

THE NEW CROSS GATE TRUST

(A Company Limited by Guarantee)

Company No. 05862134

Charity No. 1118010

Trustees' Annual Report and Financial Statements For the year ended 31 March 2020



The New Cross Gate Trust
Trustees' Annual Report and financial statements
For the year ended 31 March 2020

Contents

	Page
Reference and administrative information	1
Trustees' annual report	2
Independent auditors' report	16
Statement of financial activities <i>(incorporating an income and expenditure account)</i>	19
Balance sheet	20
Notes to the financial statements	21

The New Cross Gate Trust

Reference and administrative information details of the charity

For the year ended 31 March 2020

Name of charity:	The New Cross Gate Trust (also referred to as NXG Trust)
Charity Registration number:	1118010
Company Number:	05862134
Address of the office:	Besson Street Community Garden, Besson Street, New Cross, SE14 5AS.
Charity Trustees:	Carolyn Dealey Chair [resigned 27/02/2020] Andy Rothery Treasurer Keith Barr [resigned 01/08/2019] Wendy Braithwaite John Lumley Pamela Martin Helen Mathie Chair [appointed 27/02/2020] Joan Millbank Imogen Slater Laura Wirtz Cathy Druce Matthew Gerry Jo Walker [appointed 21/11/2019] Janet Bygrave [appointed 27/02/2020]
Company Secretary	Toyin Onufulabi
Senior Statutory Auditor	Anthony Epton Goldwins Limited 75 Maygrove Road, London, NW6 2EG
Solicitors	Russell Cooke Solicitors 2 Putney Hill, London SW15 6AB
Property Management	Strettons Central House, 189-203 Hoe Street, London E17 3SZ
Payroll provider	Dataplan Payroll Ltd 1 Prince Albert Gardens, Grimsby DN31 3AG
Pension provider	Scottish Widows

The New Cross Gate Trust
Trustees' Annual Report (Including Directors' Report)
For the year ended 31 March 2020

Chair's Report

I am very pleased to introduce the 2019/20 Annual Report for the New Cross Gate Trust. At a time when we are all facing the challenges and uncertainty created by the covid-19 crisis, reflecting on the role we play as an organisation rooted in our local community seems more important than ever.

Over the course of the year the Trust has continued to deliver a wide ranging programme of activities at the beautiful Besson Street Gardens and alongside our partners in the community, extending our connections and enhancing the offer we are able to make to local residents.

We are a small charity that has a big impact, and we are proud that what we do continues to reach different parts of our community – from the 660 local primary school children who this year took part in our knife crime awareness programme, to the adult learners who have come along to learning and wellbeing activities at Besson Street. We continue to build our networks with others so we can respond to new areas of need and make the best of our shared resources. This year these have helped us extend our IT provision to new premises and open up our facilities to more community groups from across the borough.

The Trust has continued to contribute to the development of much needed housing and community premises on the neighbouring Besson Street site, and we have supported public consultations and provided input into the design of the community spaces and GP surgery. The need for more genuinely affordable accommodation is just one of the many pressures felt by our local community, and we continue to support initiatives that will address this and other concerns raised by our beneficiaries and help bring improvements to New Cross.

In the last few weeks of this financial year, the team has worked hard to respond to the challenges posed by covid-19, and adjust our service delivery where we can. The commitment of our small team of staff and volunteers, led by Jenny and Jill, has shone through all of this. The Board of Trustees is incredibly proud of the dedication that the team has to every individual who walks through the doors of Besson Street, and on their behalf I extend a huge thank you. As we leave 2019/20 to a more uncertain year ahead, we will work alongside all of our partners and neighbours in the community to collectively navigate the implications of covid-19 so that we can all continue to pursue our vision of a healthier and happier New Cross Gate.



Helen Mathie, Chair of the New Cross Gate Trust

25 June 2020

The New Cross Gate Trust

Trustees' Annual Report (Including Directors' Report)

For the year ended 31 March 2020

Trustees' annual report for the year ended 31 March 2020.

The Trustees present their Report and Accounts for the year ended 31 March 2020, which also comprises the Director's report required by the Companies Act 2006.

The legal name and operating name of the charity is **The New Cross Gate Trust**. The charity is also known by local people as 'NXG Trust'

Legal Structure

The New Cross Gate Trust is registered in England and Wales with the Charity Commission in England and Wales (CCEW) with Charity Number 1118010.

The Charity is constituted as a company limited by guarantee, registered under the Companies Acts. The governing document of the charity is the Memorandum and Articles of Association establishing the company under company legislation (company number 5862134) and incorporated on 29 June 2006.

There are no restrictions in the governing documents on the operation of the charity or on its investment powers other than those imposed by Charity law. By operation of law, all trustees are directors under the Companies Act 2006 and all directors are trustees under charity legislation and have responsibilities as such under both company and charity legislation.

Organisational Objectives

The objectives of New Cross Gate Trust, as set out in our Articles of Association are:

To promote regeneration and community development for the benefit of people of the New Cross Gate and surrounding area, and in particular to:

- *Improve employment opportunities,*
- *Promote training and development,*
- *Raise educational achievement and promote quality childcare,*
- *Improve health and promote healthy lifestyle choices, for example through the provision and promotion of recreational, sports and leisure facilities,*
- *Promote good quality housing and enhance the physical environment,*
- *Reduce crime and improve community safety,*
- *To pursue such other charitable objects as the Trustees may determine.*

These charitable objectives are broad and ambitious for an organisation of our size. Our vision, mission, and strategic objectives therefore help us to focus our activities on what is currently achievable while setting out our ambitions for building on these in the future.

Our vision is that the local community of New Cross Gate should be able to live happy, healthy, stable and fulfilled lives.

Our mission is to support our local community to: build social networks; develop self-confidence; learn new skills; improve their employment prospects; feel safe and supported, maintain a healthy lifestyle and; access relevant services according to their needs.

Our values are:

- To show passion and commitment to supporting our local community,
- To value, support and empower everyone as an individual, embedding and encouraging principles of equality and diversity
- To deliver high quality services.

The New Cross Gate Trust

Trustees' Annual Report (Including Directors' Report)

For the year ended 31 March 2020

Our Strategic Objectives

1. To **maximise the use of Besson Street Community Garden** as a valuable environmental resource and community asset, from which to deliver high quality services which support our charitable objectives.
2. To **build strong community links and take a collaborative approach** to meeting the needs of our local community: supporting the sustainability of other local community and voluntary organisations through the sharing of facilities, resources, knowledge, skills and expertise, providing fundraising support, information sharing and promoting activities of other groups through our media and communications systems. Where possible, to provide **grant funding support** of key local services.
3. To promote local **community development** through the provision of free or low-cost delivery space for local community projects, capacity building training and advice, signposting to other sources of support and volunteering opportunities.
4. To identify **issues of local concern** in the community, encourage community involvement in local consultations and campaigns, share information and advocate on behalf of others.
5. To identify **new sources of funding, develop new services and grow our offer**, according to local priorities and need. Currently, we are focused on increasing our delivery of employment and health related activities in particular.
6. To secure **new community premises** and additional investment income to enable us to build our asset base and through this sustainably expand our service provision in the longer term.

