

THE EAST DURHAM EMPLOYABILITY TRUST

England & Wales · Charity number 1153424

Details

Other names THE EMPLOYABILITY TRUST

Status Registered

Legal form Charitable company

Company number [07746913](#)

Registered 2013-08-15

Register [View on the Charity Commission register](#)

Contact

Address 3 Palmer Road
South West Industrial Estate
Peterlee
SR8 2HU

Phone 07590777213

Email success@theemployabilitytrust.com

Website <http://www.theemployabilitytrust.com>

Activities

Objects: THE CHARITY'S OBJECTS("OBJECTS")ARE SPECIFICALLY RESTRICTED TO THE FOLLOWING:4.1THE RELIEF OF UNEMPLOYMENT FOR THE BENEFIT OF THE PUBLIC IN SUCH WAYS AS MAY BE THOUGHT FIT,INCLUDING ASSISTANCE TO FIND EMPLOYMENT.4.2THE PROMOTION FOR THE BENEFIT OF THE PUBLIC OF URBAN OR RURAL REGENERATION IN AREAS OF SOCIAL AND ECONOMIC DEPRIVATION,AND IN PARTICULAR IN EAST DURHAM,BY ALL OR ANY OF THE FOLLOWING MEANS:4.2.A THE ADVANCEMENT OF EDUCATION,TRAINING OR RETRAINING,PARTICULARLY AMONG UNEMPLOYED PEOPLE,AND PROVIDING UNEMPLOYED PEOPLE WITH WORK EXPERIENCE;4.2.B THE CREATION OF TRAINING AND EMPLOYMENT OPPORTUNITIES BY THE PROVISION OF WORKSPACE,BUILDINGS,AND/OR LAND FOR USE ON FAVOURABLE TERMS;4.2.C THE PROVISION OF FINANCIAL ASSISTANCE,TECHNICAL ASSISTANCE OR BUSINESS ADVICE OR CONSULTANCY IN ORDER TO PROVIDE TRAINING AND EMPLOYMENT OPPORTUNITIES FOR UNEMPLOYED PEOPLE IN CASES OF FINANCIAL OR OTHER CHARITABLE NEED THROUGH HELP:(I)IN SETTING UP THEIR OWN BUSINESS,OR(II)TO EXISTING BUSINESSES;4.2.D SUCH OTHER MEANS AS MAY FROM TIME TO TIME BE DETERMINED SUBJECT TO THE PRIOR WRITTEN CONSENT OF THE CHARITY COMMISSIONERS FOR ENGLAND AND WALES.

Activities: The Employability Trust aims to maximise the potential of young people and add value to industry by responsively developing skills and attitudes to match local industry needs. Through contracts with local organisations we offer NEETs vital practical work experience and training to build confidence and enhance skills with the aim of securing sustainable employment.

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information
- **What:** Education/training, Economic/community Development/employment
- **Who:** The General Public/mankind

Geography

- Durham

Finances

Period end	Income	Expenditure	Assets	Employees
2025-01-31	£926,452	£858,814	£-53,234	15
2024-01-31	£738,217	£660,535	£-120,872	12
2023-01-31	£483,221	£516,939	-	-
2022-01-31	£518,732	£506,790	£-164,836	11
2021-01-31	£511,531	£538,759	£-176,778	13

Trustees

Name	Role	Appointed
Sally Waterston	Chair	2014-01-06
Denis Ford		2017-04-03
MERYL LEVINGTON		2013-08-05
Robert Forsyth Taylor		2025-09-24

THE EAST DURHAM EMPLOYABILITY TRUST

England & Wales - Charity number 1153424

Accounts

Charity registration number 1153424 (England and Wales)

Company registration number 07746913

THE EAST DURHAM EMPLOYABILITY TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2025

THE EAST DURHAM EMPLOYABILITY TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Meryl Levington Sally Waterston Denis Ford Robert Taylor (Appointed 1 October 2025)
Charity number (England and Wales)	1153424
Company number	07746913
Registered office	3 Palmer Road South West Industrial Estate Peterlee SR8 2HU
Independent examiner	RMT Accountants & Business Advisors Ltd Gosforth Park Avenue Newcastle upon Tyne NE12 8EG
Bankers	Barclays Bank PLC Leicester Leicestershire LE87 2BB

THE EAST DURHAM EMPLOYABILITY TRUST

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THE EAST DURHAM EMPLOYABILITY TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 JANUARY 2025

The trustees present their annual report and financial statements for the year ended 31 January 2025.

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 charity's governing document, the Companies Act 2006 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)" (effective 1 January 2019).

Objectives and activities

The charity's objects are as follows:

The relief of unemployment for the benefit of the public in such ways as maybe thought fit, including assistance to find employment.

The promotion of urban or rural regeneration in areas of social and economic deprivation, and in particular East Durham, by all or any of the following means:

- The advancement of education, training or retraining, particularly among unemployed people and providing those individuals with works experience;
- The creation of training and employment opportunities by the provision of workspace, buildings and/or land for use on favourable terms;
- The provision of financial assistance, technical assistance, business advice or consultancy in order to provide training and employment opportunities for unemployed people in cases of financial or charitable need through help:
 - a) in setting up their own business
 - b) to existing businesses; or
 - c) by such other means as may from time to time be determined subject to prior written consent of the Charity Commissioners for England and Wales.

Public benefit that is provided by the charity

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

Achievements and performance

Review of charitable activities undertaken by the charity

The East Durham Employability Trust has continued with our mission to maximise the potential of individuals whilst adding value to industry by responsively developing skills and attitudes to match local industry needs. Our Destination Employment programme is thriving, offering a bespoke 12 week work experience programme for individuals who are long term unemployed. We have also offered short term work trials leading into direct paid employment. We hope to expand upon our services in the coming year, increasing work experience placements and diversifying our training potential further by attracting new customers in different sectors to provide a variety of contracts on which our candidates can be trained.

Financial review

Review of financial position

The accounts are set out on pages 5 to 19.

The income for the year was £926k (2024: £738k), the net surplus for the year was £68k (2024: £78k), The funds as at 31 January 2025 are showing a deficit of £53k (2024: £121k).

Policies on reserves

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at levels sufficient to enable the charity to continue with its core activities. equivalent to between three and six month's expenditure. The trustees note that there is currently a deficit on unrestricted reserves and are actively seeking new sources of funding.

Risk management

The trustees have assessed the major risks to which the charity is exposed, in particular the financial and operational risks, and are satisfied that systems are in place to mitigate exposure to the major risks. A comprehensive risk is reviewed at each Board meeting.

THE EAST DURHAM EMPLOYABILITY TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)(CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2025

Plans for future periods

The board of trustees continues to look at ways in which to expand the income generating activities of the charity along with seeking funding from local businesses and government bodies. We also wish to add to our Board of Trustees to provide a more diverse and inclusive Board with a wider variety of skills and experiences. For this reason we consider the charity to be a going concern.

Structure, governance and management

Nature of governing document and constitution of the charity

The charity is a company limited by guarantee and is therefore governed by a memorandum and articles of association. None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The trustees, who are also the directors for the purpose of company law, and who served during the year were:

Meryl Levington

Sally Waterston

Denis Ford

Sally Hancox

Robert Taylor

(Resigned 16 September 2024)

(Appointed 1 October 2025)

Recruitment and appointment of trustees

In the governing documents of the charity there is no maximum number of trustees set, but there should, at any one time, be in place a minimum of three trustees which represents the quorum. A trustee must be over 18 years of age.

Potential trustees are recruited through recommendation, referral or advertisement where a skills shortage has been identified. Potential trustees in the first instance will be met by the CEO and given an overview of the organisation. Following this they will be interviewed by two members of the board and if successful they will be invited to attend the next available board meeting.

THE EAST DURHAM EMPLOYABILITY TRUST

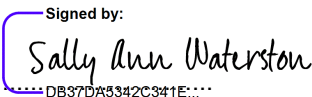
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)(CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2025

Statement of trustees' responsibilities

The trustees, who are also the directors of The East Durham Employability Trust for the purpose 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).

The trustees' report was approved by the Board of Trustees.

Signed by:

DB37DA3342C341E...
Sally Waterston
Trustee

28 November 2025
Dated:

THE EAST DURHAM EMPLOYABILITY TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE EAST DURHAM EMPLOYABILITY TRUST

I report to the trustees on my examination of the financial statements of The East Durham Employability Trust (the charity) for the year ended 31 January 2025.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law), you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006.

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

Independent examiner's statement

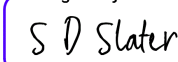
Since the charity's gross income exceeded £250,000, the independent examiner must be a member of a body listed in section 145 of the Charities Act 2011. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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 charity as required by section 386 of the Companies Act 2006.
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the Companies Act 2006 other than any requirement that the financial statements give a true and fair view, which is not a matter considered as part of an independent examination; or
- 4 the financial statements 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 financial statements 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 financial statements to be reached.

Signed by:



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Stephen Slater FCA
RMT Accountants & Business Advisors Ltd
Gosforth Park Avenue
Newcastle upon Tyne
NE12 8EG

02 December 2025

Dated:

THE EAST DURHAM EMPLOYABILITY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JANUARY 2025

Current financial year

		Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Total 2024 £
	Notes				
<u>Income from:</u>					
Donations and legacies	3	1,100	-	1,100	500
Charitable activities	4	843,293	81,194	924,487	737,494
Investments	5	865	-	865	223
Total income		845,258	81,194	926,452	738,217
<u>Expenditure on:</u>					
Charitable activities	6	773,656	81,194	854,850	654,637
Other	8	3,964	-	3,964	5,898
Total expenditure		777,620	81,194	858,814	660,535
Net income for the year					
Net movement in funds		67,638	-	67,638	77,682
Fund balances at 1 February 2024		(120,872)	-	(120,872)	(198,554)
Fund balances at 31 January 2025		(53,234)	-	(53,234)	(120,872)

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

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE EAST DURHAM EMPLOYABILITY TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JANUARY 2025

Prior financial year

		Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
	Notes			
<u>Income from:</u>				
Donations and legacies	3	500	-	500
Charitable activities	4	702,494	35,000	737,494
Investments	5	223	-	223
Total income		703,217	35,000	738,217
<u>Expenditure on:</u>				
Charitable activities	6	612,304	42,333	654,637
Other	8	5,898	-	5,898
Total expenditure		618,202	42,333	660,535
Net income for the year				
Net movement in funds		85,015	(7,333)	77,682
Fund balances at 1 February 2023		(205,887)	7,333	(198,554)
Fund balances at 31 January 2024		(120,872)	-	(120,872)

THE EAST DURHAM EMPLOYABILITY TRUST

BALANCE SHEET

AS AT 31 JANUARY 2025

	Notes	2025 £	£	2024 £	£
Fixed assets					
Tangible assets	13		36,156		18,462
Current assets					
Debtors	14	222,875		220,375	
Cash at bank and in hand		74,688		123,807	
		297,563		344,182	
Creditors: amounts falling due within one year	16	(293,410)		(320,722)	
Net current assets			4,153		23,460
Total assets less current liabilities			40,309		41,922
Creditors: amounts falling due after more than one year	17		(93,543)		(162,794)
Net liabilities			(53,234)		(120,872)
The funds of the charity					
Unrestricted funds	20		(53,234)		(120,872)
			(53,234)		(120,872)

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 January 2025.

