

Registered number: 07114119
Charity number: 1140014

This draft produced on 1/11/2022 20:56

Chichester Community Development Trust
(A company limited by guarantee)

Trustees' report and financial statements

For the year ended 31 March 2022

DRAFT

Chichester Community Development Trust
(A company limited by guarantee)

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DRAFT

Chichester Community Development Trust
(A company limited by guarantee)

Reference and administrative details of the charity, its Trustees and advisers
For the year ended 31 March 2022

Trustees

Susan James, Chair
Jonathan Brown (appointed 9 June 2022)
Peter Day
Anthony Dignum (resigned 12 June 2022)
Nicky Dodds (appointed 10 December 2021)
John Eagles
Nick Laugharne (resigned 12 June 2022)
Phil Miles
Tim Morgan
Matthew Parsonage (resigned 10 December 2021)

Company registered number

07114119

Charity registered number

1140014

Registered office

The Water Tower, Blomfield Drive, Chichester, West Sussex, PO19 6BZ

Company secretary

Clare de Bathe

Independent auditors

Kreston Reeves LLP, 9 Donnington Park, 85 Birdham Road, Chichester, West Sussex, PO20 7AJ

Bankers

Unity Trust bank PLC, 9 Brindley Place, Birmingham, B1 2HB

Chichester Community Development Trust
(A company limited by guarantee)

Trustees' report
For the year ended 31 March 2022

The Trustees present their annual report together with the audited financial statements of the charity for the 1 April 2021 to 31 March 2022. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the charity qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

To further or benefit the residents of North East Chichester and the surrounding area, 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 interest of social welfare for recreation leisure time occupation with the objective of improving the conditions of life for the residents in furtherance of these objects but not otherwise, the Trustees shall have the power to establish or secure establishment of a community centre and to maintain or manage or co-operate with any statutory authority in the maintenance and management of such a centre for activities promoted by the charity in furtherance of the above objects.

The promotion of art for the public benefit by establishing and maintaining affordable studio space for artists in necessitous circumstances upon terms appropriate to their means.

The relief of unemployment for the public benefit in particular by the provision of training or by providing workspace, buildings and land.

The promotion of the conservation, protection and improvement of the physical and natural environment for the public benefit by raising awareness of and encouraging practical steps to reduce levels of atmospheric carbon dioxide.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

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Trustees' report (continued)
For the year ended 31 March 2022

Achievements and performance

a. Main achievements of the charity

CCDT's strategic vision for the next few years is to mature into an established organisation that is a key part of Chichester's drive to build a strong, cohesive, and creative community integrating the substantial amount of new housing and new residents into the city. This year has been another momentous year for CCDT as it has been the year when we moved from planning to operating the assets which have become ours as part of the S 106 agreement with our developers. We have taken over the ownership of Havenstoke Park, and The Pavilion and seen all our planning work for the rebirth of The Chapel come to fruition. We have also re-purposed the old Lodge to become a temporary home for our youth group and members of Chichester Shed.

The Pavilion opened in June 2021 as our health and wellness centre. It has a wonderful studio where a range of fitness classes are offered to different groups, from spin cycling through Pilates and yoga classes, to Zumba and t'ai-chi; five therapy rooms offering a range of services from reflexology to stop smoking sessions, and a café offering healthy food, locally roasted coffee and the opportunity to sit a while and enjoy the beautiful view of Havenstoke Park or our much-admired living wall. Not surprisingly, The Pavilion has proved a huge hit with residents. 912 hours of studio classes have been held and 212 hours of therapy room hire has been delivered. 2817 cups of coffee have been sold. We have also been able to address other aspects of health and wellness by working with UK Harvest to offer local residents' fresh food which would otherwise be consigned to landfill, and by setting up a weekly advisory centre for local tenants who want to talk to Clarion Homes representatives.

Our second major event in 21/22 was the long-awaited opening, in March 2022, of The Chapel. Hugh Bonneville very kindly joined us for the formal opening event, when, for the first time, residents and other friends of CCDT were able to see how we had spent the National Heritage Fund grant we received to rescue building from its dilapidated and unused state, and turn it into the beautiful building you see today. Since its opening, we have offered over 30 evening events, ranging from talks by famous sportsmen, to a vintage supper to celebrate The late Queen's platinum jubilee. We have also offered workshops to discover more about the history of Graylingwell Hospital, inspiring evening withs, art workshops, youth work and The Chapel also has a café which provides a wider range of food, and a play area for under-fives, which has proved very popular, particularly on wet days when the outdoor play areas are unusable.