Key Activities

Over the course of the year we have delivered a very wide range of community activities, all focused around building skills, self-confidence, social connections, health and wellbeing. These have included,

For children and young people:

- *Stay and play sessions* for under 5s and their families, running three sessions per week, term time. These sessions provide an outdoor space to play and learn and interact with other children. Sessions incorporated a wide range of craft activities, planting and growing, music and stories and family yoga, while also supporting parents to build social connections and signpost to other services that may be of benefit to them.
- *Summer Skills School*, which took place over two weeks in the summer holidays. Forty participants, aged 7 to 13 had the opportunity to try out a wide range of activities over ten full days of delivery, including slime and bubble making, circus skills, ukulele playing, mask making, singing and dancing and many other fun and educational activities. Not only did this engage young people who weren't going on holiday over the summer, but also gave parents the confidence to go to work knowing that their children were in a safe, engaging environment which they might not normally be able to afford.
- Six primary schools were able to take up our *environmental learning offer*, attending one session per week for a full term, where they learnt about many aspects of the environment aligned with the school curriculum. This included life cycles, identification of trees and birds, the importance of bees and bee keeping, protecting the environment, recycling, and other environmental topics.
- Delivery of *knife crime awareness* workshops across six primary schools, working with year 5 and 6 age groups. These sessions covered issues such as the reasons for carrying knives, the laws and impacts, understanding the difference between gangs and friendships, understanding empathy, and how to respond in an emergency, including first aid.
- Delivery of a *youth employment support* service via Somerville Youth and Play Provision. Sessions ran twice a week providing young people with support to build their CV, identify their skills and aspirations and take steps on the path towards their future career. Our funding also supported the

The New Cross Gate Trust

Trustees' Annual Report (Including Directors' Report)

For the year ended 31 March 2020

delivery of the Duke of Edinburgh programme, for which several participants are now completing their silver level.

- *Summer activity grants.* These provided funding for two local charities to deliver youth activities over the long summer holiday. REMEC took 15 young people on a long weekend of challenging outdoor activities, while Somerville Youth and Play provision delivered a wide range of trips and activities to their beneficiaries outside of London. We also supported Somerville youth and play provision with funding towards the purchase of a new minibus to facilitate these trips in the future.
- *Weekly ukulele lessons* – we believe that everyone should have the opportunity to learn an instrument and how to read music, but this is often unaffordable or difficult to access. Our weekly ukulele lessons run on a Tuesday afternoon for only £1 a week and are open to 7-13 year olds.

For Adults:

- Over the course of this year we have delivered an *employment support programme* to unemployed people in New Cross. This was originally a part time service, but over the course of the year we have responded to the level of need by increasing this to a full-time service.
- We have also delivered a programme of *IT skills training* to the local community. This programme included bespoke 1:1 training, as well as full-day courses on specific Microsoft topics such as Excel, Word and Powerpoint. This service was originally three days per week, although in the middle of the year, due to changes in staffing and accommodation, we needed to reduce this to one day per week delivery. The service currently incorporates both full day scheduled classes and informal drop in support.
- We have delivered a programme of learning *English as a Second Language* three days per week, from pre-entry level up to Entry 3/Level 1. These courses are a vital resource for new entrants to our community, many of whom are unable to access formal college based ESOL provision or private tuition. For the majority of the year, our formal teaching sessions were supported with an additional volunteer led conversation class and reading class.
All of the above adult services are supported by the National Lottery Community Fund, and we would like to thank them for their critical contribution to our services.

- *Adult learning courses* – we have supported many local people, and local workers to gain employer valued skills such as Paediatric First Aid, Emergency First Aid, Food Hygiene, Safeguarding, Fire Warden Training and Customer Service. Our courses generally run once per term each and are highly valued by the local community.
- We have supported a *local advice service* (170 Community Project) to deliver one 'open access' drop-in session per week. This ensures that the service remains accessible to those people who cannot access the service via a centralised telephone hub for Lewisham (which is now a requirement of their core funding agreement).
- *Community sewing club* – From the beginning of the year we have delivered two community sewing sessions a week. From January 2020 we reduced this to one session per week, due to funding availability and the lower level of demand for the afternoon session. Our morning sewing session is incredibly well subscribed and provides an informal social space for people to interact, get out of the house and connect with others from their community, while learning new skills in applique, embroidery and patchwork.
- *Community Gardening clubs* – We run two sessions per week of community gardening sessions, based in our beautiful Besson Street Community Garden. The gardening sessions welcome people from all walks of life to come and get some fresh air and exercise, benefit from the fruit and vegetables grown, share and learn some gardening knowledge, and fundamentally support us to maintain the garden as a safe, engaging and beautiful space for all of our other garden users. Their support is invaluable. Participants include groups from MIND, Lewisham College and SLAM, as well as a wide range of local people from across our community.
- *Mindfulness classes* – We have delivered three 8-week mindfulness courses over the course of the year. Mindfulness has been touted with many health benefits including reducing stress, lowering blood pressure, improving sleep, increasing concentration, and even making you look younger!

The New Cross Gate Trust

Trustees' Annual Report (Including Directors' Report)

For the year ended 31 March 2020

- *Bee keeping* – we have delivered three 3-week workshops on everything about bees and bee keeping. Camilla Goddard, from Capital Bee teaches interested local people about the importance of bees, how to nurture our local bees and how to take up bee keeping in an urban environment.
- *Halloween Hoot* – every year we throw a fabulous party for the local community. This brings the local community together for a day to take part in lots of family activities such as pumpkin carving, arts and craft activities, hat or mask making, scary make up and tattoos, and to enjoy some hot soup around the bonfire.
- *Other community groups* – in addition to the services that we deliver ourselves, our community garden is well used by a wide range of groups from across the New Cross community. This includes an arts and crafts group from Sydenham Gardens, Just Older Youth (JOY) monthly cuppa club, Kender Tenants and Residents Association and various other local groups who make use of our rooms for regular activities or ad-hoc meetings.

Volunteers

Volunteers form an essential part of the work of the New Cross Gate Trust. In particular, volunteers support the maintenance and development of our beautiful Besson Street community garden through our twice weekly gardening club. However, volunteers have also supported our ESOL reading clubs and conversation café, stay and play sessions, IT drop-in sessions, building maintenance needs, and other vital work on the Besson Street Community Garden site. We calculate that we benefit from around 1100 volunteer hours per year, and we would like to thank all of our volunteers for their tireless and valuable support.

