

THE SOUSTER YOUTH TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

THE SOUSTER YOUTH TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	The Very Revd Michael Bunker Mrs Carolyn Brawn Mr Steven Chadwick Canon Brian W Long, MBE Mr Simon Nurser Mrs Grace Read
Charity number	1162368
Principal address	Souster House 30 Market Road Thrapston Kettering NN14 4JU
Independent examiner	Baldwins Holdings Limited t/a Rawlinsons Ruthlyn House 90 Lincoln Road Peterborough Cambridgeshire PE1 2SP
Bankers	Barclays Bank plc Petereborough Business Centre PO Box 294 Peterborough PE1 1EZ

THE SOUSTER YOUTH TRUST

CONTENTS

	Page
Trustees report	1 - 3
Independent examiner's report	4
Statement of financial activities	5
Balance sheet	6
Notes to the financial statements	7 - 14

THE SOUSTER YOUTH TRUST

TRUSTEES REPORT

FOR THE YEAR ENDED 30 JUNE 2018

The Trustees present their report and financial statements for the year ended 30 June 2018.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the trust'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 (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

The Souster Youth Trust, operating under the style, 'Souster Youth' was established as a Charitable Incorporated Organisation on 24 June 2015 by the registration of a constitution of the same date. The constitution follows closely that recommended by the Charity Commission for the foundation of a CIO. The model constitution is one in which the members of the CIO are the trustees of the charity for the time being.

The objectives of the CIO are:

- (1) advancing the lives of, and helping, young people in east Northamptonshire by developing their skills, capacities and capabilities to enable them to participate in society as independent, mature and responsible individuals;
- (2) relieving poverty, suffering and distress among young people in east Northamptonshire by the provision of advice, counselling, information and support;
- (3) advancing education by providing personal development programmes and courses for young people in east Northamptonshire and by providing resources, training and advice to those working with them, and
- (4) advancing the Christian faith by helping members of the public to develop spiritually, socially, emotionally and in their education, particularly but not exclusively young people and those working with young people in east Northamptonshire.

The trustees hold the trust funds upon trust and apply the income of the charity in pursuance of the charity's objectives.

Souster Youth is a distinctive youth organisation, which has been working principally in the towns of Oundle and Thrapston since February 2016. It aims to transform the social, emotional, and spiritual health of young people in the area. Our staff work in schools, churches, and in the local community.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the trust should undertake.

Achievements and performance

In particular, the charity seeks to address issues such as social and educational disengagement, self-harming and low self-esteem, but also works more widely with teen-age children as well as leading training and instructional courses for parents and youth workers.

The summer of 2018 saw the completion of our second full year in Prince William School, Oundle, a secondary school of some 1,200 students, where accommodation has been allocated to us for our exclusive use. During the year we have regularly delivered lessons, bringing us into direct contact with approximately 600 students, a figure we expect to increase to 800 during the year ahead. In addition to this, through our therapeutic work we engage intensively with around 45 students who have particular needs, during the course of a year.

A number of other schools in east Northamptonshire have approached us, expressing interest in using our services. Among them is Bishop Stopford School, Kettering, a secondary school with a roll of 1,500 students, where we hope to offer a mixture of therapeutic group work and events for parents.

THE SOUSTER YOUTH TRUST

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

We have also developed some transition work for students leaving primary school for Key Stage 3. A trial has been delivered at Oundle Primary School and we expect to add at least two others towards the end of the coming year.

During the year under review we also launched a training programme for full-time youth workers and volunteers. The course of ten monthly seminars has been well received, attracting an average attendance of 40.

Staff

Our staff continues to be ably led by Jason Royce, and in January 2018 we welcomed Tim Sandford to our staff. Tim, whose arrival increases the size of our team to four, has made a significant contribution from the outset; his wealth of experience has enabled us to expand student development in the classroom with lessons in support of the curriculum. Tim has also played a leading role in developing our transition work with primary schools.

In principle, we consider volunteers to be potential components of our team, but care in their selection and training is important. It is therefore pleasing to have three able volunteers progressing through our recruitment and induction process.

