
The Enthusiasm Trust
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

The Enthusiasm Trust
(A company limited by guarantee)

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The Enthusiasm Trust
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2020**

Trustees

P Perkins
A Hayhurst (appointed 19 September 2019)
D Jackson (appointed 19 September 2019)
M Shepherd-Darkwa-Dwamena (appointed 19 September 2019)
P Hallam
B Harvey
D Butcher (resigned 17 February 2020)

Company registered number

4125063

Charity registered number

1087438

Registered office

152-154 Addison Road
Derby
DE24 8FL

Founder

J Russo

Independent auditors

Bates Weston Audit Ltd
Statutory Auditors
Chartered Accountants
The Mills
Canal Street
Derby
DE1 2RJ

Bankers

CAF Bank Limited
25 Kings Hill Avenue
Kings Hill
West Mailing
Kent
ME19 4JQ

The Enthusiasm Trust
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2020

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of The Enthusiasm Trust (the company) for the year ended 31 March 2020.

The Trustees confirm that the annual report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities".

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The company is registered as a charitable company limited by guarantee, incorporated on 13 December 2000 and registered as a Charity on 1 July 2001. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

Recruitment and Appointment of New Trustees

The Board of Trustees consists of six elected members who, with the Founder, Joe Russo, administer the charity. Under the requirements of the Memorandum and Articles of Association, one third of the directors are subject to retirement by rotation at every annual general meeting. During this financial year, three new trustees joined the Board, whilst one trustee stepped down.

Induction and Training of New Trustees

All Trustees will be familiar with the work of The Trust since they must be members and are elected by the voting members at the Annual General Meeting.

All Trustees go through a thorough documented induction process and are encouraged to attend regular training and development to enhance their knowledge and skills as a Trustee. All Trustees receive a copy of the Code of Conduct for Board Members and sign a Trustee Contract.

Organisational Structure

The legal responsibility of the charity rests with the Board of Trustees which currently consists of six Trustees/Directors and the Founder. All policies and accounts are agreed and signed by the relevant board members. The full Board aims to meet a minimum of four times a year, to discuss and agree/sign any necessary commitments of the company, with additional regular subcommittee meetings held for HR, Finance and Strategy. Minutes of these meetings are distributed to board members and signed off at every meeting by the chair. An AGM is held within fifteen months of the previous AGM to sign off accounts and any relevant documentation. Strategic direction of the organisation is the responsibility of the Trustees/Directors and the Founder and is presented to the board for agreement before being implemented and shared throughout the organisation. The strategic decisions are implemented by the Senior Leadership Team who operate across the entire scope of the charity including Central Services, North West and East Midlands regions.

Separately the Senior Management Team make day-to-day operational decisions for each team/area. Weekly tasking meetings occur across the various teams and action points are taken with an oversight of relevant information presented to the board. All staff members come together once a quarter for universal training, development and celebration.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

Related Parties

Full disclosure of all related parties and the transactions therewith are contained in the notes to the financial statements.

Risk Management

The Trustees do not engage in activities that would jeopardise the future of The Trust. In order to ensure the organisation is not unwittingly exposed to risks, an annual assessment by the Senior Leadership Team takes place to ensure all guidelines are adhered to and this is then reported back to the Board. Where finances are concerned, expenditure requires two signatories to agree this from the Founder and Trustees/Directors. When external funding has been achieved, Enthusiasm maintains clear and transparent records that are open to scrutiny.

The Trustees have introduced a risk management process to assess business risk and implement risk management strategies. This involves identifying the types of risks the charity faces, prioritising them in terms of potential impact and likelihood of occurrence and identifying means of mitigating the risks. As part of this process, the Trustees have reviewed the adequacy of the charity's current internal controls. The Trustees are pleased to report that the charity's current internal controls conform to guidelines issued by the Charity Commission.

OBJECTIVES AND ACTIVITIES

The Objectives for which The Trust was established are detailed in the Memorandum and Articles of Association but may be summarised as 'The formation into a corporate body under the above title for the purposes of the welfare, education, social and recreational needs of communities and particularly young people between the ages of 11 and 25 years currently in the East Midlands regions. This has the overall effect of regenerating areas, including capacity building and community development.'