New developments

We have invested this year in the development of a new IT suite for the local community and engaged on a partnership-based delivery model for our IT and employment service. In September this year, ourselves and another local community charity, 170 Community Project, gained access to a property owned by Lewisham Homes, which had previously been abandoned and unused for a number of years. 170 Community Project renovated this space to develop a new fit-for-purpose space for delivery of welfare advice, while NXG Trust has invested in the development of a new 9 computer IT suite within the new building. We now share this space with the advice agency to deliver our employment support and IT skills training, while they deliver welfare and housing advice. This partnership maximises the use of the building, minimizes overheads for both charities and provides more effective referral pathways for beneficiaries requiring a range of different support services.

We have also worked very closely with Grainger and London Borough of Lewisham to bring forward a development on Besson Street incorporating new housing, plus a GP surgery, pharmacy and new community space. Over the course of the year we have made a significant step forward with this development. We have supported several public consultations, included updates within our newsletters and website and contributed detailed input into the design of the community spaces and GP surgery. A planning application was submitted to Lewisham's Planning Department in December 2019, and we are expecting this to be heard at a planning committee early in 2020/21 (albeit this is now dependent on services getting back to normal after the COVID-19 crisis). We are currently in the process of drawing up the lease and agreement to lease for the community space and GP surgery/pharmacy. Once built, this will provide the Trust with a significant new income stream and space in which to expand our services to the local community. This is currently estimated to be completed by 2024.

Challenges

As with every community organisation, the biggest challenge that has faced us towards the end of this financial year has been the COVID-19 crisis. We took the decision to suspend the majority of our services on 16 March 2020, and at the time of writing this report, these services are suspended for the foreseeable future. This will pose a significant challenge for us in supporting our beneficiaries over the coming months.

A small number of services are continuing virtually, for example our employment adviser is working from home and supporting local people to improve their CVs and apply for those jobs that are still currently available. However, much of her time is now being directed into supporting clients to access relevant benefits.

The New Cross Gate Trust

Trustees' Annual Report (Including Directors' Report)

For the year ended 31 March 2020

All of our services will be reviewed to determine an appropriate time to re-start in line with government guidance, and the health and safety precautions necessary to enable this to happen. This will undoubtedly mean a reduction in the numbers of people that we will be able to work with if we are to maintain social distancing requirements.

We will review how our organisation can support borough wide efforts to reach vulnerable members of the community, provide food and essential supplies to those who cannot access them themselves and tackle the social isolation and mental health impacts of this crisis. And we will focus on getting information out to people (particularly those who are vulnerable and self isolating) on how to access relevant services and support.

One of our staff members is also undertaking training to be able to deliver debt advice, as we see this as being a key issue for our users in the coming year both from the impact of lockdown itself, and as a pending recession takes hold. This new service is expected to be up and running by the early summer.

Achievements and Performance

Despite the rapid change in circumstances at the end of the year, we had delivered a considerable amount up until that point.

Some key output statistics:

49 people were supported into employment, achieving 59 job outcomes in total (where some clients took on temporary work or training before moving into another role), through the 1: 1 support of our employment adviser.

62 people improved their IT and digital skills, through a combination of group sessions, full day classes and 1:1 support.

70 students participated in our formal Entry level English as a Second Language (ESOL) classes (although this included a certain level of turnover from one academic year to the next – we have generally been supporting around 40-50 students at any one time. Twenty-six of these students passed ESOL exams in July 2019. Further exams had been planned for May 2020 although we have unfortunately had to suspend these due to COVID-19. Further exams will be scheduled for later in 2020 if possible.

Formal ESOL classes have been supplemented throughout the year with additional volunteer-led reading groups, and a volunteer supported 'Conversation Café' (funded by the GLA's Team London), improving participants' language skills, social networks and confidence.

171 people have gained employer-valued Level 2 and 3 certificates through our adult learning programme, providing courses in Food Hygiene, Emergency First Aid, Paediatric First Aid, Safeguarding of Children and Young People, Fire Warden and Customer Service.

Up to **5** people per week have accessed the weekly drop-in welfare advice session that we fund through 170 Community Project.

An average of eight people per week have accessed a drop in IT support session delivered at New Cross Learning (reaching 39 people in total), many of whom attend on a regular basis, receiving informal support via a 3-hour drop-in session to access the library's computers in applying online for jobs, learning about internet browsing, sending emails, basic word processing and excel spreadsheets, file management, writing CVs and covering letters, registering for www.directgov.uk, applying for oyster cards, housing benefit, paying bills online, changing energy suppliers, finding training courses and much more.

41 new families have registered with our stay and play service, with an average of 13 families attending each of our under-5s stay and play sessions (sessions take place 3 days per week term time). Making new friends, learning to play together, experiencing new activities and enjoying the beautiful outdoor space, while their parents are able to build new social networks and combat the social isolation that can come with having a young family.

Up to **12** young people per week have participated in our ukulele classes,

41 young people had lots of fun participating in a massively wide variety of activities during our 2 week 'Wildly Fun Summer Skills School'.

16 young people participated on a PGL holiday organized by REMEC YOUTH PROVISION in Ross-on-wye, in Hertfordshire, where they took part in a wide range of outdoor activities, over a long weekend in the summer. These were young people largely from a very isolated estate on the New Cross/Southwark border and would otherwise have undertaken no activities over the long summer break.

The New Cross Gate Trust

Trustees' Annual Report (Including Directors' Report)

For the year ended 31 March 2020

Through our local community grants, 13 young people were supported by The Somerville to participate in the Duke of Edinburgh award, 9 at bronze level and 5 from the previous year moving on to silver. Meanwhile 25 young people accessed their youth focused employment advice (achieving 8 employment or training outcomes).

360 children, across six local primary schools have accessed a term each of environmental learning sessions, based in Besson Street Community Garden, learning about Trees, Leaves, Birds and Bees.

660 children, across 6 local primary schools have participated in our 'Knife Crime awareness sessions, building resilience, awareness and understanding of the risks of carrying knives

350 have attended our excellent Halloween Hoot

26 people per week have benefitted from the regular community activities that we provide including our sewing (10) and gardening (16) groups.

24 people have attended our new Mindfulness classes, which have taken place termly over the course of the year.

Somerville were supported to purchase a new minibus with some match funding from NXG Trust, enabling them to maintain a wide range of outdoor trips and activities for their members.

A wide variety of local groups have also benefited from the use of free meeting space.

Our Outcomes and Impact

We believe that our impact is best illustrated through a selection of case studies from across our portfolio of projects.

Bri - employment support client

Bri accessed the service asking for support with getting work. Having worked in retail, which she described as challenging, being long hours, difficult customers, and not much in terms of job satisfaction or pay she wanted time to think about using her skills to move into an office-based role. However, she lacked any post-GCSE qualifications or experience in this sector. Our employment adviser helped her to identify her transferable skills, knowledge and experience, and helped her to create a new CV, covering letter and application form, presenting Bri's experience in a way that was directly applicable to an office based job. She was also supported with interview preparation. Initially Bri was supported into a temporary administrative assistant role, and when this came to an end, was supported into a permanent role as Executive Officer at Government Legal.