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

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the trustees on 28 November 2025

Signed by:

Sally Ann Waterston

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Sally Waterston

Trustee

Company registration number 07746913 (England and Wales)

THE EAST DURHAM EMPLOYABILITY TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JANUARY 2025

	Notes	2025 £	£	2024 £	£
Cash flows from operating activities					
Cash generated from operations			18,330		194,972
Investing activities					
Purchase of tangible fixed assets		(23,755)		(19,000)	
Investment income received		865		223	
Net cash used in investing activities			(22,890)		(18,777)
Financing activities					
Repayment of borrowings		(37,325)		(38,675)	
Repayment of bank loans		(7,234)		(3,616)	
Net cash used in financing activities			(44,559)		(42,291)
Net (decrease)/increase in cash and cash equivalents			(49,119)		133,904
Cash and cash equivalents at beginning of year			123,807		(10,097)
Cash and cash equivalents at end of year			74,688		123,807

THE EAST DURHAM EMPLOYABILITY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2025

1 Accounting policies

Charity information

The East Durham Employability Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is 3 Palmer Road, South West Industrial Estate, Peterlee, SR8 2HU.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has 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.

Restricted funds are subject to specific conditions by donors or grantors 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 charity 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 charity 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.

1.5 Resources expended

All expenditure is accounted for on an accrual basis and has been classified under the headings that aggregate all costs to that category. Charitable activity costs includes expenditure relating to the operation of the charity and includes both direct and support costs relating to those activities. Support costs include central function expenditure and are allocated on the basis of staff allocated to each activity. Governance costs include those incurred in the governance of the charity and its assets, and are primarily associated with constitutional and statutory requirements.

THE EAST DURHAM EMPLOYABILITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2025

1 Accounting policies

(Continued)

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:

Leasehold land and buildings	20% straight line
Plant and equipment	20% straight line
Fixtures and fittings	15% straight line
Motor vehicles	20% straight line

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 the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 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.

1.9 Financial instruments

The charity 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 charity's balance sheet when the charity 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.

THE EAST DURHAM EMPLOYABILITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2025

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and 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.

Derecognition of financial liabilities

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

1.10 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 charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

2 Critical accounting estimates and judgements

In the application of the charity'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.

Critical judgements

Assessing indicators of impairment

In assessing whether there have been any indicators of impairment of assets, the trustees have considered both external and internal sources of information such as market conditions and experience of recoverability.

THE EAST DURHAM EMPLOYABILITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2025

2 Critical accounting estimates and judgements

(Continued)

Key sources of estimation uncertainty

Determining residual values and useful economic lives of tangible fixed assets

The company depreciates tangible fixed assets over their estimated useful lives. The estimation of the useful lives of assets is based on historic performance as well as expectations about future use and therefore requires estimates and assumptions to be applied by management. The actual lives of these assets can vary depending on a variety of factors, including technological innovation, product life cycles and maintenance programmes.

Judgement is applied by trustees when determining the residual values for tangible fixed assets. When determining the residual value trustees aim to assess the amount that the company would currently obtain for the disposal of the asset, if it were already of the condition expected at the end of its useful economic life. Where possible this is done with reference to external market prices.

3 Income from donations and legacies

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Donations and gifts	1,100	500

4 Income from charitable activities

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Sales of services by beneficiaries	837,443	-	837,443	686,965	-	686,965
Ancillary trading income	5,850	-	5,850	15,529	-	15,529
Grants						
Performance related grants	-	81,194	81,194	-	35,000	35,000
	843,293	81,194	924,487	702,494	35,000	737,494

THE EAST DURHAM EMPLOYABILITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2025

4 Income from charitable activities (Continued)

Performance related grants analysis

	Restricted 2025 £	Restricted 2024 £
Ballinger Trust	50,000	35,000
Key Fund Northern Impact	30,000	-
East Durham College	694	-
Durham County Council	500	-
	<u> </u>	<u> </u>

5 Investments

	2025 £	2024 £
Interest receivable	865	223
	<u> </u>	<u> </u>

6 Expenditure on charitable activities

	2025 £	2024 £
Direct costs		
Purchases	174,569	99,943
Carriage	103,047	55,304
	<u> </u>	<u> </u>
	277,616	155,247
Share of support and governance costs (see note 7)		
Support	575,914	497,740
Governance	1,320	1,650
	<u> </u>	<u> </u>
	854,850	654,637
	<u> </u>	<u> </u>
Analysis by fund		
Unrestricted funds - general	773,656	612,304
Restricted funds	81,194	42,333
	<u> </u>	<u> </u>
	854,850	654,637
	<u> </u>	<u> </u>

THE EAST DURHAM EMPLOYABILITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2025

7 Support costs

	Support costs	Governance costs	2025	Support costs	Governance costs	2024
	£	£	£	£	£	£
Staff costs	403,428	-	403,428	338,675	-	338,675
Depreciation	6,061	-	6,061	3,251	-	3,251
Premises costs	86,607	-	86,607	78,230	-	78,230
General administration expenses	31,302	-	31,302	39,161	-	39,161
Equipment rentals and repairs	12,797	-	12,797	12,361	-	12,361
Motor expenses	9,874	-	9,874	4,270	-	4,270
Travel, subsistence and entertaining	10,950	-	10,950	7,802	-	7,802
Accountancy	10,740	-	10,740	7,560	-	7,560
Legal and professional	1,320	-	1,320	500	-	500
Subscriptions	1,688	-	1,688	4,627	-	4,627
Sundries	1,147	-	1,147	1,303	-	1,303
Independent examination	-	1,320	1,320	-	1,650	1,650
	<u>575,914</u>	<u>1,320</u>	<u>577,234</u>	<u>497,740</u>	<u>1,650</u>	<u>499,390</u>
Analysed between Charitable activities	<u>575,914</u>	<u>1,320</u>	<u>577,234</u>	<u>497,740</u>	<u>1,650</u>	<u>499,390</u>

All support cost have been allocated to the only charitable activity of the charity on the basis that no fundraising or other activities have been conducted during the year.

Governance costs includes payments to the independent examiners of £1,320 (2024: £1,650) for the independent examination of the financial statements.

8 Other

	2025	2024
	£	£
Interest payable	3,964	5,898

9 Net movement in funds

	2025	2024
	£	£
The net movement in funds is stated after charging/(crediting):		
Fees payable for the independent examination of the charity's financial statements	1,320	1,650
Depreciation of owned tangible fixed assets	6,061	3,251

THE EAST DURHAM EMPLOYABILITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2025

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration, expenses or benefits from the charity during the year.

11 Employees

Number of employees

The average monthly number of employees during the year was:

	2025	2024
	Number	Number
Charitable activities	15	12

Employment costs

	2025	2024
	£	£
Wages and salaries	372,043	312,435
Social security costs	25,112	20,995
Other pension costs	6,273	5,245
	403,428	338,675

The charity considers its key management personnel comprises of the Chief Executive Officer. The total employment costs of the key management personnel were £67,025 (2024: £67,131).

The number of employees whose annual remuneration was £60,000 or more were:

	2025	2024
	Number	Number
£60,000 - £70,000	1	1

12 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

THE EAST DURHAM EMPLOYABILITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2025

13 Tangible fixed assets

	Leasehold land and buildings	Plant and equipment	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 February 2024	38,560	38,588	11,080	22,000	110,228
Additions	9,266	14,489	-	-	23,755
Disposals	-	(2,337)	-	(3,000)	(5,337)
At 31 January 2025	47,826	50,740	11,080	19,000	128,646
Depreciation and impairment					
At 1 February 2024	37,474	37,837	11,080	5,375	91,766
Depreciation charged in the year	1,177	1,084	-	3,800	6,061
Eliminated in respect of disposals	-	(2,337)	-	(3,000)	(5,337)
At 31 January 2025	38,651	36,584	11,080	6,175	92,490
Carrying amount					
At 31 January 2025	9,175	14,156	-	12,825	36,156
At 31 January 2024	1,086	751	-	16,625	18,462

14 Debtors

	2025 £	2024 £
Amounts falling due within one year:		
Trade debtors	30,900	36,053
Prepayments and accrued income	191,975	184,322
	222,875	220,375

15 Loans and overdrafts

	2025 £	2024 £
Bank loans	45,184	52,418
Other loans	88,451	125,776
	133,635	178,194
Payable within one year	40,092	15,400
Payable after one year	93,543	162,794

THE EAST DURHAM EMPLOYABILITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2025

16 Creditors: amounts falling due within one year

	Notes	2025 £	2024 £
Bank loans	15	15,400	15,400
Other borrowings		24,692	-
Other taxation and social security		57,638	71,574
Trade creditors		58,586	35,841
Other creditors		26,140	23,760
Accruals and deferred income		110,954	174,147
		<u>293,410</u>	<u>320,722</u>

17 Creditors: amounts falling due after more than one year

	Notes	2025 £	2024 £
Bank loans	15	29,784	37,018
Other borrowings		63,759	125,776
		<u>93,543</u>	<u>162,794</u>

18 Retirement benefit schemes

	2025 £	2024 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>6,273</u>	<u>5,245</u>

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

19 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 February 2024 £	Incoming resources £	Resources expended £	At 31 January 2025 £
The Ballinger Trust	-	50,000	(50,000)	-
Key Fund Northern Impact	-	30,000	(30,000)	-
East Durham College	-	694	(694)	-
Durham County Council	-	500	(500)	-
	<u>-</u>	<u>81,194</u>	<u>(81,194)</u>	<u>-</u>

THE EAST DURHAM EMPLOYABILITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2025

19 Restricted funds (Continued)

Previous year:	At 1 February 2023 £	Incoming resources £	Resources expended £	At 31 January 2024 £
The Ballinger Trust	-	35,000	(35,000)	-
The Northern Impact Fund	7,333	-	(7,333)	-
	<u>7,333</u>	<u>35,000</u>	<u>(42,333)</u>	<u>-</u>

The Ballinger Charitable Trust

Towards core and staffing costs.

The Northern Impact Fund

Working capital to support new contracts and for the taking on of new employees.

