

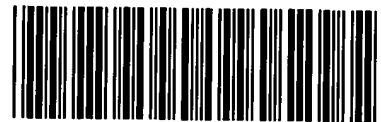
Canterbury Oast Trust

Annual Report and Financial Statements for the year ended 31st March 2023

Charity Registration No. 291662

Company Registration No. 01897198 (England and Wales)

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Canterbury Oast Trust

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Canterbury Oast Trust

Trustees, Senior Managers and Advisers during the year

Trustees

Russell Walters	Chairman	Retired 15 th October 2022
Kenneth Hesketh	Chairman	Chairman from 15 th October 2022
Trevor Pearce	Vice Chair	Vice Chair until 15 th October 2022
Sophy Hazevoet	Vice Chair	Vice Chair from 15 th October 2022
Jane Abbott	Lead for Care and Quality	
Chris Showell	Lead for Finance and HR	Retired 15 th October 2022
Peter Pearson-Wood	Lead for Rare Breeds Centre	
Michaela Tweedley	Lead for Estates	
Ruairidh Roberts		Completed 3-year term 15 th October 2022
Karen Blackiston	Lead for Finance	
Michele Allchin		From 15 th October 2022
Stuart Bieri		From 15 th October 2022 Resigned 6 th July 2023
Kevin Ergis		From 15 th October 2022
Esmee Russell		From 15 th October 2022

Company registered number - 189718

Charity registered number - 291662

Registered Office

Highlands Farm, Woodchurch, Kent, TN26 3RJ

Secretary

Karen Blackiston

Chief Executive

Sarah Edwards	From 12 th September 2022
Bernie Mayall	Interim until 12 th September 2022

Senior Managers

Ian Bolingbroke	Director of Estates from 1 st November 2023, previous role Head of Estates
Claire Wye	Director of People and Culture from 20 th September 2022
Michael Hackwell-Read	Director of Finance from 16 th November 2022
Dan Johnson	Director of Operations from 9 th January 2023
Katie Patch	Director of Transformation and Change from 25 th January 2023
Lisa Boulton	Head of Supporter Engagement from 5 th June 2023
Tina Morris	Head of Visitor Engagement until 14 th March 2023
Dominic Evans	Interim Head of Finance from 20 th April 2022 until 19 th October 2023
Vicky Wardrope	Acting Head of Care from 16 th May 2022 until 31 st January 2023
Fiona Dodge	Head of Care until 5 th July 2022
Susan Langford-Smith	Financial Controller until 30 th April 2022
Joanne Booth	Head of Human Resources until 6 th October 2022

Auditor

RSM UK Audit LLP, Portland, 25 High Street, Crawley, West Sussex, RH10 1BG

Bankers

National Westminster Bank plc, 20 High Street, Ashford, Kent, TN24 8SH

Canterbury Oast Trust

CEO and Chairman's Statement

There is no doubt that the last year has brought challenges following the inadequate Care Quality Commission (CQC) rating of our supported living services and associated contract compliance with Kent County Council (KCC). Our focus had to be on the steps which had to be taken to raise confidence inside COT and with our regulators and commissioners. Our new Chief Executive, Sarah Edwards had to quickly assemble a new senior management team which brought the skills and experience essential to design and deliver a development programme to restore that confidence.

With a highly skilled and experienced team in place, we have been able to make improvements resulting in an improved rating in the follow up CQC inspection in March 2022.

It's fair to say that the focus of the year has been on gaining stability and making improvements across COT and the wider strategic plan has been paused with the intention to launch 2024 with a new strategic plan which is fit for purpose. A temporary plan was implemented with the following overall objective.

Foundations are in place to start building towards being the high-quality provider of adult social care services.

We have the people, systems, structures and processes identified or in place to support our business functions for the people we support and customers. The complexities of the charity are fully understood by the board and SMT, this has enabled us to focus on a clear future for COT. Individuals and directorates are working together, ensuring that our business leaders have the information and autonomy they need to work effectively and efficiently resulting in COT beginning to reposition ourselves as a high-quality provider of adult social care services.

The board of Trustees has also seen significant change throughout the year with over a third of the board beginning their Trustee role from October 2022. Some new approaches to governance have been introduced over the year as a result of this. This has included ceasing separate committees and bringing this information in to the board meetings so that all issues requiring a decision come directly to the full board. The board continue to have Trustees who take on a 'lead' role in their specific area of skill or interest to support COT. Following the lifting of COVID-19 restrictions, we are also pleased to see the return of Trustee visits to the services. A new process has been introduced to ensure that these are person centred and that the outcome of the visits feed into our quality assurance framework.

The board are well aware of the financial position as reported at the end of 2023 and has ensured swift remedial action to improve the position for 2023/2024.

We have worked hard over the year to improve the way in which we communicate. A dedicated email account has been introduced where stakeholders can send their feedback, the CEO and senior management team have been providing regular updates to stakeholders and listening lunches have been introduced to provide opportunities for both staff, members and family members to meet with the CEO, senior management team and trustees. These have been successful and insightful and have resulted in positive change. The board are also committed to improving their communications with stakeholders and have introduced Bite Size Board updates to provide an overview of the governance activities and general updates sent on behalf of the board.

Canterbury Oast Trust

Trustees Report 2022 / 2023

The Trustees (who are also Directors of the company for the purposes of the Companies Act) are pleased to present their annual report and the audited financial statements of Canterbury Oast Trust (COT) for the year ended 31st March 2023.

The Trustees confirm that the annual report, which includes the strategic report and financial statements of COT, comply with the current statutory requirements, the requirements of COT's governing documents, the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland. (FRS 102) (effective 1 January 2019).

Purpose of the Charity

Canterbury Oast Trust (COT) is a charity approaching 40 years of experience of developing and delivering support to people with learning disabilities.

Summary of the main activities

The services we offer include the following:

- Residential Care Services
Long term support with accommodation for adults with learning disabilities provided in homes to meeting individuals physical and emotional needs.
- Supported Living Services
Support to individuals in their own homes with their own tenancies. Personal Care support is regulated by the CQC.
- Life Skills
Support to adults with learning disabilities in a range of skills development and therapeutic activities.

The services are supported by the following teams:

- People Team (Human Resources)
- Finance
- Estates and IT
- Supporter Engagement (Marketing, Communications and Fundraising)

Geographical Reach

COT is based in Kent and East Sussex. The majority of services provided are Kent based with one residential service based in East Sussex. However, COT work with a number of commissioning authorities who fund individuals out of the home borough.

Public Benefit

The Trustees confirm they have given due consideration to the Charity Commission's guidance and that COT's purpose is for public benefit.