We also enjoyed our first season of cricket on Keepers Green, and the first year's produce from our community garden

Our final opening this year was the wild space between Havenstoke Park and Summersdale Road where a whole range of age groups, from tots to adults, can learn woodsman skills and enjoy communing with nature.

CCDT continues to enjoy strong relationships with Graylingwell Park and Roussillon Park residents, working closely with their Residents' Associations and Management Companies. We are looking forward to working closely with the new residents of the Lavant View development to the north east of Graylingwell Park and have been working with the developers to facilitate this new relationship.

Our success in identifying and responding to community needs has brought attention from other communities in the UK, seeking advice and support on how to replicate our model in their own areas. We are providing consultancy support for several new Trusts, bringing in additional income and sowing the seeds for community renewal across the country.

As part of the changes, we have introduced to respond to this big change in our work, we have set up an operating company, called Connecting Spaces, which provides all our hospitality and events work. This company now employs 9 people on a mixture of permanent and temporary contracts, and relies on the support of 63 volunteers who help us in so many ways by acting as stewards for events, meeting and greeting visitors to The Chapel, setting up and helping to run events, and supporting the paid staff in both cafés. I would like to pay tribute to the work of all these volunteers, without whom we could not operate.

But of course, I must also recognise the amazing contribution of our paid staff, both long-standing members, and those who have joined us more recently. Their enthusiastic support for the objectives and values of CCDT have meant that they have been able to adapt to the huge changes this past year has brought to both the content and

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Trustees' report (continued)
For the year ended 31 March 2022

Achievements and performance (continued)

range of the work we do. I remain utterly amazed at the creativity and enthusiasm that the team bring to their work. The lives of residents would be considerably poorer without them!

Finally, I am most grateful to the support and hard work of my fellow Trustees whose help I have relied on in this, my first year as Chair. In particular I would like to thank Phil Miles who stood down as Chair in December 2021, after 9 years in office. CCDT is indebted to him for his guidance and support during that time

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Reserves policy

The Trustees will endeavour not to set aside funds unnecessarily. The Trustees have considered the level of reserves they wish to retain, appropriate to the charity's needs. This is based on the charity's size and the level of financial commitments held. The trustees aim to ensure the charity will be able to continue to fulfill its charitable objectives even if there is a temporary shortfall in income or unexpected expenditure.

The trust ensures there are 6 months running costs in reserves which will cover all salaries and expenditure for this period. The trust has not dropped below this rate since it began in 2009. The trust now also has 20 years running costs of Havenstoke park in reserves designated for this purpose. The trustees will consider current costs of closure and examine the level of reserves each year when setting the following year's budget. This reserves policy will be reviewed every two years.

At the year-end the charity's total fund balance is £4,252,777 (2021: £2,829,211). Of these funds, £575,993 are have restrictions over their use and are therefore not available for the general purposes of the charity (2021: £880,281).

The free reserves (total unrestricted funds less those that cannot be realised without disposing of fixed assets) are £90,687 (2021: £171,158).

The reserves position is in line with the charities stated reserves policy.

c. Material investments policy

The board of trustees agreed in 2015 that Cash reserves for the purpose of working capital should be held in an FSCS approved current account. The Trust originally planned and required in the original business model to hold a surplus of reserves. The Trust will aim to achieve a minimum reserves level of 50% of expenditure with a minimum of £100,000 unless the expenditure falls below £100,000 for 2 consecutive years running. In the event of reserves dipping below the target the trustees will aim to restore the reserves to at least 50% of expenditure over the next three years. This could be achieved by increasing earned income or reducing expenditure. Such sums should be invested in an interest-bearing FSCS approved deposit account, based upon a survey of rates currently available, at which time a further account should be opened with a different institution bearing equivalent guarantees. Should reserves go on to exceed £145k in total in current and deposit accounts, trustees should consider instituting a longer term investment strategy for the surplus in compliance with the Charity Commission's guidelines. Interest rates and the possibility of switching accounts should be kept under review by trustees at all times. CCLA deposits were chosen due to their ethical nature and social philosophy.