Professional Development

The foundation of Souster Youth was inspired by the example of Youthscape, a Christian charity based in Luton. Established in 1993, and now with a staff of 25, it works with most of the secondary schools in Luton and has developed a successful track record in improving the mental and spiritual wellbeing of young people in the town.

Though operating independently, Souster Youth benefits from a consultancy agreement with Youthscape. The agreement allows both the director and the trustees to draw on the expertise of an established and highly reputable organisation in the field.

Arrangements are made for staff to keep their professional knowledge up to date; they attend at least one relevant conference each year, as well as regular retreats. During the coming year the director will take part in a course offered by Princeton University, leading to a Certificate in Youth, Theology and Innovation.

Premises

In February 2018 we moved into Souster House, a former Methodist church in Thrapston. The building has been purchased and leased to us by The Arthur Souster Charitable Trust. Whilst there is much to do to modify and equip it for 21st century youth work, it is in a satisfactory state of repair, and provides suitable accommodation for administration, meetings and our training programmes.

Looking ahead

Our experience over the past three years has impressed upon us the great need for spiritual and emotional guidance amongst young people and, by reaching out to them we hope to address that need in east Northamptonshire.

One of the elements of our work is the provision of 'drop-in' facilities for children needing a safe space to meet and talk. We now have a dedicated base for this purpose at Prince William School and, when resources permit, we plan to offer similar facilities at Souster House. It will take time and money to redevelop the premises fully, but we plan to open a drop-in centre there for use in the evenings.

Financial review

The charity relies almost entirely upon The Arthur Souster Charitable Trust for its financial resources. A level of grant funding is agreed each year, based on a budget presented by Souster Youth, and grant instalments are received at quarterly intervals based on that plan. This arrangement has worked consistently and well for over two years, and remains in place for the current year. In the light of this, the trustees have not determined a specific level of reserves to be maintained, but are satisfied that the arrangement satisfactorily provides for the charity to meet its obligations as they fall due.

The trust's bank deposits at the end of the financial year included a grant of £50,000 received for the purpose of funding operations during the following year.

THE SOUSTER YOUTH TRUST

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

Structure, governance and management

The trust is a Charitable Incorporated Organisation (CIO).

The Trustees who served during the year and up to the date of signature of the financial statements were:

The Very Revd Michael Bunker

Mrs Carolyn Brawn

Mr Steven Chadwick

Canon Brian W Long, MBE

Mr Simon Nurser

Mrs Grace Read

The charity trustees manage the affairs of the CIO and may for that purpose exercise all the powers of the CIO in furtherance of its objectives.

The constitution allows for the appointment of two trustees to be nominated by The Arthur Souster Charitable Trust. In addition, up to a further five trustees may be appointed by the Board of Trustees, each for a period of five years. There must be a minimum of three trustees of the charity.

The trustees are alive to the need to bring together within the Board a sufficiently wide variety of abilities. Accordingly, the Board is selectively increasing its number in order to provide an appropriate range and balance of knowledge and experience.

Day-to-day management and decision-making of the charity is conducted by the Director who is in regular contact with the Chairman of Trustees. This management and decision-making occurs within the framework of policies and procedures established by the charity and agreed by the Board of Trustees in furtherance of the objectives of the charity.

Day-to-day financial management is under the control of the Treasurer, who is a trustee; he works with the Director and within an annual budget agreed by the Board and reviewed quarterly. Actual figures for Income and expenditure are monitored monthly against the budget.

Funding

The Arthur Souster Charitable Trust has funded our activities from the outset in 2015, and their trustees have indicated their willingness to continue support at agreed levels for the next eighteen months. We are grateful for that assurance, but recognise the need to diversify our sources of funding. Accordingly, we are preparing a fundraising campaign with the object of strengthening our funding base.

Safeguarding

The safety and well-being of both young people and our staff is paramount. Our safeguarding policy is clearly understood and observed, and we follow the guidelines of the Northamptonshire Safeguarding Board.

Public benefit

The trustees consider that by providing the facilities and activities described above for children and young people in east Northamptonshire, the charity continues to fulfill the objectives set out in its constitution, and to comply with the Charity Commission's general guidance in regard to public benefit.

