

Registered Number: CE012409

Charity Number: 1175866

BERKSHIRE YOUTH TRUST
(A Charitable Incorporated Organisation)

Unaudited
Trustees' Report and Financial Statements
For the Period Ended 31 March 2020



BERKSHIRE YOUTH TRUST
(A Charitable Incorporated Organisation)

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BERKSHIRE YOUTH TRUST
(A Charitable Incorporated Organisation)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY ITS TRUSTEES AND ADVISERS FOR
THE PERIOD ENDED 31 MARCH 2020**

Trustees:

R.G. Smee

I. M. Wood-Smith (resigned 29 January 2020)

P. Burrowes (resigned 15 October 2019)

M. Farrant (appointed 15 October 2019)

C Smee (appointed 11 August 2020)

Lord St John of Bletso (appointed 11 August 2020)

Company registered number – CE012409

Charity Registered number - 1175866

Registered Office

Field Seymour Parkes, the Old Coroners Court, 1 London Street, PO Box 174, Reading, Berkshire, RG1 4QN.

Patron

Lord St John of Bletso

Solicitors

Blandy & Blandy, 1 Friar Street, Reading RG1 1DA

Independent Examiner

James Cowper Kreston, Reading Bridge House, George Street, Reading, Berkshire, RG1 8LS

BERKSHIRE YOUTH TRUST
(A Charitable Incorporated Organisation)
 (Registered Number: CEO 12409)
 (Charity Number: 1175866)

TRUSTEES ANNUAL REPORT FOR THE PERIOD ENDED 31 MARCH 2020

The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) as amended by Update Bulletin 1 (effective January 2015).

Since the Company qualifies as small under section 382, the strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Director's report) regulations 2013 is not required.

Our Aims and Objectives

Objectives

The objects of the Berkshire Youth Trust as set out in constitutional documents is the provision of facilities for the education and in the interests of the social welfare and recreation of Children and young persons resident in Berkshire, so as to promote and develop their physical, social, spiritual and mental capabilities. Nothing in the constitution of the CIO authorises an application of the property of the CIO for purposes which are not charitable.

Aims

The objectives will be achieved by working with Local Authorities in Berkshire to identify city centre buildings that are suitable for conversion to provide high quality inspired facilities which are attractive to young people and which: -

- Offer a broad range of appropriate activities within an attractive high-quality environment.
- Provide a wide range of personal and social development opportunities to help and support young people in their transition from adolescence to adulthood.
- Where appropriate offer quality professional support based on individual needs to enable further achievement.

- Where appropriate promote positive intervention within the Agenda for Early Intervention and Prevention (EIP).
- Create opportunities for young people to engage with their community by undertaking volunteering activities for the benefit of the community in their locality.
- Offer training and qualifications in the provision of Youth services to young people.

Acquisition, refurbishment fitting out and the long term maintenance and upgrading of these buildings will be funded in part by linking up with Public Schools in Berkshire and creating opportunities for their pupils to engage in their spare time with young people less fortunate than themselves for personal advancement, opportunities to volunteer and gain qualifications in youth work.

The operation of these facilities will be undertaken by a related Charity, Berkshire Youth (a company limited by guarantee Registered number 04493501, Charity number 1106341) operating in partnership with nominees of local Public Schools. In response to the lack of funding for the provision of services supporting young people, other than the most needy, The Berkshire Youth Trust aims to undertake other major fund raising activities in the local community, including commercial organisations and charitable funds with a view to endowing the operations of Berkshire Youth and the buildings for the long term.

Our achievements to date

The CIO has formed a Special Purpose company, BBY Waterside Limited (Registered in England Company number 10990928) which exchanged contracts for the purchase of a 50% interest in the freehold of the Waterside Centre, Waldergrave Place, Newbury, RG14 1DF, (registered at the Land Registry under title number BK404206) from West Berks Council for £387,500. Planning consent has been granted for the redevelopment and improvement of this building in the heart of Newbury town centre to create the first inspired youth facility in Berkshire. Completion of the purchase of the property took place on 15 August 2020. A contract has been entered into for the first phase of the refurbishment programme at a cost of £1,036,457.

This acquisition has been undertaken in conjunction with St Andrews College, Bradfield ("Bradfield College") which, in addition to providing financial support are entering into a joint venture agreement with Berkshire Youth for operation of the youth club at the Waterside Centre. So far donations and pledges from wealthy individuals, local companies and charitable institutions totalling £1038,510 have been secured. The balance of the cost of acquisition and refurbishment of the Waterside Centre has been underwritten by favourable loan facilities of up to £700,000 to BBY Waterside Limited from a Trustee, Roger Smee and a wealthy individual. Any sums borrowed are to be repaid from further donations raised by the Trustees for the purpose. On this basis sufficient funds are available to complete the first phase of the redevelopment and commence the provision of Youth Services at waterside in June 2021. .