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Trustees' report (continued)
For the year ended 31 March 2022

d. Principal risks and uncertainties

The main risk at this time is the rising costs of materials. CCDT is undertaking a major capital project at Graylingwell Chapel and due to covid and Brexit issues the material costs have risen. There are also delays in obtaining materials and the trust will be affected should the opening date be delayed. The Trust is mitigating against these risks and has a good contingency amount for the project available.

e. Financial risk management objectives and policies

To conduct financial business efficiently, Chichester Community Development Trust (CCDT) ensures that sound financial management policies are in place, and that these are strictly observed by every employee and trustee under the control and direction of either the CCDT treasurer or Trust Director. The CCDT Treasurer, Chair of trustees and the CCDT Trust Director work closely together. This working relationship is of fundamental importance. All team members with financial responsibilities ensure that their responsibilities can be fully delivered and assurances and information exchanged to fulfil the statutory and professional responsibilities of the organisation.

f. Principal funding

The main sources of funding for the charity over the funding period are resident contributions, heritage lottery funds, Chichester district council funding, and national lottery funding as well as consultancy income. The charity holds investments with the CCLA and it's a charitable investment COIF – this is reviewed annually by our treasurer and we hold an invest policy that is reviewed every two years – we invest in ethical funds where possible. Reserves are held in accordance with the reserves policy and are held at 6 months running costs of the charity.

The timeline for the transfer of assets from the developers to CCDT is set out in the S.106 agreements with the developers and is determined by the rate at which the new housing on the sites is occupied. It is therefore subject to change. Once transferred, some assets can be used immediately as they have been built to CCDT's specification. Others need extensive refurbishment to enable them to be brought into use. As we take over each facility, we will work with the local community to agree how best to use it, to ensure that it is financially sustainable, and helps us to meet our community goals. Once this work is complete, we will produce publish a business plan for each facility. Our business plans will aim to earn a surplus from each facility where this is possible, to enable resources to be provided for other initiatives within the community. Annual achievement of the objectives in the business plan will be a key performance indicator for us.

All amounts that are designated to the youth fund will be spent within the next financial year. All monies designated to the Havenstoke park and designated to fund works at the park including tree works and maintenance over the next 20 years.

Structure, governance and management

a. Constitution

The Charity is registered as a charitable company limited by guarantee governed by its Memorandum and Articles of Association dated 30 December 2009 as amended by a special resolution on 20 December 2010.

The charity is constituted under a Memorandum of Association dated 30 December 2009 and is a registered charity number 1140014.

Chichester Community Development Trust
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Trustees' report (continued)
For the year ended 31 March 2022

Structure, governance and management (continued)

b. Methods of appointment or election of Trustees

For the purposes of the Companies Act 2006, the Board of Trustees is recognised as the Board of Directors of the company. The Trustees of the company through the year and to the date of signing the report are as shown on page 1.

The Trustees may at any time co-opt any person (but not more than three at any one time) duly qualified to be appointed as a Trustee to fill a vacancy in their number.

c. Organisational structure and decision-making policies

The CCDT Treasurer and Trust Director are jointly responsible for maintaining a continuous review of the financial regulations and for submitting any necessary additions or changes to board of trustees for approval and for reporting. The CCDT Trust Director and CCDT Treasurer are responsible for ensuring that all staff, contractors and agents under their respective control and direction are aware of the existence and content of and have access to these financial regulations and other internal regulatory documents and that these are complied with. Maintaining proper accounting records is one of the ways in which the CCDT will discharge their responsibility for stewardship of resources.

The CCDT Treasurer is the professional adviser on financial matters. To enable him/her to fulfil these duties and to ensure the Trustees are provided with adequate financial advice the Treasurer:

- must be a key member of the CCDT Trustee Board, working closely with the Trust Director, helping the team to develop and implement strategy and to resource and deliver the organisations strategic objectives sustainably.
- must be actively involved in, and able to bring influence to bear on, all strategic business decisions, of the CCDT, to ensure that the financial aspects of immediate and longer term implications, opportunities and risks are fully considered, and in alignment with the CCDT organisational strategy;
- must lead the promotion and delivery by the CCDT of good financial management so that public money is safeguarded at all times and used appropriately, economically, efficiently and effectively;
- must ensure the finance function is resourced to be fit for purpose.