Canterbury Oast Trust

Main Activities

COT Supported Living

COT has capacity to support 37 people within our 9 supported living locations. We currently have 5 accommodation vacancies meaning we have been supporting 32 people throughout the year. At the start of the year concerns raised to KCC led to an inspection being undertaken by the CQC of our Supported Living registration. This led to a rating of Inadequate. Significant work has been undertaken throughout the year to make the required improvements and further work will continue to ensure these changes are fully embedded. A management restructure was completed to give a greater level of oversight within each location and the service was reinspected by CQC. We are pleased that this service has now progressed to receiving a rating of Requires Improvement.

Alongside making improvements, we have also been required to focus on working from a background of delivering support hours commissioned rather than over delivering these. Historically. Where appropriate, we have engaged with Local Authorities to explore increasing support hours as required.

Despite the challenges of the last year there have been some real positives. One person has been supported to realise their dream of volunteering within an office environment. People we support have produced a list of activities they want to try and have started working their way through that list. One individual was supported to book a holiday with greater independence and one person even gave a presentation to the senior management team about their life story. They are now being supported to share their story wider as an inspirational message to reach for your dreams.

COT Residential Accommodation

COT has capacity to support 53 people within our 8 registered care services. We currently have 5 accommodation vacancies meaning we have been supporting 48 people throughout the year. As with our Supported Living Services, we have worked hard throughout this year on the issue of over delivery of support hours. Alongside this we have introduced an agency usage reduction plan. We also have a renewed focus on ensuring mandatory paperwork is up to date and fit for purpose and work continues on introducing CAREis, a digital support planning and delivery tool.

After coming through the pandemic, we have reengaged with lots of activities. People we support celebrated the Queen's Platinum Jubilee with parties, and mourned her sad passing with afternoon teas. There were also supported holidays and days out including trips on river boats and steam railways along with regular attendance at concerts and shows. Being part of the communities we live in, is an important part of what we do and something we are planning to build on in the future.

Along with being part of our community, being part of our home is also important. One service had a full kitchen refit thanks to donations from our supporters at Hitrade. The new kitchen is far brighter and has given the service some great ideas on how to create an even more accessible work area in the future. Another service has started a project to turn their summerhouse into a sensory space and also transformed part of their garden into a vegetable patch. This project will really help people we support to understand about where their food comes from along with learning about the importance of sustainability.

COT Life Skills

As COVID-19 restrictions were lifted, we saw a significant increase in our on-site Life Skills offering throughout the year. Our Life Skills services continue to be popular with students enjoying a range of training and therapeutic activities. Art at the Farm were commissioned to design bags for the Woodchurch Museum; students have worked on a project to re-vamp the courtyard area outside the Falcon Centre where they can now enjoy a range of outdoor games, activities, music and events.

It has been a delight to see the return of Poulton Wood's Bluebell Cream Tea which was a roaring success, and a great time was had by all who were involved or visited the event.

Our catering students prepared a selection of wonderful treats to be served at a series of engagement events where we gathered feedback from people we support, staff and other stakeholders which fed into the creation of our new Mission, Vision, Values and Behaviours.

A student carried out live carving demonstrations during the annual shows they attend. He did his first live demonstration at the Wealden Midsummer Fair. This has really helped him improve his confidence and gave him a great sense of pride in his amazing skills.

Canterbury Oast Trust

COT Rare Breeds Centre

The Rare Breeds Centre (RBC) welcomed in excess of 124,000 visitors throughout the year and achieved Tripadvisor Travellers' Choice recognition in 2023.

The Granary restaurant received a full refurbishment and reopened to the public for eat in diners. Further improvements were made to the shop and this reopened in 2023. The addition of a picnic barn in Sammy's playground has provided additional shelter for our visitors.

Additional works at the RBC have allowed us to have greater compliance. This year has seen many lockdowns of poultry due to Avian Flu, the works on the poultry pens now mean we can have the birds out without risk of wild birds entering the pens.

COT Fundraising

Raising funds is a vital activity for our charity to deliver the level of excellent care and assistance that we believe the individuals we serve, along with their families and our staff, should receive. We employ a diverse fundraising strategy utilising a variety of revenue sources including regular contributors, one-time individual donors, and legacy bequests, grant-making foundations, and Gift Aid contributions from our Rare Breeds Centre visitors.

We continue to ensure that COT's fundraising activity is compliant with the recognised standards of fundraising as set out in the Code of Fundraising Practice, as well as those required under charity law. COT participates in the Fundraising Regulator's voluntary regulatory regime and does not employ the services of any third-party professional fundraising organisations. No complaints have been received in relation to COT's fundraising activity. All fundraising activity is planned to ensure that it is not unreasonably intrusive or persistent and that no undue pressure is placed on any individual in relation to donation requests.

This year, we continued our Amazon Wish List campaign which provided a wide range of items for our Life Skills training programmes and accommodation services. Funding was also donated by two marathon runners in the 2022 London Marathon who raised a combined total including Gift Aid of £3,548.75.

COT People

We have been pleased to see a return to face-to-face training in COT in the financial year and have a full training programme established to meet the mandatory and service specific training needs.

We have had great success in staff members completing their Level 2 and 3 Apprenticeship in Adult Care. With two achieving Merit and 4 achieving Distinctions.

Significant work has been undertaken in relation to workforce planning to establish the recruitment requirements in each location. As of August 2023, our current vacancy rate in accommodation services is 20% which is expected to reduce to 11% following completion of employment checks for new starters.

COT Volunteering

We have seen improvements in the numbers of volunteers that have returned after Covid measures were eased, but we are still far from pre-Covid numbers. The total number of hours committed by our volunteer team for this fiscal year was 3844 hours.

To encourage more volunteerism we have signed up to an incentive called Simply Connect. This is a free online recruitment tool which matches volunteer roles to prospective volunteer profiles.

This year, there has been a return of corporate volunteer groups helping with small projects on the farm.

We will be focusing on bringing more corporate groups to the Trust over the next 12 months to help with cost-savings to the Trust on vital projects, while providing rewarding work to corporate employees in an inspiring, team-building environment.

COT Estates

During the year 2022 – 2023 works have picked up following what was a quieter time during the pandemic when access was limited. Below is a selection of works that have taken place across the entire estate.

Canterbury Oast Trust

The Estates team has been restructured at the start of 2023 to allow for greater focus on reactive and planned maintenance, the changes have allowed for greater efficiencies.

The final change in the team has been to employ an in-house Health & safety coordinator, this role has been taken on by an existing member of the estates team who is undergoing NEBOSH training. Currently they are being mentored by an external consultant.

