

**Company Number: 3476510**

**Charity Number: 1072425**

**The Caxton Trust  
(A company limited by guarantee)**

**Report and Financial Statements**

**for the year ended 31<sup>st</sup> December 2019**

**The Caxton Trust**  
**Report and Financial Statements**  
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**The Caxton Trust  
Report of the Trustees  
for the year ended 31<sup>st</sup> December 2019**

In this document the Trustees present their report and the audited financial statements of the group for the year ended 31st December 2019.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16th July 2014 (as amended by Update Bulletin 1 published on 2nd February 2016). The Trustees' report is also a directors' report for the purposes of the Companies Act 2006 and other company legislation.

## **Chairman's Report**

Our overall aim is to increase both the take-up of Catch Up training by schools and the long-term engagement of schools with Catch Up, so that many more struggling learners are supported by Catch Up's products.

The educational market has continued to evolve with the growth of academy chains and free schools, the decline of local education authorities and increasing public sector budgetary pressures. To address these challenges, Catch Up seeks to offer a cost-effective and readily accessible product, so allowing the maximum number of struggling learners in schools to be reached.

We also provide, as part of the Catch Up Training Support Package, additional tools to help schools embed the interventions and resources that support them to enhance their practice. A Progress Reporting Tool, which allows the progress of individual learners to be tracked and efficiently reported was launched in 2017. Digital games for literacy and numeracy are also offered as a complement to our structured intervention sessions and during 2019 these were offered to all Catch Up trainees for use with their struggling learners.

Following receipt of charitable status in Scotland in 2017, Catch Up is now an authorised supplier for three Scottish local authorities and we are developing further relationships within Scotland in order to expand the reach of Catch Up.

By the end of 2017 it was clear that our objective of allowing access to training for the widest possible population was not financially sustainable within our existing cost structure. This was because of the cessation of grant funding from the Charles Dunstone Charitable Trust and the Social Business Trust (SBT) as well as the then impending conclusion of our EEF research projects. We therefore took steps during 2018 to reduce our cost base, review our pricing structure and place a greater focus on courses that delivered higher income, as we reported last year.

Our two research projects for the Educational Endowment Foundation (EEF) were finalised in 2018, with our final reports being released in 2019.

In 2019 our numeracy and literacy interventions were delivered to a wide range of schools, raising awareness of Catch Up to a wider audience.

In 2015 we had set out to establish a network of 'pop-up' Regional Training Centres (RTCs) for delivery of our courses across the UK to maximise the training opportunities for schools, wherever located. We were successful in establishing many of these centres in England and Wales. 2019 saw a concentration of such courses at the more popular centres where demand was strongest, with 59 courses delivered at 17 different locations. In 2020 we planned to concentrate on some of those key centres which had experienced the highest levels of demand historically.

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Catch Up wishes to be responsive to the training needs of all schools and other organisations and we are willing to deliver training where it is both requested and viable for Catch Up to provide it. Whilst RTCs have improved the access for smaller organisations to training, Catch Up also encourages larger organisations and consortia to organise training at their own sites in order to tailor the timing to their own requirements.

The use of our website and database has provided us with an efficient automated booking process which ensures that Catch Up continues to be a reasonably priced intervention and is accessible to the widest possible audience. Our 'bundling' of training places has continued to prove popular, offering good value to organisations taking up the places and encouraging the achievement of the optimal team of three trainees, including a Catch Up co-ordinator, to be embedded in a school.

During 2019 we also offered regular online training courses for both literacy and numeracy interventions, and the take-up of these courses exceeded our expectations. Such courses proved popular with those geographically remote or those wishing to access training at an earlier date than scheduled courses at RTCs. We had expected to deliver an increased number of online courses in 2020.

We are grateful for the continuing support of the SBT which arranged for us to receive advice and support from external experts during the year.

Our 2019 budget was set at the level of 1,750 trainees, being a similar level to that achieved in 2018 with 1,713 trainees. However, during 2019 it became apparent that this target would not be achieved, so further cost savings were implemented. We also decided to look to deliver a more streamlined training process by offering one-day training. This would allow for more efficient delivery by us as well as being a more attractive offer to schools as they would benefit from a smaller amount of lost teaching time for those receiving the Catch Up training.

In the event 1,162 trainees were trained in 2019. The move to offer one-day training model began in January 2020, and it was hoped that, as a result of the changes noted above, we would see an increase in the annual number of trainees in 2020.

In March 2020 Catch Up received the good news that it had been awarded a grant of £349,127 from The Charity of Sir Richard Whittington, of which The Mercers' Company is a trustee. This was to undertake research over a three-year period for the creation of early years' foundation stage literacy and numeracy interventions.

However, due to the Covid-19 pandemic and the closure of schools during March 2020, we were obliged to halt our provision of training and to furlough Catch Up's employees. We resumed the offer of online training in September 2020 after re-mobilising our staff and we have benefited from strong demand for Catch Up training during the autumn term.

On behalf of the Trustees I would like to thank our Chief Executive, Theresa Rogers and her colleagues, for the continuing commitment they have shown in reshaping and managing the charity's activities during this difficult period for Catch Up and then in responding to high levels of demand when schools re-opened in September. The Catch Up team has shown outstanding commitment and professionalism in the delivery of Catch Up training that has benefited so many individuals over the years and will be needed by so many more now and in future.

To find out more about Catch Up, visit our website [www.catchup.org](http://www.catchup.org) or telephone: 01842 821465.

*J.P.S. Crawford*

**Patrick Crawford CB**  
Chairman

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## **Our Purpose and Activities**

Our charity's purpose, set out in the objects of the Trust in its governing documents, is the advancement of education. Our Mission Statement is to address literacy and numeracy difficulties that contribute to under-achievement.

## **Ensuring our Work Delivers our Aims**

We review our aims, objectives and activities each year. This review looks at what we achieved and the outcomes of our work in the previous 12 months. We look at the success of each key activity and the benefits brought to those groups of people we are set up to help. This process also helps us to ensure that our aim, objectives and activities remain focussed on our stated purposes. We have complied with the duty in the 2011 Charities Act to have due regard to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. The Trustees accordingly consider how planned activities will contribute to the aims and objectives they have set.