Berkshire Youth has entered into a lease agreement with BBY Waterside Limited and West Berks Council to occupy the building for a term of 35 years from completion of the purchase for a rent of £5,000 per annum. Once the building is open, Berkshire Youth will enter into an Operating Agreement with BBY Waterside Limited, Bradfield College and the Bradfield Club for operation of the Waterside Centre as a club for young people for a rolling term of five years.

The income and expenditure for the period from 1 October 2018 to 31 March 2020 is included in the Income and Expenditure Account at page 11. There was no income or expenditure for the period ended 30 September 2018.

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. The review looks at the success of each key activity and the benefits they have brought to those groups of people we are set up to help. The review also helps us ensure our aim, objectives and activities remained focused on our stated purposes. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aim and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

How our activities deliver public benefit

All our charitable activities focus on providing high quality inspired club facilities for young people aged 8 -18 years to enable providers of youth services, such as Berkshire Youth, to offer, high quality and safe environment for young people. These state-of-the-art facilities offer an alternative to young people, particularly those that are vulnerable to the lure of gang culture and the financial rewards from criminal activity, such as dealing in drugs through County Lines. The facilities create a safe environment for working with social services and local schools to provide education and counselling for vulnerable young people including those who lack parental support or suffer from mild learning difficulties or are suffering from mental illness, aged 14 -21.

In order to achieve the best opportunities and outcomes for young people the facilities will be managed within a community model. The local community will be allowed access to the building through user groups who work with different sectors of the community from young children to old people for social and other community events. This will ensure that the facilities are used to capacity. This will broaden the experience for members of the community in their participation as a member of a user group, as a young person who is a member of the club or as a volunteer.

By working with the Public Schools sector, we are enabling those more privileged pupils aged 16-18 to interact with their less fortunate peers, gain meaningful qualifications in youth work and opportunities for volunteering for the benefit the community in their area.

Through these means the facilities offer real and tangible benefits to the wider community.

Future Fundraising Opportunities

Local Authorities have been starved of cash for the provision of youth services, except for the most extreme cases. Against this backdrop, Local Authorities have relied upon the providers of youth services, such as Berkshire Youth, to take up the slack and provide the services they are no longer able to offer. Providers of youth services, such as Berkshire Youth, rely upon annual grants and donations in order to meet their operational costs. They are not able to raise funding for capital investment or to endow their survival for the long term.

Whilst Local Authorities have no cash for funding youth projects, they own significant underutilised properties, typically in town centres, which potentially create the opportunity to develop state-of-the-art club facilities for young people. Local Authorities also raise revenue to benefit the local community via Section 106 contributions from local development projects. The Trustees seek to secure some of these contributions to fund the development and operation of youth facilities. There is pressure from Government for the private schools sector, principally Public Schools, to reinvest the proceeds of their success for the benefit of the local community. Berkshire Youth Trust offers schools an ideal opportunity to do so and at the same time creates opportunities for pupils to widen their experience of life and gain valuable qualifications in youth work and volunteering.

Public Schools are not only valuable sources of funding, but their Alumni consists largely of high net worth individuals who are potential donors. Berkshire Youth trust will work with Public Schools to unlock this important source of charitable giving for under privileged young people in Berkshire.

There are large Charitable Foundations that make substantial donations from income on an annual basis. Berkshire Youth Trust's plans create the ideal basis for making such donations for a cause which is asset backed and therefore sustainable for the long term.

Structure, Governance and Management

Governing Document

The organisation is a charitable incorporated organisation incorporated and registered as a charity on 21 July 2018. The company was established under Constitution which established the objects and powers of the charitable company and how it is governed. In the event of the company being wound up members are not required to contribute further amounts to the charity.

Recruitment and Appointment of Charity Trustees

The directors of the company are also the charity trustees for the purposes of charity law and under the company's Constitution once appointed remain in place until they retire or are removed in accordance with the Constitution. Any retiring director is eligible for re-election at the next Annual General Meeting. The charity trustees intend to create a management committee and appoint a chairman as provided in the Constitution.