Looking Forward

Despite the challenges of the year, it is also an exciting time at Canterbury Oast Trust. We are confident that we can continue to rebuild trust with our stakeholders and reposition COT to be the innovative and respected provider of social care that we were in the past.

Work is underway to strengthen the board and ensure that we retain a strong representation of family members of people supported by COT whilst also expanding the areas of expertise that Trustees bring. This will be further developed throughout the year.

The purchase of Old Port Place was completed in January 2023. There is a strategic plan to open this to new referrals to COT. The new Senior Management Team have significant experience in the development of new services and will apply this expertise to ensure that this is set up with effective modelling which is in line with best practice and our commissioning contracts.

We have been working on our reviewing our Mission, Vision and Values, this has been a collaborative approach with engagement events to gather feedback from the people we support and our workforce. These were incredibly insightful and gave us a real understanding of what was important to people for the future of COT. Following analysis of the feedback, an away day with Trustees and the Senior Management Team and sample testing of the drafts, the Mission, Vision and Values have been finalised and will be launched in 2023.

Mission

To empower individuality, achieve happiness and provide high quality in everything we do.

Vision

People with learning disabilities shape an inclusive society where anything is possible.

Values and Behaviours

Be Courageous

We embrace challenges and overcome them.

We speak up for what's right.

We show resilience in difficult situations.

Seek Opportunities

We actively pursue new experiences.

We embrace change and adapt quickly.

We proactively create opportunities.

Work Together

We actively collaborate with others.

We communicate openly and transparently.

We foster a culture of teamwork and respect.

As part of this work in 2023, we are launching a competition to the people we support to design our new logo and strapline. This is a fantastic opportunity for people to help shape the future branding of COT. This will also be undertaken with a long awaited newly designed website and the return of In Touch magazine.

Canterbury Oast Trust

Structure, Governance and Management

The Trust is governed by a Memorandum and Articles of Association and is a registered charity, number 291662.

The charitable purpose of the Trust is to provide for the training, instruction, employment, future living, occupation, accommodation, sustenance, maintenance and care of people with a learning disability, whether or not they have any other disability.

Structure

Under the terms of the Articles of Association, the Trust is managed by a board of up to eleven Trustees and a maximum of 3 co-opted persons. Each Trustee may serve a maximum of three terms of three years. The Trustees who served during the year are listed on page 2.

The board of Trustees has responsibility for strategic development and for overall governance of COT.

Trustee Election, Induction & Training

Trustees are elected or re-elected, as appropriate, by the votes of Full Members at the AGM. Induction for Trustees is arranged and co-ordinated on an individual basis. New Trustees spend time with the Chair of Trustees, the Chief Executive and key members of the Senior Management Team. They also visit the Trust's services to meet those we support and staff. Trustees are required to undertake mandatory training via e-learning and attend any other training events as identified.

The board currently has one Trustee vacancy. There is one Trustee coming to the end of their maximum nine-year term and two are up for re-election in October 2023.

Trustee recruitment priorities has focused on the areas identified as skills gaps following a Trustee self-assessment skills audit. The priority areas are as follows:

- Learning Disability specific work or commissioning related experience
- Human Resources
- Charity / Company Law
- Fundraising

COT considers the Board of Trustees and the Chief Executive as their key management personnel. Salary for the CEO is set annually by the Board of Trustees, taking in to account individual performance, proportionality with salaries across the organisation, market data and the charity's ability to pay.

Charity Management

The Trustees delegate responsibility for the Trust's executive leadership and management to the Chief Executive.

The Senior Management Team is comprised of:

- Chief Executive Officer
- Director of Estates
- Director of People and Culture
- Director of Finance
- Director of Operations
- Director of Transformation and Change
- Head of Supporter Engagement

Details of people who worked within the Senior Management Team throughout the year can be found on Page 3.

COT remains a member of the Kent Integrated Care Alliance (KICA), an independent body to support local care providers in Kent and VODG, a membership body representing organisations within the voluntary sector who work alongside disabled people. The membership of these organisations has been maximised throughout the year within the management structures.

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Governance

The Board met 7 times in the financial year. A strategic away day was delayed until July 2023 to enable the new Trustees to complete inductions and gain greater understanding of the charity.

Issues were discussed in more detail at the following Committees:

- Care & Quality - met 3 times
- Finance - met 2 times
- Human Resources - met 2 times
- Nominations - met once
- Board and Care & Quality combined - met 2 times

Separate committees ceased from November 2022.

Risk Management

COT maintain a Risk Register, which takes in to account the threats to the charity and is reviewed at least annually. A full review and update of the risk register is currently taking place.

The CQC report and associated contract sanctions highlighted the key existential risk to COT. The board were swift to respond with immediate and regular meetings, actions plans and recruitment of key personnel to make improvements and ensure the safety of the people supported. Resources were provided to the Senior Management Team to ensure that issues could be addressed.

The action plan was regularly reviewed both internally and with key stakeholders to ensure that improvements were made and embedded in to practice. This resulted in improved ratings at the next CQC inspection but there is more work to do.

The organisational action plan was replaced for a more person-centred approach in line with a new quality assurance framework enabling focus to be on the individual needs of each location whilst not losing sight of the organisational changes required.

The principal risks to COT are:

- Quality of care and support or risk to safety
- Workforce – difficulties in recruitment and retention
- Failure to achieve financial balance
- Compliance with regulators

Risks are managed through robust policies, procedures and strategies which are monitored through the charity governance structure.

Communications

As the COVID-19 restrictions eased, we have been able to return to a normal operating environment. We have listened to the feedback and concerns about communication and introduced new systems to ensure that feedback is captured and acted upon. Furthermore, we have introduced additional opportunities for open communication and ensured that regular updates have been shared with the people we support, our workforce, members and wider stakeholders.

Financial Review

Income and Expenditure

COT saw consistent income for 2023 compared to 2022 £6,609,735 (2022: £6,684,864). This was a consistent theme across all activities.

However, expenditure, specifically related to charitable activities grew by £1,651,356/25.6%. £931K/56% of this increase was in relation to staff costs. Inflationary pressures and cost of living impacts to our staff, 2 significant increases along with 2 cost of living payments were approved to bring staff in line with market rate and support them in the current economic climate. In addition, there has been inefficiencies experienced with support hours, and high engagement with agency and the resulting cost incurred. Significant work continues to be carried out into 2023/24 year to bring this back in line.

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A further 16% of the increase was as a result of repairs and maintenance, majority of which was catch up work from the challenges and works paused during the COVID pandemic. Cost increases were experienced across the board, of which inflation can be directly attributed in many places. There has been acknowledgement that a procurement policy needs tighter control and a full review, something which has been underway post year end.