20 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 February 2024 £	Incoming resources £	Resources expended £	At 31 January 2025 £
General funds	(120,872)	845,258	(777,620)	(53,234)
	<u>(120,872)</u>	<u>845,258</u>	<u>(777,620)</u>	<u>(53,234)</u>
Previous year:	At 1 February 2023 £	Incoming resources £	Resources expended £	At 31 January 2024 £
General funds	(205,887)	703,217	(618,202)	(120,872)
	<u>(205,887)</u>	<u>703,217</u>	<u>(618,202)</u>	<u>(120,872)</u>

21 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating lease for the charity's premises, which fall due as follows:

	2025 £	2024 £
Within one year	63,665	63,665
Between two and five years	63,667	127,332
	<u>127,332</u>	<u>190,997</u>

THE EAST DURHAM EMPLOYABILITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2025

22 Related party transactions

Actif

Meryl Levington, director and trustee, is a consultant for Actif. The balance due to Actif at the year end is £25,000 (2024: £25,000). No interest is charged is being charged on the balance.

Marley Kavelle Limited

Mr W Marley, chief executive, is a director of Marley Kavelle Ltd. Previously Marley Kavelle Ltd advanced an interest free loan to the charity and raised invoices for management fees. The balance due to Marley Kavelle Ltd at the year end is £21,692 (2024: £50,617). No interest is charged is being charged on the balance.

THE EAST DURHAM EMPLOYABILITY TRUST

England & Wales - Charity number 1153424

Accounts

Charity registration number 1153424

Company registration number 07746913 (England and Wales)

THE EAST DURHAM EMPLOYABILITY TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2024

THE EAST DURHAM EMPLOYABILITY TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Meryl Levington Sally Waterston Denis Ford
Charity number	1153424
Company number	07746913
Registered office	3 Palmer Road South West Industrial Estate Peterlee SR8 2HU
Independent examiner	RMT Accountants & Business Advisors Ltd Gosforth Park Avenue Newcastle upon Tyne NE12 8EG
Bankers	Barclays Bank PLC Leicester Leicestershire LE87 2BB

THE EAST DURHAM EMPLOYABILITY TRUST

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THE EAST DURHAM EMPLOYABILITY TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JANUARY 2024

The trustees present their annual report and financial statements for the year ended 31 January 2024.

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 charity's governing document, the Companies Act 2006 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)" (effective 1 January 2019).

Objectives and activities

The charity's objects are as follows:

The relief of unemployment for the benefit of the public in such ways as maybe thought fit, including assistance to find employment.

The promotion of urban or rural regeneration in areas of social and economic deprivation, and in particular East Durham, by all or any of the following means:

- The advancement of education, training or retraining, particularly among unemployed people and providing those individuals with works experience;
- The creation of training and employment opportunities by the provision of workspace, buildings and/or land for use on favourable terms;
- The provision of financial assistance, technical assistance, business advice or consultancy in order to provide training and employment opportunities for unemployed people in cases of financial or charitable need through help:
 - a) in setting up their own business
 - b) to existing businesses; or
 - c) by such other means as may from time to time be determined subject to prior written consent of the Charity Commissioners for England and Wales.

Public benefit that is provided by the charity

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

Achievements and performance

Review of charitable activities undertaken by the charity

The East Durham Employability Trust has continued with our mission to maximise the potential of individuals whilst adding value to industry by responsively developing skills and attitudes to match local industry needs. Our Destination Employment programme is thriving, offering a bespoke 12 week work experience programme for individuals who are long term unemployed. We have also offered short term work trials leading into direct paid employment. We hope to expand upon our services in the coming year, increasing work experience placements and diversifying our training potential further by attracting new customers in different sectors to provide a variety of contracts on which our candidates can be trained.

Financial review

Review of financial position

The accounts are set out on pages 5 to 19.

Cashflow has continued to be a challenge during the year although once new credit terms were agreed with a major customer the situation did improve.

Policies on reserves

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at levels sufficient to enable the charity to continue with its core activities. equivalent to between three and six month's expenditure. The trustees consider that there is currently a deficit on unrestricted reserves and are actively seeking new sources of funding.

THE EAST DURHAM EMPLOYABILITY TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)(CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2024

Risk management

The trustees have assessed the major risks to which the charity is exposed, in particular the financial and operational risks, and are satisfied that systems are in place to mitigate exposure to the major risks. Following the COVID-19 pandemic, during 2020/21, the Trustees decided that the risk register will be reviewed at each Board meeting.

Plans for future periods

The board of trustees continues to look at ways in which to expand the income generating activities of the charity along with seeking funding from local businesses and government bodies. We also wish to add to our Board of Trustees to provide a more diverse and inclusive Board with a wider variety of skills and experiences.

Structure, governance and management

Nature of governing document and constitution of the charity

The charity is a company limited by guarantee and is therefore governed by a memorandum and articles of association. None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The trustees, who are also the directors for the purpose of company law, and who served during the year were:

Meryl Levington
Sally Waterston
Denis Ford
Sally Hancox

(Resigned 16 September 2024)

Recruitment and appointment of trustees

In the governing documents of the charity there is no maximum number of trustees set, but there should, at any one time, be in place a minimum of three trustees which represents the quorum. A trustee must be over 18 years of age.

Potential trustees are recruited through recommendation, referral or advertisement where a skills shortage has been identified. Potential trustees in the first instance will be met by the CEO and given an overview of the organisation. Following this they will be interviewed by two members of the board and if successful they will be invited to attend the next available board meeting.

THE EAST DURHAM EMPLOYABILITY TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)(CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2024

Statement of trustees' responsibilities

The trustees, who are also the directors of The East Durham Employability Trust for the purpose 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 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity 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 charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees' report was approved by the Board of Trustees.

Sally Waterston
Trustee

Dated: 13 November 2024

THE EAST DURHAM EMPLOYABILITY TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE EAST DURHAM EMPLOYABILITY TRUST

I report to the trustees on my examination of the financial statements of The East Durham Employability Trust (the charity) for the year ended 31 January 2024.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity 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 charity's financial statements carried out under section 145 of the Charities Act 2011 (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

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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 charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements 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 financial statements to be reached.

Stephen Slater FCA
RMT Accountants & Business Advisors Ltd
Gosforth Park Avenue
Newcastle upon Tyne
NE12 8EG

Dated: 14 November 2024

THE EAST DURHAM EMPLOYABILITY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JANUARY 2024

Current financial year

		Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Total 2023 £
	Notes				
<u>Income from:</u>					
Donations and legacies	3	500	35,000	35,500	37,928
Charitable activities	4	702,494	-	702,494	445,290
Investments	5	223	-	223	3
Total income		<u>703,217</u>	<u>35,000</u>	<u>738,217</u>	<u>483,221</u>
<u>Expenditure on:</u>					
Charitable activities	6	612,304	42,333	654,637	511,360
Other	8	5,898	-	5,898	5,579
Total expenditure		<u>618,202</u>	<u>42,333</u>	<u>660,535</u>	<u>516,939</u>
Net income/(expenditure) for the year					
Net movement in funds		85,015	(7,333)	77,682	(33,718)
Fund balances at 1 February 2023		<u>(205,887)</u>	<u>7,333</u>	<u>(198,554)</u>	<u>(164,836)</u>
Fund balances at 31 January 2024		<u><u>(120,872)</u></u>	<u><u>-</u></u>	<u><u>(120,872)</u></u>	<u><u>(198,554)</u></u>

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

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE EAST DURHAM EMPLOYABILITY TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JANUARY 2024

Prior financial year

		Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Restricted funds 2023 £	Total 2023 £
	Notes				
Income from:					
Donations and legacies	3	14,928	-	23,000	37,928
Charitable activities	4	445,290	-	-	445,290
Investments	5	3	-	-	3
Total income		460,221	-	23,000	483,221
Expenditure on:					
Charitable activities	6	495,031	662	15,667	511,360
Other	8	5,579	-	-	5,579
Total expenditure		500,610	662	15,667	516,939
Net income/(expenditure) for the year					
Net movement in funds		(40,389)	(662)	7,333	(33,718)
Fund balances at 1 February 2022		(165,498)	662	-	(164,836)
Fund balances at 31 January 2023		(205,887)	-	7,333	(198,554)

THE EAST DURHAM EMPLOYABILITY TRUST

BALANCE SHEET

AS AT 31 JANUARY 2024

	Notes	2024 £	£	2023 £	£
Fixed assets					
Tangible assets	13		18,462		2,713
Current assets					
Stocks	14	-		93,054	
Debtors	15	220,375		222,055	
Cash at bank and in hand		123,807		4,410	
		<u>344,182</u>		<u>319,519</u>	
Creditors: amounts falling due within one year	17	<u>(320,722)</u>		<u>(315,701)</u>	
Net current assets			23,460		3,818
Total assets less current liabilities			41,922		6,531
Creditors: amounts falling due after more than one year	18		<u>(162,794)</u>		<u>(205,085)</u>
Net liabilities			<u>(120,872)</u>		<u>(198,554)</u>
The funds of the charity					
Restricted income funds	20	-		7,333	
Unrestricted funds		<u>(120,872)</u>		<u>(205,887)</u>	
			<u>(120,872)</u>		<u>(198,554)</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 January 2024.

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

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the trustees on 13 November 2024

Sally Waterston
Trustee

Company registration number 07746913 (England and Wales)

THE EAST DURHAM EMPLOYABILITY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2024

1 Accounting policies

Charity information

The East Durham Employability Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is 3 Palmer Road, South West Industrial Estate, Peterlee, SR8 2HU.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has 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.

Restricted funds are subject to specific conditions by donors or grantors 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 charity 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 charity 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.

1.5 Resources expended

All expenditure is accounted for on an accrual basis and has been classified under the headings that aggregate all costs to that category. Charitable activity costs includes expenditure relating to the operation of the charity and includes both direct and support costs relating to those activities. Support costs include central function expenditure and are allocated on the basis of staff allocated to each activity. Governance costs include those incurred in the governance of the charity and its assets, and are primarily associated with constitutional and statutory requirements.

THE EAST DURHAM EMPLOYABILITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2024

1 Accounting policies

(Continued)

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:

Leasehold land and buildings	20% straight line
Plant and equipment	20% straight line
Fixtures and fittings	15% straight line
Motor vehicles	20% straight line

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 the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.9 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.

1.10 Financial instruments

The charity 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 charity's balance sheet when the charity 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.

THE EAST DURHAM EMPLOYABILITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2024

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and 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.

Derecognition of financial liabilities

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

1.11 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 charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

2 Critical accounting estimates and judgements

In the application of the charity'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.

Critical judgements

Assessing indicators of impairment

In assessing whether there have been any indicators of impairment of assets, the trustees have considered both external and internal sources of information such as market conditions and experience of recoverability.

THE EAST DURHAM EMPLOYABILITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2024

2 Critical accounting estimates and judgements

(Continued)

Key sources of estimation uncertainty

Determining residual values and useful economic lives of tangible fixed assets

The company depreciates tangible fixed assets over their estimated useful lives. The estimation of the useful lives of assets is based on historic performance as well as expectations about future use and therefore requires estimates and assumptions to be applied by management. The actual lives of these assets can vary depending on a variety of factors, including technological innovation, product life cycles and maintenance programmes.

Judgement is applied by trustees when determining the residual values for tangible fixed assets. When determining the residual value trustees aim to assess the amount that the company would currently obtain for the disposal of the asset, if it were already of the condition expected at the end of its useful economic life. Where possible this is done with reference to external market prices.