The CCDT Trust Director is responsible for the leadership and general administration of the organisation. The CCDT Trust Director is responsible for:

- ensuring the legality of the actions of the organisation and his/her team members
- ensuring that procedures for recording and reporting key decisions are operating effectively
- advising all staff and officers about who has authority to take a particular decision
- advising the Trustees about whether a decision is likely to be considered contrary or not wholly in accordance with the policy framework

We will ensure that we have Board level representation from the communities we serve, and that we work effectively with Residents' Associations, other voluntary agencies, statutory organisations, and our local neighbours, such as Chichester University and the Sussex Partnership NHS Trust. Customer satisfaction with our facilities and the events we offer is a key performance indicator for us.

We are fortunate in having a team of talented and committed staff who form the basis of our workforce. However 5.4 Fte people will not be able to deliver all the work we have outlined, and we will need to recruit, develop and rely on a cadre of volunteers to help us with this work. Volunteer management is a key role of the team and will form another strand in the key performance indicators which will be developed to monitor progress on delivering our strategy. The revenue required to deliver our strategy will come from a mixture of non-recurrent grant funding, residents' contributions (initially only from Graylingwell Park and Roussillon Park developments) and recurring income from facility hire, car parking charges, ticket income etc. An annual business plan will be prepared for approval by the Trustees and remuneration and pay is considered annually.

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Trustees' report (continued)
For the year ended 31 March 2022

Structure, governance and management (continued)

d. Pay policy for key management personnel

Pay is set every three years and a pay review is carried out by an independent consultant. Pay rates locally, regionally and nationally are considered. Salary bands have been set for roles and staff have annual appraisals at which time performance and review against the band takes place and should new responsibilities or achievements be noted staff move within their salary bands.

e. Financial risk management

The Trustees actively review the major risks which the charity faces on a regular basis and believe that maintaining the free reserves stated, combined with the annual review of the controls over key financial systems, will provide sufficient resources in the event of adverse conditions. The Trustees have also examined other operational and business risks which they face and confirm that they have established systems to mitigate the significant risks.

Plans for future periods

A report comparing actual income and expenditure with the budget for the organisation as well as any specific project budgets is prepared every quarter. Cash flow and a statement of assets/liabilities compared against budget is prepared and presented to the Directors every quarter. A projection for the year-end position is produced compared against budget. The CCDT board of trustees approve the general format and approach to setting the revenue budget and capital programme. Proposed budgets should include the sums allocated to different services and projects, levels of grant income and proposed precept levels and contingency and reserve funds. Both will be funded through capital grants and fundraising campaigns. The charity holds investments with the CCLA and it's a Charitable investment COIF – this is reviewed annually by our treasurer and we hold an investment policy that is reviewed every two years. There are no subsidiary undertakings in this year or planned for next year.

Budget and capital programmes preparation

- The CCDT Treasurer and Trust director are jointly responsible for ensuring that CCDT budget proposals are properly prepared in accordance with requirements agreed with the Board of Trustees.
- The CCDT Treasurer is advised by the Trust Director on the appropriate level of general balances, earmarked reserves, and provisions to be held and the prudential indicators arising from the application of the charity commission to the proposed revenue and capital budget.
- It is the responsibility of the Trust Director to ensure that the estimates contained within the budget are realistic and prudent and subject to risk assessment.
- Following completion of the CCDT's scrutiny process for reviewing the Budget proposal the budget will be adopted by the board no later than 31 March.

Our strategic vision for the next five years is to mature into an established organisation that is a key part of Chichester's drive to build a strong, cohesive, and creative community integrating the substantial amount of new housing and new residents into the city. We will have a national reputation as one of the best community development initiatives in the UK and will be recognised and valued by residents and the wider Chichester community. Our key role is to build community spirit, create community action and find solutions to community problems for the neighbourhoods we serve. Over the next two years CCDT will begin plans for the studio's development; and take on a social enterprise space at Shopwyke Lakes whilst managing the chapel and pavilion. At the end of this period of work the CCDT will be able to support the community to live and work more effectively towards the five ways to wellbeing. By 2025, we want to have created a series of new community assets which are financially viable and valued by residents and the wider community.

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Trustees' report (continued)
For the year ended 31 March 2022

Plans for future periods (continued)

We will use a range of communication methods to reach out to all parts of our community and create events and initiatives which empower and enable community interconnections. A key element of our core funding comes from residents themselves, and we create a tangible value for this support, and ensure that we communicate this value, and the wider work of the CCDT effectively to our residents.

