

REGISTERED COMPANY NUMBER: 05845477 (England and Wales)
REGISTERED CHARITY NUMBER: 1121420

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31 December 2020
for
MERSTHAM COMMUNITY FACILITY TRUST

Lees Chartered Accountants
The Granary
Brewer Street
Betchingley
Surrey
RH1 4QP

MERSTHAM COMMUNITY FACILITY TRUST

Contents of the Financial Statements
for the Year Ended 31 December 2020

	Page
Report of the Trustees	1 to 4
Independent Examiner's Report	5
Statement of Financial Activities	6
Statement of Financial Position	7 to 8
Notes to the Financial Statements	9 to 15
Detailed Statement of Financial Activities	16 to 17

MERSTHAM COMMUNITY FACILITY TRUST

Report of the Trustees **for the Year Ended 31 December 2020**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2020. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Aims and Purposes

The Merstham Community Facilities Trust is dedicated to supporting the community to achieve their social and economic goals. In performing this vital role within a community officially designated as deprived, the aim of the Trust is to:

1. Challenge local deprivation through the support we give to residents and local organisations
2. Strengthen the local community by providing facilities that bring people together
3. Promote digital inclusion by giving training and access to information technology

Translating those principles into everyday activities, the Trust organises, facilitates and provides:

1. A range of activities identified by the local community as being beneficial to individuals, groups of people and/or the wider community. These include things like a Repair Café, a Community Allotment, a Fishing Group, a group who maintain and improve local recreation areas.
2. Regular adult education, recreation and leisure time courses
3. Meeting facilities to groups whose aims are to respond to the social and economic needs of the local community

The core activities offered by the Trust and its partners include: an IT Drop-In three times a week to provide access to information technology; a support group for local women based around craft and other creative activities; a support group for men based around soapstone carving and a wide range of activities funded through the People's Health Trust. We provide a venue for the Citizens Advice Bureau to offer advice sessions, training facilities for The Worker's Educational Association (WEA) to offer a wide range of courses suited to the social and economic needs of the local community and many other individuals and groups providing services for members of our local community.

Public benefit

Our main activities and who we try to help are described above. All our charitable activities focus on the reduction of social inequality and the promotion of personal and community capacity and are undertaken to further our charitable purposes for the public benefit.

Volunteers

The Trust relies heavily on the volunteers who give freely of their time and professionalism. Indeed, without the active involvement of our volunteers the trust would effectively cease to function. We take this opportunity to thank them for all the hard work they give in support of the local community.

MERSTHAM COMMUNITY FACILITY TRUST

Report of the Trustees for the Year Ended 31 December 2020

ACHIEVEMENT AND PERFORMANCE

In the first months of 2020 we continued to build on benefits of working out of a purpose built Community Hub, providing an appropriate and welcoming environment for the delivery of our services. However, the lockdown(s) and other restrictions caused by Covid-19 severely curtailed this and meant we were unable to bring people together for mutual support, activities and socialisation, and this also impacted on our ability to generate income by hiring out our rooms. Nevertheless, we were able to continue in delivering our charitable objectives.

We were also successful in obtaining funding from the National Lottery Communities programme. Through this funding we intend to increase and improve our engagement with volunteers, providing additional good quality opportunities for local people to offer their time and skills in supporting the wider community. The funding has enabled us to recruit a Community Centre Manager and a Volunteer Coordinator. The new appointees took up their posts early in 2020. Unfortunately, the Community Centre Manager left their post again shortly after, and we recruited a second time. The current Community Centre Manager and the Volunteer Coordinator are now well established in post and are contributing enormously to the services provided by MCFT. The Volunteer Coordinator, supported by the Community Centre Manager and other colleagues, has achieved and in many cases exceeded the initial targets agreed through the funding arrangement.

For example, due to the Volunteer Coordinator's new targeted recruitment and retention processes, we have exceeded our aim of increasing the number of people volunteering with us by 25%, with an actual increase of 67%, taking our numbers from 24 volunteers in December 2019 to 40 in December 2020, and the number of volunteers continues to grow.

On starting in her role the Community Centre Manager (CCM) placed emphasis on reviewing the charity's policies affecting people, including safeguarding, GDPR, and insurance. She has also been focusing on safety policies for the building, achieving the implementation of a new alarm system, and producing identification methods for all staff and volunteers. The CCM has also successfully addressed fire protocols and the safety of the space, as well as fostering strong relationships such as with the key partners operating out of the shared community centre, the NHS, and the County Council. Fostering these positive relationships enabled the CCM to focus on communications.