The Trustees report was approved by the Board of Trustees.

The Very Revd Michael Bunker

Chairman of Trustees

Dated: 4 February 2019

THE SOUSTER YOUTH TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE SOUSTER YOUTH TRUST

I report to the Trustees on my examination of the financial statements of The Souster Youth Trust (the trust) for the year ended 30 June 2018.

Responsibilities and basis of report

As the Trustees of the trust you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the trust's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable 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 that in any material respect:

- 1 accounting records were not kept in respect of the trust as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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 financial statements to be reached.

Mark Jackson FCA
Baldwins Holdings Limited t/a Rawlinsons

Ruthlyn House
90 Lincoln Road
Peterborough
Cambridgeshire
PE1 2SP

Dated: 5 February 2019

THE SOUSTER YOUTH TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2018

		Unrestricted funds 2018 £	Restricted funds 2018 £	Total 2018 £	Total 2017 £
	Notes				
<u>Income and endowments from:</u>					
Donations and legacies	3	140,295	2,500	142,795	90,076
Charitable activities	4	3,608	-	3,608	-
Investments	5	41	-	41	11
Other income	6	516	-	516	-
Total income		<u>144,460</u>	<u>2,500</u>	<u>146,960</u>	<u>90,087</u>
<u>Expenditure on:</u>					
Charitable activities	7	117,747	2,500	120,247	70,576
Other		-	-	-	1,335
Total resources expended		<u>117,747</u>	<u>2,500</u>	<u>120,247</u>	<u>71,911</u>
Net income for the year/ Net movement in funds		26,713	-	26,713	18,176
Fund balances at 1 July 2017		<u>47,265</u>	<u>-</u>	<u>47,265</u>	<u>29,089</u>
Fund balances at 30 June 2018		<u><u>73,978</u></u>	<u><u>-</u></u>	<u><u>73,978</u></u>	<u><u>47,265</u></u>

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

All income and expenditure derive from continuing activities.

THE SOUSTER YOUTH TRUST

BALANCE SHEET

AS AT 30 JUNE 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	11		10,950		5,062
Current assets					
Debtors	13	627		877	
Cash at bank and in hand		67,687		44,720	
		<u>68,314</u>		<u>45,597</u>	
Creditors: amounts falling due within one year	14	(5,286)		(3,394)	
Net current assets			63,028		42,203
Total assets less current liabilities			<u>73,978</u>		<u>47,265</u>
Income funds					
Unrestricted funds			73,978		47,265
			<u>73,978</u>		<u>47,265</u>

The financial statements were approved by the Trustees on 4 February 2019

Canon Brian W Long, MBE
Trustee

THE SOUSTER YOUTH TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

1 Accounting policies

Charity information

The Souster Youth Trust is a Charitable Incorporated Organisation (CIO).

1.1 Accounting convention

The financial statements have been prepared in accordance with the trust's constitution, 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 (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The trust is a Public Benefit Entity as defined by FRS 102.

The trust has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the trust. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The trust has one major donor and is therefore dependent on their continued support. At the time of approving the financial statements, the Trustees have a reasonable expectation that the trust will continue to receive support from the major donor and will therefore have adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the trust is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the trust has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

THE SOUSTER YOUTH TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

1 Accounting policies

(Continued)

1.5 Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT, which cannot be recovered.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	25% on cost
Computers	33% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The trust has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the trust's balance sheet when the trust becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

THE SOUSTER YOUTH TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

1 Accounting policies

(Continued)

Derecognition of financial liabilities

Financial liabilities are derecognised when the trust's contractual obligations expire or are discharged or cancelled.