Statement of Trustees' responsibilities

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

Company law requires the Trustees to prepare financial statements for each financial . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, Kreston Reeves LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:

Susan James
 (Chair of Trustees)
 Date:

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Statement of financial activities (incorporating income and expenditure account)
For the year ended 31 March 2022

	Note	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:					
Donations and legacies	3	1,373,630	431,759	1,805,389	1,387,841
Charitable activities	4	-	116,883	116,883	47,425
Other trading activities	5	-	38,176	38,176	13,279
Investments	6	-	14,485	14,485	11,945
Other income	7	59,552	71,649	131,201	47,281
Total income		1,433,182	672,952	2,106,134	1,507,771
Expenditure on:					
Raising funds	8	-	41,606	41,606	13,759
Charitable activities		252,992	405,362	658,354	352,802
Total expenditure		252,992	446,968	699,960	366,561
Net income before net gains on investments		1,180,190	225,984	1,406,174	1,141,210
Net gains on investments		-	17,392	17,392	72,987
Net income		1,180,190	243,376	1,423,566	1,214,197
Transfers between funds	17	(1,484,478)	1,484,478	-	-
Net movement in funds		(304,288)	1,727,854	1,423,566	1,214,197
Reconciliation of funds:					
Total funds brought forward		880,281	1,948,930	2,829,211	1,615,014
Net movement in funds		(304,288)	1,727,854	1,423,566	1,214,197
Total funds carried forward		575,993	3,676,784	4,252,777	2,829,211

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 16 to 31 form part of these financial statements.

Chichester Community Development Trust
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Registered number: 07114119

Balance sheet
As at 31 March 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	13	3,586,096	1,457,046
Investments	14	613,819	96,427
		4,199,915	1,553,473
Current assets			
Debtors	15	87,337	167,745
Cash at bank and in hand		8,023	1,138,988
		95,360	1,306,733
Creditors: amounts falling due within one year	16	(42,498)	(30,995)
Net current assets		52,862	1,275,738
Total net assets		4,252,777	2,829,211
Charity funds			
Restricted funds	17	575,993	880,281
Unrestricted funds	17	3,676,784	1,948,930
Total funds		4,252,777	2,829,211

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 144 of the Charities Act 2011.

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

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

.....
Susan James
 (Chair of Trustees)
 Date:

The notes on pages 16 to 31 form part of these financial statements.

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Statement of cash flows
For the year ended 31 March 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash used in operating activities	19	1,568,215	1,057,862
Cash flows from investing activities			
Dividends, interests and rents from investments	6	14,485	11,945
Purchase of tangible fixed assets	13	(2,213,665)	(338,038)
Proceeds from sale of investments	14	-	400,000
Purchase of investments	14	(500,000)	(1)
Net cash (used in)/provided by investing activities		(2,699,180)	73,906
Change in cash and cash equivalents in the year		(1,130,965)	1,131,768
Cash and cash equivalents at the beginning of the year		1,138,988	7,220
Cash and cash equivalents at the end of the year	20	8,023	1,138,988

The notes on pages 16 to 31 form part of these financial statements

Chichester Community Development Trust
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Notes to the financial statements
For the year ended 31 March 2022

1. General information

The Charitable trust is a private company limited by guarantee in England and Wales. The members of the company are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the company. The company registration number is 07114119, the charities registration number is 1140014.

The registered offices and principal place of business are:

The Water Tower
Bloomfield Drive
Chichester
West Sussex
United Kingdom
PO19 6BZ

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Chichester Community Development Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The financial statements are prepared on a going concern basis as the Trustees' believe that no material uncertainties exist. After reviewing the charity's forecasts and projections, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future.

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Notes to the financial statements
For the year ended 31 March 2022

2. Accounting policies (continued)

2.3 Income

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

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold.

Where the donated good is a fixed asset, it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset class and depreciated over the useful economic life in accordance with the charity's accounting policies.

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

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

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

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

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Notes to the financial statements
For the year ended 31 March 2022

2. Accounting policies (continued)

2.5 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of financial activities as the related expenditure is incurred.