## **How our Activities Deliver Public Benefit**

A significant proportion of primary and secondary school children in the UK have difficulties in attaining the levels of literacy and numeracy expected of them. Whilst these difficulties are often not severe enough to entitle those struggling learners to statutory additional learning support, they may still be sufficient to restrict the access of them to the curriculum. Without additional support, these children may fall further behind their peers year-on-year. The adverse consequences are wide-ranging and well-documented: long-term poor academic achievement, low self-esteem, lower motivation to read, disengagement with the learning process, behavioural problems, reduced employment prospects and the possibility of social exclusion. It was with this in mind, that the Catch Up interventions were developed. By helping individuals experiencing learning difficulties to reach their full potential, it is hoped that their lives will be enriched and that they will be able to play a fuller part in society, so benefiting the communities in which they live.

Our main activities and those whom we try to help are described below. All our charitable activities focus on the advancement of literacy and numeracy skills of struggling learners and are undertaken to further our charitable purposes for the public benefit.

Catch Up, the working name of The Caxton Trust, is a not-for-profit charity that:

- offers comprehensive and integrated training and resource packages to support the management and delivery of the Catch Up interventions;
- provides ongoing support, through the Catch Up Community, for those who deliver the Catch Up interventions to struggling learners; and
- undertakes research into the development and enhancement of the Catch Up interventions, and into extending the support it provides to struggling learners.

Catch Up Literacy and Catch Up Numeracy are:

- structured one-to-one interventions for struggling readers and for learners who struggle with numeracy;
- centred on 15-minute sessions delivered twice a week, targeted to the needs of the individual;
- grounded in rigorous academic research and shown to be effective in schools (and other settings); and
- realistic, practical and inexpensive.

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**Who used and benefited from our Services?**

Those who use our services are initially teachers, teaching assistants, carers and other 'supporting adults'. The ultimate beneficiaries are struggling learners.

**Achievements and Performance**

**OPERATIONAL**

- Catch Up continues to develop its Key Performance Indicators in order to manage and develop its work. The number of struggling learners helped is the ultimate measure of the work of the charity. As trained supporting adults can assist many struggling learners over time, the ultimate number of beneficiaries is difficult to quantify. We feel that the best measure of the activity of the charity is the number of supporting adults trained. In 2019, there were a total of 1,162 trainees, compared to 1,713 in 2018.
- 2019 saw further refinement of the network of Catch Up RTCs, concentrating on the more popular centres as well as trialling additional centres in new areas.
- The financial climate within the public sector, changes in local authority staffing in England, and the development of academies and free schools combine to provide a challenging environment for the delivery of Catch Up's operations.
- In order to make our interventions more affordable and to encourage the ideal team size of a minimum of three Catch Up trainees in each school, a 'bundle of places' is offered to organisations booking training for each intervention, whether training occurs at RTCs or on the organisation's premises.
- Almost half of all teaching assistants that we have trained, achieved at least one unit of accreditation of the Catch Up qualification (Gateway qualifications, Ofqual recognised).
- Since 2000, we have trained in excess of 30,000 supporting adults to deliver Catch Up's interventions, and we estimate that they have supported more than half a million struggling learners.

**COMMUNICATIONS, MARKETING AND BUSINESS DEVELOPMENT**

- Activities included Google ads, direct mail, email advertising, publisher inserts, brochure mailings, email newsletters, Twitter, training campaigns, webinars, automated emails, email newsletters, Excellence Awards and conferences.
- We recognised in particular that, with the diminishing roles of English local authorities, we needed to find new ways of communicating and working with English schools directly, including exploring new partnerships that would work with us. Schools are keen to maximise their use of Targeted Pupil Funding/Pupil Premium, especially as this aspect is scrutinised as part of school inspections.
- Our Pupil Reporting Tool, which we launched in 2017, is helping users get the most from the Catch Up interventions and enabling us to collate greater evidence of the benefits of using Catch Up.
- Following the increasing number of enquiries from Scotland, further work to increase awareness of Catch Up is being pursued in order to encourage more opportunities in the region.

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#### **BUILDING CAPACITY**

- Our use of our website and database have made the booking and administration system more efficient; and trainees are made fully aware of our on-line functionality.
- The automation of database-driven tasks has allowed efficient management of courses by the office team.
- Using the knowledge, expertise and commitment of the Catch Up team has been beneficial in developing and reviewing operational issues and resources as well as identifying potential new areas of development.
- Trainers are being trained in delivering the training online which allows a more flexible delivery model to those geographically remote or those wishing to access training quicker.

#### **RESEARCH AND GRANTS**

- Since 2014 Catch Up has been working with the support of SBT to enable Catch Up to reach a wider audience in order to help more struggling learners. SBT's support package has included consultancy support in respect of sales and marketing, management information, and the development of richer and more engaging content for existing customers. Consultancy time valued at £18,300, supporting the monitoring and development of the organisation, was received during 2019.
- The PF Trust provided a financial donation of £5,000 which has been used to promote Catch Up to schools within the Dundee area.
- The Manor Trust provided a financial donation of £25,000 which was used to support core costs during the year.

#### **Financial Review**

- 2019 was a challenging year financially. Catch Up had a financial deficit of £76,631 for the year on unrestricted funds and at the year-end the deficit on unrestricted reserves totalled £12,786.
- Total income for 2019 was £518,690 which represented a 26% decrease from £699,201 in 2018. There was a decrease in grants and donations in 2019 to £48,802 (including the £18,300 value of donated services) from £79,321 (including the £57,321 value of donated services) in 2018. Income from the sale of Catch Up materials and training decreased to £469,743 from £619,792.
- Total expenditure in 2019 was £599,941 (including £18,300 allocated cost of donated services), down from £877,489 (including £57,321 allocated cost of donated services) in 2018 (32% decrease).
- The total net deficit for 2019 was £81,251 (2018 - £178,288).
- There was a deficit on reserves at the end of 2019 of £12,786 relating wholly to unrestricted reserves.