3 Income from donations and legacies

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Donations and gifts	500	-	500	5,325	-	5,325
Grants receivable	-	35,000	35,000	9,603	23,000	32,603
	<u>500</u>	<u>35,000</u>	<u>35,500</u>	<u>14,928</u>	<u>23,000</u>	<u>37,928</u>
Grants receivable for core activities						
Other	-	35,000	35,000	9,603	23,000	32,603
	<u>-</u>	<u>35,000</u>	<u>35,000</u>	<u>9,603</u>	<u>23,000</u>	<u>32,603</u>

4 Income from charitable activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Sales of services by beneficiaries	686,965	427,346
Ancillary trading income	15,529	17,944
	<u>702,494</u>	<u>445,290</u>

THE EAST DURHAM EMPLOYABILITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2024

5 Investments

	2024	2023
	£	£
Interest receivable	223	3
	<u>223</u>	<u>3</u>

6 Expenditure on charitable activities

	2024	2023
	£	£
Direct costs		
Purchases	99,943	35,234
Carriage	55,304	14,337
	<u>155,247</u>	<u>49,571</u>
Share of support and governance costs (see note 7)		
Support	497,740	460,139
Governance	1,650	1,650
	<u>654,637</u>	<u>511,360</u>
Analysis by fund		
Unrestricted funds - general	612,304	495,031
Unrestricted funds - designated fund	-	662
Restricted funds	42,333	15,667
	<u>654,637</u>	<u>511,360</u>

THE EAST DURHAM EMPLOYABILITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2024

7 Support costs

	Support costs	Governance costs	2024	Support costs	Governance costs	2023
	£	£	£	£	£	£
Staff costs	338,675	-	338,675	282,912	-	282,912
Depreciation	3,251	-	3,251	3,175	-	3,175
Premises costs	78,230	-	78,230	85,628	-	85,628
General administration expenses	39,161	-	39,161	51,015	-	51,015
Equipment rentals and repairs	12,361	-	12,361	16,886	-	16,886
Motor expenses	4,270	-	4,270	1,865	-	1,865
Travel, subsistence and entertaining	7,802	-	7,802	6,034	-	6,034
Accountancy	7,560	-	7,560	6,345	-	6,345
Legal and professional	500	-	500	2,589	-	2,589
Subscriptions	4,627	-	4,627	2,836	-	2,836
Sundries	1,303	-	1,303	854	-	854
Independent examination	-	1,650	1,650	-	1,650	1,650
	<u>497,740</u>	<u>1,650</u>	<u>499,390</u>	<u>460,139</u>	<u>1,650</u>	<u>461,789</u>
Analysed between Charitable activities	<u>497,740</u>	<u>1,650</u>	<u>499,390</u>	<u>460,139</u>	<u>1,650</u>	<u>461,789</u>

All support cost have been allocated to the only charitable activity of the charity on the basis that no fundraising or other activities have been conducted during the year.

Governance costs includes payments to the independent examiners of £1,650 (2022: £1,650) for the independent examination of the financial statements.

8 Other

	2024	2023
	£	£
Interest payable	<u>5,898</u>	<u>5,579</u>

9 Net movement in funds

	2024	2023
	£	£
The net movement in funds is stated after charging/(crediting):		
Depreciation of owned tangible fixed assets	<u>3,251</u>	<u>3,175</u>

10 Trustees

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

THE EAST DURHAM EMPLOYABILITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2024

11 Employees

Number of employees

The average monthly number of employees during the year was:

	2024	2023
	Number	Number
Charitable activities	12	11

Employment costs

	2024	2023
	£	£
Wages and salaries	312,435	262,304
Social security costs	20,995	16,755
Other pension costs	5,245	3,853
	<u>338,675</u>	<u>282,912</u>

The charity considers its key management personnel comprises of the Chief Executive Officer. The total employment costs of the key management personnel were £60,000 (2023: £60,000).

The number of employees whose annual remuneration was £60,000 or more were:

	2024	2023
	Number	Number
£60,000 - £70,000	1	1

12 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

THE EAST DURHAM EMPLOYABILITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2024

13 Tangible fixed assets

	Leasehold land and buildings	Plant and equipment	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 February 2023	38,560	38,588	11,080	3,000	91,228
Additions	-	-	-	19,000	19,000
At 31 January 2024	38,560	38,588	11,080	22,000	110,228
Depreciation and impairment					
At 1 February 2023	37,060	37,375	11,080	3,000	88,515
Depreciation charged in the year	414	462	-	2,375	3,251
At 31 January 2024	37,474	37,837	11,080	5,375	91,766
Carrying amount					
At 31 January 2024	1,086	751	-	16,625	18,462
At 31 January 2023	1,500	1,213	-	-	2,713

14 Stocks

	2024 £	2023 £
Work in progress	-	93,054

15 Debtors

	2024 £	2023 £
Amounts falling due within one year:		
Trade debtors	36,053	206,706
Prepayments and accrued income	184,322	15,349
	220,375	222,055

THE EAST DURHAM EMPLOYABILITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2024

16 Loans and overdrafts

	2024 £	2023 £
Bank overdrafts	-	14,507
Bank loans	52,418	56,034
Other loans	125,776	164,451
	<u>178,194</u>	<u>234,992</u>
Payable within one year	15,400	29,907
Payable after one year	<u>162,794</u>	<u>205,085</u>

17 Creditors: amounts falling due within one year

	Notes	2024 £	2023 £
Bank loans and overdrafts	16	15,400	29,907
Other taxation and social security		71,574	69,752
Trade creditors		35,841	68,191
Other creditors		23,760	66,556
Accruals and deferred income		174,147	81,295
		<u>320,722</u>	<u>315,701</u>

18 Creditors: amounts falling due after more than one year

	Notes	2024 £	2023 £
Bank loans	16	37,018	40,634
Other borrowings		125,776	164,451
		<u>162,794</u>	<u>205,085</u>

19 Retirement benefit schemes

	2024 £	2023 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>5,245</u>	<u>3,853</u>

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

THE EAST DURHAM EMPLOYABILITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2024

20 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 February 2023 £	Incoming resources £	Resources expended £	At 31 January 2024 £
The Ballinger Trust	-	35,000	(35,000)	-
The Northern Impact Fund	7,333	-	(7,333)	-
	<u>7,333</u>	<u>35,000</u>	<u>(42,333)</u>	<u>-</u>

Previous year:	At 1 February 2022 £	Incoming resources £	Resources expended £	At 31 January 2023 £
The Ballinger Trust	-	15,000	(15,000)	-
The Northern Impact Fund	-	8,000	(667)	7,333
	<u>-</u>	<u>23,000</u>	<u>(15,667)</u>	<u>7,333</u>

The Ballinger Charitable Trust
Towards staffing costs.

The Northern Impact Fund
Working capital to support new contracts and for the taking on of new employees.

21 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 February 2023 £	Incoming resources £	Resources expended £	At 31 January 2024 £
General funds	(205,887)	703,217	(618,202)	(120,872)
	<u>(205,887)</u>	<u>703,217</u>	<u>(618,202)</u>	<u>(120,872)</u>

Previous year:	At 1 February 2022 £	Incoming resources £	Resources expended £	At 31 January 2023 £
Fixed asset fund	662	-	(662)	-
General funds	(165,498)	460,221	(500,610)	(205,887)
	<u>(164,836)</u>	<u>460,221</u>	<u>(501,272)</u>	<u>(205,887)</u>

THE EAST DURHAM EMPLOYABILITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2024

21 Unrestricted funds

(Continued)

Fixed asset fund

This fund represents fixed assets which were purchased with restricted funds and the terms of the restrictions have been met, allowing the charity to use the asset on an unrestricted basis. This fund is now fully utilised.

22 Analysis of net assets between funds

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
At 31 January 2024:			
Tangible assets	18,462	-	18,462
Current assets/(liabilities)	23,460	-	23,460
Long term liabilities	(162,794)	-	(162,794)
	<u>(120,872)</u>	<u>-</u>	<u>(120,872)</u>
	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
At 31 January 2023:			
Tangible assets	2,713	-	2,713
Current assets/(liabilities)	(3,515)	7,333	3,818
Long term liabilities	(205,085)	-	(205,085)
	<u>(205,887)</u>	<u>7,333</u>	<u>(198,554)</u>

23 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating lease for the charity's premises, which fall due as follows:

	2024 £	2023 £
Within one year	63,665	63,665
Between two and five years	127,332	175,079
	<u>190,997</u>	<u>238,744</u>

THE EAST DURHAM EMPLOYABILITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2024

24 Related party transactions

Actif

Meryl Levington, director and trustee, is a consultant for Actif. The balance due to Actif at the year end is £25,000 (2023: £25,000). This is repayable within 375 days of the charity receiving a written notice of demand.

Marley Kavelle Limited

Mr W Marley, chief executive, is a director of Marley Kavelle Ltd. Previously Marley Kavelle Ltd advanced an interest free loan to the charity and raised invoices for management fees. The balance due to Marley Kavelle Ltd at the year end is £50,617 (2023: £82,442). No interest is charged and the balance is repayable within 375 days of the charity receiving a written notice of demand.

Mr W Marley

At the year end £nil (2023: £41,100) was due to Mr W Marley, chief executive.

THE EAST DURHAM EMPLOYABILITY TRUST

England & Wales - Charity number 1153424

Accounts

Charity registration number 1153424

Company registration number 07746913 (England and Wales)

THE EAST DURHAM EMPLOYABILITY TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023

THE EAST DURHAM EMPLOYABILITY TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Meryl Levington Sally Waterston Denis Ford Sally Hancox
Charity number	1153424
Company number	07746913
Registered office	3 Palmer Road South West Industrial Estate Peterlee SR8 2HU
Independent examiner	RMT Accountants & Business Advisors Ltd Gosforth Park Avenue Newcastle upon Tyne NE12 8EG
Bankers	Barclays Bank PLC Leicester Leicestershire LE87 2BB

THE EAST DURHAM EMPLOYABILITY TRUST

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THE EAST DURHAM EMPLOYABILITY TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JANUARY 2023

The trustees present their annual report and financial statements for the year ended 31 January 2023.

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 charity's governing document, the Companies Act 2006 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)" (effective 1 January 2019).

Objectives and activities

The charity's objects are as follows:

The relief of unemployment for the benefit of the public in such ways as maybe thought fit, including assistance to find employment.

The promotion of urban or rural regeneration in areas of social and economic deprivation, and in particular East Durham, by all or any of the following means:

- The advancement of education, training or retraining, particularly among unemployed people and providing those individuals with works experience;
- The creation of training and employment opportunities by the provision of workspace, buildings and/or land for use on favourable terms;
- The provision of financial assistance, technical assistance, business advice or consultancy in order to provide training and employment opportunities for unemployed people in cases of financial or charitable need through help:
 - a) in setting up their own business
 - b) to existing businesses; or
 - c) by such other means as may from time to time be determined subject to prior written consent of the Charity Commissioners for England and Wales.