2.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold property	-	2% Straight-line method
Freehold property	-	4% Straight-line method
Freehold property	-	20% Straight-line method
Long-term leasehold property	-	2% Straight-line method
Plant and machinery	-	10% Straight-line method

2.8 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.9 Debtors

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

2.10 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

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For the year ended 31 March 2022

2. Accounting policies (continued)

2.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.12 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.13 Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

2.14 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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

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3. Income from donations and legacies

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations				
Graylingwell Chapel	27,008	5,129	32,137	4,775
Other donations	-	1,266	1,266	-
Pavilion	-	350,000	350,000	-
Grants				
Heritage Lottery Fund	957,829	-	957,829	188,962
Other grants/consultancy bids	3,250	3,000	6,250	4,155
Kick Start	-	39,696	39,696	-
The Pavilion	20,800	-	20,800	318,904
Men's Shed	1,518	-	1,518	13,500
Havenstoke Park	-	-	-	670,534
Culture Heritage Fund	-	-	-	26,500
Heritage Emergency Fund	-	-	-	34,500
Power To Change	-	-	-	19,800
Youth Fund	23,614	-	23,614	4,213
Foyle Foundation	-	-	-	30,000
Discover Your Future	13,325	-	13,325	-
Government grants				
Chichester District Council Grants	326,286	32,668	358,954	64,723
Coronavirus JRS Grant	-	-	-	7,275
Total donations and legacies	1,373,630	431,759	1,805,389	1,387,841
	1,373,630	431,759	1,805,389	1,387,841
Total 2021	1,296,683	91,158	1,387,841	

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Notes to the financial statements
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4. Income from charitable activities

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
HLF booklet sales	25	25	47
Residents contributions	27,284	27,284	20,050
Rental income	77,644	77,644	10,540
Activity sales	11,930	11,930	16,788
	<u>116,883</u>	<u>116,883</u>	<u>47,425</u>
Total 2021	<u>47,425</u>	<u>47,425</u>	

5. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Fika	38,176	38,176	13,279
	<u>38,176</u>	<u>38,176</u>	<u>13,279</u>
Total 2021	<u>13,279</u>	<u>13,279</u>	

6. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Investment income	14,485	14,485	11,945
	<u>14,485</u>	<u>14,485</u>	<u>11,945</u>
Total 2021	<u>11,945</u>	<u>11,945</u>	

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7. Other incoming resources

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Linden Homes, S106 & green travel plan	59,552	23,341	82,893	29,510
Residents charges and Car parking income	-	16,772	16,772	1,246
Roussillon SLA	-	12,700	12,700	12,700
Consultancy	-	18,836	18,836	3,825
	<u>59,552</u>	<u>71,649</u>	<u>131,201</u>	<u>47,281</u>
Total 2021	<u>-</u>	<u>47,281</u>	<u>47,281</u>	

8. Expenditure on raising funds

Other trading expenses

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Fika costs	41,606	41,606	13,759
Total 2021	<u>13,759</u>	<u>13,759</u>	

9. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Direct costs	640,626	17,728	658,354	352,802
Total 2021	<u>339,937</u>	<u>12,865</u>	<u>352,802</u>	

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9. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Activities 2022 £	Total funds 2022 £	Total funds 2021 £
Staff costs	276,936	276,936	152,358
Depreciation	84,615	84,615	40,350
Activities	22,143	22,143	8,734
Office costs	4,667	4,667	2,522
Heritage lottery bid development costs	49,022	49,022	36,256
Water tower costs	8,236	8,236	3,911
Startup costs and equipment	225	225	72
General building costs	56,010	56,010	6,930
FIKA costs	3,250	3,250	-
Training	4,532	4,532	2,080
AS youth	27,591	27,591	5,176
Marketing and publicity	2,819	2,819	2,377
Insurance	5,912	5,912	7,280
Covid 19 costs	4,423	4,423	14,503
Legal and professional costs	18,704	18,704	10,859
Culture recovery costs	-	-	17,552
Keepers green	19,313	19,313	10,581
Other project costs	-	-	27
Pavilion costs	39,223	39,223	13,720
The Chichester sheds	8,382	8,382	4,649
ESF DYF	1,880	1,880	-
Chapel costs	2,743	2,743	-
	640,626	640,626	339,937
Total 2021	339,937	339,937	

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10. Auditors' remuneration

	2022	2021
	£	£
Fees payable to the charity's auditor for the audit of the charity's annual accounts	11,880	9,900
Under accrued audit fees last year	900	-
Fees payable to the charity's auditor in respect of:		
All non-audit services not included above	3,861	2,965
Under accrued non audit fees last year	1,087	-
	<u><u> </u></u>	<u><u> </u></u>

11. Staff costs

	2022	2021
	£	£
Wages and salaries	250,558	138,794
Social security costs	20,042	9,729
Operating costs of defined benefit pension schemes	6,336	3,835
	<u><u>276,936</u></u>	<u><u>152,358</u></u>

The average number of persons employed by the charity during the year was as follows:

	2022	2021
	No.	No.
Staff members	14	5
	<u><u> </u></u>	<u><u> </u></u>

No employee received remuneration amounting to more than £60,000 in either year.

