

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 2021
for
Merstham Community Facility Trust

Community Accounting UK
27 Old Gloucester Street
London
WC1N 3AX

Merstham Community Facility Trust

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Merstham Community Facility Trust

Report of the Trustees for the Year Ended 31 December 2021

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 2021. 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

Objectives and aims

Merstham Community Facility Trust seeks to support the residents of Merstham, and surrounding areas, in improving the quality of their lives, as individuals, families and the wider community. This can include social and economic welfare; education; personal skills and life opportunities. As part of this the Trust seeks to maintain and develop a physical location/venue which provides a place for people to associate together; for services to be provided from and as a resource for people to meet, work and/or enjoy recreational activities.

The purpose of Merstham Community Facility Trust is set out in our Memorandum & Articles of Association. This was reviewed during 2019 and the Objectives were amended to reflect the fact that it has now obtained the community facilities it had aspired to obtain. Its Objectives are as follows:

1.1 to further or benefit the residents of Merstham and Surrey (the "local community") and the neighbourhood, without distinction of sex, sexual orientation, race or of political, religious or other opinions by associating together the said residents and the local authorities, voluntary and other organisations in a common effort to advance education and to provide facilities in the interests of social welfare for recreation and leisure time occupation with the objective of improving the conditions of life for the residents;

1.2 to maintain the community centre currently known as the Merstham Community Hub (the "Merstham Hub") and to maintain, manage and develop the facilities available at the Merstham Hub, whether alone or in cooperation with any local authority or other person or body, in furtherance of these Objects; and

1.3 to work with other charitable organisations with common charitable objects to facilitate the development of similar initiatives in the local community and in other areas, in furtherance of these Objects.

Significant activities

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, we seek 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

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 2021

STRATEGIC REPORT

Achievement and performance

Charitable activities

Since securing our current premises in December 2018 we have 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. This was certainly the situation for much of the first half of 2021. Nevertheless, we were able to continue in delivering our charitable objectives.

The Community Centre Manager and the Volunteer Coordinator (posts funded through the national Lottery Community Fund) 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:

- During 2021 we increased our volunteer number by 28, and this number continues to grow with volunteers contributing to, and learning new skills in doing so, a range of services and activities.
- The volunteer coordinator successfully improved the skillset and opportunities for local residents and volunteers by organising multiple, well-attended training and upskilling sessions.
- We have successfully increased the diversity of our volunteer age range through supporting the local Duke of Edinburgh group, providing work experience and volunteering opportunities to year 8 & 9 students.
- We have developed our ability to support volunteers with additional needs through working with East Surrey College's Life Skills group, to adapt our ways of facilitating their weekly volunteering opportunities for their speech and hearing impediments.
- Another volunteering development has been the introduction of lead volunteer roles and training to support these roles. To sustain the number of projects MCFT offers it has been identified we will require more volunteer leadership. This has successfully been achieved within the reception team and Community Fridge project. MCFT now has a process and job description along with tailored training, to support individual volunteers in taking up these responsibilities.

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 of 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.

During the first half of 2021 Covid-19 had a considerable effect on our ability to provide our services and, of course, 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 2021

STRATEGIC REPORT

Financial review

Financial position

Our staffing costs are largely paid through the restricted grants we receive, from the People's Health Trust and the National Lottery Community Fund. This funding also supports the costs of the Local Conversation projects run through the People's Health Trust program, and the volunteer support costs are largely met by the National Lottery funding. We are extremely grateful to both these funders for the support they have offered to date, which has had a significant impact on the wellbeing of our local community and many of the individuals and families within that community.

Following the impact of the Covid 19 restrictions our room hire income was adversely effected. We are now actively working to increase this income, and to look to other potential income streams to enable us to cover our core operating costs.

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 and risk management objectives and policies

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 without the ongoing impact of Covid-19 restrictions, 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. The trustees are confident that the charity is a going concern for the foreseeable future.

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

Registered office

Merstham Community Hub
2A-2B Portland Drive
Merstham
Redhill
Surrey
RH1 3HY

Merstham Community Facility Trust

Report of the Trustees for the Year Ended 31 December 2021

Trustees

C N Spragg Chairman
Dr D J Aslett Trustee
M A Brunt Trustee
R W Gardner Trustee
I White Trustee

Company Secretary

Independent Examiner

Community Accounting UK
27 Old Gloucester Street
London
WC1N 3AX

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 26th October 2022..... and signed on the board's behalf by:



C N Spragg (04/10/2022 21:13 GMT+1)

.....
C N Spragg, Chairman

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 2021.

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

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of The Institute of Financial Accountants (IFA) which is one of the listed bodies.

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

1. accounting records were not kept in respect of the 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.