Public benefit that is provided by the charity

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

Achievements and performance

Review of charitable activities undertaken by the charity

The East Durham Employability Trust has continued with our mission to maximise the potential of individuals whilst adding value to industry by responsively developing skills and attitudes to match local industry needs. Our Destination Employment programme is thriving, offering a bespoke 12 week work experience programme for individuals who are long term unemployed. We have also offered short term work trials leading into direct paid employment. We hope to expand upon our services in the coming year, increasing work experience placements and diversifying our training potential further by attracting new customers in different sectors to provide a variety of contracts on which our candidates can be trained.

Financial review

Review of financial position

The accounts are set out on pages 5 to 21.

Cashflow has suffered this year due to difficulties in the timing of a project for one of our largest customers with whom we have a long term relationship. This has resulted in higher than normal debtors and creditors at the year end. New credit terms have been agreed which will ensure that income will be received more regularly in the future.

Policies on reserves

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at levels sufficient to enable the charity to continue with its core activities. equivalent to between three and six month's expenditure. The trustees consider that there is currently a deficit on unrestricted reserves and are actively seeking new sources of funding.

THE EAST DURHAM EMPLOYABILITY TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)(CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2023

Risk management

The trustees have assessed the major risks to which the charity is exposed, in particular the financial and operational risks, and are satisfied that systems are in place to mitigate exposure to the major risks. Following the COVID-19 pandemic, during 2020/21, the Trustees decided that the risk register will be reviewed at each Board meeting.

Plans for future periods

The board of trustees is looking at ways in which to expand the income generating activities of the charity along with seeking funding from local businesses and government bodies. We also wish to add to our Board of Trustees to provide a more diverse and inclusive Board with a wider variety of skills and experiences.

Structure, governance and management

Nature of governing document and constitution of the charity

The charity is a company limited by guarantee and is therefore governed by a memorandum and articles of association. None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The trustees, who are also the directors for the purpose of company law, and who served during the year were:

Meryl Levington
Sally Waterston
Denis Ford
Sally Hancox

Recruitment and appointment of trustees

In the governing documents of the charity there is no maximum number of trustees set, but there should, at any one time, be in place a minimum of three trustees which represents the quorum. A trustee must be over 18 years of age.

Potential trustees are recruited through recommendation, referral or advertisement where a skills shortage has been identified. Potential trustees in the first instance will be met by the CEO and given an overview of the organisation. Following this they will be interviewed by two members of the board and if successful they will be invited to attend the next available board meeting.

THE EAST DURHAM EMPLOYABILITY TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)(CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2023

Statement of trustees' responsibilities

The trustees, who are also the directors of The East Durham Employability Trust for the purpose 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 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity 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 charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees' report was approved by the Board of Trustees.

Sally Waterston
Trustee

Dated: 10 November 2023

THE EAST DURHAM EMPLOYABILITY TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE EAST DURHAM EMPLOYABILITY TRUST

I report to the trustees on my examination of the financial statements of The East Durham Employability Trust (the charity) for the year ended 31 January 2023.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity 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 charity's financial statements carried out under section 145 of the Charities Act 2011 (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

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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 charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements 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 financial statements to be reached.

RMT Accountants & Business Advisors Ltd
Stephen Slater FCA
Gosforth Park Avenue
Newcastle upon Tyne
NE12 8EG

Dated: 14 November 2023

THE EAST DURHAM EMPLOYABILITY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JANUARY 2023

Current financial year

		Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Restricted funds 2023 £	Total 2023 £	Total 2022 £
	Notes					
Income from:						
Donations and legacies	3	14,928	-	23,000	37,928	84,890
Charitable activities	4	445,290	-	-	445,290	433,836
Investments	5	3	-	-	3	6
Total income		460,221	-	23,000	483,221	518,732
Expenditure on:						
Charitable activities	6	495,031	662	15,667	511,360	496,771
Other	10	5,579	-	-	5,579	10,019
Total expenditure		500,610	662	15,667	516,939	506,790
Net (expenditure)/income for the year						
Net movement in funds		(40,389)	(662)	7,333	(33,718)	11,942
Fund balances at 1 February 2022		(165,498)	662	-	(164,836)	(176,778)
Fund balances at 31 January 2023		(205,887)	-	7,333	(198,554)	(164,836)

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE EAST DURHAM EMPLOYABILITY TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JANUARY 2023

Prior financial year

		Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Total 2022 £
	Notes			
Income from:				
Donations and legacies	3	84,890	-	84,890
Charitable activities	4	433,836	-	433,836
Investments	5	6	-	6
Total income		518,732	-	518,732
Expenditure on:				
Charitable activities	6	495,778	993	496,771
Other	10	10,019	-	10,019
Total expenditure		505,797	993	506,790
Net (expenditure)/income for the year				
Net movement in funds		12,935	(993)	11,942
Fund balances at 1 February 2021		(178,433)	1,655	(176,778)
Fund balances at 31 January 2022		(165,498)	662	(164,836)

THE EAST DURHAM EMPLOYABILITY TRUST

BALANCE SHEET

AS AT 31 JANUARY 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	12		2,713		5,218
Current assets					
Stocks	13	93,054		40,285	
Debtors	14	222,055		109,701	
Cash at bank and in hand		4,410		40,438	
		<u>319,519</u>		<u>190,424</u>	
Creditors: amounts falling due within one year	16	<u>(315,701)</u>		<u>(164,250)</u>	
Net current assets			3,818		26,174
Total assets less current liabilities			6,531		31,392
Creditors: amounts falling due after more than one year	17		(205,085)		(196,228)
Net liabilities			<u>(198,554)</u>		<u>(164,836)</u>
Income funds					
Restricted funds	19		7,333		-
<u>Unrestricted funds</u>					
Designated funds	20	-		662	
General unrestricted funds		<u>(205,887)</u>		<u>(165,498)</u>	
			(205,887)		(164,836)
			<u>(198,554)</u>		<u>(164,836)</u>

THE EAST DURHAM EMPLOYABILITY TRUST

BALANCE SHEET (CONTINUED)

AS AT 31 JANUARY 2023

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 January 2023.

The director acknowledges her responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 10 November 2023

Sally Waterston
Trustee

Company registration number 07746913

THE EAST DURHAM EMPLOYABILITY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2023

1 Accounting policies

Charity information

The East Durham Employability Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is 3 Palmer Road, South West Industrial Estate, Peterlee, SR8 2HU.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has 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.

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 charity 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 charity 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.

1.5 Resources expended

All expenditure is accounted for on an accrual basis and has been classified under the headings that aggregate all costs to that category. Charitable activity costs includes expenditure relating to the operation of the charity and includes both direct and support costs relating to those activities. Support costs include central function expenditure and are allocated on the basis of staff allocated to each activity. Governance costs include those incurred in the governance of the charity and its assets, and are primarily associated with constitutional and statutory requirements.

THE EAST DURHAM EMPLOYABILITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2023

1 Accounting policies

(Continued)

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:

Leasehold land and buildings	20% straight line
Plant and equipment	20% straight line
Fixtures and fittings	15% straight line
Motor vehicles	20% straight line

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 the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.9 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.

1.10 Financial instruments

The charity 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 charity's balance sheet when the charity 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.

THE EAST DURHAM EMPLOYABILITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2023

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and 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.

Derecognition of financial liabilities

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

1.11 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 charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

2 Critical accounting estimates and judgements

In the application of the charity'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.

Critical judgements

Assessing indicators of impairment

In assessing whether there have been any indicators of impairment of assets, the trustees have considered both external and internal sources of information such as market conditions and experience of recoverability.

THE EAST DURHAM EMPLOYABILITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2023

2 Critical accounting estimates and judgements

(Continued)

Key sources of estimation uncertainty

Determining residual values and useful economic lives of tangible fixed assets

The company depreciates tangible fixed assets over their estimated useful lives. The estimation of the useful lives of assets is based on historic performance as well as expectations about future use and therefore requires estimates and assumptions to be applied by management. The actual lives of these assets can vary depending on a variety of factors, including technological innovation, product life cycles and maintenance programmes.

Judgement is applied by trustees when determining the residual values for tangible fixed assets. When determining the residual value trustees aim to assess the amount that the company would currently obtain for the disposal of the asset, if it were already of the condition expected at the end of its useful economic life. Where possible this is done with reference to external market prices.

3 Donations and legacies

	Unrestricted funds general 2023 £	Restricted funds 2023 £	Total Unrestricted funds general 2023 £	2022 £
Donations and gifts	5,325	-	5,325	13,966
Grants receivable	9,603	23,000	32,603	70,924
	<u>14,928</u>	<u>23,000</u>	<u>37,928</u>	<u>84,890</u>
Grants receivable for core activities				
Job Retention Scheme funding	-	-	-	13,361
Other	9,603	23,000	32,603	57,563
	<u>9,603</u>	<u>23,000</u>	<u>32,603</u>	<u>70,924</u>

4 Charitable activities

	2023 £	2022 £
Sales of services by beneficiaries	427,346	358,252
Ancillary trading income	17,944	75,584
	<u>445,290</u>	<u>433,836</u>

THE EAST DURHAM EMPLOYABILITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2023

5 Investments

	2023	2022
	£	£
Interest receivable	3	6
	<u> </u>	<u> </u>

6 Charitable activities

	2023	2022
	£	£
Purchases	35,234	29,672
Carriage	14,337	15,550
	<u> </u>	<u> </u>
	49,571	45,222
	<u> </u>	<u> </u>
Share of support costs (see note 7)	460,139	449,899
Share of governance costs (see note 7)	1,650	1,650
	<u> </u>	<u> </u>
	511,360	496,771
	<u> </u>	<u> </u>
Analysis by fund		
Unrestricted funds - general	495,031	495,778
Unrestricted funds - designated	662	993
Restricted funds	15,667	-
	<u> </u>	<u> </u>
	511,360	496,771
	<u> </u>	<u> </u>

THE EAST DURHAM EMPLOYABILITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2023

7 Support costs

	Support costs £	Governance costs £	2023 £	Support costs £	Governance costs £	2022 £
Staff costs	282,912	-	282,912	282,026	-	282,026
Depreciation	3,175	-	3,175	4,849	-	4,849
Training fees	-	-	-	400	-	400
Premises costs	85,628	-	85,628	69,203	-	69,203
General administration expenses	51,015	-	51,015	49,183	-	49,183
Equipment rentals and repairs	16,886	-	16,886	18,862	-	18,862
Motor expenses	1,865	-	1,865	2,065	-	2,065
Travel, subsistence and entertaining	6,034	-	6,034	12,501	-	12,501
Accountancy	6,345	-	6,345	6,740	-	6,740
Legal and professional	2,589	-	2,589	300	-	300
Subscriptions	2,836	-	2,836	3,142	-	3,142
Sundries	854	-	854	628	-	628
Independent examination	-	1,650	1,650	-	1,650	1,650
	<u>460,139</u>	<u>1,650</u>	<u>461,789</u>	<u>449,899</u>	<u>1,650</u>	<u>451,549</u>
Analysed between						
Charitable activities	<u>460,139</u>	<u>1,650</u>	<u>461,789</u>	<u>449,899</u>	<u>1,650</u>	<u>451,549</u>

All support cost have been allocated to the only charitable activity of the charity on the basis that no fundraising or other activities have been conducted during the year.