Judith – Conversation Café volunteer

Judith is a retired schoolteacher. When she began with the conversation café, she expressed that she was looking for an outlet outside of the house that would involve social interaction and make use of her skills. Judith attended almost all of the sessions for the duration of the project and always left with a smile on her face. She explained that it felt good to meet new people, be outside of the house and feel useful. She also expressed that as a retiree, she often felt her experience and skills were no longer appreciated, but the project reminded her that her skills were indeed useful. She gained a sense of pride in the volunteer work and enjoyed seeing the students improve their English speaking skills and confidence. Judith has voiced an interest in maintaining involvement with running and developing this project as a volunteer (in the absence of a paid facilitator when the funding comes to an end). We are therefore discussing this with her at present, with a view to relaunching the project under volunteer power alone from January.

DR – ESOL Reading Group

DR is 72 years old and came to the UK 10 years ago from Bulgaria. She has been attending ESOL classes with us for four years. Her progress in learning English is slow but her ability to make friends, initiate broken English conversations, give opinion and start discussions is not hindered by this.

DR is a very sociable person but also very lonely. She lives alone in a house divided into flats. All of her neighbours speak English as a second language and all have different first languages. All of DRs socialising outside of ESOL classes at our centre and the limited contact she has with her neighbours is with a large group of Bulgarian people of a similar age and she gets very little opportunity to use English in her everyday life. She is fairly content to get by with what little English she has and lots of hand gesticulation however the ESOL classes are in her own words the '*best important part of my week, every week*'.

The New Cross Gate Trust

Trustees' Annual Report (Including Directors' Report)

For the year ended 31 March 2020

MJ – Gardening Club

MJ was passed onto the gardening club by the local 'Men in Sheds' project in late 2019. He is in his early 60s and is a recovering alcoholic with mental health issues and other conditions. He has a sunny disposition and is always very helpful. Since joining the gardening club he has attended both sessions every week and will often arrive early to get work done. MJ has a variety of horticulture qualifications and is very keen on 'green gardening' and alongside us encouraging him with, this he has very much encouraged us to get better at it too. MJ needs a lot of reassurance and really wants to feel part of a team. He has found a home in our gardening club. Everyone has made him welcome, recognising his skills and abilities, giving support, encouragement and praise. And this is a two-way street, MJ gives more back than he receives and as a result MJ is thriving in this atmosphere.

Statement of Public Benefit

Trustees have had regard to the Charity Commission's guidance on public benefit in the preparation of this annual report and have complied with their duty to have due regard to this guidance when exercising any powers or duties to which the guidance is relevant.

We believe that all of our activities have a strong public benefit. Our activities help to bring together people from across all sections of our local community, and impact on their lives through helping them to feel valued, build self-confidence, develop social networks, learn new skills, improve their health and well-being and access other services and facilities around them to support them to take greater control of their own lives.

We work with all of our beneficiaries on an individual basis, making an effort to understand their story, encourage them to participate in activities that we think will be of value and direct them to wider services that will support their specific needs.

Future objectives

The year ahead is currently unclear, as we do not know when our usual services will be able to resume in the aftermath of the COVID-19 outbreak. However, we are currently intending on maintaining all of our staff on payroll, therefore we will be in a position to get services back up and running quickly after the lockdown period has come to an end. We are hopeful that normal services will be able to resume from September. The impact that this is likely to have will therefore be the loss of one term of our usual delivery, and the loss of our summer project and grants scheme.

We will continue to working towards the development of the new GP surgery, pharmacy and community space on Besson Street. This forms part of a larger development being taken forward by Grainger and LB Lewisham to build 230 homes for private rent. The community spaces form the developer's contribution towards local infrastructure and will be leased to the New Cross Gate Trust at a peppercorn. When complete, rental income from the GP surgery and pharmacy will provide a new long-term income stream to the Trust. This will support an expansion in our services from the new Healthy Living Centre facility, greatly increasing our future delivery capacity and long term sustainability. Over the next year we will therefore be finalizing the leases for the space, feeding into the more detailed design work once planning permission has been secured, and starting to design the services that we will deliver from this new premises once it is delivered. Our current intention is that this expansion will particularly include a focus on physical and mental health focused services, which we will develop in close consultation with Public Health Lewisham.

A sustainable funding stream will also provide long term sustainability for our existing employment, ESOL and IT skills projects. This is currently supported by the National Lottery Community Fund, although this comes to an end in June 2021. We are currently in the process of submitting a bid to this funder in the hope that they will be willing to maintain these projects for a further 2-3 years until the community centre and funding stream are in place.

The New Cross Gate Trust

Trustees' Annual Report (Including Directors' Report)

For the year ended 31 March 2020

Financial Review and principal risks

Generally, over the course of the year our income and expenditure has remained relatively stable and we have ended the year with a relatively good level of reserves (6 months – which is in line with our reserves policy). We have however, encountered some challenges during the course of the year.

On a usual year, the majority of our income comes from our property portfolio, which, when rented out, provides us with a very sustainable income stream with which to deliver the majority of our services. This is supplemented with a smaller proportion of income from grant-based income.

This year, one of our long-term tenancies for a commercial building came to an end and the tenant moved out in July 2019. Our first prospective tenant resulted in an unsuccessful application for change of use. Having then identified an alternative tenant, our property was subsequently targeted by squatters, who took possession of the building for two months over the Christmas break. We have subsequently faced a very costly process to regain ownership and undertake significant level of repairs, in addition to the extended void period encountered. While our insurance was able to cover the malicious damage done to the building, we did need to access our property sinking fund to cover the legal and security costs, and to cover the extended period of void. This property has now fortunately been recovered and re-leased to our new tenant. This unfortunate event does however demonstrate the necessity of a relatively conservative reserves policy and a well-managed 'sinking fund' due to the substantial contribution that property income makes to our annual income.

COVID-19 now presents our principal risk moving forwards. Three of our premises are commercial premises, who have been told to stop operations until there is a reduced risk to the public of COVID-19 continuing to spread. Without being able to trade, they will be unlikely to be able to pay their rent, which is a significant proportion of our income. We are currently supporting them to undertake claims for compensation from the government, but at this stage we do not know how successful that will be. We have therefore provided a 3-month rent holiday to our commercial tenants at this stage, subject to there being further clarity on this issue. This rent break relates to Q1 of 2020/21 and will therefore show in our income for next financial year. A similar challenge exists for any of our residential tenants who find themselves no longer being paid. We are working closely with them to support them through this difficult time. Some of the income lost will be offset by the reduced delivery of services however, this is being kept under close review, as well as what ongoing grant or new support funding exists to support us through this difficult period of time.