Details of key management personnel can be found on the information page. The total amount of employee benefits paid in respect of key management personnel for services to the charity during the year were £63,901 (2021: £64,279).

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 March 2022, no Trustee expenses have been incurred (2021 - £NIL).

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13. Tangible fixed assets

	Freehold property £	Long-term leasehold property £	Plant and machinery £	Total £
Cost or valuation				
At 1 April 2021	1,314,353	180,000	75,000	1,569,353
Additions	2,213,665	-	-	2,213,665
At 31 March 2022	3,528,018	180,000	75,000	3,783,018
Depreciation				
At 1 April 2021	50,007	24,300	38,000	112,307
Charge for the year	73,515	3,600	7,500	84,615
At 31 March 2022	123,522	27,900	45,500	196,922
Net book value				
At 31 March 2022	3,404,496	152,100	29,500	3,586,096
At 31 March 2021	1,264,346	155,700	37,000	1,457,046

14. Fixed asset investments

	Investments in subsidiary companies £	Listed investments £	Total £
Cost or valuation			
At 1 April 2021	1	96,426	96,427
Additions	-	500,000	500,000
Revaluations	-	17,392	17,392
At 31 March 2022	1	613,818	613,819
Net book value			
At 31 March 2022	1	613,818	613,819
At 31 March 2021	1	96,426	96,427

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Principal subsidiaries

The following was a subsidiary undertaking of the charity:

Name	Company number	Registered office or principal place of business	Principal activity
Connecting Spaces Limited	12954680	The Water Tower, Blomfield Drive, Chichester, West Sussex, PO19 6BZ	Dormant

Class of shares **Holding**

Ordinary 100%

The financial results of the subsidiary for the year were:

	Net assets £
Connecting Spaces Limited	1

15. Debtors

Due within one year

	2022 £	2021 £
Trade debtors	65,552	148,205
Prepayments and accrued income	21,785	19,540
	87,337	167,745

16. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	20,517	17,758
Other taxation and social security	4,489	-
Other creditors	2,316	890
Accruals and deferred income	15,176	12,347
	42,498	30,995

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17. Statement of funds

Statement of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
Unrestricted funds						
Designated funds						
Fixed assets	1,457,047	350,000	(84,615)	1,863,665	-	3,586,097
Graylingwell Chapel	320,725	-	-	(320,725)	-	-
	<u>1,777,772</u>	<u>350,000</u>	<u>(84,615)</u>	<u>1,542,940</u>	<u>-</u>	<u>3,586,097</u>
General funds						
Unrestricted income fund	171,158	322,952	(362,353)	(58,462)	17,392	90,687
Total Unrestricted funds	<u>1,948,930</u>	<u>672,952</u>	<u>(446,968)</u>	<u>1,484,478</u>	<u>17,392</u>	<u>3,676,784</u>
Restricted funds						
Heritage lottery grant	-	957,829	(49,022)	(908,807)	-	-
Havenstoke Park	670,534	-	(69,367)	(25,174)	-	575,993
Chichester shed	9,747	1,518	(13,046)	1,781	-	-
The Pavillion	200,000	176,341	(63,016)	(313,325)	-	-
Youth	-	23,614	(30,085)	6,471	-	-
Discover your future	-	13,325	(22,463)	9,138	-	-
Graylingwell Chapel	-	257,305	(2,743)	(254,562)	-	-
Small restricted funds	-	3,250	(3,250)	-	-	-
Total Restricted funds	<u>880,281</u>	<u>1,433,182</u>	<u>(252,992)</u>	<u>(1,484,478)</u>	<u>-</u>	<u>575,993</u>
Total of funds	<u>2,829,211</u>	<u>2,106,134</u>	<u>(699,960)</u>	<u>-</u>	<u>17,392</u>	<u>4,252,777</u>

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Notes to the financial statements
For the year ended 31 March 2022

17. Statement of funds (continued)

Certain unrestricted funds have been designated by the Trustees as follows:

Fixed assets - fixed assets held by the charity and used to achieve their charitable objectives
Graylingwell Chapel - for the redevelopment and regeneration of Graylingwell Chapel.