Governance costs includes payments to the independent examiners of £1,650 (2022: £1,650) for the independent examination of the financial statements.

8 Trustees

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

THE EAST DURHAM EMPLOYABILITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2023

9 Employees

Number of employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Charitable activities	11	11

Employment costs

	2023 £	2022 £
Wages and salaries	262,304	261,759
Social security costs	16,755	16,457
Other pension costs	3,853	3,810
	282,912	282,026

The charity considers its key management personnel comprises of the Chief Executive Officer. The total employment costs of the key management personnel were £60,000 (2022: £60,000).

The number of employees whose annual remuneration was £60,000 or more were:

	2023 Number	2022 Number
£60,000 - £70,000	1	1

10 Other

	2023 £	2022 £
Interest payable	5,579	10,019

11 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

THE EAST DURHAM EMPLOYABILITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2023

12 Tangible fixed assets

	Leasehold land and buildings	Plant and fixtures and equipment	Plant and fixtures and fittings	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 February 2022	37,890	38,588	11,080	3,000	90,558
Additions	670	-	-	-	670
	<u>38,560</u>	<u>38,588</u>	<u>11,080</u>	<u>3,000</u>	<u>91,228</u>
At 31 January 2023	38,560	38,588	11,080	3,000	91,228
Depreciation and impairment					
At 1 February 2022	36,757	35,936	9,897	2,750	85,340
Depreciation charged in the year	303	1,439	1,183	250	3,175
	<u>37,060</u>	<u>37,375</u>	<u>11,080</u>	<u>3,000</u>	<u>88,515</u>
At 31 January 2023	37,060	37,375	11,080	3,000	88,515
Carrying amount					
At 31 January 2023	<u>1,500</u>	<u>1,213</u>	<u>-</u>	<u>-</u>	<u>2,713</u>
At 31 January 2022	<u>1,133</u>	<u>2,652</u>	<u>1,183</u>	<u>250</u>	<u>5,218</u>

13 Stocks

	2023 £	2022 £
Work in progress	<u>93,054</u>	<u>40,285</u>

14 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	206,706	99,862
Prepayments and accrued income	15,349	9,839
	<u>222,055</u>	<u>109,701</u>

THE EAST DURHAM EMPLOYABILITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2023

15 Loans and overdrafts

	2023 £	2022 £
Bank overdrafts	14,507	-
Bank loans	56,034	50,000
Other loans	164,451	151,228
	<u>234,992</u>	<u>201,228</u>
Payable within one year	29,907	5,000
Payable after one year	<u>205,085</u>	<u>196,228</u>

16 Creditors: amounts falling due within one year

	Notes	2023 £	2022 £
Bank loans and overdrafts	15	29,907	5,000
Other taxation and social security		69,752	75,618
Trade creditors		68,191	45,578
Other creditors		66,556	21,710
Accruals and deferred income		81,295	16,344
		<u>315,701</u>	<u>164,250</u>

17 Creditors: amounts falling due after more than one year

	Notes	2023 £	2022 £
Bank loans	15	40,634	45,000
Other borrowings		164,451	151,228
		<u>205,085</u>	<u>196,228</u>

18 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £3,853 (2022: £3,810).

THE EAST DURHAM EMPLOYABILITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2023

19 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			
	Balance at 1 February 2022	Incoming resources	Resources expended	Balance at 31 January 2023
	£	£	£	£
The Ballinger Trust	-	15,000	(15,000)	-
The Northern Impact Fund	-	8,000	(667)	7,333
	<u>-</u>	<u>23,000</u>	<u>(15,667)</u>	<u>7,333</u>

The Ballinger Charitable Trust

Towards staffing costs.

The Northern Impact Fund

Working capital to support new contracts and for the taking on of new employees.

20 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds				
	Balance at 1 February 2021	Resources expended	Balance at 1 February 2022	Resources expended	Balance at 31 January 2023
	£	£	£	£	£
Fixed asset fund	1,655	(993)	662	(662)	-
	<u>1,655</u>	<u>(993)</u>	<u>662</u>	<u>(662)</u>	<u>-</u>

Fixed asset fund

This fund represents fixed assets which were purchased with restricted funds and the terms of the restrictions have been met, allowing the charity to use the asset on an unrestricted basis. This fund is now fully utilised.

THE EAST DURHAM EMPLOYABILITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2023

21 Analysis of net assets between funds

	Unrestricted funds 2023 £	Designated funds 2023 £	Restricted funds 2023 £	Total Unrestricted funds 2023 £	Designated funds 2022 £	Total 2022 £
Fund balances at 31 January 2023 are represented by:						
Tangible assets	2,713	-	-	2,713	4,556	5,218
Current assets/(liabilities)	(3,515)	-	7,333	3,818	-	26,174
Long term liabilities	(205,085)	-	-	(205,085)	-	(196,228)
	<u>(205,887)</u>	<u>-</u>	<u>7,333</u>	<u>(198,554)</u>	<u>662</u>	<u>(164,836)</u>

THE EAST DURHAM EMPLOYABILITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2023

22 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating lease for the charity's premises, which fall due as follows:

	2023 £	2022 £
Within one year	63,665	14,875
Between two and five years	175,079	-
	<u>238,744</u>	<u>14,875</u>

THE EAST DURHAM EMPLOYABILITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2023

23 Related party transactions

Actif

Meryl Levington, director and trustee, is a consultant for Actif. The balance due to Actif at the year end is £25,000 (2022: £25,000). This is repayable within 375 days of the charity receiving a written notice of demand.

Marley Kavelle Limited

Mr W Marley, chief executive, is a director of Marley Kavelle Ltd. Previously Marley Kavelle Ltd advanced an interest free loan to the charity and raised invoices for management fees. The balance due to Marley Kavelle Ltd at the year end is £82,442 (2022: £101,466). No interest is charged and the balance is repayable within 375 days of the charity receiving a written notice of demand.

Mr W Marley

At the year end £41,100 (2020: £11,000) was due to Mr W Marley, chief executive.

THE EAST DURHAM EMPLOYABILITY TRUST

England & Wales - Charity number 1153424

Accounts

Charity registration number 1153424

Company registration number 07746913 (England and Wales)

THE EAST DURHAM EMPLOYABILITY TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2022

THE EAST DURHAM EMPLOYABILITY TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Meryl Levington Sally Waterston Denis Ford Sally Hancox
Charity number	1153424
Company number	07746913
Registered office	3 Palmer Road South West Industrial Estate Peterlee SR8 2HU
Independent examiner	RMT Accountants & Business Advisors Ltd Gosforth Park Avenue Newcastle upon Tyne NE12 8EG
Bankers	Barclays Bank PLC Leicester Leicestershire LE87 2BB

THE EAST DURHAM EMPLOYABILITY TRUST

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THE EAST DURHAM EMPLOYABILITY TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JANUARY 2022

The trustees present their annual report and financial statements for the year ended 31 January 2022.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, the Companies Act 2006 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 charity's objects are as follows:

The relief of unemployment for the benefit of the public in such ways as maybe thought fit, including assistance to find employment.

The promotion of urban or rural regeneration in areas of social and economic deprivation, and in particular East Durham, by all or any of the following means:

- The advancement of education, training or retraining, particularly among unemployed people and providing those individuals with works experience;
- The creation of training and employment opportunities by the provision of workspace, buildings and/or land for use on favourable terms;
- The provision of financial assistance, technical assistance, business advice or consultancy in order to provide training and employment opportunities for unemployed people in cases of financial or charitable need through help:
 - a) in setting up their own business
 - b) to existing businesses; or
 - c) by such other means as may from time to time be determined subject to prior written consent of the Charity Commissioners for England and Wales.

Public benefit that is provided by the charity

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

Achievements and performance

Review of charitable activities undertaken by the charity

The East Durham Employability Trust has continued with our mission to maximise the potential of individuals whilst adding value to industry by responsively developing skills and attitudes to match local industry needs. Despite the ongoing restrictions of the Covid-19 pandemic in the first part of the financial year, we were able to restart our Destination Employment programme and invite candidates to join us once again. We also utilised the government Kickstart Scheme which enabled us to employ an additional 7 young people. Despite the funding only covering 25 hours per week, we were able to provide full time employment and even overtime for these candidates, all of whom had their contracts extended, 3 of which were made permanent employees. We hope to expand upon our services in the coming year, increasing work experience placements and diversifying our training potential further by attracting new customers in different sectors to provide a variety of contracts on which our candidates can be trained.

Financial review

Review of financial position

The accounts are set out on pages 5 to 19.

Policies on reserves

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at levels sufficient to enable the charity to continue with its core activities. equivalent to between three and six month's expenditure. The trustees consider that there is currently a deficit on unrestricted reserves and are actively seeking new sources of funding.

Risk management

The trustees have assessed the major risks to which the charity is exposed, in particular the financial and operational risks, and are satisfied that systems are in place to mitigate exposure to the major risks. In light of the COVID-19 pandemic, during 2020/21 the Trustees will be reviewing the risk register at each Board meeting.

THE EAST DURHAM EMPLOYABILITY TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)(CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2022

Plans for future periods

The board of trustees is looking at ways in which to expand the income generating activities of the charity along with seeking funding from local businesses and government bodies. We also wish to add to our Board of Trustees to provide a more diverse and inclusive Board with a wider variety of skills and experiences.

Structure, governance and management

Nature of governing document and constitution of the charity

The charity is a company limited by guarantee and is therefore governed by a memorandum and articles of association. None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The trustees, who are also the directors for the purpose of company law, and who served during the year were:

Meryl Levington
Sally Waterston
Denis Ford
Sally Hancox

Recruitment and appointment of trustees

In the governing documents of the charity there is no maximum number of trustees set, but there should, at any one time, be in place a minimum of three trustees which represents the quorum. A trustee must be over 18 years of age.

Potential trustees are recruited through recommendation, referral or advertisement where a skills shortage has been identified. Potential trustees in the first instance will be met by the CEO and given an overview of the organisation. Following this they will be interviewed by two members of the board and if successful they will be invited to attend the next available board meeting.

THE EAST DURHAM EMPLOYABILITY TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)(CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2022

Statement of trustees' responsibilities

The trustees, who are also the directors of The East Durham Employability Trust for the purpose 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 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity 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 charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees' report was approved by the Board of Trustees.