Longer term, There are risks associated with the delivery of the new GP surgery and Healthy Living Centre: ensuring that this is built fit for purpose, that it will generate the expected level of additional income and that grant funded projects are maintained during the intervening period. We have engaged necessary surveyor and legal advisors and undertake frequent client meetings to review the development process. We continue to liaise with our existing grant funders and to seek new funders to ensure that our delivery remains stable in the intervening period.

Given the timescales for the delivery of this GP surgery and community centre, we also face a risk of being able to maintain our currently National Lottery funded activities (ESOL, IT support and employment advice). We have one more year of funding for this project and are therefore in the process of developing a new bid to maintain these projects until the GP surgery is complete and can maintain the projects long term.

Principal funding sources

Property income

Our property portfolio represents the core income for the Trust. Both commercial and residential properties are rented out at open market rent. This income supports our core costs and overheads, key staff and services. With regard to our social, environmental and ethical considerations, we do our best to remain 'good' landlords, keeping the properties in good order, undertaking repairs and safety checks promptly as required, and ensuring that any rent increases are reasonable and fair. We work hard to resolve any issues such as maintenance, voids or arrears promptly.

The New Cross Gate Trust

Trustees' Annual Report (Including Directors' Report)

For the year ended 31 March 2020

Grants

Grants are pursued to enable us to increase and diversify the range of services that we offer, and to maximise the use of the space that we have in Besson Street Community garden. Achieving grant funding has become increasingly challenging, due to cuts in local authority funding and the consequent increasing pressure placed on key grant funders. This year we have received grants from the following organisations to support our work. We would like to thank all of our funders for their vital support to our services.

National Lottery Community Fund
BUPA
GLA (Team London)
Goldsmiths Charity
Langdale Trust
Earnest Cooke
London Borough of Lewisham

Charges

Small, highly-subsidised charges are made for elements of our adult learning programme, summer school and music lessons. We also rent out our rooms to other community groups when these are not being used for service delivery. However, we maintain a focus on providing low-cost spaces and low-cost learning opportunities to our local community, therefore these tend to produce a relatively small contribution to our overall income.

Donations

Donations make up a very small element of our funding. However, campaigns for specific funds and supporters participating in various challenge events have helped to increase our levels of donations. Subscribing to applications such as Easyfundraising and Wonderful have also helped to bring in additional small donations.

Grant funding of other organisations

We aim to develop and fund projects according to the needs identified within our local community. We prioritise these needs according to our available resources and in discussion with other local charities. Where other local charities are better placed (on account of their skills, expertise, facilities or client group) to deliver an effective project to address identified needs, we will fund them to do so or support them with fundraising applications to secure external funds.

This year we have provided grant funding to The Somerville (for their Duke of Edinburgh and youth employment programme), to 170 Community Project (to deliver open access welfare advice sessions for our local community), and to New Cross Learning (to provide a weekly drop in IT session for local jobseekers). We also supported two local charities to deliver youth activities over the summer months, and funded a leadership training course for more than eight other local community groups. In total, we provided £33K in external grants to our local partners. We continue to work as collaboratively as possible with other charities to meet the needs of our local community.

Investments, Banking and Designated Funds

We currently maintain two designated cash funds:

Our Charity Bank savings account holds funds designated towards the costs that we expect to incur in relation to the Healthy Living Centre development and the move of the GP surgery into this new premises. This includes legal and monitoring surveyor costs, furniture and IT and any tax liabilities in connection with the new development. Although we are now encountering some costs relating to the necessary lease agreements and monitoring surveyor fees, we expect the majority of this expenditure to take place in 2022/23, as the new building is completed, therefore these funds are likely to remain invested in this fixed term account until January 2021 at the earliest.

The New Cross Gate Trust

Trustees' Annual Report (Including Directors' Report)

For the year ended 31 March 2020

We also hold a designated sinking fund in CAF Bank to support the maintenance costs of our existing property portfolio. Each year, 5% of gross property rental income is deposited into this account, less any significant maintenance costs encountered within the year. The fund supports a managed schedule of property maintenance and renovation, as tenants move in and out of our properties, as well as any significant unexpected property repairs or voids. The use of the sinking fund to support repairs and void periods ensures that our day-to-day activities, operational budget and cash flow are not affected in the short term. This year, we have drawn down £26K from our sinking fund to cover the voids and expenses related to the squatting of one of our properties and some other property related expenses. Next year there are a number of repairs (i.e. new windows are required in one of our residential buildings) which this fund will be used to support.

Our day-to-day banking is with the Co-operative Bank, where we hold our free reserves.

Reserves policy and current reserves

Trustees have a duty to apply the charity's income for the benefit of its beneficiaries. This means income should be spent rather than invested. However, for the purposes of good financial management, it is our policy that we maintain free reserves amounting to approximately six months of running costs in our main bank account.

This is considered necessary to ensure that we:

- have sufficient cash in our account for cash flow purposes, and to meet our debts as they become due,
- to provide continuity of service delivery should there be a break between funders for individual grant funded projects,
- to provide continuity for our core costs and our existing investment-funded projects, should we encounter any long-term property voids or arrears (particularly our commercial properties which provide a larger proportion of our property income and which, when vacated, can take much longer to market and re-tenant).
- to provide the flexibility to respond quickly to new or arising community needs and opportunities, invest in new service development, develop new delivery models and engage in opportunities for collaboration with other local community organisations as these arise.

At 31 March 2020, our free reserves equated to 6 months running costs. This is in line with our reserves policy.

Reserves	
Designated sinking fund for property repairs, voids and re-development of Queens Road	£100,305
Designated development costs (Besson Street Healthy Living Centre) up to 2021.	£101,088
Restricted Funds	£38,887
Free reserves	£177,042

Our Board of Trustees have reviewed our finances and are satisfied that we remain a going concern.

Staff

We currently have the following staff on our payroll.

0.7 FTE	- Strategy and Partnerships Manager
1 FTE	- Besson Street Manager and Community Development
0.6 FTE	- ESOL Tutor
1 FTE	- Employment Adviser
0.25 FTE X 2	- Stay and play workers
0.20 FTE	- Cleaner
= 4 FTE	

We employ a number of additional sessional staff who are responsible for the delivery of specific projects, including the various courses within our adult learning programme, mindfulness sessions, conversation café, gardening club, sewing club, bee-keeping, environmental learning sessions for primary schools, recorder club,

The New Cross Gate Trust

Trustees' Annual Report (Including Directors' Report)

For the year ended 31 March 2020

yoga sessions, and our summer theatre school. We also make use of sessional staff for our occasional community events. Incorporating sessional staff, we have approximately **5.5 FTE**.

Arrangements for setting pay and remuneration of key management personnel

- During 2019/20 there were no staff paid more than £60,000.
- Our pay ratio is approximately 1:2.5 between our lowest and highest earning staff, based on FTE salaries.
- Our lowest paid staff track the London Living Wage.
- Other staff are provided with a CPI inflation-based pay increase on an annual basis.