The CCM has seen communication improve, not only with partner organisations but with key stakeholders such as Trustees, and hirers of the community centre who are largely responsible for the financial income of the charity. She has also focused on external communications and has begun work with a local volunteer to redesign and innovate the MCFT website, aiming to capitalise on its impact and further the reach and recognition of MCFT.

Our People's Health Trust funded work has also been continuing and developing very positively, with established projects continuing wherever possible, and newer projects being active. The People's Health Trust staff managed to move a number off activities 'on-line' and introduced some new ones. A virtual 'Community Hangout', offered via video conferencing, provide very popular. We introduced a Freephone number to enable local residents to contact us and for us to contact the more vulnerable individuals we were aware of on a regular basis, whilst people were isolating or isolated due to Covid. The People's Health Trust Steering Group, comprised of local residents, were supported in continuing to meet, albeit virtually, and to continue influencing the work and decision making processes.

Covid-19 has had a considerable effect on our ability to provide our services and, of course, has prevented us from offering and supporting almost any group based activities and services. However, our staff and volunteers proved enormously creative, adaptable and resilient in offering alternate, virtual services wherever appropriate and in offering some face to face services in Covid secure ways, as and when circumstances allowed.

MERSTHAM COMMUNITY FACILITY TRUST

Report of the Trustees **for the Year Ended 31 December 2020**

FINANCIAL REVIEW

Financial position

The restrictions caused by Covid-19 have had a profound impact on our ability to hire out our rooms, with almost no paying bookings for most of 2020. However, support from Surrey County Council and Reigate & Banstead Council, through the waiving of rent payments for a period and government support through Business Rate reductions and closure grants have been of great help. As we were able to maintain a level of activity and support for the local community it was not necessary, nor appropriate, to furlough our staff. Our staffing costs are largely paid through the restricted grants we receive, from the People's Health Trust and the National Lottery Community Fund, and our funders were happy for us to maintain staffing and services and, indeed, offered additional support in encouraging us to respond innovatively and flexibly to the community's needs during this period.

Indeed, we ended the financial year with more funds in our reserves than at the start of the year. This may not be the case at the end of the following year, dependent on how Covid-19 continues to impact on our work and the wider economy.

Reserves policy

Our Reserves Policy states: Merstham Community Facility Trust shall hold reserves equal to the core running costs of the following six months operation. As noted above, we do now currently hold reserves at this level.

Financial Risks

We anticipate that now we have developed a good level of awareness and reputation regarding the rooms we have available to rent at Merstham Hub, and once the Covid-19 restrictions have been lifted, then we will continue to generate sufficient income to cover our core costs (e.g. rent, insurance, incidental costs) and remain self-sufficient in this core activity.

Furthermore, and importantly, we will be seeking further funding from grant makers and sponsors to enable us to develop further services and opportunities based in and around Merstham Hub. These will be offered as and when we can meet the true costs of each initiative, for at least a specified period.

This approach in which we secure our core costs through rental income and then deliver additional services and resources to the community as and when funding is successfully obtained, will provide us with a viable financial base going forward.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The organisation is a charitable company limited by guarantee, incorporated on 13th June 2006 and registered as a charity on 30th October 2007. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. Our governing documents were reviewed during 2019 and changes agreed with the Charity Commission and Companies House.

Recruitment and appointment of new trustees

Trustees are selected through their initial offer to volunteer as a trustee and then selection interview by a number of existing trustees. The confirmation of appointment of an individual as a trustee is formalised through voting at a trustee meeting.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

05845477 (England and Wales)

Registered Charity number

1121420

MERSTHAM COMMUNITY FACILITY TRUST

Report of the Trustees
for the Year Ended 31 December 2020

Registered office

Merstham Community Hub
2b Portland Drive
Merstham
Redhill
Surrey
RH1 3HY

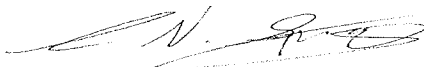
Trustees

Dr D Aslett Company Director
M A Brunt Company Director
R W Gardner Company Director
C N Spragg Company Director - Chairman I White Company Director
A Kelly
K Lee

Independent Examiner

Lees Chartered Accountants
The Granary
Brewer Street
Bletchingley
Surrey
RH1 4QP

Approved by order of the board of trustees on29th June 2021..... and signed on its behalf by:


.....
C N Spragg - Trustee

**Independent Examiner's Report to the Trustees of
Merstham Community Facility Trust**

Independent examiner's report to the trustees of Merstham Community Facility Trust ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2020.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

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

Lees

Lees Limited
ACCA
Lees Chartered Accountants
The Granary
Brewer Street
Betchingley
Surrey
RH1 4QP

Date:19 / 07 / 2021.....