All charity trustees provide their time voluntarily and received no benefits from the charity. The trustees seek to ensure that the needs of young people are appropriately reflected through the diversity of the trustee body and the Patrons. In addition, the charity trustees are in the process of creating an Advisory Board of up to six (6) members with the skill, experience and contacts to assist charity to raise the substantial funds required to achieve its objectives.

Obligations of Charity Trustees.

The main documents which set out the operational framework for the charity including the Constitution and the latest published report and accounts, which will be made available to all new and continuing Trustees. The Charity Commission's guide "the Essential Trustee" is distributed to all new trustees along with the Constitution.

Plans for Future Periods

The charity plans continuing the activities outlined above in the forthcoming years subject to satisfactory funding arrangements. Fundraising initiatives are already underway to raise money required for the second phase of the Waterside Project, which will not commence until funding is in place. Once the Waterside Project is underway the Trustees intend to use the same model working with local authorities in Reading, Wokingham and Slough to identify well located buildings suitable for conversion to youth clubs and to engage with the private school community as joint venture partners to develop new inspired youth facilities in each town.

Structure, Governance and Management

Risk Management

From time to time the Management Committee will conduct a review of the major risks to which the charity is exposed. A risk register has been established in conjunction with Berkshire Youth, which is updated annually. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. Significant external risks to funding have led to the development of a strategic plan which will allow for the diversification of funding and activities. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure operators of the Charity's properties put in place appropriate policies for safeguarding; health and safety of members of the clubs, staff, volunteers, and visitors to the facilities; and data protection. These procedures are periodically reviewed to ensure that they continue to meet the needs of the charity.

Organisational Structure

Berkshire Youth Trust will have a Management Committee of up to eight (8) members from a variety of professional backgrounds including property, law, education, finance and fundraising. The Management Committee will meet quarterly and be responsible for the strategic direction and policy of the charity. At present the Committee consists of three members relevant to the current work of the charity. The Secretary also sits on the Committee, but has no voting rights.

Responsibilities of the Management Committee

Company law requires the Management Committee to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the management committee should follow best practice and:

- select suitable accounting policies and then apply them consistently;

- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is not appropriate to assume that the company will continue on that basis.

The Management Committee is responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 1985. The Management Committee is 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.

Members of the Management Committee

Members of the Management Committee, who are directors for the purpose of company law and trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on page 3

Investment Policy

Aside from retaining a prudent amount in reserves each year most of the charity's funds are to be spent on projects so in the short term there will be few funds for longer term investment. However, the long-term plan is to raise significant sums in advance for new projects; for the purposes of endowing projects and to endow Berkshire Youth so that it can continue to provide services to the young people of Berkshire.

When and if substantial funds become available the Management Committee will take advice from competent investment advisors for the purposes of long-term investment. Grant, donations and other sums received in advance will be invested on the money market.

Reserves Policy

The Management Committee has examined the charity's requirements for reserves in light of the main risks to the organisation. It has established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets held by the charity should be between 3 and 6 months of the operational expenditure. Budgeted expenditure for 2019/2020 is £120,000 and therefore the target is £30,000 to £60,000 in general funds. The reserves are needed to meet the working capital requirements of the charity and the Management Committee are confident that at this level they would be able to continue the current activities of the charity in the event of a significant drop in funding. In the short term the Management Committee has also considered the extent to which existing activities and expenditure could be curtailed, should such circumstances arise.

Approved by the Management Committee on 3 June 2021 and signed on its behalf by:

R Smee

Roger Smee 03 Jun 2021 10:35:15 BST (UTC +1)

Roger Guy Smee (Trustee)

INDEPENDENT EXAMINER'S REPORT FOR THE PERIOD ENDED 31 MARCH 2020

Independent Examiner's Report to the Trustees of Berkshire Youth Trust ('the Company')

I report to the charity Trustees on my examination of the accounts of the Company for the period ended 31 March 2020.

Responsibilities and Basis of Report

As the Trustees of the Company (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Company's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent Examiner's Statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

This report is made solely to the Company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Company's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Company and the Company's Trustees as a body, for my work or for this report.