Trustee remuneration and expenses

There have been no expenses or remuneration paid to trustees in 2019/20.

Structure, Governance and Management

Governing Document

The charity is controlled by its governing document, the Articles of Association, and constitutes a limited company, limited by Guarantee, as defined by the Companies Act 2006.

Recruitment and Appointment of New Trustees

As defined within its constitution, the Board is comprised: 8 local residents, up to 2 representatives from local community organisations, one representative from the local health service, one representative from local education services and one representative from the local authority. There also includes the ability to co-opt up to two additional trustees to fill any particular skill gaps.

- The representative from the local authority is an elected post with the post holder decided by the local authority.
- The local health and education representatives are recruited by way of direct invitation.
- Resident and community trustee vacancies are advertised through advert and newsletter distributed to the local community and via relevant social media and volunteering websites. Recruitment is then undertaken by way of an open application and interview process. Criteria for trustee recruitment usually include any identified skill gaps from the existing Board. This year we have made progress in increasing the diversity of our Board and we will continue to strive to increase this further through future recruitment processes, in recognition and compliance with the Charities Governance Code.

We currently have a vacancy for our Education representative which we are working hard to fill.

Trustee Induction

Induction of new trustees is via an induction meeting with both the Chair and the Strategy and Partnerships Manager. Trustees will receive the Charity Commission guidance on the role of a trustee and key paperwork from the Trust including its constitution, previous accounts, current delivery plan and budget. Current skills and further training needs are identified through a discussion with new trustees. A training budget is available to trustees where particular training needs are identified.

Organisational Structure and Decision Making

Trustees are responsible for the overall governance of the charity. There are two sub-committees of the Board of Trustees for HR and Finance. Minutes, actions and recommendations from each of these sub-groups are fed back to the full Board at each meeting.

- Board meetings take place approximately once every two months (at least 5 times per year), attended by Trustees and supported by the Company Secretary and the two senior management staff.
- Finance sub-committee meetings take place in the intervening months (5 times per year), supported by the Strategy and Partnerships Manager.
- HR Committee meetings take place approximately 3 times per year.

The New Cross Gate Trust

Trustees' Annual Report (Including Directors' Report)

For the year ended 31 March 2020

- There is also an annual awayday to provide an opportunity to focus more specifically on the longer-term strategic direction of the Trust.

The day to day operation of the charity is the responsibility of the staff, on the basis of an annual budget and delivery plan approved by the trustees. The Chair meets regularly with the senior staff.

Day-to-day management of the charity and names of senior management personnel

Day to day management of the charity is delegated to our two senior staff:

Jenny Couper – Strategy and Partnerships Manager

Jenny is responsible for strategic development, financial and risk management, fundraising and grants, HR and property management.

Jill Mountford – Besson Street Centre Manager and Community Development

Jill is responsible for the management of Besson Street Community Gardens, programme development and delivery, safeguarding, volunteer management and community development.

Safeguarding

All of our staff and sessional workers are expected to have a valid, enhanced DBS check before starting work for the NXG Trust. Any staff working with children or vulnerable adults are also provided with our safeguarding policies and provided safeguarding training, refreshed every 3 years. Our safeguarding and complaints policies are provided to staff and made available on our website.

Other charities with which we co-operate in pursuit of our charitable objectives

Working in partnership with other local organisations is a key objective of the Trust. This is generally delivered informally or through the provision of grants, rather than formal partnership agreements. The key local charities that we frequently work with include: The Somerville, 170 Community Project, New Cross Learning/Bold Vision and REMEC.

We also work with:

- Other **Local community groups** including the Telegraph Hill Society, Just Older Youth (JOY), The Telegraph Hill Centre, Playclub, St Catherine's Church, and local Tenants and Residents Associations
- **Social Enterprises** such as the Greenwich Co-operative Development Agency,
- Various **cross-sector Partnerships**, including: The Lewisham Obesity Alliance, Lewisham Sustainable Food Partnership, Telegraph Hill Community Network, Neighbourhood Community Development Partnership (Health), and the New Cross Assembly Co-ordinating Group, among others
- and **Statutory organisations** including: local Primary Schools, LB Lewisham Local Assemblies, LB Lewisham Public Health, NHS Lewisham, Clyde Children's Centre and Bromley and Lewisham Mind.

The New Cross Gate Trust
Trustees' Annual Report (Including Directors' Report)
For the year ended 31 March 2020

Statement of responsibilities of the trustees

The trustees (who are also directors of The New Cross Gate Trust for the purposes of company law) are responsible for preparing the Trustees' Report (incorporating the directors' report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company 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 in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

there is no relevant audit information of which the charitable company's auditors are unaware; and


the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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

Auditors

Goldwins limited were appointed as the auditors of the charitable company during the year and have expressed their willingness to continue in that capacity.

The trustees' annual report has been approved by the trustees on 25 June 2020 and signed on their behalf by;


.....

Helen Mathie (Chair)

The New Cross Gate Trust
Independent Auditors' Report
For the year ended 31 March 2020

Opinion

We have audited the financial statements of The New Cross Gate Trust (the 'Charity') for the year ended 31 March 2020 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2020 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 Charity 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the

The New Cross Gate Trust
Independent Auditors' Report
For the year ended 31 March 2020

work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

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

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 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;
- the financial statements are not in agreement with the accounting records and returns; certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement, the trustees 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 they 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 Charity'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 Charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

The New Cross Gate Trust
Independent Auditors' Report
For the year ended 31 March 2020

Use of our report

This report is made solely to the Charity'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 Charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Anthony Epton
Anthony Epton (Senior Statutory Auditor)

for and on behalf of

Goldwins Limited

Statutory Auditor

Chartered Accountants

75 Maygrove Road

West Hampstead

London NW6 2EG

6 July 2020

The New Cross Gate Trust
Statement of financial activities
(incorporating an income and expenditure account)
For the year ended 31 March 2020