MERSTHAM COMMUNITY FACILITY TRUST

**Statement of Financial Activities
for the Year Ended 31 December 2020**

		Unrestricted fund	Restricted fund	31.12.20 Total funds	31.12.19 Total funds as restated
	Notes	£	£	£	£
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	59,295	150,424	209,719	89,551
Other trading activities	3	8,685	-	8,685	23,162
Investment income	4	2	-	2	-
Total		67,982	150,424	218,406	112,713
EXPENDITURE ON					
Charitable activities					
Charity		27,867	129,231	157,098	115,136
NET INCOME/(EXPENDITURE)		40,115	21,193	61,308	(2,423)
RECONCILIATION OF FUNDS					
Total funds brought forward		7,069	49,373	56,442	58,865
TOTAL FUNDS CARRIED FORWARD		47,184	70,566	117,750	56,442

The notes form part of these financial statements

MERSTHAM COMMUNITY FACILITY TRUST

Statement of Financial Position
31 December 2020

	Notes	Unrestricted fund £	Restricted fund £	31.12.20 Total funds £	31.12.19 Total funds as restated £
FIXED ASSETS					
Tangible assets	10	4,312	-	4,312	3,651
CURRENT ASSETS					
Debtors	11	1,645	-	1,645	1,645
Cash at bank and in hand		57,270	70,566	127,836	67,725
		58,915	70,566	129,481	69,370
CREDITORS					
Amounts falling due within one year	12	(16,043)	-	(16,043)	(16,579)
NET CURRENT ASSETS		42,872	70,566	113,438	52,791
TOTAL ASSETS LESS CURRENT LIABILITIES		47,184	70,566	117,750	56,442
NET ASSETS		47,184	70,566	117,750	56,442
FUNDS	14				
Unrestricted funds				47,184	7,069
Restricted funds				70,566	49,373
TOTAL FUNDS				117,750	56,442

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2020 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The notes form part of these financial statements

MERSTHAM COMMUNITY FACILITY TRUST

Statement of Financial Position - continued
31 December 2020

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

The financial statements were approved by the Board of Trustees and authorised for issue on29th June 2021..... and were signed on its behalf by:



.....
C N Spragg - Trustee

The notes form part of these financial statements

MERSTHAM COMMUNITY FACILITY TRUST

Notes to the Financial Statements for the Year Ended 31 December 2020

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost 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 resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Computer equipment - 33% on cost

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

MERSTHAM COMMUNITY FACILITY TRUST

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

2. DONATIONS AND LEGACIES

Restricted donations includes the following:
Peoples Health Trust - £75,527 (2019 - £71,705)
National Lottery Community Fund - £84,298

3. OTHER TRADING ACTIVITIES

	31.12.20	31.12.19 as restated
	£	£
Rents received	8,685	23,162
	<u> </u>	<u> </u>

4. INVESTMENT INCOME

	31.12.20	31.12.19 as restated
	£	£
Deposit account interest	2	-
	<u> </u>	<u> </u>

5. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.12.20	31.12.19 as restated
	£	£
Depreciation - owned assets	5,726	3,864
	<u> </u>	<u> </u>

6. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2020 nor for the year ended 31 December 2019.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2020 nor for the year ended 31 December 2019.

MERSTHAM COMMUNITY FACILITY TRUST

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

7. STAFF COSTS

The average monthly number of employees during the year was as follows:

	31.12.20	31.12.19 as restated
Employees	<u>5</u>	<u>3</u>

No employees received emoluments in excess of £60,000.

8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund	Restricted fund	Total funds as restated
	£	£	£
INCOME AND ENDOWMENTS FROM			
Donations and legacies	16,793	72,758	89,551
Other trading activities	<u>23,162</u>	<u>-</u>	<u>23,162</u>
Total	39,955	72,758	112,713
 EXPENDITURE ON			
Charitable activities			
Charity	<u>27,844</u>	<u>87,292</u>	<u>115,136</u>
 NET INCOME/(EXPENDITURE)	12,111	(14,534)	(2,423)
 RECONCILIATION OF FUNDS			
Total funds brought forward	<u>(5,042)</u>	<u>63,907</u>	<u>58,865</u>
 TOTAL FUNDS CARRIED FORWARD	<u>7,069</u>	<u>49,373</u>	<u>56,442</u>

9. PRIOR YEAR ADJUSTMENT

The charity has amended its accounting policy on wages costs and now splits these between restricted and unrestricted funds accordingly. Therefore the cost of £38,281 has been reallocated to restricted costs in 2018 and the comparatives have been restated.