Sally Waterston
Trustee

Dated: 19 October 2022

THE EAST DURHAM EMPLOYABILITY TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE EAST DURHAM EMPLOYABILITY TRUST

I report to the trustees on my examination of the financial statements of The East Durham Employability Trust (the charity) for the year ended 31 January 2022.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity 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 charity's financial statements carried out under section 145 of the Charities Act 2011 (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

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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 charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements 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 financial statements to be reached.

RMT Accountants & Business Advisors Ltd
Stephen Slater FCA
Gosforth Park Avenue
Newcastle upon Tyne
NE12 8EG

Dated: 19 October 2022

THE EAST DURHAM EMPLOYABILITY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 JANUARY 2022

Current financial year

		Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Total 2022 £	Total 2021 £
	Notes				
Income from:					
Donations and legacies	3	84,890	-	84,890	107,130
Charitable activities	4	433,836	-	433,836	404,388
Investments	5	6	-	6	13
Total income		518,732	-	518,732	511,531
Expenditure on:					
Charitable activities	6	495,778	993	496,771	530,561
Other	10	10,019	-	10,019	8,198
Total resources expended		505,797	993	506,790	538,759
Net income/(expenditure) for the year/ Net movement in funds		12,935	(993)	11,942	(27,228)
Fund balances at 1 February 2021		(178,433)	1,655	(176,778)	(149,550)
Fund balances at 31 January 2022		(165,498)	662	(164,836)	(176,778)

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE EAST DURHAM EMPLOYABILITY TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JANUARY 2022

Prior financial year

		Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Total 2021 £
	Notes			
Income from:				
Donations and legacies	3	107,130	-	107,130
Charitable activities	4	404,388	-	404,388
Investments	5	13	-	13
Total income		511,531	-	511,531
Expenditure on:				
Charitable activities	6	523,026	7,535	530,561
Other	10	8,198	-	8,198
Total resources expended		531,224	7,535	538,759
Net income/(expenditure) for the year/ Net movement in funds		(19,693)	(7,535)	(27,228)
Fund balances at 1 February 2020		(158,740)	9,190	(149,550)
Fund balances at 31 January 2021		(178,433)	1,655	(176,778)

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE EAST DURHAM EMPLOYABILITY TRUST

BALANCE SHEET

AS AT 31 JANUARY 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	11		5,218		8,138
Current assets					
Stocks	12	40,285		22,591	
Debtors	13	109,701		70,970	
Cash at bank and in hand		40,438		51,523	
		<u>190,424</u>		<u>145,084</u>	
Creditors: amounts falling due within one year	15	<u>(164,250)</u>		<u>(120,847)</u>	
Net current assets			26,174		24,237
Total assets less current liabilities			31,392		32,375
Creditors: amounts falling due after more than one year	16		(196,228)		(209,153)
Net liabilities			<u>(164,836)</u>		<u>(176,778)</u>
Income funds					
<u>Unrestricted funds</u>					
Designated funds	17	662		1,655	
General unrestricted funds		<u>(165,498)</u>		<u>(178,433)</u>	
			(164,836)		(176,778)
			<u>(164,836)</u>		<u>(176,778)</u>

THE EAST DURHAM EMPLOYABILITY TRUST

BALANCE SHEET (CONTINUED)

AS AT 31 JANUARY 2022

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 January 2022.

The director acknowledges her responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 19 October 2022

Sally Waterston
Trustee

Company registration number 07746913

THE EAST DURHAM EMPLOYABILITY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2022

1 Accounting policies

Charity information

The East Durham Employability Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is 3 Palmer Road, South West Industrial Estate, Peterlee, SR8 2HU.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's memorandum and articles of association, the Companies Act 2006 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 charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has 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. This includes taking into account the potential impact of COVID-19 to ensure that cashflow is positively managed and the impact to the charity's operations are mitigated. The Board has concluded that the going concern assumption is appropriate in preparing these financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

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 charity 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 charity 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.

1.5 Resources expended

All expenditure is accounted for on an accrual basis and has been classified under the headings that aggregate all costs to that category. Charitable activity costs includes expenditure relating to the operation of the charity and includes both direct and support costs relating to those activities. Support costs include central function expenditure and are allocated on the basis of staff allocated to each activity. Governance costs include those incurred in the governance of the charity and its assets, and are primarily associated with constitutional and statutory requirements.

THE EAST DURHAM EMPLOYABILITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2022

1 Accounting policies

(Continued)

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:

Leasehold land and buildings	20% straight line
Plant and equipment	20% straight line
Fixtures and fittings	15% straight line
Motor vehicles	20% straight line

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 the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.9 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.

1.10 Financial instruments

The charity 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 charity's balance sheet when the charity 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.

THE EAST DURHAM EMPLOYABILITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2022

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and 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.

Derecognition of financial liabilities

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

1.11 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 charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

2 Critical accounting estimates and judgements

In the application of the charity'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.

Critical judgements

Assessing indicators of impairment

In assessing whether there have been any indicators of impairment of assets, the trustees have considered both external and internal sources of information such as market conditions and experience of recoverability.

THE EAST DURHAM EMPLOYABILITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2022

2 Critical accounting estimates and judgements

(Continued)

Key sources of estimation uncertainty

Determining residual values and useful economic lives of tangible fixed assets

The company depreciates tangible fixed assets over their estimated useful lives. The estimation of the useful lives of assets is based on historic performance as well as expectations about future use and therefore requires estimates and assumptions to be applied by management. The actual lives of these assets can vary depending on a variety of factors, including technological innovation, product life cycles and maintenance programmes.

Judgement is applied by trustees when determining the residual values for tangible fixed assets. When determining the residual value trustees aim to assess the amount that the company would currently obtain for the disposal of the asset, if it were already of the condition expected at the end of its useful economic life. Where possible this is done with reference to external market prices.

3 Donations and legacies

	2022 £	2021 £
Donations and gifts	13,966	9,225
Grants receivable	70,924	97,905
	<u>84,890</u>	<u>107,130</u>
Grants receivable for core activities		
Job Retention Scheme funding	13,361	46,176
Other	57,563	51,729
	<u>70,924</u>	<u>97,905</u>

4 Charitable activities

	2022 £	2021 £
Sales of services by beneficiaries	358,252	327,379
Ancillary trading income	75,584	77,009
	<u>433,836</u>	<u>404,388</u>

THE EAST DURHAM EMPLOYABILITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2022

5 Investments

	2022	2021
	£	£
Interest receivable	6	13
	<u>6</u>	<u>13</u>

6 Charitable activities

	2022	2021
	£	£
Purchases	29,672	35,003
Carriage	15,550	16,511
	<u>45,222</u>	<u>51,514</u>
Share of support costs (see note 7)	449,899	477,397
Share of governance costs (see note 7)	1,650	1,650
	<u>449,900</u>	<u>479,047</u>
	<u>496,771</u>	<u>530,561</u>
Analysis by fund		
Unrestricted funds - general	495,778	523,026
Unrestricted funds - designated	993	7,535
	<u>496,771</u>	<u>530,561</u>

THE EAST DURHAM EMPLOYABILITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2022

7 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Staff costs	282,026	-	282,026	306,784	-	306,784
Depreciation	4,849	-	4,849	11,654	-	11,654
Training fees	400	-	400	-	-	-
Premises costs	69,203	-	69,203	76,215	-	76,215
General administration expenses	49,183	-	49,183	54,972	-	54,972
Equipment rentals and repairs	18,862	-	18,862	12,101	-	12,101
Motor expenses	2,065	-	2,065	889	-	889
Travel, subsistence and entertaining	12,501	-	12,501	3,316	-	3,316
Accountancy	6,740	-	6,740	6,560	-	6,560
Legal and professional	300	-	300	1,166	-	1,166
Subscriptions	3,142	-	3,142	2,351	-	2,351
Sundries	628	-	628	1,389	-	1,389
Independent examination	-	1,650	1,650	-	1,650	1,650
	<u>449,899</u>	<u>1,650</u>	<u>451,549</u>	<u>477,397</u>	<u>1,650</u>	<u>479,047</u>
Analysed between						
Charitable activities	<u>449,899</u>	<u>1,650</u>	<u>451,549</u>	<u>477,397</u>	<u>1,650</u>	<u>479,047</u>

All support cost have been allocated to the only charitable activity of the charity on the basis that no fundraising or other activities have been conducted during the year.

Governance costs includes payments to the independent examiners of £1,650 for the independent examination of the financial statements.

8 Trustees

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

THE EAST DURHAM EMPLOYABILITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2022

9 Employees

Number of employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Charitable activities	11	13

Employment costs

	2022 £	2021 £
Wages and salaries	261,759	284,197
Social security costs	16,457	18,385
Other pension costs	3,810	4,202
	282,026	306,784

The charity considers its key management personnel comprises of the Chief Executive Officer. The total employment costs of the key management personnel were £60,000 (2020: £60,000).

The number of employees whose annual remuneration was £60,000 or more were:

	2022 Number	2021 Number
£60,000 - £70,000	1	1

10 Other

	2022 £	2021 £
Net loss on disposal of tangible fixed assets	-	2,760
Interest payable	10,019	5,438

THE EAST DURHAM EMPLOYABILITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2022

11 Tangible fixed assets

	Leasehold land and buildings	Plant and fixtures and equipment	and fittings	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 February 2021	36,490	38,059	11,080	3,000	88,629
Additions	1,400	529	-	-	1,929
At 31 January 2022	37,890	38,588	11,080	3,000	90,558
Depreciation and impairment					
At 1 February 2021	36,035	34,129	8,177	2,150	80,491
Depreciation charged in the year	722	1,807	1,720	600	4,849
At 31 January 2022	36,757	35,936	9,897	2,750	85,340
Carrying amount					
At 31 January 2022	1,133	2,652	1,183	250	5,218
At 31 January 2021	455	3,930	2,903	850	8,138

12 Stocks

	2022 £	2021 £
Work in progress	40,285	22,591

13 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	99,862	57,768
Prepayments and accrued income	9,839	13,202
	109,701	70,970

THE EAST DURHAM EMPLOYABILITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2022

14 Loans and overdrafts

	2022	2021
	£	£
Bank overdrafts	-	10,228
Bank loans	50,000	50,000
Other loans	151,228	159,153
	<u>201,228</u>	<u>219,381</u>
Payable within one year	5,000	10,228
Payable after one year	<u>196,228</u>	<u>209,153</u>

15 Creditors: amounts falling due within one year

	Notes	2022	2021
		£	£
Bank loans and overdrafts	14	5,000	10,228
Other taxation and social security		75,618	44,489
Trade creditors		45,578	50,122
Other creditors		21,710	4,960
Accruals and deferred income		16,344	11,048
		<u>164,250</u>	<u>120,847</u>

16 Creditors: amounts falling due after more than one year

	Notes	2022	2021
		£	£
Bank loans	14	45,000	50,000
Other borrowings		151,228	159,153
		<u>196,228</u>	<u>209,153</u>

THE EAST DURHAM EMPLOYABILITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2022

17 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds			
	Balance at 1 February 2020 £	Resources expended £	Balance at 1 February 2021 £	Resources expended £
Fixed asset fund	9,190	(7,535)	1,655	(993)
	<u>9,190</u>	<u>(7,535)</u>	<u>1,655</u>	<u>(993)</u>

Fixed asset fund

This fund represents fixed assets which were purchased with restricted funds and the terms of the restrictions have been met, allowing the charity to use the asset on an unrestricted basis. This fund is now fully utilised.

