u>17,660</u>	<u>66,506</u>	<u>84,166</u>
<u>NET BOOK VALUE</u>			
At 31 March 2021	<u>278</u>	<u>37,705</u>	<u>37,983</u>
At 31 March 2020	<u>556</u>	<u>28,946</u>	<u>29,502</u>

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2021

9. <u>INVESTMENTS</u>	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
<u>FIXED ASSETS</u>				
Investment Properties:				
Cost/valuation b/f	1,532,502	1,562,502	1,532,502	1,562,502
Additions	-	8,555	-	8,555
Disposals	-	(30,000)	-	(30,000)
Revaluations	-	(8,555)	-	(8,555)
Transfer to current assets	-	-	-	-
Cost/valuation c/f	<u>1,532,502</u>	<u>1,532,502</u>	<u>1,532,502</u>	<u>1,532,502</u>
Shares in Subsidiary Undertaking:	-	-	100	100
	<u>1,532,502</u>	<u>1,532,502</u>	<u>1,532,602</u>	<u>1,532,602</u>
<u>CURRENT ASSETS</u>				
	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Investment Properties	<u>-</u>	<u>375,000</u>	<u>-</u>	<u>375,000</u>

The properties were last professionally revalued by Savills in 2013. The Trustees believe that there would be undue cost involved in attaining a further professional valuation and have instead opted to value the properties themselves individually at open market value as at 31 March 2021. However, under the current circumstances there will be less certainty in any valuation due to unknown future impact with regard to COVID-19.

During the year, 3 units at Hartley Court were sold for £375,000.

The shares relate to one hundred shares (2020: one hundred shares) of £1 in Castle Cavendish Limited (company registration number 06113675) which is a wholly owned subsidiary of Castle Cavendish Foundation and the shares are stated at cost.

10. <u>DEBTORS</u>	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Trade debtors	26,154	28,922	-	-
Amounts owed from subsidiary undertakings	-	-	9,759	-
Other debtors	<u>40,186</u>	<u>30,251</u>	<u>52,727</u>	<u>60,892</u>
	<u>66,340</u>	<u>59,173</u>	<u>62,486</u>	<u>60,892</u>

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	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
11. <u>LIABILITIES:</u> Amounts falling due with one year				
Trade creditors	31,272	35,116	292	1,214
Taxation and social security	2,072	8,372	-	-
Accruals and deferred income	29,809	87,501	5,585	23,085
Amounts owed to subsidiary undertakings	-	-	-	479
Bank loans and overdrafts	10,615	10,398	10,615	10,398
Other creditors	<u>33,488</u>	<u>196,801</u>	<u>-</u>	<u>196,800</u>
	<u>107,256</u>	<u>338,188</u>	<u>16,492</u>	<u>231,976</u>

Deferred income of £18,854 (2020: £16,832) is included within accruals and deferred income and represents the amounts prepaid by tenants.

A figure of £nil (2020: £196,800) is included with Other Creditors for trespass & access charges and dilapidations costs in relation to the sale of units at Hartley Court (see Note 8).

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
12. <u>LIABILITIES:</u> Amounts falling due after one year				
Bank loans and overdrafts	<u>122,113</u>	<u>127,360</u>	<u>122,113</u>	<u>127,360</u>
Amounts included above which fall due after five years are as follows:				
Payable by instalments	<u>74,866</u>	<u>81,080</u>	<u>74,866</u>	<u>81,080</u>

The bank loans and overdrafts are secured by way of a legal charge dated 2 June 2016 over the Castle Cavendish Works property and a debenture dated 25 January 2016 over all assets of the company.

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13. RESTRICTED FUNDS

	At 1 April 2020 £	Income £	Expenditure £	Transfers £	At 31 March 2021 £
Nottingham City Council: Areas 2, 4 & 5	80,886	426,242	420,120	(60,156)	26,852
Breaking Barriers Building Bridges	-	12,468	12,468	-	-
	<u>80,886</u>	<u>438,710</u>	<u>432,588</u>	<u>(60,156)</u>	<u>26,852</u>

RESTRICTED FUNDS (Prior year)

	At 1 April 2019 £	Income £	Expenditure £	Transfers £	At 31 March 2020 £
Nottingham City Council: Areas 2, 4 & 5	-	426,242	298,691	(46,665)	80,886
Breaking Barriers Building Bridges	-	11,360	11,360	-	-
Welcome To Education	-	11,320	11,320	-	-
Workplace Travel	-	12,994	12,994	-	-
	<u>-</u>	<u>461,916</u>	<u>334,365</u>	<u>(46,665)</u>	<u>80,886</u>

Area Based Grants:

Nottingham City Council has provided grant funding to cover Areas 2, 4 & 5's ABG Programmes that will support the associated costs of delivering a range of community-based activities that support children & young people, jobseekers, the elderly & isolated and other vulnerable groups present in those areas. These grants run until 31 March 2022.