Restricted funds include:

Heritage lottery grant - to develop and return Graylingwell Chapel to life.
Youth - for outreach and retention of youth ambassadors.
Keeper's Green - to build a community garden.
The Pavilion - preparing and planning for the development of the Pavilion upon receipt.
Chichester Shed - developing an area for mental and physical wellbeing.
Cultural heritage fund – to support Graylingwell Chapel and wider CCDT projects during COVID
Heritage emergency fund - to support Graylingwell Chapel and wider CCDT projects during COVID
Foyle Foundation – to support the capital build of Graylingwell Chapel
Power to change – to support CCDT during covid whilst facing loss of income from venue hire
Havenstoke Park - for the ongoing upkeep and maintenance of the Havenstoke Park site.
Discover your future - To support 20 women for a year to start up their own business.
Graylingwell Chapel - to support the redevelopment and regeneration of the Graylingwell Chapel.

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17. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
Unrestricted funds						
Designated funds						
Fixed assets	1,159,359	-	(40,350)	338,038	-	1,457,047
Graylingwell Chapel	388,733	-	-	(68,008)	-	320,725
	<u>1,548,092</u>	<u>-</u>	<u>(40,350)</u>	<u>270,030</u>	<u>-</u>	<u>1,777,772</u>
General funds						
Unrestricted income fund	66,030	211,088	(152,702)	(26,245)	72,987	171,158
Total Unrestricted funds	<u>1,614,122</u>	<u>211,088</u>	<u>(193,052)</u>	<u>243,785</u>	<u>72,987</u>	<u>1,948,930</u>
Restricted funds						
Heritage lottery grant	-	188,962	(53,874)	(135,088)	-	-
Havenstoke Park	-	670,534	-	-	-	670,534
Youth	-	4,213	(5,177)	964	-	-
The Pavillion	-	308,674	(13,722)	(94,952)	-	200,000
Chichester shed	892	13,500	(4,645)	-	-	9,747
Culture heritage fund	-	26,500	(41,791)	15,291	-	-
Heritage emergency fund	-	34,500	(34,500)	-	-	-
Foyle Foundation	-	30,000	-	(30,000)	-	-
Power to change	-	19,800	(19,800)	-	-	-
	<u>892</u>	<u>1,296,683</u>	<u>(173,509)</u>	<u>(243,785)</u>	<u>-</u>	<u>880,281</u>
Total of funds	<u><u>1,615,014</u></u>	<u><u>1,507,771</u></u>	<u><u>(366,561)</u></u>	<u><u>-</u></u>	<u><u>72,987</u></u>	<u><u>2,829,211</u></u>

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18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	3,586,096	3,586,096
Fixed asset investments	575,993	37,826	613,819
Current assets	-	95,360	95,360
Creditors due within one year	-	(42,498)	(42,498)
Total	575,993	3,676,784	4,252,777

Analysis of net assets between funds - prior year

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	1,457,046	1,457,046
Fixed asset investments	-	96,427	96,427
Current assets	880,281	426,452	1,306,733
Creditors due within one year	-	(30,995)	(30,995)
Total	880,281	1,948,930	2,829,211

19. Reconciliation of net movement in funds to net cash flow from operating activities

	2022 £	2021 £
Net income for the year (as per Statement of Financial Activities)	1,423,566	1,214,197
Adjustments for:		
Depreciation charges	84,615	40,350
(Gains)/losses on investments	(17,392)	(72,987)
Interests from investments	(14,485)	(11,945)
Decrease/(increase) in debtors	80,408	(105,033)
Increase/(decrease) in creditors	11,503	(6,720)
Net cash provided by operating activities	1,568,215	1,057,862

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20. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand	8,023	1,138,988
Total cash and cash equivalents	8,023	1,138,988

21. Analysis of changes in net debt

	At 1 April 2021 £	Cash flows £	At 31 March 2022 £
Cash at bank and in hand	1,138,988	(1,130,965)	8,023
	1,138,988	(1,130,965)	8,023

22. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £1 for the debts and liabilities contracted before he/she ceases to be a member.

23. Related party transactions

The charity has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the charity at 31 March 2022.

24. Post balance sheet events

In April 2021 the Trust was donated the title to the land and Pavilion building at Havenstoke Park. The donation is expected to value £350-£400k. Redevelopment work on the site began in the current reporting period, and will continue into 2022.

25. Controlling party

The charity is controlled by the Trustees who are all directors of the company.