#### **Pricing Policy**

Catch Up maintains a pricing policy that reflects the strategy of enabling its interventions to be available to as many beneficiaries as possible. Hence the Trustees and management seek to offer a price that provides a reasonably priced and cost-effective intervention that covers the core costs of the charity, enabling the charity to be sustainable. We give incentives for more trainees from the same organisation in order to encourage what Catch Up sees as the optimal number of trainees at each location to achieve the most successful outcomes for itself and for schools.

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## **Reserves Policy**

The Trustees have established the level of unrestricted (freely available) reserves that the charity should aim to have. These reserves are needed to bridge the funding gaps between spending on Catch Up interventions and receipt of income. The seasonal nature of the training also requires the level of cash reserves to be sufficient to cover core costs and working capital requirements during periods when reduced income is experienced, typically during the first half of the year.

The medium-term aim of Trustees is to achieve a level of unrestricted reserves equivalent to between three to six months of core costs, currently estimated to be between £69,000 and £138,000. The deficit on unrestricted reserves of £12,786 is below the level of reserves so required. Cost reductions along with the streamlined delivery of Catch Up training and an increase in the take up of online training are expected to address this shortfall. The full effect of these changes would have been felt in 2020; however the incidence of Covid-19 during the year has meant that progress toward eliminating the deficit and building positive reserves could not begin until the autumn of 2020 but is now successfully under way.

## **Going Concern**

As has been mentioned in the Chairman's report, it was recognised towards the end of 2017 that it would be necessary to make changes to the operation of the charity for it to be sustainable into the future. In 2018 a review of the staffing roles within the organisation was carried out and a resulting reorganisation effected. Further reductions to staffing costs occurred in 2019 and again in early - 2020. The resulting reduced cost base and our more streamlined delivery model for our courses caused us to expect that a surplus on activities for 2020 could be achieved.

The occurrence of the Covid-19 pandemic, however, meant that we could not achieve our planned expected training numbers. Government-funded furlough support and receipt of Covid-19 discretionary grants from the Government, along with the award of a research grant from The Mercers' Company in March 2020, helped to cushion the resulting deficit. Thanks to this support and the strong demand for training during the autumn of 2020, we now expect to generate a small surplus for 2020 and to deliver a stronger financial performance in 2021.

The Trustees have negotiated a working capital line of credit, should it be required, to support the organisation for a 12-month period pending the full effects of the Covid-19 pandemic and our own strategic changes flowing through.

The resources identified, coupled with our forecasts of trading and cashflows for 2020 and 2021 in light of the demand we have experienced since September 2020, cause the Trustees to be of the view that the charity is a going concern.

## **Plans for Future Periods**

The five-year plan that we drew up in 2014 sought to increase the take-up of Catch Up training by schools and their long-term engagement with it, so that many more struggling learners would be supported by the Catch Up interventions. The key objective of the plan was the development of a network of 'pop-up' RTCs across the country which would allow Catch Up training to be readily available to a wider audience. Centred on key population centres they avoided the need to set a minimum number of attendees from individual organisations requiring training.

During 2018 we noticed that the growth in training places delivered from such RTCs had flattened and that there was a growing number of enquiries from different organisations wanting their own training. In order to achieve a more sustainable model, we accordingly refined our strategy for delivering Catch Up to the widest possible audience by providing a mixture of RTC-based training at centres with high demand along with organisational training courses.



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Early in 2019, Catch Up began trialling the use of live on-line training courses that are accessed remotely. These have the advantage of reaching geographically remote groups or trainees that wish to access Catch Up training at the earliest opportunity and not having to wait until training is organised in their local area. The take-up for these courses in 2019 was very encouraging and the increased demand experienced for on-line training saw both public on-line courses and bespoke organisational training being offered. The incidence of Covid-19 in 2020 has demonstrated how flexible these on-line courses are and how well-suited to remote delivery, as borne out by demand we experienced in the autumn term. We accordingly expect further growth in on-line delivery.

A strategic review of the marketplace in which Catch Up operates was carried out in early 2019. The Trustees are in the process of re-assessing our strategy to enable Catch Up to continue to be provided to as many struggling learners as possible in light of the results and insights from this review and from the effects of the Covid-19 pandemic on schools. It is with this aim that the Trustees have been exploring the possibilities of partnering with other organisations with greater resources to enable the Catch Up interventions to be delivered more widely. One such organisation is the National Literacy Trust which is looking to promote Catch Up as a preferred option to help with literacy for struggling learners.

The dedication, commitment and professionalism of the Catch Up team, combined with an adaptable strategy, a refined delivery model, excellent value for money and proven effectiveness, allow the Trustees to be confident that continued take-up of Catch Up interventions will be achieved, thus helping many more children that would benefit from our interventions.

#### **Reference and Administrative Details**

Charity Number: 1072425  
Company Number: 3476510  
Registered Office: Catch Up, Keystone Enterprise Factory, Brunel Way, Thetford, IP24 1HP  
Auditors: Kevin J Rhind, Corner Cottages, Hempstead, Norwich NR12 0SH  
Bankers: CAF Cash, Kings Hill, West Malling, Kent ME19 4TA

The charity is officially registered as The Caxton Trust, but conducts its charitable work under the working name of Catch Up.

#### **Directors and Trustees**

The directors of the charitable company ("the charity") are its Trustees for the purpose of charity law and throughout this report they are collectively known as the Trustees. The Trustees and officers serving during the year and since the year-end were as follows:

Patrick Crawford CB - Chairman  
Sioned Bowen  
Gay Drysdale  
Vanessa Emmett  
Andrew Lane - appointed on 7th March 2019  
Professor Ingrid Lunt  
Matthew Roeser - resigned on 7th January 2019  
Jocelyn Stuart-Grumbar  
Alan Warner

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The key staff members are:

Chief Executive	Theresa Rogers
Deputy Director	Dr Graham Sigley – with responsibility for research programmes

### **Governing Document and Members**

The Caxton Trust is a company limited by guarantee and a registered charity. On 12th June 2017, the company adopted a new Memorandum and Articles of Association in substitution to its Memorandum and Articles of Association dated 4th December 1997 as amended on 22nd October 1998.