PUBLIC BENEFIT

In planning our various activities throughout the year, we have kept in mind the Charity Commission's guidance (Section 4 of the Charities Act 2011) on public benefit at our trustee meetings. Our services can be summarised as follows:

Triple R Mentoring – Young people benefit from this programme by developing their whole-life skills, building their confidence and self-esteem and developing resilience and strategies to help them deal with various challenges and tripwire points within their lives. The programme is transformative, encouraging awareness of the environment, health, social justice, positive relationships and truly inspires young people to be positive members of their communities. We deliver a number of different interventions throughout the year including home visits and 1-2-1 mentoring sessions as well as various themed workshops and events. We've expanded our work to support specific individuals currently involved in gangs aged 14-25 who wish to find a pathway out of this lifestyle and progress positively with their lives; this includes intensive wrap around support in the form of peer mentoring, life-skills coaching, targeted workshops and community engagement. This year, we have also developed the 'BETA' programme (Bravery, Excellence, Teamwork, Adventure) as an extra tool to enhance our mentoring support provision. BETA is a bespoke, Enthusiasm-designed Young Leaders award scheme for young people aged 11-18 that recognises, builds and empowers young people who traditionally would not get involved with a transition or self-development programme. The programme is designed to accelerate personal, social and emotional growth through personal enterprise and breaking social norms. We achieve this through a series of targeted, complementary modules delivered in the areas of Leadership, Health, Employability, Enterprise, Citizenship, Wellbeing and Independent Living.

Universal Interventions – We continue to provide various open access youth activities including youth clubs, summer activities, outreach, residentials, and youth forums. These activities benefit the whole community, the

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

family and the young people themselves by providing fun and creative diversionary activities which build friendships, confidence and self-esteem, whilst reducing instances of anti-social behaviour and low level criminal activity. We do this by encouraging young people to work together on positive activities in safe, friendly, accessible and positive environments. We work in partnership with other agencies, local schools and pupil referral units to deliver sessions with young people who are at risk of exclusion from mainstream school or have been identified as being at risk of engaging in unhealthy risk taking behaviour.

Workshops/Work in Schools – this includes school assemblies, targeted workshops, PSHE lessons on issues affecting young people today, educating young people and empowering them with the knowledge to make informed, positive choices.

Youth Violence Prevention Programmes – these programmes target young people who are most at risk of becoming involved in anti-social/violent/criminal behaviour.

Get Connected – Get Connected is a 12-month programme which aims to address gang and knife crime, engage with young people and tackle social exclusion through a series of events that bring professionals together to develop a shared understanding of the issues and subsequently develop a joint action plan with tangible outcomes, to tackle these issues.

ACHIEVEMENTS AND PERFORMANCE

The Trustees have continued to seek information on which to make decisions about the use of The Trust's limited resources and are satisfied with the achievements and performance associated with each of the priorities during the year. Our Key Performance Indicators have been developed to help us show our public benefit, and our results for the year are:

1. This financial year we engaged a total of 537 individuals and had 5,615 engagements through our Triple R Mentoring, Universal Interventions and Youth Activities.
2. 45 young people were engaged directly through our Triple R Mentoring programme. We track the progress of each young person who exits our programme at three and six month intervals to see how they're progressing and whether they require additional support, mentoring or life-skills coaching; due to this bespoke exiting process we've adopted with each young person we haven't needed to readmit any young people into the programme during this reporting period. We don't have fixed time scales for mentoring, instead we let the young person's progress and development lead the way. The average period of support is 18 months. In this last year young people presented more complex situations and conditions than ever before which have required an accelerated level of intensive support and mentoring as we worked with them to reduce their vulnerability to criminal activity, carrying weapons, anti-social behaviour, exploitation, substance misuse, CSE, isolation, unhealthy risk taking behaviour, abuse and poverty.
3. We ran 96 youth clubs in Derby and Nottingham, with a total of 1,586 engagements inside the youth clubs.
4. We delivered 92 outreach sessions in 5 Hotspot locations across Derby and Nottingham.
5. We had 35 volunteers who provided a total of 1,384 hours of volunteering.
6. We completed 14 School Voice intervention days with 7 secondary schools in 3 locations, engaging a total of 375 young people through targeted assemblies and workshops and 837 young people through our interactive survey tool.

Enthusiasm have developed Key Performance Indicators over the years. We believe that the above statistics show that these KPIs enable us to maximize the impact and efficiency of our work and enable us to continue to provide public benefit and meet contractual targets around mentoring and life-skills programmes. We are truly grateful to everyone who helps us achieve these outcomes.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

Examples of our successes can be found on our website (www.enthusiasm.org.uk).