Cash flow

COT had a decrease in cash reserves for 2023 to the value of £2,369,210. 44% of this decrease is from operating activities, directly related to the expenditure impact previously detailed. £1,314,482 was invested into tangible fixed assets with 2 considerable investments; an £882,371 purchase of an additional property and £169,403 spent on a complete refurbishment of the granary restaurant.

Balance sheet

Net assets fell to £8,272,447 (2022: £9,857,774), largely due to decrease in funds from operating activities as detailed previously. Tangible asset additions grew our asset base and also impacted the cash as a result, other balance sheet items remained controlled and consistent to previous years.

Going concern

The Trustees have considered whether it is appropriate to prepare the financial statements on the basis that the charity is a going concern. The assessment has included the financial outlook following a year with an operating deficit and net decrease in cash and cash equivalents, as well as the continued progress being made following the CQC report and KCC findings. As set out in the accounting policies, the assessment includes consideration of anticipated income (with secure contracts in place for charitable activities with the Local Authority) and expenditure commitments for a period of twelve months from the date of approval of these financial statements.

We are pleased that our supported living service has now progressed to receiving a rating of Requires Improvement. Work continues to improve this rating and the financial viability of our services, with ability to fill vacancies now a significant opportunity to improve performance. Improvements are being seen on cost levels, with significant reductions in agency costs and savings through tighter procurement processes.

The current projection for the 2023/2024 fiscal year is a deficit of approximately £900K, with robust 3 year forecasts showing a return to surplus, giving confidence to the recovery and long term viability of the Trust. The trust continues to have sufficient reserves to absorb the current period of deficit. The trustees are in agreement that this 3 year position is achievable and will strengthen the Trust's ability to deliver its charitable objectives, mission and vision.

Reserves Policy

At 31 March 2023 the charity had total reserves of £8,272,447 (2022: £9,857,774) which included £5.3m (2022: £4.2m) represented by tangible fixed assets, £62,762 (2022: £97,752) designated funds and £1,468,057 restricted funds (2022: £1,515,430). Free reserves totalled £1,422,694 (2022: £4,030,953).

It is the general policy of the Trust to apply its income towards its charitable objectives as much as it reasonably can and hence to avoid accumulating excessive reserves. Where considered appropriate - and being mindful not to overcommit the Charity - borrowings are undertaken to fund elements of significant capital projects.

The policy of the Trustees is to maintain at least the minimum of cash reserves and working capital sufficient to meet known development plans, as well as the day-to-day needs of the Trust, whilst retaining a reserve to provide for the long term support of those it supports and to give security to employees. The Trustees also recognise the risk to income posed by factors outside the organisation's control, such as local authority commissioning decisions and funding; social care policy changes; adverse weather at peak visitor times; competition from other visitor attractions or the outbreak of contagious disease.

Having considered these factors, the Board of Trustees reviewed its Reserves Policy during the year and agreed to maintain a minimum of 4 months' and a target of 6 months of operating costs, at all times. This timeframe reflects the nature of the Trust's business as a social care provider and the requirement to safeguard all service users by helping them secure suitable alternative accommodation in the event that the Charity ceased to operate.

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Investment Policy

The memorandum of Association allows the Trustees to make and hold investments using monies not required for immediate use. The Trust has very significant investment in property and has a policy in place to guide investing an agreed proportion of the cash deposits to improve investment returns.

The Investment Policy was reviewed during the year and tighter controls were agreed on cash made available for long term and short term investments. COT's investment with the CCLA was approved and currently at an agreed level, with additional 6 month treasurer investments for any excess over and above our reserves policy. The value of an initial investment with the CCLA of £750,000 made in 2015 stood at £1,441,986 as at 31 March 2023.

The investment objective for the remainder of the Trust's reserves is to ensure they are readily available to meet unanticipated cash flow requirements.

Statement of Trustees Responsibilities

The Trustees (who are also directors of Canterbury Oast Trust for the purpose of company law) are responsible for preparing the Trustees' report and the financial statement in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company and charity 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 company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on an on-going concern basis unless it is inappropriate to presume that charitable company 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 company and enable them to ensure that the financial statements comply with the Companies Act 2006 (as amended).

They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate financial information included on this charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

Provision of information to the auditor

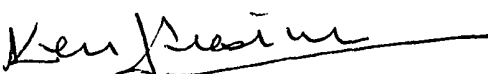
So far as each of the Trustees is aware at the time this report is approved there is no relevant audit information of which the Trust's auditor is unaware and the Trustees have taken all reasonable steps that they ought to have taken to make themselves aware of any relevant audit information and to ensure that the auditor is aware of that information.

Auditor

In accordance with the charity's Memorandum and Articles of Association, a resolution Xeinadin Audit Limited be appointed as auditor of the charity will be proposed at the Annual General Meeting on Saturday 14th October 2023.

Approval

This report was approved by Trustees on 29.09.2023 and signed on their behalf by:


Kenneth Hesketh, Chair

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CANTERBURY OAST TRUST

Opinion

We have audited the financial statements of Canterbury Oast Trust (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 charitable company's affairs as at 31 March 2023 and of its 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.

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 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.

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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the Trustees' Report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Trustees' 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.

Opinion 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' Report and the incorporated Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report and the incorporated Strategic Report have been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CANTERBURY OAST TRUST (CONTINUED)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Trustees' Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities, on page 11, 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the charitable company operates in and how the charitable company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011 and the charitable company's governing document. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report and remaining alert to new or unusual transactions which may not be in accordance with the governing documents.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CANTERBURY OAST TRUST (CONTINUED)

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to the Care Act 2014, Care Quality Commission regulations and General Data Protection Regulation. We performed audit procedures to inquire of management whether the group is in compliance with these law and regulations and inspected correspondence with regulatory authorities.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.