Breaking Barriers Building Bridges (BBBB)

Community Roots project seeks to provide intensive 1-2-1 support activities to children, young people and their families in need of specialist support services. The project start date has been delayed until Q3 of 2020 although remote support has begun through use of phone, WhatsApp, video calls etc. allowing signposting to appropriate services and authorities. Castle Cavendish acted as the accountable body, accepting and accessing the funding from Nottinghamshire's Police & Crime Commissioner, on behalf of the BBBB.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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14a. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	General funds £	Restricted funds £	Total £
GROUP			
Tangible fixed assets and investments	1,592,270	-	1,592,270
Net current assets/(liabilities)	68,427	26,852	95,279
Long term liabilities	<u>(122,113)</u>	-	<u>(122,113)</u>
	<u>1,538,584</u>	<u>26,852</u>	<u>1,565,436</u>
CHARITY			
Tangible fixed assets and investments	1,570,585	-	1,570,585
Net current assets/(liabilities)	83,711	26,852	110,563
Long term liabilities	<u>(122,113)</u>	-	<u>(122,113)</u>
	<u>1,532,183</u>	<u>26,852</u>	<u>1,559,035</u>

14b. ANALYSIS OF NET ASSETS BETWEEN FUNDS (prior year)

	General funds £	Restricted funds £	Total £
GROUP			
Tangible fixed assets and investments	1,601,366	-	1,601,366
Net current assets/(liabilities)	148,918	80,886	229,804
Long term liabilities	<u>(127,360)</u>	-	<u>(127,360)</u>
	<u>1,622,924</u>	<u>80,886</u>	<u>1,703,810</u>
CHARITY			
Tangible fixed assets and investments	1,562,104	-	1,562,104
Net current assets/(liabilities)	181,780	80,886	262,666
Long term liabilities	<u>(127,360)</u>	-	<u>(127,360)</u>
	<u>1,616,524</u>	<u>80,886</u>	<u>1,697,410</u>

15. SUBSIDIARY COMPANY

The Charity owns the whole of the issued ordinary share capital of Castle Cavendish Limited, a company registered in England & Wales, company number 06113675. All activities have been consolidated on a line by line basis in the SOFA. Any total net profits will be gifted to the charity as and when the company begins to make a profit. A summary of the results of the subsidiary is shown below:

<u>Castle Cavendish Limited</u>	2021 £	2020 £
Income	425,861	585,085
Other income	43,227	-
Administrative expenses	<u>(411,448)</u>	<u>(470,088)</u>
Trading profit	<u>57,640</u>	<u>114,997</u>
Other operating costs	<u>(28,201)</u>	<u>(37,797)</u>
Net operating profit	<u>29,439</u>	<u>77,200</u>
Distribution to charity (CCF)	<u>(29,439)</u>	<u>(77,200)</u>
Profit for period	-	-

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15. SUBSIDIARY COMPANY (continued)

The aggregate of the assets, liabilities and funds was:

Assets	150,463	173,932
Liabilities	<u>(143,963)</u>	<u>(167,432)</u>
Funds (representing 100 ordinary shares of £1)	<u>6,500</u>	<u>6,500</u>

Castle Cavendish Limited exists solely to manage the property portfolio of Castle Cavendish Foundation.

16. CAPITAL COMMITMENTS

At the year end the charity had capital commitments contracted for of £11,620 (2020: £11,620).

17. RELATED PARTY TRANSACTIONS

During the year, various transactions took place between Castle Cavendish Foundation and Castle Cavendish Limited, a wholly owned subsidiary.

The subsidiary is a trading arm of the Charity and commercially manages its property portfolio, receiving income from property rentals, conference bookings, training sessions and room hire, whilst also acting as agent for the management of the rest of the investment property portfolio.

At the balance sheet date £9,759 was owed from (2020: £479 was owed to) Castle Cavendish Limited by the Charity.

During the year Castle Cavendish Limited has donated profits totalling £43,439 (2020: £77,200). £9,759 (2020: £60,743) of this remains due to Castle Cavendish Foundation at the balance sheet date, in addition to the above amounts.

18. FINANCIAL COMMITMENTS

As at 31 March 2021, the company was committed to making the following payments under non-cancellable operating leases relating to leased properties:

	2021	2020
	£	£
Operating leases which expire:		
Within one year	-	-
Between two and five years	-	-
In over five years	<u>63,885</u>	<u>63,885</u>

The above includes an annual charge payable of £63,885 on a 125-year lease to 8 October 2131 with Nottingham City Council.

19. PENSION COSTS

Defined Contribution Scheme:

The charity operates a defined contribution scheme in respect of some staff. The scheme and its assets are held by independent managers and contributions were made from April 2016. Total contributions made during the year were £10,013 (2020: £10,283).

CASTLE CAVENDISH FOUNDATION
(A company limited by guarantee)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2021

20. CASH GENERATED FROM OPERATIONS

	2021	2020
	£	£
Deficit for the year	(138,374)	(7,668)
Adjustments for:		
Interest paid	6,335	6,280
Depreciation of tangible assets	24,829	25,804
Movements in working capital:		
Decrease/(increase) in debtors	(7,167)	15,655
Increase/(decrease) in creditors	(230,932)	(31,207)
Cash generated from/(absorbed by) operations	<u>(345,309)</u>	<u>8,864</u>