Safeguarding

During this financial year, Enthusiasm commissioned National Working Group (NWG) to carry out an independent review of our safeguarding policy and procedures and our day-to-day practice and culture. The aim of this review was to strengthen procedures and ensure that our response to safeguarding concerns throughout the organisation was compliant and consistent to a high quality.

NWG Overview: The review team observed an organisation which appears to have a healthy, professional culture, where there is no apparent disconnect between the management team and operational staff. The operational staff shared with the review team the fact that they felt valued, supported, confident to challenge and additionally felt able to provide constructive criticism to the management team, without fear of repercussions. All the staff within The Enthusiasm Trust were committed to their roles and they were young person focussed, ensuring flexibility to accommodate the needs of the young people. The organisation should be proud of the culture that has been developed and also of their dedicated team.

NWG Review of documents: Firstly, the review team agreed to scrutinise and suggest any potential amendments to The Enthusiasm Trust's Safeguarding guidance for staff and volunteers, the safeguarding concern form, the mentoring referral form, 'what to do if you are worried ...' form and the health and safety and risk assessment processes.

NWG Summary: Enthusiasm is committed to providing the best possible service to the young people they work with. The organisation is young person focused and the staff are flexible and accommodating to their needs. The culture of the organisation is positive and there is clearly a sense of pride amongst the staff to be working for such a worthwhile cause. There is no sense of inequality or hierarchy and the management team clearly care about their staff and their wellbeing. Overall, we observed a very healthy organisation with the best interests of young people at the heart of it. It is important that this positive environment is supported through the implementation of processes and structures that allow for a safe, knowledgeable, informed, and nurtured workforce.

All recommendations put to Enthusiasm from NWG were implemented with immediate effect and Enthusiasm has a very clear and robust Safeguarding process which all staff have been trained on.

FINANCIAL REVIEW

Our reserves have increased again since our last audited accounts. The Trust is now, therefore, in a healthy position financially, so the trustees and leadership of Enthusiasm have agreed to invest some unrestricted funds whilst also adhering to the reserves policy.

Reserves Policy

The Trust's reserves policy is to hold a healthy balance, to secure delivery of our aims and objectives over the long term and to safeguard the essential project delivery we provide to our young people/service users.

The Trustees aim to hold 10 months' reserves. This was previously set at 6 months, however amidst the COVID-19 pandemic it has become clear that the need for higher reserves is crucial for the survival of the Trust. We want to be sure that if the situation arises in which funding is limited, we can continue supporting young people, without being forced to pull a service from underneath them, leaving them vulnerable and even more at risk.

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FOR THE YEAR ENDED 31 MARCH 2020

Should our reserves rise above these levels we would look to expand our delivery, which would impact on staff and premises costs and therefore reduce any reserves. Should our reserves fall below the necessary level, we would source further contract work/grants to support our costs. If this is not forthcoming, we would reduce or cease some of the services we offer, which would therefore enable us to reduce the workforce and premises.

Principal Funding Sources

Our principal funding comes from grants from various organisations as shown in the accounts. We only apply for grants that meet our key objectives and therefore our spending is always in line with the objectives set by the Trustees.

Investment Policy And Objectives

Under its Memorandum and Articles of Association, the Charity has the power to make any investment of the funds not immediately required to further the objectives of the Trust, subject to conditions imposed or required by the legal framework. Therefore, with a surplus for a consecutive year, we intend to invest some of our unrestricted funds into an easily accessible investment account as an extra safeguard against unpredictable changes to the landscape of the charity sector post Covid-19.

FUTURE DEVELOPMENTS

The Enthusiasm Trust's values and objectives for the next year will continue to focus on fulfilling our purpose of supporting young people to achieve their full potential in life. However, as we approach the new financial year, we are beginning to see the effects that the Covid-19 pandemic and government lockdown restrictions are having on the wellbeing of so many individuals. Therefore, it's our aim to sustain an intensive and appropriate level of support for all the young people we support and the wider community throughout these challenging times. We have already had to change the way in which we can reach the most vulnerable young people and we will have to be smarter in finding new ways to deliver and engage.

We continue to be focused on the current epidemic of serious youth violence and knife crime and we believe that grassroots organisations like ourselves are vital to tackling this issue - however, there is no dedicated resource for this and, unfortunately, small groups are on the decline.