		Unrestricted	Restricted	2020	2019
	Notes	£	£	Total	Total
				£	£
Income from:					
Charitable activities	3	8,820	129,434	138,254	137,167
Other trading activities		-	-	-	264
Investment income	4	<u>247,110</u>	<u>-</u>	<u>247,110</u>	<u>256,430</u>
Total income		<u>255,930</u>	<u>129,434</u>	<u>385,364</u>	<u>393,861</u>
Expenditure on:					
Raising funds		75,322	-	75,322	46,184
Charitable activities:					
Marketing		3,184	-	3,184	3,377
Community investment fund		31,969	-	31,969	25,327
Besson street activities		94,835	-	94,835	87,112
Sewing group		-	3,077	3,077	10,014
Besson street investment		1,787	-	1,787	2,876
Knife crimes initiatives		-	12,000	12,000	2,000
TH Assembly health walks		-	-	-	2,378
Employment, ESOL and IT		-	97,430	97,430	91,599
LB of Lewisham S106 Orchard and pond		-	4,367	4,367	13,108
BUPA mental health project		-	645	645	-
Environmental learning		-	4,704	4,704	-
Others		<u>70,994</u>	<u>-</u>	<u>70,994</u>	<u>75,566</u>
Total expenditure	5	<u>278,091</u>	<u>122,223</u>	<u>400,314</u>	<u>359,541</u>
Net income / (expenditure) before net gains / (losses) on investments		(22,161)	7,211	(14,950)	34,320
Net gains / (losses) on investments		<u>-</u>	<u>-</u>	<u>-</u>	<u>367,802</u>
Net income / (expenditure) for the year	6	<u>(22,161)</u>	<u>7,211</u>	<u>(14,950)</u>	<u>402,122</u>
Transfers between funds		<u>1,882</u>	<u>(1,882)</u>	<u>-</u>	<u>-</u>
Net movement in funds		<u>(20,279)</u>	<u>5,329</u>	<u>(14,950)</u>	<u>402,122</u>
Reconciliation of funds:					
Total funds brought forward		<u>5,048,714</u>	<u>33,558</u>	<u>5,082,272</u>	<u>4,680,150</u>
Total funds carried forward	13	<u>5,028,435</u>	<u>38,887</u>	<u>5,067,322</u>	<u>5,082,272</u>

There were no other recognised gains or losses other than those stated above.
The attached notes form part of these financial statements.

The New Cross Gate Trust
Balance sheet
As at 31 March 2020

	Note	2020 £	2020 £	2019 £	2019 £
Fixed assets:					
Tangible assets	9		9,354		11,005
Investment properties	10		<u>4,650,000</u>		<u>4,650,000</u>
			4,659,354		4,661,005
Current assets:					
Debtors	11	7,533		33,256	
Cash at bank and in hand		<u>408,917</u>		<u>443,389</u>	
		416,450		476,645	
Liabilities:					
Creditors: amounts falling due within one year	12	<u>(8,482)</u>		<u>(55,378)</u>	
Net current assets / (liabilities)			407,968		421,267
Total net assets / (liabilities)			5,067,322		5,082,272
Funds	14				
Restricted funds			38,887		33,558
Unrestricted funds					
Investment asset fund		4,650,000		4,650,000	
Investment property sinking fund		100,305		124,766	
Investment property development fund		101,088		108,869	
General fund		<u>177,042</u>		<u>165,079</u>	
Total unrestricted funds			5,028,435		5,048,714
Total funds			5,067,322		5,082,272

The financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Approved by the trustees on 25 June 2020
and signed on their behalf by:



Helen Mathie (Chair)

Company registration no. 05862134

The attached notes form part of the financial statements.

The New Cross Gate Trust
Notes to the financial statements
For the year ended 31 March 2020

1 Accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102 - effective 1 January 2015) - (Charities SORP FRS 102) and the Companies Act 2006.

The charitable company 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 or note.

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 £.

b) Going concern

As with every community organisation, the biggest challenge that charity faced towards the end of this financial year has been the COVID-19 crisis. The trustees consider due to the steps taken by charity to address the COVID-19 situation, there are no material uncertainties about the charity's ability to continue as a going concern. The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

c) Income

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

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Income received in advance for the provision of specified service is deferred until the criteria for income recognition are met.

d) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.
- Expenditure on charitable activities includes the costs of activities undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

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

The New Cross Gate Trust
Notes to the financial statements
For the year ended 31 March 2020

1 Accounting policies (continued)

e) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity and its activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The basis on which support costs have been allocated are set out in note 5.

f) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

g) Tangible fixed assets

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Plant and machinery	15% reducing balance
---------------------	----------------------

h) Investment properties

Investment properties are included in the balance sheet at fair value and are not depreciated. Any change in fair value is recognised in the statement of financial activities. The valuation method used to determine fair value will be stated in the notes to the accounts.

i) Debtors

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

j) Creditors and provisions

Creditors and provisions 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 and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

k) 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.

l) Pensions

The Trust operates a company pension scheme through Scottish Widows. Staff who meet the requirements of auto-enrolment are automatically enrolled within this pension scheme. Other staff are given the option whether to join the scheme or not. At the end of 2019/20, seven members of staff were enrolled with the pension scheme.

The New Cross Gate Trust
Notes to the financial statements
For the year ended 31 March 2020

2 Detailed comparatives for the statement of financial activities

	2019 Unrestricted £	2019 Restricted £	2019 Total £
Income from:			
Charitable activities	6,275	130,892	137,167
Other trading activities	264	-	264
Investment income	256,430	-	256,430
Total income	262,969	130,892	393,861
Expenditure on:			
Raising funds	46,184	-	46,184
Charitable activities:			
Marketing	3,377	-	3,377
Community investment fund	25,327	-	25,327
Besson street	87,112	-	87,112
Sewing and Gardening activities	-	10,014	10,014
Besson street investment	2,876	-	2,876
Knife crimes initiatives	-	2,000	2,000
TH Assembly health walks	-	2,378	2,378
Big lottery, employment, ESOL, IT	-	93,566	93,566
LB of Lewisham S106 Orchard and pond	-	11,142	11,142
Others	75,565	-	75,565
Total expenditure	240,441	119,100	359,541
Net income before gains on investments	22,528	11,792	34,320
Net gains on investments	367,802	-	367,802
Net movement in funds	390,330	11,792	402,122
Total funds brought forward	4,658,384	21,766	4,680,150
Total funds carried forward	5,048,714	33,558	5,082,272

3 Income from charitable activities

	2020 Unrestricted £	2020 Restricted £	2020 Total £	2019 Total £
Grants and donations	1,047	129,434	130,481	130,892
Other income	7,773	-	7,773	6,275
Total income from charitable activities	8,820	129,434	138,254	137,167

4 Income from investments

	2020 Unrestricted £	2020 Restricted £	2020 Total £	2019 Total £
Rents receivable	245,572	-	245,572	255,140
Bank interest	1,538	-	1,538	1,290
	247,110	-	247,110	256,430

The New Cross Gate Trust
Notes to the financial statements
For the year ended 31 March 2020

5 Analysis of expenditure

	Basis of allocation	Raising funds £	Charitable activities £	Support costs £	2020 Total £	2019 Total £
Besson Street activities	Direct	-	94,835	-	94,835	87,112
Sewing group	Direct	-	3,077	-	3,077	10,014
Knife Crime Initiatives	Direct	-	12,000	-	12,000	2,000
Community Investment Fund	Direct	-	31,969	-	31,969	25,327
Besson Street Investment	Direct	-	1,787	-	1,787	2,876
Employment, ESOL and IT	Direct	-	97,430	-	97,430	91,599
Marketing and communication	Direct	-	3,184	-	3,184	3,377
Health Walks	Direct	-	-	-	-	2,378
LB Lewisham S106 Orchard and pond	Direct	-	4,367	-	4,367	13,108
BUPA mental health project	Direct	-	645	-	645	-
Environmental learning	Direct	-	4,704	-	4,704	-
Investment management costs	Direct	75,322	-	-	75,322	46,184
Other costs	staff time	-	-	70,994	70,994	75,566
		75,322	253,998	70,994	400,314	359,541
Support costs			70,994	(70,994)	-	-
Total expenditure 2020		75,322	324,992	-	400,314	
Total expenditure 2019		46,184	313,357	-		359,541

Of the total expenditure, £278,091 was unrestricted (2019: £240,441) and £122,223 was restricted (2019: £119,100).