The members are the owners of the charity. Applications for membership require approval by the Trustees. Each of the members has agreed to contribute £1 in the event of the charity winding up. The current membership comprises the existing Trustees.

### **Appointment of Trustees**

The Trustees are responsible for governance, directing and overseeing the operation of the charity. Trustees are appointed by a recruitment process which includes an interview. The minimum number of Trustees is three; there is no maximum number.

### **Trustee Induction and Training**

All new Trustees are given an induction meeting to brief them on their legal obligations under charity and company law, the contents of the Memorandum and Articles of Association, the decision-making process, the business plan, recent financial performance of the charity and a job description. They are also invited to meet key employees and members of staff.

### **Organisation**

The board of Trustees administers the charity. The board meets quarterly. A Chief Executive is appointed by the Trustees to manage the day to day operations of the charity. To facilitate effective operations, the Chief Executive has delegated authority, within the terms of delegation approved by the Trustees, for operational matters including finance, employment, the sale of Catch Up resources and training.

### **Related Parties**

The charity has a wholly owned subsidiary, Catch Up Limited, incorporated in Australia which is dormant.

### **Remuneration Policy for Trustees and Senior Staff**

The Trustees, the Chief Executive and Deputy Director comprise the key management personnel of the charity. The Trustees give their time without compensation and no Trustee received any remuneration in the year.

Details of the senior staff remuneration are disclosed in note 8 to the financial statements. The pay of senior staff is reviewed annually along with other members of the staff team and assessment given to the sustainability of the charity, local market rates and performance of both individuals and the organisation.

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## **Risk Management**

The Trustees have a risk management strategy, which comprises:

- an annual review of the risks and uncertainties the charity may face;
- the establishment of policies, systems and procedures to mitigate those risks identified in the annual review; and
- the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

This review has identified that financial sustainability is the major financial risk for the charity. A key element in the management of financial risk is a regular review of available liquid funds and the active management of trade debtors and creditors to ensure sufficient working capital is available to the charity. Operationally, the charity aims to ensure that training courses only take place where a positive financial contribution can be achieved.

## **Trustees' Responsibility in relation to the Financial Statements**

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the financial activities of the charity and of its financial position at the end of that period.

In preparing those 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 judgements and 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 charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to 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 taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **Statement as to Disclosure to our Auditors**

In so far as the Trustees are aware at the time of approving our Trustees' annual report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the charity's auditor is unaware, and
- the Trustees, having made such enquiries of fellow Trustees and the charity's auditor that they ought to have individually taken, have each taken all steps that they are obliged to take as a Trustee, in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

## **Auditor**

A resolution proposing Kevin J. Rhind is re-appointed as auditor of the charity will be put to the Annual General Meeting.

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**Small company provisions**

The report of the Trustees has been prepared taking advantage of the small companies' exemption of section 415A of the Companies Act 2006.

Signed on behalf of the Trustees by:



**Patrick Crawford CB**  
Chairman

**Dated:** 8<sup>th</sup> December 2020

## **Independent auditors' report to the Trustees of The Caxton Trust**

### **Opinion**

We have audited the financial statements of The Caxton Trust (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31st December 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees 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 charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31st December 2019, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

### **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 group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

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 group's or parent charitable company'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.

## **Independent auditors' report to the Trustees of The Caxton Trust**

### **Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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 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.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of trustees**

As explained more fully in the Trustees' responsibilities statement set out on page 10, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

## **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 10 the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

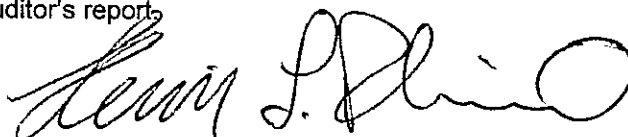
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## **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.



**Kevin J. Rhind (Senior Statutory Auditor)**  
For and on behalf of  
**Kevin J. Rhind, Statutory Auditor**

Corner Cottages,  
Hempstead,  
Norwich  
NR12 0SH

Dated this 21<sup>st</sup> Day of December 2020

**The Caxton Trust**  
**Consolidated Statement of Financial Activities**  
**(including Consolidated Income and Expenditure Account)**  
**for the year ended 31<sup>st</sup> December 2019**

	Note	Unrestricted Funds £	Restricted Funds £	2019 £	2018 £
<b>Income</b>					
Grants and donations	3	25,502	23,300	<b>48,802</b>	79,321
<i>Income from charitable activities:</i>					
Sales of Catch Up materials, training and conferences	4	469,743	-	<b>469,743</b>	619,792
Investment income	5	145	-	<b>145</b>	88
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Total Income</b>		<b>495,390</b>	<b>23,300</b>	<b>518,690</b>	699,201
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Expenditure</b>					
<i>Expenditure on charitable activities:</i>					
Development and sale of Catch Up materials, training and conferences	6	572,021	27,920	<b>599,941</b>	877,489
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Total Expenditure</b>		<b>572,021</b>	<b>27,920</b>	<b>599,941</b>	877,489
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Net Income/(Expenditure)</b>	7	<b>(76,631)</b>	<b>(4,620)</b>	<b>(81,251)</b>	(178,288)
Transfer between Funds		16,860	(16,860)	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Net movement in funds for the year</b>		<b>(59,771)</b>	<b>(21,480)</b>	<b>(81,251)</b>	(178,288)
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Reconciliation of Funds</b>					
Fund Balances Brought Forward		46,985	21,480	<b>68,465</b>	246,753
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Fund Balances Carried Forward</b>	18	<b>£(12,786)</b>	<b>£-</b>	<b>£(12,786)</b>	£68,465
		<hr/>	<hr/>	<hr/>	<hr/>

The Statement of Financial Activities includes all gains and losses recognised in the year.

All incoming resources and resources expended are derived from continuing activities.