1.9 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the trust is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Critical accounting estimates and judgements

In the application of the trust's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Total
	2018 £	2018 £	2018 £	2017 £
Donations and gifts	10,295	-	10,295	76
Grants receivable	130,000	2,500	132,500	90,000
	<u>140,295</u>	<u>2,500</u>	<u>142,795</u>	<u>90,076</u>
For the year ended 30 June 2017	<u>90,076</u>	<u>-</u>		<u>90,076</u>

4 Charitable activities

	2018 £	2017 £
Provision of training courses	<u>3,608</u>	<u>-</u>

THE SOUSTER YOUTH TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2018

5 Investments

	Unrestricted funds	Total
	2018 £	2017 £
Interest receivable	41	11
	<u>41</u>	<u>11</u>

6 Other income

	Unrestricted funds	Total
	2018 £	2017 £
Net gain on disposal of tangible fixed assets	516	-
	<u>516</u>	<u>-</u>

THE SOUSTER YOUTH TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2018

7 Charitable activities

	2018 £	2017 £
Staff salaries	64,755	38,947
Sessional staff	10,129	4,360
Depreciation and impairment	3,776	937
Meetings and subsistence	250	785
Travel	2,442	2,534
Recruitment	1,200	420
Removal allowance	4,137	4,824
Insurance	807	638
Office costs	2,893	926
DBS expenses	233	183
Design fees	930	1,610
Staff development	4,182	3,860
Sundry expenditure	521	76
Telephone	757	860
Postage and stationery	1,828	916
Light and heat	1,530	673
Cleaning	1,436	430
Premises maintenance	4,031	-
Expenditure on provision of training courses	6,052	-
	<u>111,889</u>	<u>62,979</u>
Share of governance costs (see note 8)	8,358	7,597
	<u>120,247</u>	<u>70,576</u>
Analysis by fund		
Unrestricted funds	117,747	
Restricted funds	2,500	
	<u>120,247</u>	
For the year ended 30 June 2017		
Unrestricted funds		70,576
		<u>70,576</u>

THE SOUSTER YOUTH TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2018

8 Support costs

	Support costs £	Governance costs £	2018 £	2017 £	Basis of allocation
Independent examiner fees	-	2,400	2,400	1,397	Governance
Management consultancy	-	5,000	5,000	5,000	Governance
Human resources and payroll	-	958	958	1,200	Governance
	<u>-</u>	<u>8,358</u>	<u>8,358</u>	<u>7,597</u>	
Analysed between Charitable activities	-	8,358	8,358	7,597	

9 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the trust during the year.

10 Employment costs

	2018 £	2017 £
Wages and salaries	64,755	38,947
Sessional staff	10,129	4,360
	<u>74,884</u>	<u>43,307</u>

THE SOUSTER YOUTH TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2018

11 Tangible fixed assets

	Fixtures and fittings	Computers	Total
	£	£	£
Cost			
At 1 July 2017	1,034	4,981	6,015
Additions	5,134	4,530	9,664
At 30 June 2018	6,168	9,511	15,679
Depreciation and impairment			
At 1 July 2017	204	749	953
Depreciation charged in the year	1,543	2,233	3,776
At 30 June 2018	1,747	2,982	4,729
Carrying amount			
At 30 June 2018	4,421	6,529	10,950
At 30 June 2017	830	4,232	5,062

12 Financial instruments

	2018	2017
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	90	-
Carrying amount of financial liabilities		
Measured at amortised cost	4,089	2,707

13 Debtors

	2018	2017
	£	£
Amounts falling due within one year:		
Other debtors	90	-
Prepayments and accrued income	537	877
	627	877

14 Creditors: amounts falling due within one year

	2018	2017
	£	£
Other taxation and social security	1,197	687
Other creditors	2,889	2,707
Accruals and deferred income	1,200	-
	5,286	3,394

THE SOUSTER YOUTH TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2018

15 Restricted funds

	Balance at 1 July 2017 £	Movement in funds		Balance at 30 June 2018 £
		Incoming resources £	Resources expended £	
Landscaping at Souster House	-	2,500	(2,500)	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

16 Related party transactions

The main funder is The Arthur Souster Charitable Trust. There are Trustees in common to both charities. During the year £132,500 was received from The Arthur Souster Charitable Trust (2017 - £90,000).

The Charity also occupies premises owned by the Arthur Souster Charitable Trust informally, but with the intention of agreeing a lease at a peppercorn rent.