MERSTHAM COMMUNITY FACILITY TRUST

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

10. TANGIBLE FIXED ASSETS

	Computer equipment £
COST	
At 1 January 2020	42,115
Additions	6,387
	<u>48,502</u>
At 31 December 2020	<u>48,502</u>
DEPRECIATION	
At 1 January 2020	38,464
Charge for year	5,726
	<u>44,190</u>
At 31 December 2020	<u>44,190</u>
NET BOOK VALUE	
At 31 December 2020	<u>4,312</u>
At 31 December 2019	<u>3,651</u>

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.20	31.12.19 as restated
	£	£
Prepayments	<u>1,645</u>	<u>1,645</u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.20	31.12.19 as restated
	£	£
Trade creditors	497	2,579
Social security and other taxes	646	-
Accrued expenses	<u>14,900</u>	<u>14,000</u>
	<u>16,043</u>	<u>16,579</u>

MERSTHAM COMMUNITY FACILITY TRUST

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2020**

13. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.12.20	31.12.19 as restated
	£	£
Within one year	6,580	6,580
Between one and five years	26,320	26,320
In more than five years	13,160	13,160
	<u>46,060</u>	<u>46,060</u>

14. MOVEMENT IN FUNDS

	At 1.1.20 £	Net movement in funds £	At 31.12.20 £
Unrestricted funds			
Unrestricted	7,069	40,115	47,184
Restricted funds			
Restricted	49,373	21,193	70,566
TOTAL FUNDS	<u>56,442</u>	<u>61,308</u>	<u>117,750</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Unrestricted	67,982	(27,867)	40,115
Restricted funds			
Restricted	150,424	(129,231)	21,193
TOTAL FUNDS	<u>218,406</u>	<u>(157,098)</u>	<u>61,308</u>

MERSTHAM COMMUNITY FACILITY TRUST

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

14. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.1.19 £	Net movement in funds £	At 31.12.19 £
Unrestricted funds			
Unrestricted	(5,042)	12,111	7,069
Restricted funds			
Restricted	63,907	(14,534)	49,373
TOTAL FUNDS	<u>58,865</u>	<u>(2,423)</u>	<u>56,442</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Unrestricted	39,955	(27,844)	12,111
Restricted funds			
Restricted	72,758	(87,292)	(14,534)
TOTAL FUNDS	<u>112,713</u>	<u>(115,136)</u>	<u>(2,423)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.19 £	Net movement in funds £	At 31.12.20 £
Unrestricted funds			
Unrestricted	(5,042)	52,226	47,184
Restricted funds			
Restricted	63,907	6,659	70,566
TOTAL FUNDS	<u>58,865</u>	<u>58,885</u>	<u>117,750</u>

MERSTHAM COMMUNITY FACILITY TRUST

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

14. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Unrestricted	107,937	(55,711)	52,226
Restricted funds			
Restricted	223,182	(216,523)	6,659
TOTAL FUNDS	<u>331,119</u>	<u>(272,234)</u>	<u>58,885</u>

15. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2020.

MERSTHAM COMMUNITY FACILITY TRUST

Detailed Statement of Financial Activities
for the Year Ended 31 December 2020

	31.12.20	31.12.19
	£	as restated £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	44,500	83,959
Grants	164,784	-
Sundry receipts	435	5,592
	<hr/> 209,719	<hr/> 89,551
Other trading activities		
Rents received	8,685	23,162
Investment income		
Deposit account interest	2	-
	<hr/>	<hr/>
Total incoming resources	218,406	112,713
EXPENDITURE		
Charitable activities		
Wages	104,587	67,578
Social security	5,039	380
Pensions	2,904	1,101
Rent	5,865	17,060
Insurance	2,006	2,767
Telephone	-	821
Postage and stationery	820	1,200
Travelling	2,534	3,930
Sundries	2,087	401
Computer costs	715	1,296
Projects (ESOL, Cuppa, IT,Lit)	5,635	7,932
Staff welfare and recruitment	488	1,139
Subscriptions	5,592	1,140
Donations	5,652	1,000
Computer equipment	5,727	3,864
	<hr/> 149,651	<hr/> 111,609
Support costs		
Management		
Advertising	702	757
Finance		
Bank charges	60	45
Information technology		
Repairs and renewals	-	102

This page does not form part of the statutory financial statements

MERSTHAM COMMUNITY FACILITY TRUST

Detailed Statement of Financial Activities
for the Year Ended 31 December 2020

	31.12.20	31.12.19
	£	as restated £
Information technology		
Governance costs		
Accountancy and legal fees	2,700	900
Legal fees	-	51
Training costs	3,985	1,672
	<u>6,685</u>	<u>2,623</u>
Total resources expended	<u>157,098</u>	<u>115,136</u>
Net income/(expenditure)	<u><u>61,308</u></u>	<u><u>(2,423)</u></u>

This page does not form part of the statutory financial statements