The notes on page 17 to 29 form part of these financial statements



**The Caxton Trust**  
**Consolidated Balance Sheet**  
**as at 31<sup>st</sup> December 2019**

	Note	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
<b>Fixed Assets</b>					
Tangible assets	12	-	15,236	-	15,236
<b>Current Assets</b>					
Stocks	14	13,756	7,416	13,756	7,416
Debtors	15	56,530	52,060	56,572	56,600
Cash at bank and in hand		56,734	117,647	56,692	113,107
<b>Total Current Assets</b>		<b>127,020</b>	<b>177,123</b>	<b>127,020</b>	<b>177,123</b>
<b>Creditors: Falling due within one year</b>	16	<b>139,806</b>	<b>123,894</b>	<b>139,806</b>	<b>123,894</b>
<b>Net Current Assets</b>		<b>(12,786)</b>	<b>53,229</b>	<b>(12,786)</b>	<b>53,229</b>
<b>Net (Liabilities)/Assets</b>		<b>£(12,786)</b>	<b>£68,465</b>	<b>£(12,786)</b>	<b>£68,465</b>
<b>The Funds of the Charity</b>					
Restricted income funds	18	-	21,480	-	21,480
Unrestricted income funds	18	(12,786)	46,985	(12,786)	46,985
<b>Total Charity Funds</b>	19	<b>£(12,786)</b>	<b>£68,465</b>	<b>£(12,786)</b>	<b>£68,465</b>

The Trustees have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The financial statements were approved by the board of Trustees on 8th December 2020 and signed on its behalf by:



**Patrick Crawford CB**  
**Trustee**

Company registration number: 3476510  
Charity Number: 1072425

The notes on pages 17 to 29 form part of these financial statements

**The Caxton Trust**  
**Statement of Cash Flows and Consolidated Statement of Cash Flows**  
**for the year ended 31<sup>st</sup> December 2019**

	Note	Group		Charity	
		2019 £	2018 £	2019 £	2018 £
<b>Cash provided by/(used in)</b>					
<b>Operating Activities</b>	20	<b>(61,058)</b>	<b>(8,144)</b>	<b>(56,560)</b>	<b>(9,164)</b>
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Cash flows from Investing Activities</b>					
Investment Income		145	88	145	88
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Cash provided by/(used in)</b>					
<b>Investing Activities</b>		<b>145</b>	<b>88</b>	<b>145</b>	<b>88</b>
		<hr/>	<hr/>	<hr/>	<hr/>
Increase/(decrease) in Cash and Cash Equivalents in the year		<b>(60,913)</b>	<b>(8,056)</b>	<b>(56,415)</b>	<b>(9,076)</b>
		<hr/>	<hr/>	<hr/>	<hr/>
Cash and Cash Equivalents at the beginning of the year		<b>117,647</b>	125,703	<b>113,107</b>	122,183
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Total Cash and Cash Equivalents at the end of the year</b>		<b>£56,734</b>	<b>£117,647</b>	<b>£56,692</b>	<b>£113,107</b>
		<hr/>	<hr/>	<hr/>	<hr/>

The notes on pages 17 to 29 form part of these financial statements

**The Caxton Trust**  
**Notes to the Financial Statements**  
**for the year ended 31<sup>st</sup> December 2019**

**1. Accounting Policies**

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

**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) (issued in October 2019) - (Charities' SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The financial statements are presented in sterling, rounded to the nearest whole £1.

The Caxton 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 notes.

**b. Preparation of the Accounts on a Going Concern Basis**

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The full annual effect of the operating cost reductions implemented during 2019 and 2020, the move to on-line training, and the impact of the decision to charge for accreditation with effect from 1st May 2019 will not be felt until the autumn of 2020. The strong demand for training in the autumn term has meant that an overall surplus is expected for 2020.

In March 2020, Catch Up was awarded a grant of £349,127 over a three-year period from the charity of Sir Richard Whittington, of which The Mercers' Company is a trustee. The grant is to action research to create early years' foundation stage literacy and numeracy interventions and is scheduled for completion during 2023. The grant, payable in instalments includes a contribution toward the associated overheads of the charity as well as income associated with training of participants. The expected profile of grant will see £80,427 received in 2020, £164,533 in 2021, £81,633 in 2022 and £22,534 in 2023. This income provides extra financial stability for the charity during the medium term.

The charity has renewed its working capital line of credit which is enough to meet the expected shortfall of cash that might occur if budgeted training numbers are not met. The budgeted level of income and expenditure combined with the level of reserves for the charity are sufficient for it to be able to continue as a going concern.

**c. Company Status**

The charity is a private company limited by guarantee incorporated in England within the United Kingdom. The guarantors are the members. The liability in respect of the guarantee, as set out in the memorandum and articles, is limited to £1 per member of the charity.

The address of the registered office is given in the information on page 7 of these financial statements.

**The Caxton Trust**  
**Notes to the Financial Statements**  
**for the year ended 31st December 2019**

**d. Income**

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

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably, and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income from the sale of Catch Up training and materials is recognised on a receivable basis when due. Income received in advance of training is deferred until the criteria for income recognition are met (see note 16).

Donated professional services are recognised as income when the charity has control over them, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and the economic benefit can be measured reliably. On receipt, donated professional services are recognised on the basis of the value of the gift to the charity, which is the amount the charity would have had to pay to obtain services of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period.

**e. 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 bank.

**f. Fund Accounting**

Unrestricted funds 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.

Restricted funds are funds subject to specific restrictive conditions imposed by donors or by the purpose of the appeal. The purpose and use of the restricted funds is set out in the notes to the financial statements.

**g. Expenditure**

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:

*Expenditure on charitable activities* includes the costs of delivering the Catch Up training, training staff, delivering conferences, development and marketing, and other activities undertaken to further the purposes of the charity and their associated support costs.

**The Caxton Trust**  
**Notes to the Financial Statements**  
**for the year ended 31<sup>st</sup> December 2019**

**h. 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's activities. The bases on which such support costs have been allocated are set out in note 6.

**i. Leases**

IFRS 16 has been applied using the modified retrospective approach and therefore comparative information has not been restated. Only one lease contract existed at 1 January 2019 and as this was expected to expire within 1 year, the rental payable has been expensed as incurred.