D.J.O'Higgins
D.J.O'Higgins (Oct 26, 2022 21:14 GMT+1)

Dennis O'Higgins AFA MIPA DChA CMgr FCMI FRSA
The Institute of Financial Accountants (IFA)
DT Associates LLP on behalf of Community Accounting UK
27 Old Gloucester Street
London
WC1N 3AX

Date: **Oct 26, 2022**

Merstham Community Facility Trust

Statement of Financial Activities for the Year Ended 31 December 2021

	Notes	Unrestricted funds £	Restricted funds £	31.12.21 Total funds £	31.12.20 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	4,144	222,301	226,445	209,719
Other trading activities	3	<u>26,694</u>	<u>644</u>	<u>27,338</u>	<u>8,685</u>
Total		30,838	222,945	253,783	218,406
 EXPENDITURE ON					
Charitable activities					
Charitable Activities		<u>21,685</u>	<u>151,247</u>	<u>172,932</u>	<u>157,098</u>
 NET INCOME		9,153	71,698	80,851	61,308
 RECONCILIATION OF FUNDS					
Total funds brought forward		<u>47,184</u>	<u>70,566</u>	<u>117,750</u>	<u>56,442</u>
 TOTAL FUNDS CARRIED FORWARD		<u><u>56,337</u></u>	<u><u>142,264</u></u>	<u><u>198,601</u></u>	<u><u>117,750</u></u>

Merstham Community Facility Trust

Balance Sheet 31 December 2021

	Notes	Unrestricted funds £	Restricted funds £	31.12.21 Total funds £	31.12.20 Total funds £
FIXED ASSETS					
Tangible assets	8	2,889	-	2,889	4,312
CURRENT ASSETS					
Debtors	9	-	-	-	1,645
Cash at bank		<u>70,328</u>	<u>142,264</u>	<u>212,592</u>	<u>127,836</u>
		70,328	142,264	212,592	129,481
CREDITORS					
Amounts falling due within one year	10	(16,880)	-	(16,880)	(16,043)
NET CURRENT ASSETS		<u>53,448</u>	<u>142,264</u>	<u>195,712</u>	<u>113,438</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>56,337</u>	<u>142,264</u>	<u>198,601</u>	<u>117,750</u>
NET ASSETS		<u>56,337</u>	<u>142,264</u>	<u>198,601</u>	<u>117,750</u>
FUNDS	12				
Unrestricted funds				56,337	47,184
Restricted funds				<u>142,264</u>	<u>70,566</u>
TOTAL FUNDS				<u>198,601</u>	<u>117,750</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2021 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- 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.

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 on 26th October 2022..... and were signed on its behalf by:


C N Spragg (26, 2022 21:13 GMT+1)
.....
C N Spragg, Chairman

The notes form part of these financial statements

Merstham Community Facility Trust

Notes to the Financial Statements for the Year Ended 31 December 2021

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.

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.

2. DONATIONS AND LEGACIES

	31.12.21	31.12.20
	£	£
Donations	26,291	209,719
Grants	<u>200,154</u>	<u>84,298</u>
	<u>226,445</u>	<u>294,017</u>

Restricted donations include the following:

National Lottery Community Fund - £79,349 (2020 - £84,298)

People Health Trust - £120,805 (2020 - £75,527)

Merstham Community Facility Trust

Notes to the Financial Statements - continued for the Year Ended 31 December 2021

3. OTHER TRADING ACTIVITIES

	31.12.21	31.12.20
	£	£
Rents Received	26,173	8,685
Other Trading Income	<u>1,165</u>	<u>-</u>
	<u>27,338</u>	<u>8,685</u>

4. NET INCOME/(EXPENDITURE)

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

	31.12.21	31.12.20
	£	£
Depreciation - owned assets	<u>1,423</u>	<u>5,726</u>

5. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2021 nor for the year ended 31 December 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2021 nor for the year ended 31 December 2020.

6. STAFF COSTS

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

	31.12.21	31.12.20
Employees	<u>5</u>	<u>5</u>

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

7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
NET INCOME	40,115	21,193	61,308
RECONCILIATION OF FUNDS			
Total funds brought forward	7,069	49,373	56,442
TOTAL FUNDS CARRIED FORWARD	<u>47,184</u>	<u>70,566</u>	<u>117,750</u>

Merstham Community Facility Trust

Notes to the Financial Statements - continued for the Year Ended 31 December 2021

8. TANGIBLE FIXED ASSETS

	Computer equipment £
COST	
At 1 January 2021 and 31 December 2021	<u>48,502</u>
DEPRECIATION	
At 1 January 2021	44,190
Charge for year	<u>1,423</u>
At 31 December 2021	<u>45,613</u>
NET BOOK VALUE	
At 31 December 2021	<u>2,889</u>
At 31 December 2020	<u>4,312</u>

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.21 £	31.12.20 £
Prepayments	<u>-</u>	<u>1,645</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.21 £	31.12.20 £
Trade creditors	497	497
Social security and other taxes	646	646
Other creditors	837	-
Accrued expenses	<u>14,900</u>	<u>14,900</u>
	<u>16,880</u>	<u>16,043</u>

11. LEASING AGREEMENTS

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

	31.12.21 £	31.12.20 £
Within one year	6,580	6,580
Between one and five years	26,320	26,320
In more than five years	<u>13,160</u>	<u>13,160</u>
	<u>46,060</u>	<u>46,060</u>

Merstham Community Facility Trust

Notes to the Financial Statements - continued for the Year Ended 31 December 2021

12. MOVEMENT IN FUNDS

	At 1.1.21 £	Net movement in funds £	At 31.12.21 £
Unrestricted funds			
Unrestricted Funds	47,184	9,153	56,337
Restricted funds			
Restricted Funds	70,566	71,698	142,264
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>117,750</u>	<u>80,851</u>	<u>198,601</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Unrestricted Funds	30,838	(21,685)	9,153
Restricted funds			
Restricted Funds	222,945	(151,247)	71,698
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>253,783</u>	<u>(172,932)</u>	<u>80,851</u>

13. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2021.