

Registered Number: CEO 12409

Charity Number: 1175866

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

Unaudited
Trustees' Report and Financial Statements
For the Year Ended 30 September 2018



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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY ITS TRUSTEES AND ADVISERS FOR
THE YEAR ENDED 30 SEPTEMBER 2018**

Trustees:

R.G. Smee

I. M. Wood-Smith

P. Burrowes (resigned 15 October 2019)

M Farrant (appointed 15 October 2019)

Company registered number - CEO 12409

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

BERKSHIRE YOUTH TRUST
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TRUSTEES REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2018

The Trustees present their first annual report together with the unaudited financial statements of the company from incorporation as a Charitable Incorporated Organisation ("CIO") on 21 July 2018 to 31 July 2019. 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 Constitution 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 11 January 2015) as amended by Update Bulletin 1 (effective 1 January 2015)

Since the Company qualifies as small under section 383, 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 has 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. A planning application has been made 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 will take place when planning consent has been granted. The first phase of the refurbishment programme will cost £700,000.

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 pledges have been made for donations from wealthy individuals, including one of the Trustees, Roger Smee, and Bradfield College totalling £300,000. BBY Waterside Limited has negotiated favourable loan facilities of £700,000 from the same donors which will allow for purchase of the building and completion of the first phase of the redevelopment.

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. Berkshire Youth has also entered 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 charity earned no income and paid no expenditure during its first year of operation. For that reason no Income and Expenditure Account is provided for the year ending 31 July 2019.

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, they own significant underutilised properties, typically in town centres, which could potentially create the opportunity for state-of-the-art club facilities for young people. 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 them an ideal opportunity to do so and at the same time present an opportunity to provide their pupils with the opportunity 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 a number of large Charitable Foundations that make substantial donations from income on an annual basis. Berkshire Youth Trust's plans create the ideal basis for making 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 and will be updated at least 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 [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.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in March 2005) and in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small entities.

Approved by the Management Committee on 16 October 2019 and signed on its behalf by:



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Roger Guy Smees (Director)

BERKSHIRE YOUTH TRUST
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BALANCE SHEET AS AT 30 SEPTEMBER 2018

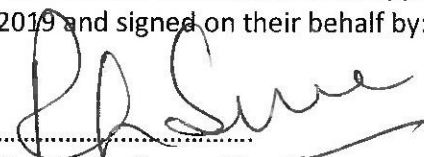
	Note	2019 £
FIXED ASSETS		
Fixed Asset Investment	2	1
NET ASSETS		<u>1</u>
CHARITABLE FUNDS		
Restricted Funds	3	1
TOTAL FUNDS		<u>1</u>

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 16 October 2019 and signed on their behalf by:



Roger Guy Smee- Director

The notes on pages 11 to 14 form part of these financial statements

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Notes forming part of the Financial Statements for the year ended 30 September 2018

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 under the historical cost convention, as modified by the inclusion of fixed asset investments at market value, and in accordance with the Companies Act 1985 and the Statement of Recommended Practice: Accounting and Reporting by Charities issued in March 2005.

(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. BBY Waterside Limited has exchanged contracts for the purchase 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. Completion of the contract will take place when planning consent for refurbishment and redevelopment of the building is granted. Refurbishment and redevelopment of the Waterside Centre will be undertaken in three phases at a total estimated cost of £1.5m. West Berks Council and BBY Waterside Limited have entered into an agreement for lease of the building to Berkshire Youth who will operate the Waterside Centre as a club for young people in West Berkshire commencing on completion of the first phase of the refurbishment programme.

3 Summary of Funds- Current Year

	Balance at 30 September 2018 £
General funds	0
Restricted Funds	1
	<hr/>
	1
	<hr/>