**Policy applicable before 1 January 2019**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged as incurred.

**Policy applicable from 1 January 2019**

For leases that are not covered by the recognition exemptions under IFRS16, recognition will be made of right of use assets and associated liabilities as measured under IFRS16.

**j. Tangible Fixed Assets**

Individual assets costing £1,000 or more are capitalised at cost.

Assets in the course of development are capitalised although not depreciated until the asset is brought into use.

Depreciation is provided on all tangible fixed assets in order to write off their cost, less estimated residual value, over their expected useful lives on the following basis:

Office equipment and fixtures	33%	straight line basis
Website and software	25%	straight line basis

**k. Stock**

Stocks are stated at the lower of cost and net realisable value on a FIFO basis after making allowance for slow moving and obsolete stock.

**l. Debtors**

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

**m. Concessionary Loans**

Concessionary loans include those receivable from a third party which are interest-free or below market interest rates and are made to advance charitable purposes. Where the loan is repayable on demand within one year, the loan is measured at cost, less impairment. Where the loan is repayable after more than one year, the loan is initially measured at fair value and subsequently measured at amortised cost using the effective interest rate method, less impairment.

**The Caxton Trust**  
**Notes to the Financial Statements**  
**for the year ended 31<sup>st</sup> December 2019**

**n. Creditors**

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.

**o. Employee Benefits**

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution stakeholder pension scheme which is administered by Prudential plc. The scheme is open to all employees and is funded by contributions from the employee and employer. A separate National Employment Savings Trust defined contribution stakeholder pension scheme became operational on 1st January 2018, the charity's staging date for auto-enrolment. The pension cost charge represents contributions payable by the charity to the funds in respect of the year.

**p. Foreign Currencies**

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

**q. Redundancy Costs**

Redundancy costs are provided for once the decision for termination has been made. These are quantified in accordance with the employee's right to redundancy payments based on years of service. In addition, any pay in lieu of notice due is calculated in accordance with the relevant employment contract.

**2. Financial Performance of the Charity**

The consolidated statement of financial activities includes the results of the charity's wholly owned subsidiary Catch Up Limited, which is incorporated in Australia.

The summary financial performance of the UK charity alone is:

	<b>2019</b>	<b>2018</b>
	£	£
Net (expenditure)/income and net movement in funds for the year	<b>£(81,251)</b>	<b>£(178,288)</b>
	<hr/>	<hr/>

**The Caxton Trust**  
**Notes to the Financial Statements**  
**for the year ended 31<sup>st</sup> December 2019**

**3. Grants and Donations**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Unrestricted Donations</b>		
Manor Trust 2056	<b>25,000</b>	20,000
Other	<b>502</b>	2,000
	<hr/> <b>£25,502</b> <hr/>	<hr/> £22,000 <hr/>
<b>Restricted Grants and Donations</b>		
PF Charitable Trust	<b>5,000</b>	-
Social Business Trust (SBT) - donated services	<b>18,300</b>	57,321
	<hr/> <b>£23,300</b> <hr/>	<hr/> £57,321 <hr/>
<b>Total Grants and Donations</b>	<hr/> <b>£48,802</b> <hr/>	<hr/> £79,321 <hr/>

**4. Income from Charitable Activities**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Sales of Catch Up products	<b>286,930</b>	359,584
Training and conferences	<b>182,813</b>	258,866
Commission on book sales	<b>-</b>	1,342
	<hr/> <b>£469,743</b> <hr/>	<hr/> £619,792 <hr/>

The percentage of income attributable to markets outside the United Kingdom is 4.3%  
(2018 - 2.0%)

**5. Investment Income**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Bank interest	<b>£145</b>	£88
	<hr/>	<hr/>

**The Caxton Trust**  
**Notes to the Financial Statements**  
**for the year ended 31<sup>st</sup> December 2019**

**6. Analysis of Expenditure on Charitable Activities**

	<b>Staff costs</b>	<b>Direct costs</b>	<b>Office and support costs</b>	<b>Total 2019</b>	<b>Total 2018</b>
	£	£	£	£	£
Costs of Catch Up materials and training	118,414	21,908	86,144	<b>226,466</b>	310,055
Training and conferences	61,643	119,526	12,715	<b>193,884</b>	278,088
Development and marketing	95,896	48,563	1,184	<b>145,643</b>	183,454
Project and grant costs	-	9,620	-	<b>9,620</b>	40,853
Donated services - SBT	-	-	18,300	<b>18,300</b>	57,321
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	275,953	199,617	118,343	<b>593,913</b>	869,771
Governance costs:					
Audit Fees	-	-	4,450	<b>4,450</b>	4,450
Legal and accountancy fees	-	-	1,358	<b>1,358</b>	3,244
Exchange rate movements	-	-	220	<b>220</b>	24
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	-	-	6,028	<b>6,028</b>	7,718
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	<b>£275,953</b>	<b>£199,617</b>	<b>£124,371</b>	<b>£599,941</b>	<b>£877,489</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Staff costs are apportioned on a time basis. Office and support costs are apportioned to the activity to which they relate.

**7. Net Income/(Expenditure) for the year**

	<b>2019</b>	<b>2018</b>
	£	£
This is stated after charging/(crediting):		
Depreciation	<b>15,236</b>	33,698
Auditors' remuneration:		
Audit services	<b>4,450</b>	4,450
Exchange rate movements	<b>220</b>	24
	<hr/>	<hr/>

**8. Employee Information**

	<b>2019</b>	<b>2018</b>
	Number	Number
The average number of persons employed was:		
Support and administration	<b>11.0</b>	12.2
The full time equivalent average number of persons was:		
Support and administration	<b>7.5</b>	8.5
	<hr/>	<hr/>



**The Caxton Trust**  
**Notes to the Financial Statements**  
**for the year ended 31<sup>st</sup> December 2019**

**Staff Costs (for the above staff)**

	<b>2019</b>	<b>2018</b>
	£	£
Wages and salaries	<b>245,375</b>	311,194
Social security costs	<b>18,288</b>	26,710
Pension costs	<b>12,290</b>	14,502
	<hr/> <b>£275,953</b> <hr/>	<hr/> <b>£352,406</b> <hr/>

During 2018 two employees were made redundant. Redundancy and notice payments totalling £11,852 were paid in respect of these two employees and are shown within the wages and salaries noted above.