The New Cross Gate Trust
Notes to the financial statements
For the year ended 31 March 2020

6 Net income / (expenditure) for the year

This is stated after charging / (crediting):	2020	2019
	£	£
Audit fees	4,500	2,520
Depreciation - owned assets	1,651	1,942

7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:	2020
	£
Salaries and wages	151,564
Social security costs	9,844
Employer's contribution to defined contribution pension schemes	7,927
	169,335

The total employee benefits including pension contributions of the key management personnel were £90,388.

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2019: £nil) neither were they reimbursed expenses during the year (2019: £nil). No charity trustee received payment for professional or other services supplied to the charity (2019: £nil).

Staff numbers

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

	2020	2019
	No.	No.
Charitable activities	4	5
Management and administration	2	2
Cleaning	1	1
	7	8

No employee received emoluments in excess of £60,000 (2019: Nil).

8 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

The New Cross Gate Trust
Notes to the financial statements
For the year ended 31 March 2020

9 Tangible fixed assets

	Short leasehold £	Plant and machinery £	Total £
Cost			
At the start of the year	1	19,599	19,600
Additions in year	-	-	-
At the end of the year	1	19,599	19,600
Depreciation			
At the start of the year	-	8,595	8,595
Charge for the year	-	1,651	1,651
At the end of the year	-	10,246	10,246
Net book value			
At the end of the year	1	9,353	9,354
At the start of the year	1	11,004	11,005

All of the above assets are used for charitable purposes.

10 Investment properties

	2020 £	2019 £
Fair value at the start of the year	4,650,000	4,282,198
Revaluation during the year	-	367,802
Fair value at the end of the year	4,650,000	4,650,000

The New Cross Gate Trust arranges a full, independent, external valuation through our property management company, Strettons, every five years. The last valuation was undertaken in April 2019. To update property values to 31 March 2020, the Strategy and Partnership manager has undertaken a thorough desk-based review of property value changes in New Cross Gate, with oversight from the Trust's Treasurer. The decision to keep values the same as last year has been cross-checked and is supported by our commercial property agent at Strettons.

11 Debtors

	2020 £	2019 £
Other debtors	2,502	31,858
Prepayments	5,031	1,398
	7,533	33,256

12 Creditors: amounts falling due within one year

	2020 £	2019 £
Accruals	4,500	5,688
Deferred income	3,982	49,690
	8,482	55,378

The New Cross Gate Trust
Notes to the financial statements
For the year ended 31 March 2020

13 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Tangible fixed assets	9,354	-	9,354
Investment properties	4,650,000	-	4,650,000
Net current assets	369,081	38,887	407,968
Net assets at 31 March 2020	5,028,435	38,887	5,067,322

	General unrestricted	Restricted	Total funds
	£	£	£
Tangible fixed assets	11,005	-	11,005
Investment properties	4,650,000	-	4,650,000
Net current assets	387,709	33,558	421,267
Net assets at 31 March 2019	5,048,714	33,558	5,082,272

14 Movements in funds

	At 1 April 2019	Income	Expenses	Transfers	At 31 March 2020
	£	£	£	£	£
Restricted funds:					
Sewing & Gardening	938	2,000	(3,077)	139	-
National Lottery Community Fund	24,185	91,473	(94,372)	-	21,286
Knife crime initiatives	2,000	12,000	(12,000)	(2,000)	-
Team London Esol conversation café	2,077	1,011	(3,058)	(30)	-
LB of Lewisham S106 orchard and pond	4,358	-	(4,367)	9	-
BUPA mental health project	-	17,250	(645)	-	16,605
Earnest Cook (Environmental learning)	-	5,700	(4,704)	-	996
Total restricted funds	33,558	129,434	(122,223)	(1,882)	38,887
Unrestricted funds:					
General fund	165,079	254,284	(268,899)	26,578	177,042
Investment asset fund	4,650,000	-	-	-	4,650,000
Investment property sinking fund	124,766	235	-	(24,696)	100,305
Investment property development fund	108,869	1,411	(9,192)	-	101,088
Total unrestricted funds	5,048,714	255,930	(278,091)	1,882	5,028,435
Total funds	5,082,272	385,364	(400,314)	-	5,067,322

The New Cross Gate Trust
Notes to the financial statements
For the year ended 31 March 2020

Movements in funds 2019

	At 1 April 2018 £	Income £	Expenses £	Gains and losses £	At 31 March 2019 £
Restricted funds:					
Sewing & Gardening	2,378	8,574	(10,014)	-	938
National Lottery Community Fund	18,510	97,274	(91,599)	-	24,185
Knife crime initiatives	-	4,000	(2,000)	-	2,000
TH Assembly health walks	878	1,500	(2,378)	-	-
Team London Esol conversation café	-	4,044	(1,967)	-	2,077
LB of Lewisham S106 orchard and pond	-	15,500	(11,142)	-	4,358
Total restricted funds	21,766	130,892	(119,100)	-	33,558
Unrestricted funds:					
General fund	146,221	251,788	(232,930)	-	165,079
Investment asset fund	4,282,198	-	-	367,802	4,650,000
Investment property sinking fund	113,585	11,181	-	-	124,766
Investment property development fund	116,380	-	(7,511)	-	108,869
Total unrestricted funds	4,658,384	262,969	(240,441)	367,802	5,048,714
Total funds	4,680,150	393,861	(359,541)	367,802	5,082,272

Restricted funds

National Lottery Community Funds: This is a four year grant to support ESOL, employment and IT programme.

BUPA mental health project: This is 18 month project focussed on delivering a community based response to mental health, stress and anxiety. This will incorporate mental health first aid training, mental health peer support groups, and mindfulness classes.

Earnest Cook (environmental learning): Grant from Earnest Cook to support primary schools environmental learning classes.

15 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. Each member is liable to contribute a sum not exceeding £1 in the event of the charity being wound up.

16 Related party transactions

There are no related party transactions to disclose for 2020 (2019: none).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

17 Post balance sheet event

The World Health Organization declared the outbreak of the coronavirus a pandemic in March 2020. As we progress through 2020, more information is becoming known about the scale and impact of the coronavirus. The pandemic might have a significant financial effect on the charity and its operations and lead to reductions in future donations.