Zoe Longstaff-Tyrrell (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
3rd Floor
Portland
25 High Street
Crawley
West Sussex, RH10 1BG

13/10/23
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CANTERBURY OAST TRUST

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

	Notes	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
<u>Income and endowments from:</u>					
Donations and legacies	3	319,483	65,321	384,804	476,808
Charitable activities	4	6,181,009	-	6,181,009	6,146,130
Investments	5	2,849	1,451	4,300	923
Other income	6	31,639	7,983	39,622	61,003
Total income and endowments		6,534,980	74,755	6,609,735	6,684,864
<u>Expenditure on:</u>					
Raising funds	7	70,308	1,600	71,908	60,923
Charitable activities	8	7,981,636	120,528	8,102,164	6,450,808
Other	10	8,763	-	8,763	5,241
Total expenditure		8,060,707	122,128	8,182,835	6,516,972
Net loss/(gain) on investments	15	(12,227)	-	(12,227)	149,658
Net (expenditure)/income for the year/ Net movement in funds		(1,537,954)	(47,373)	(1,585,327)	317,550
Fund balances at 1 April		8,342,344	1,515,430	9,857,774	9,540,224
Fund balances at 31 March		6,804,390	1,468,057	8,272,447	9,857,774

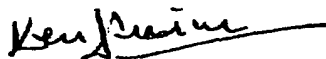
CANTERBURY OAST TRUST

BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	14	5,270,578		4,213,639	
Investments	15	1,441,986		1,455,213	
		<u>6,712,564</u>		<u>5,668,852</u>	
Current assets					
Stocks	16	68,805		63,779	
Debtors	17	377,268		389,463	
Cash at bank and in hand		2,350,792		4,720,002	
		<u>2,796,865</u>		<u>5,173,244</u>	
Creditors: amounts falling due within one year	18	<u>(1,080,071)</u>		<u>(797,203)</u>	
Net current assets			1,716,794		4,376,041
Total assets less current liabilities			<u>8,429,358</u>		<u>10,044,893</u>
Creditors: amounts falling due after more than one year	20		<u>(156,911)</u>		<u>(187,119)</u>
Net assets			<u><u>8,272,447</u></u>		<u><u>9,857,774</u></u>
Income funds					
Restricted funds	24	1,468,057		1,515,430	
<u>Unrestricted funds</u>					
Designated funds	25	62,762		97,752	
General unrestricted funds		<u>6,741,628</u>		<u>8,244,592</u>	
			<u>6,804,390</u>		<u>8,342,344</u>
			<u><u>8,272,447</u></u>		<u><u>9,857,774</u></u>

The financial statements were approved by the Trustees on 29.09.2023



Kenneth Hesketh
Trustee

Company Registration No. 01897198

CANTERBURY OAST TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	27		(1,044,675)		1,113,312
Interest payable	10		(8,763)		(5,241)
Net cash (used in)/generated from operating activities			(1,053,438)		1,108,071
Investing activities					
Purchase of tangible fixed assets		(1,314,482)		(133,771)	
Proceeds on disposal of tangible fixed assets		23,618		4,232	
Receipts from repayment of loans from trading subsidiary		1,000		1,000	
Interest received		4,300		923	
Net cash used in investing activities			(1,285,564)		(127,616)
Financing activities					
Repayment of bank loans		(30,208)		(30,779)	
Net cash used in financing activities			(30,208)		(30,779)
Net (decrease)/increase in cash and cash equivalents			(2,369,210)		949,676
Cash and cash equivalents at beginning of year			4,720,002		3,770,326
Cash and cash equivalents at end of year			2,350,792		4,720,002

CANTERBURY OAST TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Charity information

Canterbury Oast Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is Highlands Farm, Woodchurch, Ashford, Kent, TN26 3RJ.

In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per voting member of the Trust.

The Trust's objectives and aims are disclosed in the Trustees' and Strategic Report.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", the requirements of the Companies Act 2006 and under the historical cost convention, modified for certain fixed asset investments. The financial statements have also been prepared in accordance with the accounting policies set out in more detail below, to comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with The Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019 (the FRS 102 Charities SORP 2019).

The Trust constitutes a public benefit entity as defined by FRS102.

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 £1.

1.2 Going concern

The Trustees have considered whether it is appropriate to prepare the financial statements on the basis that the charity is a going concern. The Trustees have reviewed the forecasts for the charity, and in particular considered its anticipated income (with secure contracts in place for charitable activities with the Local Authority) and expenditure commitments for a period of twelve months from the date of approval of these financial statements. With regard to the charity, the Trustees have reviewed the financial projections, budgets and cash position for the period and are satisfied that the charity has adequate finances (including forecast cash and investments throughout the period) and reserves to maintain its ability to operate successfully without additional funding.

Given this, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future, being not less than 12 months from the date of signing these financial statements. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have 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 subject to specific conditions by donors 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.

Investment income, gains and losses are allocated to the appropriate fund.

CANTERBURY OAST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies (Continued)

1.4 Income

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

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.

Income received in respect of annual membership to the Rare Breeds Centre is recognised over the period of the membership.

Income tax recoverable in relation to investments income is recognised at the time the investment income is receivable.

Interest income is recognised when it is probable that the economic benefits will flow to the company and the amount of revenue can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and the effective interest rate applicable.

1.5 Expenditure

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

Support costs comprise in the main central staff costs, these are allocated between charitable activities and governance costs (central administration) based on actual or estimated time employed by staff in these functions. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

1.6 Tangible fixed assets

All assets costing more than £2,000 are capitalised.

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

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

Freehold land and buildings	2-15% straight line
Fixtures and fittings	15-25% straight line
Motor vehicles	25% straight line

Freehold land is not depreciated.

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 net income/(expenditure) for the year.

CANTERBURY OAST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies (Continued)

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in net income/(expenditure).

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

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 Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

1.11 Financial instruments

The charity has applied the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets which include trade and other debtors, and amounts owed by group undertakings, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost, being transaction price less amounts settled and less any impairment losses. Prepayments are valued at the amount prepaid net of any trade discounts due.

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

CANTERBURY OAST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies (Continued)

1.12 Taxation

The Company is a registered charity and as such its income and gains falling within Sections 371 to 489 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 are exempt from corporation tax to the extent that they are applied to its charitable objectives.

1.13 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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.

1.14 Retirement benefits

For defined contribution schemes the amount charged to net income or expenditure is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

1.15 Consolidation

The Trust is exempt from the requirements to prepare group accounts by virtue of section 402 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group. Charities SORP allows a subsidiary to be excluded from consolidation if its results are not material to the group. In the opinion of the Trustees the turnover and net assets of COT Trading Limited are not material in the context of these accounts and therefore consolidated accounts have not been prepared, details of this subsidiary are given in note 15.

1.16 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

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.

Critical judgements

Consolidation

As detailed in 1.15 the Trustees consider the results of the subsidiary to be immaterial to the group and as such they have not prepared consolidated accounts.

CANTERBURY OAST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

2 Critical accounting estimates and judgements (Continued)

Key sources of estimation uncertainty

Allocation of support costs

As detailed in 1.5, support costs are allocated between charitable activities and governance costs (central administration) based on actual or estimated time employed by staff in these functions.