During the year, retirement benefits were accruing to 9 employees (2018 - 12) in respect of money purchase schemes.

The number of employees who received emoluments (excluding pension contributions) in excess of £60,000 was as follows:

	<b>2019</b>	<b>2018</b>
	Number	Number
£60,000 - £70,000	-	1
	<hr/>	<hr/>

The key management personnel of the charity are the Chief Executive and the Deputy Director. The total employee benefits of the key management personnel of the charity were £88,981 (2018 - £108,624).

**Trustees**

No Trustee received any remuneration for services during the year (2018 - £Nil). Directly incurred expenses are reimbursed when claimed and in 2019 a total of £Nil was claimed (2018 - £Nil).

**9. Pensions**

The charity operates a defined contribution pension scheme and a separate National Employment Savings Trust defined contribution stakeholder pension scheme which became operational on 1st January 2018. The assets of the schemes are held separately to those of the charity in independently administered funds. The pension cost charge represents the contributions payable by the charity to the funds for the year and these costs are included within staff costs and allocated to the activity for the relevant employee. The pension charge for 2019 was £12,290 (2018 - £14,502). At the year-end, there were no amounts payable in respect of outstanding contributions (2018 - £Nil).

**The Caxton Trust**  
**Notes to the Financial Statements**  
**for the year ended 31<sup>st</sup> December 2019**

**11. Taxation**

The Caxton Trust is a registered charity, and as such is entitled to certain tax exemptions on income and profits from investments, and on surpluses on any activities carried on in furtherance of the charity's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

**12. Tangible Fixed Assets – Group and Charity**

	<b>Computer equipment £</b>	<b>Website &amp; database £</b>	<b>Total £</b>
<b>Cost</b>			
At 1 <sup>st</sup> January 2019	12,012	121,885	133,897
Additions	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 <sup>st</sup> December 2019	12,012	121,885	133,897
	<hr/>	<hr/>	<hr/>
<b>Depreciation</b>			
At 1 <sup>st</sup> January 2019	12,012	106,649	118,661
Charge for the year	-	15,236	15,236
	<hr/>	<hr/>	<hr/>
At 31 <sup>st</sup> December 2019	12,012	121,885	133,897
	<hr/>	<hr/>	<hr/>
<b>Net Book Value</b>			
At 31 <sup>st</sup> December 2019	£-	£-	£-
	<hr/>	<hr/>	<hr/>
At 31 <sup>st</sup> December 2018	£-	£15,236	£15,236
	<hr/>	<hr/>	<hr/>

**The Caxton Trust**  
**Notes to the Financial Statements**  
**for the year ended 31<sup>st</sup> December 2019**

**13. Investments**

The charity has a wholly-owned subsidiary Catch Up Limited, a company limited by guarantee incorporated in Australia (ACN 154644498). The liability of each member is limited to Aus\$10 each. The company provides educational training and resource material in Australia and neighbouring countries.

The subsidiary is exempt from having an audit in Australia and has claimed exemption from having an audit of its individual accounts under section 479A of the Companies Act 2006.

The summary financial performance of the subsidiary alone is:

	<b>2019</b> £	<b>2018</b> £
Turnover	-	-
Cost of sales and administration costs	-	-
	<hr/>	<hr/>
Net profit/(loss)	<b>£-</b>	<b>£-</b>
	<hr/>	<hr/>

The assets and liabilities of the subsidiary were:

	<b>2019</b> £	<b>2018</b> £
Current assets	<b>42</b>	4,540
Current liabilities	<b>(42)</b>	(4,540)
	<hr/>	<hr/>
Aggregate Share Capital and Reserves	<b>£-</b>	<b>£-</b>
	<hr/>	<hr/>

**14. Stock**

	<b>Group</b>		<b>Charity</b>	
	<b>2019</b> £	<b>2018</b> £	<b>2019</b> £	<b>2018</b> £
Stock of Catch Up materials	<b>£13,756</b>	£7,416	<b>£13,756</b>	£7,416
	<hr/>	<hr/>	<hr/>	<hr/>

Stocks recognised as an expense in the period were £14,036 (2018 - £37,506) for the group and £14,036 (2018 - £37,506) for the parent.

**The Caxton Trust**  
**Notes to the Financial Statements**  
**for the year ended 31<sup>st</sup> December 2019**

**15. Debtors**

	<b>Group</b>		<b>Charity</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade debtors	<b>51,666</b>	47,000	<b>51,666</b>	47,000
VAT recoverable	<b>357</b>	723	<b>357</b>	723
Prepayments	<b>4,507</b>	4,337	<b>4,507</b>	4,337
Amount due from subsidiary	<b>-</b>	-	<b>42</b>	4,540
	<hr/>	<hr/>	<hr/>	<hr/>
	<b>£56,530</b>	£52,060	<b>£56,572</b>	£56,600
	<hr/>	<hr/>	<hr/>	<hr/>

The amount owed by the subsidiary was interest free, unsecured and with no fixed repayment terms.

**16. Creditors: Falling due within one year**

	<b>Group</b>		<b>Charity</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade creditors	<b>60,875</b>	63,953	<b>60,875</b>	63,953
Income in advance	<b>51,167</b>	39,600	<b>51,167</b>	39,600
Other creditors	<b>880</b>	-	<b>880</b>	-
Accruals	<b>21,564</b>	13,527	<b>21,564</b>	13,527
Taxation and social security	<b>5,320</b>	6,814	<b>5,320</b>	6,814
	<hr/>	<hr/>	<hr/>	<hr/>
	<b>£139,806</b>	£123,894	<b>£139,806</b>	£123,894
	<hr/>	<hr/>	<hr/>	<hr/>

Income in advance relates to training income invoiced in advance.