We will continue with our aim of building a network of like-minded, values-based and principled organisations and people to help focus on Enthusiasm's cause and mission, which is to positively change the lives and prospects of young people. We will continue to work to effectively impact as many young lives as possible through a collaborative, efficient, effective and authentic means, whilst also rising to the challenge of adapting and maintaining our delivery throughout any restrictions that may be put upon the usual social settings/interactions and delivery methods.

INDEMNITIES AND INSURANCE

The Enthusiasm Trust maintains qualifying liability insurance for its Trustees.

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees (who are also directors of The Enthusiasm Trust for the purposes of company law) are responsible for preparing the Trustees' Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company and charity law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgments and estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the 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 aware; 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.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Trustee and signed on their behalf by:

P Perkins - Trustee

P Hallam - Trustee

23 November 2020

The Enthusiasm Trust
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ENTHUSIASM TRUST

Opinion

We have audited the financial statements of The Enthusiasm Trust (the 'charity') for the year ended 31 March 2020 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, 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 charitable company's affairs as at 31 March 2020 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 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.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ENTHUSIASM TRUST (CONTINUED)

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 Auditors' 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.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a Strategic report.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ENTHUSIASM TRUST (CONTINUED)

Responsibilities of trustees

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

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

Auditors' 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 Auditors' 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 Auditors' report.

Use of our report

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

Wayne Thomas ACA (Senior Statutory Auditor)

for and on behalf of

Bates Weston Audit Ltd

Statutory Auditors

Chartered Accountants

The Mills

Canal Street

Derby

DE1 2RJ

25 November 2020

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**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2020**

	Note	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:					
Donations and legacies	3	-	28,428	28,428	4,417
Charitable activities	4	233,151	180,745	413,896	527,324
Other income	5	-	21,636	21,636	22,151
Total income		233,151	230,809	463,960	553,892
Expenditure on:					
Charitable activities	6	208,050	200,604	408,654	411,031
Total expenditure		208,050	200,604	408,654	411,031
Net income		25,101	30,205	55,306	142,861
Transfers between funds	14	(29,213)	29,213	-	-
Net movement in funds		(4,112)	59,418	55,306	142,861
Reconciliation of funds:					
Total funds brought forward		74,016	233,799	307,815	164,954
Net movement in funds		(4,112)	59,418	55,306	142,861
Total funds carried forward		69,904	293,217	363,121	307,815

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

The notes on pages 13 to 26 form part of these financial statements.

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REGISTERED NUMBER: 4125063

BALANCE SHEET
AS AT 31 MARCH 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	11	75,965	87,999
		<u>75,965</u>	<u>87,999</u>
Current assets			
Debtors	12	12,543	11,220
Cash at bank and in hand		421,672	338,627
		<u>434,215</u>	<u>349,847</u>
Creditors: amounts falling due within one year	13	(147,059)	(130,031)
Net current assets		287,156	219,816
Total assets less current liabilities		<u>363,121</u>	<u>307,815</u>
Total net assets		<u>363,121</u>	<u>307,815</u>
Charity funds			
Restricted funds	14	69,904	74,016
Unrestricted funds	14	293,217	233,799
Total funds		<u>363,121</u>	<u>307,815</u>

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

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

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

P Perkins

Date: 23 November 2020

The notes on pages 13 to 26 form part of these financial statements.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

1. Company status

The charity is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

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

2.2 Income

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

Other income is recognised in the period in which it is receivable and on completion of the service.

2.3 Expenditure

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

Charitable activities and Governance costs are costs incurred on the charity's educational operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

2.4 Government grants

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

2. Accounting policies (continued)

2.5 Taxation

The Charity is exempt from corporation tax on its charitable activities

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised.

