

Stillpoint
19 Granville Road
St Margaret's Bay
Dover
CT15 6DR

FAO Jenny Suttle
Planning Department
Dover District Council
White Cliffs Business Park
Whitfield
Dover
CT16 3PJ

12 February 2023

Dear Madam

**Land to the south east of 1-9 St George's Place, St Margaret's at Cliffe, Dover, Kent, CT15 6HU:
Planning Application by Mr Pete Halsall ("Glebe Field")**

I write as a retired senior partner of the accountants Ernst & Young and the Chair of a charity in St Margaret's at Cliffe. I read with interest the letter of 23 December from Charles Bicker, Chairman of the Bay Trust and in particular the addendum setting out the Prospective Application of Funds received by the Bay Trust. For this addendum to be properly assessed, I feel it is important that there is a proper understanding of the current and historical financial affairs of the Bay Trust.

The Bay Trust has reported a loss in every year since and including the year ended 30 September 2012 per the audited accounts and the total reported losses for the period to 30 September 2021 amount to more than £4.1 million. That's an average loss of more than £410,000 per year for 10 years with a loss for the year ended 30 September 2021 of £467,000! A huge amount for a small charity with income of only £303,000 in the same year.

At 30 September 2021 the Bay Trust had net debt of **£1.172 million** including bank loans and overdrafts of more than £300,000. I understand that the Bay Trust has sold two bungalows at the top of Bay Hill since this date but even if the full asking price of £700,000 was realised, the proceeds will have amounted to far less than the Trust's indebtedness. There is also every reason to expect that the reported loss for the year to 30 September 2022 will be of a similar magnitude to the £467,000 loss for 2021 and further losses will almost certainly continue to have been incurred since 1 October 2022.

It is clear from the audited accounts that the only reason that the Trust has embarked on a programme of disposals of the assets that Fred Cleary, the original founder and benefactor acquired, is because of the indebtedness which was incurred as a result of the building of the Pines by the

Trust (the Trust had net debt of £1.26 million in 2011) and the subsequent significant losses incurred every year since.

Indeed, the Bay Trust has now realised proceeds from the sale of The Old School and Library, Curfew House, land to the rear of Florinda Cottage, The Old Baptist Chapel, the nine rental units at St George's Terrace, The Coastguard Cottages, Carmel Cottage, part of Sea Street field and numbers 1 and 2 St Margaret's Road **with the loss to the village of more than 20 units of affordable housing**. Proceeds of £3.8 million (excluding funds from numbers 1 and 2 St Margaret's Road) have simply been applied to fund the losses incurred under the management of the Trustees and the buildings so carefully acquired, built or refurbished by the original founder have been neglected and allowed to fall into disrepair (eg The Coastguard Cottages) prior to their disposal.

And for the avoidance of doubt, the wishes of the founder, Fred Cleary, are quite clearly captured in the stated objectives of the founding charity for the Bay Trust, the St Margaret's Bay Trust:

*"The preservation of the natural beauty, aspects, features, animals and plant life of the beaches, **properties and lands** comprised in and adjoining the parish of Saint Margaret's at Cliffe, Kent and the amenities thereof and therein so that the said beaches, properties, lands and amenities will be **available for access and enjoyment by and for the recreation of the public**, and also to educate the public in the geography, history, natural history and architecture of the said area."* (My bolding).

So in summary,

1. The sale and development of the Glebe Field is clearly in direct contravention of the stated wishes of the charity's founder, who purchased the site for the benefit of the village.
2. It is self evident from the audited accounts of the Bay Trust that the sale proceeds of the Glebe Field have already been spent under the management of the current Trustees in the form of losses already incurred and the amounts due to the bank and other creditors (£1.172 million at 30 September 2021).
3. The addendum to the Chairman's letter re the application of funds makes no mention of any specific sums and is drafted in such a way that one could never follow the money, not least because it's already been spent and new monies for improvements to play facilities and the provision of facilities for youth groups could not be other than nominal sums given the state of the financial affairs of the Trust per its audited accounts.
4. The audited accounts of the Bay Trust show that the Trust has sought and is seeking to sell the Glebe Field for development simply because it needs money to fund both the ongoing losses and those already incurred and to repay the very significant current indebtedness of the Trust. This is sadly no different from any of the other asset sales made by the Trust to date and any reader of the addendum needs to understand this.
5. To suggest that the disposals of property and land are in accordance with the requirements of the Charity Commission is incorrect. Indeed, the Charity Commission's list of examples of serious issues which could pose a serious risk of harm to a charity includes a charity losing significant amounts of money and/or a charity losing significant assets, for example land or buildings.

In other words, given the financial state of affairs of the Bay Trust, there will in reality be no or next to no funds available to apply to any of the areas set out in the addendum because from my reading of the audited accounts, the proceeds of the sale of Glebe Field have already been spent. It would therefore be a shame for anyone reading the prospective application of funds to be misled into interpreting it as a generous and meaningful offer.