3 Donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Donations and gifts (see below)	244,483	65,321	309,804	461,808
Legacies receivable	75,000	-	75,000	15,000
	<u>319,483</u>	<u>65,321</u>	<u>384,804</u>	<u>476,808</u>
For the year ended 31 March 2022	<u>384,665</u>	<u>92,143</u>		
Donations and gifts				
Grants	-	19,850	19,850	179,739
Individual gifts	240,683	31,349	272,032	261,069
Charitable foundations	3,300	8,846	12,146	17,300
Corporate donors	500	5,276	5,776	3,700
	<u>244,483</u>	<u>65,321</u>	<u>309,804</u>	<u>461,808</u>

4 Charitable activities

	Care and life skills £	Social enterprise groups £	Unrestricted Total 2023 £	Unrestricted Total 2022 £
Income by charitable activities	<u>4,909,645</u>	<u>1,271,364</u>	<u>6,181,009</u>	<u>6,146,130</u>

Social enterprise groups comprise the Rare Breeds Centre farm, restaurant and marketing sectors.

CANTERBURY OAST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

5 Investments

	Unrestricted funds	Restricted funds	Total 2023	Total 2022
	£	£	£	£
Interest receivable	2,849	1,451	4,300	923
For the year ended 31 March 2022	<u>887</u>	<u>36</u>		

6 Other income

	Unrestricted funds	Restricted funds	Total 2023	Total 2022
	£	£	£	£
Net gain on disposal of tangible fixed assets	11,270	7,983	19,253	1,116
Government grants received	20,369	-	20,369	59,887
	<u>31,639</u>	<u>7,983</u>	<u>39,622</u>	<u>61,003</u>
For the year ended 31 March 2022	<u>61,003</u>	<u>-</u>		

Grants received in the current year represents amounts received in relation to the Adult Social Care Infection Fund. The purpose of this fund is to support adult social care providers to reduce the rate of COVID-19 transmission. Grants received in the prior year represent amounts received in respect of contributions towards staff salary costs under the coronavirus job retention scheme. There are no unfulfilled conditions or other contingencies attached to these grants.

7 Raising funds

	Unrestricted funds	Restricted funds	Total 2023	Total 2022
	£	£	£	£
Fundraising and publicity				
Advertising	5,259	1,600	6,859	8,207
Computer costs	11,130	-	11,130	1,924
Staff costs	53,919	-	53,919	50,792
	<u>70,308</u>	<u>1,600</u>	<u>71,908</u>	<u>60,923</u>
For the year ended 31 March 2022	<u>58,355</u>	<u>2,568</u>		

CANTERBURY OAST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

8 Charitable activities

	Care and life skills £	Social enterprise groups £	Total 2023 £	Total 2022 £
Staff costs	4,139,417	730,198	4,869,615	4,053,473
Depreciation and impairment	131,029	98,812	229,841	205,599
Purchases	144,081	341,404	485,485	408,520
Utility and telephone costs	219,603	38,616	258,219	171,596
Vehicle costs	66,822	17,591	84,413	61,966
Insurance	92,347	24,152	116,499	113,874
Repairs and maintenance	423,839	184,532	608,371	344,071
Training	11,369	-	11,369	-
Bank charges	-	47,530	47,530	44,784
Advertising	-	32,436	32,436	24,745
Miscellaneous	4,574	25,483	30,057	15,446
Postage and stationery	5,255	8,195	13,450	13,516
	<u>5,238,336</u>	<u>1,548,949</u>	<u>6,787,285</u>	<u>5,457,590</u>
Share of support costs (see note 9)	1,093,266	146,659	1,239,925	931,160
Share of governance costs (see note 9)	66,090	8,864	74,954	62,058
	<u>6,397,692</u>	<u>1,704,472</u>	<u>8,102,164</u>	<u>6,450,808</u>
	Care and life skills £	Social enterprise groups £	Total 2023 £	Total 2022 £
Analysis by fund				
Unrestricted funds	6,297,523	1,684,113	7,981,636	
Restricted funds	100,169	20,359	120,528	
	<u>6,397,692</u>	<u>1,704,472</u>	<u>8,102,164</u>	
For the year ended 31 March 2022				
Unrestricted funds	5,107,760	1,235,183		6,342,943
Restricted funds	81,696	26,169		107,865
	<u>5,189,456</u>	<u>1,261,352</u>		<u>6,450,808</u>

CANTERBURY OAST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

9 Support costs

	Support costs	Governance costs	2023	2022
	£	£	£	£
Staff costs	831,377	62,576	893,953	778,966
Depreciation	23,337	-	23,337	12,351
Other costs	235,198	-	235,198	102,904
Professional	95,022	7,152	102,174	50,520
Telephone	31,017	2,335	33,352	22,382
Postage and stationery	18,422	1,387	19,809	19,517
Bank charges	5,552	418	5,970	6,578
Training	-	1,086	1,086	-
	<u>1,239,925</u>	<u>74,954</u>	<u>1,314,879</u>	<u>993,218</u>

All support and governance costs are attributable to charitable activities.

The governance costs have been allocated in proportion to the direct costs incurred in respect of each activity.

10 Other expenditure

	Unrestricted	
	Total	Total
	2023	2022
	£	£
Bank interest paid	8,763	5,241

11 Net movement in funds

	2023	2022
	£	£
Net movement in funds is stated after charging/(crediting)		
Government grants	(20,389)	(59,887)
Audit of the financial statements of the company	23,500	18,500
Fees payable to the company's auditor for non-audit services	10,550	8,750
Depreciation of owned tangible fixed assets	253,178	217,950
Profit on disposal of tangible fixed assets	(19,253)	(1,116)

CANTERBURY OAST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

12 Employees

Number of employees

The average monthly number employees during the year was:

	2023 Number	2022 Number
Support and resident services	136	137
Administration	16	15
Commercial, marketing and appeals	52	45
	<u>204</u>	<u>197</u>

Employment costs

	2023 £	2022 £
Wages and salaries	4,527,265	3,972,611
Social security costs	401,046	317,093
Other pension costs	90,077	80,990
	<u>5,018,388</u>	<u>4,370,694</u>
Redundancy payments made or committed	-	18,675

The number of employees whose annual remuneration, excluding employee pension, was £60,000 or more were:

	2023 Number	2022 Number
£60,001 - £70,000	1	-
£70,001 - £80,000	-	1

The Trust considers the Board of Trustees and the Chief Executive as their key management personnel. The total employment benefits including employer pension and national insurance contributions of the key management personnel was £101,916 (2022: £90,435).

The charity operates a defined contribution pension scheme for all qualifying employees in the United Kingdom. The assets of the scheme are held separately from those of the charity in an independently administered fund. The contributions payable by the charity and charged to the statement of income and retained earnings in the year amounted to £90,077 (2022: £80,990).

13 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year (2022: nil).