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

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

Depreciation is provided on the following bases:

Improvements to leasehold property	- 4% and 10% on straight line
Plant and machinery	- 25% on straight line
Fixtures and fittings	- 25% on straight line
Computer equipment	- 33% on straight line

2.7 Debtors

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

2.8 Cash at bank and in hand

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

2.9 Liabilities and provisions

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

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

2.10 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

2. Accounting policies (continued)

2.11 Pensions

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

2.12 Fund accounting

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

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

3. Income from donations and legacies

	Unrestricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Donations	27,530	27,530	4,417
Government grants - CJRS	898	898	-
	<hr/> 28,428 <hr/>	<hr/> 28,428 <hr/>	<hr/> 4,417 <hr/>
<i>Total 2019</i>	<hr/> 4,417 <hr/>	<hr/> 4,417 <hr/>	

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**NOTES TO THE FINANCIAL STATEMENTS
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4. Income from charitable activities

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Grants	233,151	172,421	405,572	519,008
Contribution to grant administration	-	7,147	7,147	8,316
Contracts	-	1,177	1,177	-
	<u>233,151</u>	<u>180,745</u>	<u>413,896</u>	<u>527,324</u>
<i>Total 2019</i>	<u><u>282,266</u></u>	<u><u>245,058</u></u>	<u><u>527,324</u></u>	

Grant funding from Government organisations can be analysed as follows:

	2020 £	<i>2019 £</i>
Derby City Council		
Looked After Children	35,800	23,200
Derby Homes Triple R Programme	25,000	100,000
	<u>60,800</u>	<u>123,200</u>
Police Authorities		
Get Connected	64,553	69,000
Greater Manchester Police	-	29,998
Police Crime Commissioner Knife Crime	-	25,000
	<u>64,553</u>	<u>123,998</u>
	<u><u>125,353</u></u>	<u><u>247,198</u></u>

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5. Other incoming resources

	Unrestricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Sundry income	18,636	18,636	19,151
Employment allowance	3,000	3,000	3,000
	<u>21,636</u>	<u>21,636</u>	<u>22,151</u>
<i>Total 2019</i>	<u>22,151</u>	<u>22,151</u>	

6. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Level 1	104,024	100,302	204,326	205,511
Level 2	52,013	50,151	102,164	102,760
Level 3	52,013	50,151	102,164	102,760
	<u>208,050</u>	<u>200,604</u>	<u>408,654</u>	<u>411,031</u>
<i>Total 2019</i>	<u>116,272</u>	<u>294,759</u>	<u>411,031</u>	

Level 1 is where we work intensively one-to-one with young people mentoring etc.

Level 2 is with a large group of young people such as training & education, workshops.

Level 3 is with a large group of young people such as youth clubs.

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7. Analysis of expenditure by activities

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Level 1	151,641	52,685	204,326	205,511
Level 2	75,821	26,343	102,164	102,760
Level 3	75,821	26,343	102,164	102,760
Total 2020	<u>303,283</u>	<u>105,371</u>	<u>408,654</u>	<u>411,031</u>
<i>Total 2019</i>	<u>302,069</u>	<u>108,962</u>	<u>411,031</u>	

Analysis of support costs

	Total funds 2020 £	<i>Total funds 2019 £</i>
Staff costs	34,783	37,409
Sundry expenses	2,388	3,449
Travel costs	12,934	12,990
Motor expenses	4,161	3,236
Entertaining and refreshments	5,546	6,931
Recruitment and training	6,140	15,441
Publicity and marketing	8,073	9,490
Bank charges	60	74
Postage and stationery	2,952	1,860
Loss on disposal of assets	6,324	-
Governance costs	22,010	18,082
	<u>105,371</u>	<u>108,962</u>

8. Auditors' remuneration

The auditors' remuneration amounts to an auditor fee of £3,540 (2019 - £3,480).

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9. Staff costs

	2020	2019
	£	£
Wages and salaries	248,756	234,752
Social security costs	21,014	18,426
Contribution to defined contribution pension schemes	17,824	17,803
	287,594	270,981

Wages and salaries includes redundancy and termination payments which totalled £Nil (2019: £3,076).

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

	2020	2019
	No.	No.
Charitable service work	8	7
Management and administration	5	5
	13	12

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

The Trustees consider key management personnel to comprise of the Founder, Leadership Team, Central Services Manager and Head of Services. The aggregate of their remuneration and other benefits for the year ended 31 March 2020 is £174,467 (2019 - £153,061). Of these five individuals, three of the key management personnel are involved significantly in front line delivery.

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2019 - £NIL).

During the year ended 31 March 2020, no Trustee expenses have been incurred (2019 - £NIL).