Signed:



Dated: 3 June 2021

Darren O'Connor

James Cowper Kreston

Chartered Accountants and Statutory Auditor

Reading Bridge House

George Street

Reading

Berkshire, RG1 8LS

BERKSHIRE YOUTH TRUST
(A Charitable Incorporated Organisation)

INCOME AND EXPENDITURE ACCOUNT
FOR THE PERIOD FROM 1 OCTOBER 2018 to 31 MARCH 2020

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Period to 31-Mar- 20 £	Period to 30- Sep-18 £
INCOME				
Voluntary Income-Donations	130,331		130,331	
TOTAL INCOME	130,331	0	130,331	0
EXPENDITURE				
Launch & fund-raising costs	8,767		8,767	0
Governance- Legal & Professional	3,240		3,240	0
TOTAL EXPENDITURE	12,007	0	12,007	0
NET INCOME	118,324		118,324	0
Transfer between funds	(116,329)	116,329	-	-
NET MOVEMENT IN FUNDS				0
TOTAL FUNDS CARRIED FORWARD	1,995	116,329	118,324	0

BERKSHIRE YOUTH TRUST
(A Charitable Incorporated Organisation)

BALANCE SHEET AS AT 31 MARCH 2020

	Note	31-Mar 2020 £	30-Sep 2018 £
FIXED ASSETS	2	1	1
CURRENT ASSETS			
Loans to BBY Waterside Limited	3	116,329	0
Cash at bank		1,995	0
Total Current Assets		118,324	0
Creditors: Amounts falling due within one year		-1	-1
Net Current Liabilities		118,323	-1
NET ASSETS		118,324	0
CHARITABLE FUNDS			
Restricted Funds	4	116,329	0
Unrestricted Fund	4	1,995	0
TOTAL FUNDS		118,324	0

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

The Trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act.

The Trustees acknowledge their responsibilities for complying with the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved and authorised for issue to the Trustees on^{3 June}... 2021 and signed on their behalf by:


 Roger Smees 03 Jun 2021 10:35:15 BST (UTC +1)

Roger Guy Smees- Director

The notes on pages 13 to 15 form part of these financial statements

BERKSHIRE YOUTH TRUST
(Formerly Bradfield Berkshire Youth)
(A Charitable Incorporated Organisation)

Notes forming part of the Financial Statements for the period ended 31 March 2020

1. Accounting Policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

(a) Basis of accounting

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

Berkshire Youth 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.

(b) Fund accounting

- Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Unrestricted funds include a revaluation reserve representing the restatement of investment assets at market values.
- Designated funds are unrestricted funds earmarked by the Management Committee for particular purposes.
- Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

(c) Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to, and virtually certain to receive, the income and the amount can be quantified with reasonable accuracy. The following policies are applied to particular categories of income:

- Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

- Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.
- Investment income is included when receivable.
- Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

(d) Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

- Costs of generating funds comprise the costs associated with attracting voluntary income.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include costs linked to the strategic management of the charity.
- All costs are allocated between expenditure categories on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis.

(e) Fixed Assets

Fixed assets (excluding investments) are stated at cost less accumulated depreciation. The costs of minor additions or those costing below £1,000 are not capitalised. Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life, which in all cases is estimated at 4 years. Impairment reviews are carried out as and when evidence comes to light that the recoverable amount of a functional fixed asset is below its net book value due to damage, obsolescence or other relevant factors.

(f) Investments

Investments held as fixed assets are revalued at mid-market value at the balance sheet date and the gain or loss taken to the Statement of Financial Activities. Investment in the subsidiaries are included at cost plus any long term amounts due by the subsidiaries. Any provisions for diminution in value of subsidiaries, or amounts due by subsidiaries deemed to be irrecoverable; and any surpluses accruing to the charity as a result of the sale of the shares of the subsidiaries or their assets; are taken to the Statement of Financial Activities.

2. Fixed Asset Investment

The fixed asset investment relates to one ordinary share of £1 in BBY Waterside Limited, a company incorporated in England, company number 10990928.

3. Loans to BBY Waterside Limited

Loans to BBY Waterside limited, a company wholly owned by the Trust were made to fund the acquisition and refurbishment of the Waterside Centre, Newbury, Berkshire for the purposes of providing preventative youth services for under privileged young people in West Berkshire. These loans are unsecured, interest free and have no fixed date for repayment.

4. Summary of Funds- Current Year

	Balance at 31-Mar-20 £	Balance at 30-Sep-18 £
Restricted Funds	116,329	0
General funds	1,995	0
	<u>£118,324</u>	<u>£0</u>

5. Related Party Transaction

A Trustee, Roger Guy Smee, has donated £150,000 to the Trust and has agreed to provide a loan of up to £350,000 to BBY Waterside Limited, a wholly owned company of Berkshire Youth Trust, to underwrite completion of the refurbishment of the Waterside Centre in Newbury.

As at 31 March 2020 the Trust had made interest free unsecured loans of £ 116,329 to BBY Waterside Limited (2018- nil). These loans are to be converted into shares in BBY Waterside Limited in due course. (see note 3)