	<b>Group</b>	<b>Charity</b>
	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Balance as at 1 <sup>st</sup> January 2019	<b>39,600</b>	<b>23,410</b>
Amount released to income earned from charitable activities	<b>(39,600)</b>	<b>(23,410)</b>
Amount deferred in year	<b>51,167</b>	<b>39,600</b>
	<hr/>	<hr/>
Balance as at 31 <sup>st</sup> December 2019	<b>£51,167</b>	<b>£39,600</b>
	<hr/>	<hr/>

**The Caxton Trust**  
**Notes to the Financial Statements**  
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**17. Other Commitments**

During 2016, a three-year lease on the charity's offices was entered into and this expired in August 2019. The charity then began negotiations with the same landlord over a new lease on different premises. It was agreed that the terms of the old lease would continue on a month to month basis until a new lease was taken out. A new three-year lease was subsequently entered into on 1st October 2020. At 31st December 2019, the charity had future minimum lease payments and service charge obligations under non-cancellable operating leases in respect of land and buildings of:

	2019 £	2018 £
<b>Amounts payable</b>		
Within one year	-	13,565
Between two to five years	-	-
	<hr/>	<hr/>

The amounts recognised as an expense for the period in respect of rent and service charge obligations for land and buildings was £20,348 (2018 - £20,348).

**18. Funds**

	At 1 <sup>st</sup> January 2019 £	Incoming resources £	Outgoing resources £	Transfers £	At 31 <sup>st</sup> December 2019 £
<b>Restricted Funds</b>					
PF Charitable Trust	-	5,000	(5,000)	-	-
SBT - Donated services	-	18,300	(18,300)	-	-
EEF - Numeracy	19,500	-	(2,120)	(17,380)	-
EEF - Literacy	1,980	-	(2,500)	520	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	21,480	23,300	(27,920)	(16,860)	-
<b>Unrestricted Funds</b>					
General reserve	46,985	495,390	(572,021)	16,860	<b>(12,786)</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total Funds</b>	£68,465	£518,690	£(599,941)	£-	<b>£(12,786)</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

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PF Charitable Trust	A donation of £5,000 for providing Catch Up training in the Dundee area during 2019.
SBT - Support package	SBT is providing consultancy support to the management of Catch Up. In addition, it funded the position of the business manager for a two-year period which ended during February 2018. Donated services with an open market value of £18,300 (2018 - £92,824) were provided by SBT during the year.
EEF - Catch Up Numeracy	A grant of £558,843 to fund a research programme to evaluate the impact of the Catch Up Numeracy intervention. The project has been completed and the final reports were published in early 2019.
EEF - Catch Up Literacy	A grant of £429,988 to fund a research programme to evaluate the impact of the Catch Up Literacy intervention. The project has been completed and the final reports were published in early 2019.

The EEF projects were priced to generate a surplus over the direct costs attributable to delivering the projects in order to cover the associated overheads of the charity. In addition, surpluses arise where the income allowed is in excess of the direct costs of delivering the various elements of the project expenditure. These total surpluses over direct costs incurred are shown as a transfer between funds. Where projects incurred costs that were not associated with the original funding bid, these extra costs have been borne by Catch Up and allocated to the period incurred.

**19. Analysis of Group Net Assets/(Liabilities) between Funds**

	<b>Tangible fixed assets</b> £	<b>Net current liabilities</b> £	<b>Total</b> £
Restricted fund	-	-	-
Unrestricted funds	-	(12,786)	(12,786)
	<hr/>	<hr/>	<hr/>
	£-	£(12,786)	£(12,786)
	<hr/>	<hr/>	<hr/>

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**20. Reconciliation of Net Movement in Funds to Net Cash flow from Operating Activities**

	<b>Group</b>		<b>Charity</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Net movement in funds	<b>(81,251)</b>	(178,288)	<b>(81,251)</b>	(178,288)
Add back depreciation charge	<b>15,236</b>	33,698	<b>15,236</b>	33,698
Deduct interest income shown in investing activities	<b>(145)</b>	(88)	<b>(145)</b>	(88)
(Increase)/decrease in stock	<b>(6,340)</b>	633	<b>(6,340)</b>	633
(Increase)/decrease in debtors	<b>(4,470)</b>	194,894	<b>28</b>	190,284
Increase/(decrease) in creditors	<b>15,912</b>	(58,993)	<b>15,912</b>	(55,403)
	<hr/>	<hr/>	<hr/>	<hr/>
Net cash provided by/(used in) operating activities	<b>£(61,058)</b>	£(8,144)	<b>£(56,560)</b>	£(9,164)
	<hr/>	<hr/>	<hr/>	<hr/>

**21. Related Party Transactions**

During the year Catch Up received a donation of £25,000 from The Manor 2056 Trust, which is a charity controlled by Andrew Lane who is a Trustee of The Caxton Trust.

**22. Post-Balance Sheet Events**

In March 2020 Catch Up was awarded a grant of £349,127 over a three-year period from the charity of Sir Richard Whittington, of which The Mercers' Company is a trustee. The grant is to action research to create early years' foundation stage literacy and numeracy interventions.

The effect of the Covid-19 pandemic in March 2020 led to the closure of schools in the UK. Consequently, Catch Up was unable to deliver any training and all staff were furloughed pending the resumption of training. During September 2020 Catch Up resumed on-line training and is experiencing strong demand for its training and resources for the autumn term and for Spring 2021.

The estimated net financial loss, as a result of the impact of Covid-19, has been estimated as £59,064 up to the date on which these accounts are signed. This comprises a loss of net training income for the period from March to August of £157,557, offset in part by Government grants of £74,159 and a reduction in staffing costs of £24,334 by paying 80% of salaries for furloughed staff. Since the resumption of training, the exceptional demand for Catch Up training means that an extra £83,738 of net training income above the 2020 budget for the period is expected, meaning that the loss related to Covid-19 should be covered by this extra income. Consequently, a positive balance on unrestricted reserves in the region of £80,000 is expected for the 2020 year-end.

There were no other significant post-balance sheet events.