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**NOTES TO THE FINANCIAL STATEMENTS
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11. Tangible fixed assets

	Improve- ments to property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost						
At 1 April 2019	116,790	3,000	4,250	688	7,078	131,806
Additions	-	-	-	-	1,630	1,630
Disposals	(13,990)	-	-	-	-	(13,990)
At 31 March 2020	102,800	3,000	4,250	688	8,708	119,446
Depreciation						
At 1 April 2019	35,348	250	443	688	7,078	43,807
Charge for the year	5,214	750	1,062	-	314	7,340
On disposals	(7,666)	-	-	-	-	(7,666)
At 31 March 2020	32,896	1,000	1,505	688	7,392	43,481
Net book value						
At 31 March 2020	69,904	2,000	2,745	-	1,316	75,965
At 31 March 2019	81,442	2,750	3,807	-	-	87,999

12. Debtors

	2020 £	2019 £
Due within one year		
Trade debtors	6,194	6,696
Prepayments and accrued income	6,349	4,524
	12,543	11,220

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13. Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	6,210	12,460
Other taxation and social security	5,076	5,138
Other creditors	26	1,481
Accruals and deferred income	135,747	110,952
	<u>147,059</u>	<u>130,031</u>
	2020 £	2019 £
Deferred income		
Deferred income at 1 April 2019	98,409	54,242
Resources deferred during the year	124,698	98,409
Amounts released from previous periods	(98,409)	(54,242)
Deferred income at 31 March 2020	<u>124,698</u>	<u>98,409</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

14. Statement of funds

Statement of funds - current year

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2020 £
Unrestricted funds					
General Funds - all funds	233,799	230,809	(200,604)	29,213	293,217
Restricted funds					
ABL - Life Skills For Young People	-	23,575	(23,546)	(29)	-
ABL - Mentoring Allenton	-	20,808	(20,478)	(330)	-
ABL - Street Performers & Dance	-	15,521	(16,120)	599	-
Albert Gubay Fund	-	-	(27)	27	-
Anti Knife Crime	-	28,997	(27,430)	(1,567)	-
Children In Need	-	9,652	(9,665)	13	-
Cotton Lane Equipment	74,016	-	(4,112)	-	69,904
Get Connected	-	64,553	(44,610)	(19,943)	-
Lucas Harrison Trust	-	15,000	(14,999)	(1)	-
NMSAF	-	425	(418)	(7)	-
Rank Foundation	-	25,000	(24,000)	(1,000)	-
Rank Foundation - Profit For Good	-	10,700	(7,995)	(2,705)	-
Reaching Communities	-	10,920	(10,714)	(206)	-
The Event @ Allenton	-	8,000	(3,936)	(4,064)	-
	74,016	233,151	(208,050)	(29,213)	69,904
Total of funds	307,815	463,960	(408,654)	-	363,121

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

14. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2018 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 March 2019 £</i>
Unrestricted funds					
General Funds - all funds	86,826	271,626	(294,759)	170,106	233,799
Restricted funds					
ABL - Improving Life Skills For Young People	-	23,113	(7,320)	(15,793)	-
ABL - Mentoring Allenton	-	20,400	(5,116)	(15,284)	-
ABL - Street Performers & Dance	-	15,217	(6,963)	(8,254)	-
Access Sport - American Football	-	-	(70)	70	-
Albert Gubay Fund	-	16,730	(727)	(16,003)	-
Children In Need	-	11,322	(10,639)	(683)	-
Clarion	-	10,000	(4,000)	(6,000)	-
Cotton Lane Equipment	78,128	-	(4,112)	-	74,016
DaVinci and Leesbrook	-	5,627	-	(5,627)	-
East Salford Neighbourhood fund	-	2,000	-	(2,000)	-
Ending Gang Violence and Exploitation	-	-	(219)	219	-
Get Connected	-	69,000	(22,679)	(46,321)	-
Greater Manchester Police Salford	-	-	(8)	8	-
Home Office Knife Crime	-	29,998	(8,893)	(21,105)	-
Platinum Mentoring	-	5,123	(96)	(5,027)	-
Lucas Harrison Trust	-	15,000	(4,520)	(10,480)	-
PCC Junior Arrows Derbyshire	-	-	(320)	320	-
PCC knife Crime	-	25,000	(11,785)	(13,215)	-
Rank Foundation	-	25,000	(25,690)	690	-
Reaching Communities - Social Enterprise	-	8,736	(3,113)	(5,623)	-
The Event @ Allenton	-	-	(2)	2	-
	78,128	282,266	(116,272)	(170,106)	74,016

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**NOTES TO THE FINANCIAL STATEMENTS
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14. Statement of funds (continued)

Statement of funds - prior year (continued)

	<i>Balance at 1 April 2018 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 March 2019 £</i>
Total of funds	<u>164,954</u>	<u>553,892</u>	<u>(411,031)</u>	<u>-</u>	<u>307,815</u>

The statement of funds note above is for various projects, all of which promote the welfare, education, social and recreational needs of young people between the ages of 11 and 25 years.