During the year 1 (2022: 1) Trustee received reimbursement of expenses amounting to £61 (2022: £46), which relates to admin fees and travel expenses (2022: travel expenses).

CANTERBURY OAST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

14 Tangible fixed assets

	Freehold land and buildings	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 April 2022	5,684,230	849,030	280,361	6,813,621
Additions	882,371	328,597	103,514	1,314,482
Disposals	-	(106,154)	(47,277)	(153,431)
At 31 March 2023	6,566,601	1,071,473	336,598	7,974,672
Depreciation and impairment				
At 1 April 2022	1,739,889	633,336	226,757	2,599,982
Depreciation charged in the year	118,461	92,370	42,347	253,178
Eliminated in respect of disposals	-	(101,789)	(47,277)	(149,066)
At 31 March 2023	1,858,350	623,917	221,827	2,704,094
Carrying amount				
At 31 March 2023	4,708,251	447,556	114,771	5,270,578
At 31 March 2022	3,944,341	215,694	53,604	4,213,639

Included in land and buildings is freehold land at cost of £100,000 (2022: £100,000) which is not depreciated.

Land and buildings pre-dating 1993 are carried at the lower of cost and open market value based on a professional valuation obtained on 13 July 1993 by Edward Symons, Chartered Surveyors. Subsequent additions are valued at cost. Freehold property primarily consists of properties from which the charitable activities of the Trust are undertaken, some of these properties are especially adapted for providing care services or are unusual in nature (Rare Breeds Centre) and the market value of these properties is not readily available. The insurance cost of rebuilding all the properties is estimated at £26.6m (2022: £21.8m). In the opinion of the Trustees the market value of the freehold property stated in these accounts is in excess of book value but much less than the insurance rebuild cost.

CANTERBURY OAST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

15 Fixed asset investments

	Unlisted investments £	Other investments £	Total £
Cost or valuation			
At 1 April 2022	1,432,113	23,100	1,455,213
Unrealised losses	(12,227)	-	(12,227)
At 31 March 2023	1,419,886	23,100	1,442,986
Impairment			
At 1 April 2022	-	-	-
Repayments	-	1,000	1,000
At 31 March 2023	-	1,000	1,000
Carrying amount			
At 31 March 2023	1,419,886	22,100	1,441,986
At 31 March 2022	1,432,113	23,100	1,455,213
Other investments comprise:			
	2023	2022	
	£	£	
Investments in subsidiaries	100	100	
Loans to subsidiaries	22,000	23,000	
	<u>22,100</u>	<u>23,100</u>	

The charity holds 100 shares of £1 each in its wholly owned trading subsidiary company COT Trading Limited which is incorporated in the United Kingdom. The registered office of COT Trading Limited is Highlands Farm, Woodchurch, Ashford, Kent, TN26 3RJ. These shares are the only shares allotted, called up and fully paid. The activities comprise running the retail operations of the Rare Breed Centre. The results are not consolidated per accounting policy 1.15.

16 Stocks	2023 £	2022 £
Goods for resale	<u>68,805</u>	<u>63,779</u>

CANTERBURY OAST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

17 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	215,683	189,662
Amounts due from fellow group undertakings	24,329	18,985
Other debtors	70,922	94,001
Prepayments and accrued income	66,334	86,815
	<u>377,268</u>	<u>389,463</u>

18 Creditors: amounts falling due within one year

	Notes	2023	2022
		£	£
Bank loans	21	35,952	35,952
Trade creditors		457,272	292,715
Other taxation and social security		112,927	89,624
Other creditors		45,927	40,883
Accruals and deferred income		427,993	338,029
		<u>1,080,071</u>	<u>797,203</u>

Included in other creditors are amounts totalling £19,848 (2022: £17,376) in respect of outstanding pension contributions.

19 Deferred income

Deferred income is included in the financial statements as follows:

	2023	2022
	£	£
Deferred income at 1 April	94,559	49,772
Income received requiring deferment	93,863	94,559
Release of income during the year	(86,370)	(49,772)
	<u>102,052</u>	<u>94,559</u>

Deferred income represents membership and ticket sales income received for forthcoming events.

20 Creditors: amounts falling due after more than one year

	Notes	2023	2022
		£	£
Bank loans	21	<u>156,911</u>	<u>187,119</u>

CANTERBURY OAST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

21 Borrowings

	2023 £	2022 £
Bank loans	192,863	223,071
Payable within one year	35,952	35,952
Payable after one year	156,911	187,119
Amounts included above which fall due after five years:		
Payable by instalments	30,143	79,263

The bank loans are subject to an interest rate of 1.75% to 2% over base rate.

Following the year end, the bank loans were repaid in full.

The National Westminster Bank plc. holds a fixed and floating charge dated 4 June 1993 over all the company's assets, together with legal mortgages over the Trusts freehold properties known as Homelands, Highlands Farm, Harrington Cottage, Mariners and Tearooms, 1, 2 & 3 Warren Mews and 14 Ellis Drive.

The National Westminster Bank plc. holds a fixed charge dated 31 March 2014 over the charity's freehold property known as Old School House.

The Secretary of State for Health holds a fixed charge dated 1 February 2010 over the charity's freehold property known as Beaverlodge.

22 Financial instruments

	2023 £	2022 £
Carrying amount of financial assets		
Instruments measured at fair value	1,419,886	1,432,113

CANTERBURY OAST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

23 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total
	£	£	£
Fund balances at 31 March 2023 are represented by:			
Tangible assets	4,106,953	1,163,625	5,270,578
Investments	1,441,986	-	1,441,986
Net current assets	1,422,694	294,100	1,716,794
Long term liabilities	(156,911)	-	(156,911)
	<u>6,814,722</u>	<u>1,457,725</u>	<u>8,272,447</u>

Previous year

	Unrestricted funds	Restricted funds	Total
	£	£	£
Fund balances at 31 March 2022 are represented by:			
Tangible assets	3,041,108	1,172,531	4,213,639
Investments	1,455,213	-	1,455,213
Net current assets	4,033,142	342,899	4,376,041
Long term liabilities	(187,119)	-	(187,119)
	<u>8,342,344</u>	<u>1,515,430</u>	<u>9,857,774</u>

CANTERBURY OAST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

24 Restricted funds

Movement on restricted funds is as follows:

	Balance at 1 April 2022	Movement in funds			Balance at 31 March 2023
	£	Income	Expenditure	Transfers	£
Aldington	27,550	3,407	(1,649)	(10,000)	19,308
Catering	5,844	14,147	(12,529)	-	7,462
Craft room	1,998	-	(305)	-	1,693
Farm	33,273	8,659	1,379	(25,500)	17,811
Friends of COT	27,955	4,959	(6,184)	-	26,730
Fundraising	16,464	3,051	(1,600)	-	17,915
Horticulture	10,721	3,115	(1,085)	-	12,751
My Life Skills Academy	42,653	6,340	(1,808)	-	47,185
Life skills	46,784	2,730	(2,573)	-	46,941
Poulton Wood	14,802	12,386	5,998	(8,556)	24,630
Rye	14,350	1,663	(1,449)	-	14,564
Salaries	20,811	8,846	(8,884)	-	20,773
Woodchurch	60,708	2,003	(31,590)	(10,320)	20,801
Other restricted funds	18,981	3,450	(4,425)	-	18,006
Restricted funds - fixed assets	1,172,536	-	(55,425)	54,376	1,171,487
	<u>1,515,430</u>	<u>74,756</u>	<u>(122,129)</u>	<u>-</u>	<u>1,468,057</u>

The transfer in the year represents fixed assets purchased during the year from restricted income transferred to a general restricted assets fund.

Aldington	For the benefit of residents at Aldington and Beaver Lodge, Ashford
Catering	For the provision of catering equipment
Craft room	To provide for craft equipment, materials and craft room maintenance
Farm	For the provision of farm equipment and its up keep
Friends of COT	To provide residents amenities and residents holidays
Fundraising	For general fundraising purposes
My Life Skills Academy	For the provision of sensory equipment, materials and maintenance
Horticulture	For the provision of horticultural equipment and its up keep
Life skills	To assist with the provision of training and occupation
Poulton Wood	For the development of woodland conservation initiatives at Poulton Wood
Rye	For the benefit of the residents at Rye
Salaries	For the payment of specific salaries and associated staff costs
Woodchurch	For the benefit of the residents at Woodchurch
Other restricted funds	Miscellaneous small funds, use of which is restricted to specific objects.

CANTERBURY OAST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

24 Restricted funds (Continued)

Restricted funds - fixed assets

The net book value of assets purchased with restricted funds represents the historic cost less depreciation to date of fixed assets purchased from restricted funds. Expenditure comprises depreciation less the cost of assets purchased.

Previous year

	Balance at 1 April 2021 £	Movement in funds		Transfers £	Balance at 31 March 2022 £
		Income £	Expenditure £		
Aldington	61,092	18,884	(9,773)	-	70,203
Catering	5,844	-	-	-	5,844
Craft room	3,259	100	(1,361)	-	1,998
Farm	41,063	1,200	(5,490)	(3,500)	33,273
Friends of COT	25,644	7,297	(4,986)	-	27,955
Fundraising	16,209	2,823	(2,568)	-	16,464
Horticulture	10,990	1,141	(1,410)	-	10,721
My Life Skills Academy	41,166	5,787	(170)	-	46,783
Life skills	25,737	1,175	(7,551)	(4,559)	14,802
Poulton Wood	15,753	1,428	(2,831)	-	14,350
Rye	23,081	12,000	(14,270)	-	20,811
Salaries	24,305	38,200	(1,797)	-	60,708
Woodchurch	21,666	2,144	(4,828)	-	18,982
Other restricted funds	1,217,875	-	(53,398)	8,059	1,172,536
	<u>1,533,684</u>	<u>92,179</u>	<u>(110,433)</u>	<u>-</u>	<u>1,515,430</u>

The transfer in the prior year represents fixed assets purchased during the year from restricted income transferred to a general restricted assets fund.

CANTERBURY OAST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

25 Designated and Unrestricted funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the Trustees for specific purposes:

	Balance at 1 April 2022	Movement in funds		Balance at 31 March 2023
	£	Income	Expenditure/ movement on investment	£
The Rare Breeds Centre development fund	97,752	-	(34,990)	62,762
Unrestricted reserves	8,244,592	6,534,980	(8,037,944)	6,741,628
	<u>8,342,344</u>	<u>6,534,980</u>	<u>(8,072,934)</u>	<u>6,804,390</u>

The Trustees have set aside funds from the unrestricted general fund into a designated fund called "The Rare Breeds Centre development fund". In the current year, £34,990 (2022: £66,692) was spent from The Rare Breeds Centre Development fund. It is anticipated that these funds will continue to be used for further development of The Rare Breeds Centre over the coming year.

Previous year	Balance at 1 April 2021	Movement in funds		Balance at 31 March 2022
	£	Income	Expenditure/ movement on investment	£
The Rare Breeds Centre development fund	164,444	-	(66,692)	97,752
Unrestricted reserves	7,842,096	6,592,685	(6,190,189)	8,244,592
	<u>8,006,540</u>	<u>6,592,685</u>	<u>(6,256,881)</u>	<u>8,342,344</u>

26 Related party transactions

The following transactions took place between the charity and its subsidiary COT Trading Limited:

	2023 £	2022 £
Management charge	2,586	1,813
Interest charged on loan	805	840

There are no other trading activities between the entities during the year. At the year end £24,329 (2022: £18,985) was owed from COT Trading Limited and is included in note 17. Included within investments is £22,100 (2022: £23,100) which is due from COT Trading Limited.

CANTERBURY OAST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

26 Related party transactions (Continued)

COT Trading Limited (incorporated in England and Wales) is a wholly owned trading subsidiary which gifts all its profits to the Trust by way of Gift Aid. COT Trading Limited operates the shop at the Rare Breeds Centre and the Falcon Conference Centre and all other significant commercial trading operations carried on by the Trust.

For the year ended 31 March 2023 COT Trading Limited had a turnover of £80,987 (2022: 74,296) and made a net loss of £21,151 (2022: £3,449) and made a distribution of £nil (2022: £nil). The net liabilities of COT Trading Limited as at 31 March 2023 were £51,322 (2022: £30,171). The company has an unsecured loan of £22,000 (2022: £23,000), repayable within 10 years, from the Trust to provide it with working capital. Interest is charged on the loan at the rate of 3.5% (2022: 3.5%) per annum.

27 Cash generated from operations	2023 £	2022 £
(Deficit)/surplus for the year	(1,585,327)	317,550
Adjustments for:		
Investment income recognised in income & expenditure	(4,300)	(923)
Interest payable	8,763	5,241
Gain on disposal of tangible fixed assets	(19,253)	(1,116)
Unrestricted loss/(gain) on investments	12,227	(149,658)
Depreciation of tangible fixed assets	253,178	217,950
Movements in working capital:		
Increase in stocks	(5,026)	(7,845)
Decrease in debtors	12,195	578,174
Increase in creditors	282,868	153,939
Cash (absorbed by)/generated from operations	(1,044,675)	1,113,312