ABL - Improving Life Skills provides general youth work in Allenton, funded by Allenton Big Local.

ABL - Mentoring Allenton is again, to fund 8 young people on the RRR program.

ABL - Street performers and dance funding was received to run a local dance group for approximately 20 young people that performs at big local events.

Albert Gubay Fund provides youth services, mentoring and outreach in Little Hulton.

Children In Need funding provided residential activities, equipment and publicity for youth clubs and training (such as first aid) for volunteers and also fund us to use our community bus as a mobile youth club in identified hot spot areas. The bus can be used for activities as well as providing a place for young people to talk and meet with specialised workers such as drug and alcohol or connexions workers.

The Cotton Lane Centre restricted fund represents a fixed asset shown in the accounts arising from work done in relation to upgrading the Cotton Lane Community Centre. The Trust has a 25 year lease on this building for which a peppercorn rent is paid and the asset is being written off over the period of the lease. The balance on the fund represents the remaining amount to be written off over the period of the lease.

Get Connected funding was received to tackle and reduce criminal exploitation of young people by bringing stakeholders together to undertake a public health approach.

Home Office Knife Crime was received to reduce knife crime carrying amongst young people locally, identify and provide workshops for those who are vulnerable to knife carrying.

Lucas Harrison Trust funding helps maintain our ethos of investing in young people by supporting apprenticeship roles.

Rank Foundation has helped expand an existing programme of early intervention, helping to deter disadvantaged young people away from knife crime, violence or gangs and are supported to achieve their full potential in life.

Reaching Communities is Big Lottery funding to provide training and employment opportunities for young people. It will also allow us to set up a social enterprise and enable us to become more self-sustaining.

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Transfers between funds

Transfers between funds are in respect of room hire of Base 2, administration and management support, training and development, vehicle hire, and agreed return. These transfers are permitted and agreed by respective donors of the restricted funds and are in line with proposals and bids. All restricted funds are actively managed by Enthusiasm and individual donors on a regular basis, and receipts and a breakdown of each donor's funds are available on request of the donor.

15. Summary of funds

Summary of funds - current year

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2020 £
General funds	233,799	230,809	(200,604)	29,213	293,217
Restricted funds	74,016	233,151	(208,050)	(29,213)	69,904
	<u>307,815</u>	<u>463,960</u>	<u>(408,654)</u>	<u>-</u>	<u>363,121</u>

Summary of funds - prior year

	Balance at 1 April 2018 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2019 £
General funds	86,826	271,626	(294,759)	170,106	233,799
Restricted funds	78,128	282,266	(116,272)	(170,106)	74,016
	<u>164,954</u>	<u>553,892</u>	<u>(411,031)</u>	<u>-</u>	<u>307,815</u>

16. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	69,904	6,061	75,965
Current assets	25,537	408,678	434,215
Creditors due within one year	(25,537)	(121,522)	(147,059)
Total	<u>69,904</u>	<u>293,217</u>	<u>363,121</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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16. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	<i>Restricted funds 2019 £</i>	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Tangible fixed assets	74,016	13,983	87,999
Current assets	16,132	333,715	349,847
Creditors due within one year	(16,132)	(113,899)	(130,031)
Total	<u>74,016</u>	<u>233,799</u>	<u>307,815</u>

17. Pension commitments

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £18,079 (2019 - £17,803). Contributions of £26 (2019 - £1,463) were payable to the fund at the balance sheet date and are included in creditors.

18. Related party transactions

J Russo sits on the Board of the Allenton Big Local Community Development Fund as a resident, which Enthusiasm acts as agent for. Enthusiasm received commission for services of £7,147 (2019 - £8,316). At the balance sheet date, cash funds of £5,006 (2019 - £5,330) were held on behalf of Allenton Big Local but not recognised in the financial statements of The Enthusiasm Trust. During the year the charity received total funds of £152,460 from the principal and had spent total funds of £150,081 by the year end.