18 Analysis of net assets between funds

	Unrestricted funds 2022 £	Designated funds 2022 £	Total Unrestricted funds 2022 £	Designated funds 2021 £	Total 2021 £
Fund balances at 31 January 2022 are represented by:					
Tangible assets	4,556	662	5,218	6,483	8,138
Current assets/(liabilities)	26,174	-	26,174	24,237	24,237
Long term liabilities	(196,228)	-	(196,228)	(209,153)	(209,153)
	<u>(165,498)</u>	<u>662</u>	<u>(164,836)</u>	<u>1,655</u>	<u>(176,778)</u>

19 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating lease for the charity's premises, which fall due as follows:

	2022 £	2021 £
Within one year	<u>14,875</u>	<u>28,000</u>

THE EAST DURHAM EMPLOYABILITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2022

20 Related party transactions

Actif

Meryl Levington, director and trustee, is a consultant for Actif. The balance due to Actif at the year end is £23,450 (2021: £23,450). This is repayable within 375 days of the charity receiving a written notice of demand.

Marley Kavelle Limited

Mr W Marley, chief executive, is a director of Marley Kavelle Ltd. Previously Marley Kavelle Ltd advanced an interest free loan to the charity and raised invoices for management fees. The balance due to Marley Kavelle Ltd at the year end is £101,466 (2021: £125,316). No interest is charged and the balance is repayable within 375 days of the charity receiving a written notice of demand.

Mr W Marley

At the year end £11,000 was due to Mr W Marley, chief executive,

THE EAST DURHAM EMPLOYABILITY TRUST

England & Wales - Charity number 1153424

Accounts

Charity Registration No. 1153424

Company Registration No. 07746913 (England and Wales)

THE EAST DURHAM EMPLOYABILITY TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2021

THE EAST DURHAM EMPLOYABILITY TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Meryl Levington Sally Waterston Denis Ford Sally Hancox	(Appointed 1 June 2020)
Charity number	1153424	
Company number	07746913	
Registered office	3 Palmer Road South West Industrial Estate Peterlee SR8 2HU	
Independent examiner	RMT Accountants & Business Advisors Ltd Gosforth Park Avenue Newcastle upon Tyne NE12 8EG	
Bankers	Barclays Bank PLC Leicester Leicestershire LE87 2BB	

THE EAST DURHAM EMPLOYABILITY TRUST

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THE EAST DURHAM EMPLOYABILITY TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JANUARY 2021

The trustees present their report and financial statements for the year ended 31 January 2021.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, the Companies Act 2006 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 charity's objects are as follows:

The relief of unemployment for the benefit of the public in such ways as maybe thought fit, including assistance to find employment.

The promotion of urban or rural regeneration in areas of social and economic deprivation, and in particular East Durham, by all or any of the following means:

- The advancement of education, training or retraining, particularly among unemployed people and providing those individuals with works experience;
- The creation of training and employment opportunities by the provision of workspace, buildings and/or land for use on favourable terms;
- The provision of financial assistance, technical assistance, business advice or consultancy in order to provide training and employment opportunities for unemployed people in cases of financial or charitable need through help:
 - a) in setting up their own business
 - b) to existing businesses; or
 - c) by such other means as may from time to time be determined subject to prior written consent of the Charity Commissioners for England and Wales.

Public benefit that is provided by the charity

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

Achievements and performance

Review of charitable activities undertaken by the charity

The East Durham Employability Trust has continued with our mission to maximise the potential of individuals whilst adding value to industry by responsively developing skills and attitudes to match local industry needs. Despite the restrictions of the Covid-19 pandemic we were able to remain a source of support for our candidates, albeit in a different manner to previous years. Government restrictions meant that we were unable to run our face-to-face Destination Employment programme however we analysed the need of our beneficiaries and diversified to provide support in the form of a food bank in partnership with Fareshare and advice and guidance both in person, over the telephone and via online communication platforms. Despite these restrictions we were still able to support two of our candidates into full time sustainable employment.

Financial review

Review of financial position

The accounts are set out on pages 5 to 17.

Policies on reserves

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at levels sufficient to enable the charity to continue with its core activities, equivalent to between three and six month's expenditure. The trustees consider that there is currently a deficit on unrestricted reserves and are actively seeking new sources of funding.

Risk management

The trustees have assessed the major risks to which the charity is exposed, in particular the financial and operational risks, and are satisfied that systems are in place to mitigate exposure to the major risks. In light of the COVID-19 pandemic, during 2020/21 the Trustees will be reviewing the risk register at each Board meeting.

THE EAST DURHAM EMPLOYABILITY TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)(CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2021

Plans for future periods

The board of trustees is looking at ways in which to expand the income generating activities of the charity along with seeking funding from local businesses and government bodies.

Structure, governance and management

Nature of governing document and constitution of the charity

The charity is a company limited by guarantee and is therefore governed by a memorandum and articles of association. None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The trustees, who are also the directors for the purpose of company law, and who served during the year were:

Meryl Levington

Sally Waterston

Denis Ford

Sally Hancox

(Appointed 1 June 2020)

Recruitment and appointment of trustees

In the governing documents of the charity there is no maximum number of trustees set, but there should, at any one time, be in place a minimum of three trustees which represents the quorum. A trustee must be over 18 years of age.

Potential trustees are recruited through recommendation, referral or advertisement where a skills shortage has been identified. Potential trustees in the first instance will be met by the CEO and given an overview of the organisation. Following this they will be interviewed by two members of the board and if successful they will be invited to attend the next available board meeting.

THE EAST DURHAM EMPLOYABILITY TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)(CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2021

Statement of trustees' responsibilities

The trustees, who are also the directors of The East Durham Employability Trust for the purpose 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 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity 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 charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees' report was approved by the Board of Trustees.

Sally Waterston
Trustee

Dated: 28 October 2021

THE EAST DURHAM EMPLOYABILITY TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE EAST DURHAM EMPLOYABILITY TRUST

I report to the trustees on my examination of the financial statements of The East Durham Employability Trust (the charity) for the year ended 31 January 2021.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity 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 charity's financial statements carried out under section 145 of the Charities Act 2011 (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

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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 charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements 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 financial statements to be reached.

Stephen Slater FCA
for and on behalf of RMT Accountants & Business Advisors Ltd
Gosforth Park Avenue
Newcastle upon Tyne
NE12 8EG

Dated: 29 October 2021

THE EAST DURHAM EMPLOYABILITY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 JANUARY 2021

Current financial year

		Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Total 2021 £	Total 2020 £
	Notes				
Income from:					
Donations and legacies	3	107,130	-	107,130	31,025
Charitable activities	4	404,388	-	404,388	570,541
Investments	5	13	-	13	44
Total income		511,531	-	511,531	601,610
Expenditure on:					
Charitable activities	6	523,026	7,535	530,561	571,745
Other	10	8,198	-	8,198	5,944
Total resources expended		531,224	7,535	538,759	577,689
Net (expenditure)/income for the year/ Net movement in funds		(19,693)	(7,535)	(27,228)	23,921
Fund balances at 1 February 2020		(158,740)	9,190	(149,550)	(173,471)
Fund balances at 31 January 2021		(178,433)	1,655	(176,778)	(149,550)

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE EAST DURHAM EMPLOYABILITY TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 JANUARY 2021

Prior financial year

		Unrestricted funds general 2020 £	Unrestricted funds designated 2020 £	Total 2020 £
	Notes			
Income from:				
Donations and legacies	3	31,025	-	31,025
Charitable activities	4	570,541	-	570,541
Investments	5	44	-	44
Total income		601,610	-	601,610
Expenditure on:				
Charitable activities	6	564,095	7,650	571,745
Other	10	5,944	-	5,944
Total resources expended		570,039	7,650	577,689
Gross transfers between funds		7,672	(7,672)	-
Net (expenditure)/income for the year/ Net movement in funds		39,243	(15,322)	23,921
Fund balances at 1 February 2019		(197,983)	24,512	(173,471)
Fund balances at 31 January 2020		(158,740)	9,190	(149,550)

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE EAST DURHAM EMPLOYABILITY TRUST

BALANCE SHEET

AS AT 31 JANUARY 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	11		8,138		20,956
Current assets					
Stocks	12	22,591		39,920	
Debtors	13	70,970		131,081	
Cash at bank and in hand		51,523		10,414	
		<u>145,084</u>		<u>181,415</u>	
Creditors: amounts falling due within one year	15	<u>(120,847)</u>		<u>(186,397)</u>	
Net current assets/(liabilities)			24,237		(4,982)
Total assets less current liabilities			<u>32,375</u>		<u>15,974</u>
Creditors: amounts falling due after more than one year	16		(209,153)		(165,524)
Net liabilities			<u>(176,778)</u>		<u>(149,550)</u>
Income funds					
<u>Unrestricted funds</u>					
Designated funds	17	1,655		9,190	
General unrestricted funds		<u>(178,433)</u>		<u>(158,740)</u>	
			(176,778)		(149,550)
			<u>(176,778)</u>		<u>(149,550)</u>

THE EAST DURHAM EMPLOYABILITY TRUST

BALANCE SHEET (CONTINUED)

AS AT 31 JANUARY 2021

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 January 2021.

The director acknowledges her responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 28 October 2021

Sally Waterston
Trustee

Company Registration No. 07746913

THE EAST DURHAM EMPLOYABILITY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2021

1 Accounting policies

Charity information

The East Durham Employability Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is 3 Palmer Road, South West Industrial Estate, Peterlee, SR8 2HU.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's memorandum and articles of association, the Companies Act 2006 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 charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has 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. This includes taking into account the potential impact of COVID-19 to ensure that cashflow is positively managed and the impact to the charity's operations are mitigated. The Board has concluded that the going concern assumption is appropriate in preparing these financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

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 charity 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 charity 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.

1.5 Resources expended

All expenditure is accounted for on an accrual basis and has been classified under the headings that aggregate all costs to that category. Charitable activity costs includes expenditure relating to the operation of the charity and includes both direct and support costs relating to those activities. Support costs include central function expenditure and are allocated on the basis of staff allocated to each activity. Governance costs include those incurred in the governance of the charity and its assets, and are primarily associated with constitutional and statutory requirements.

THE EAST DURHAM EMPLOYABILITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2021

1 Accounting policies

(Continued)

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:

Leasehold land and buildings	20% straight line
Plant and equipment	20% straight line
Fixtures and fittings	15% straight line
Motor vehicles	20% straight line

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 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.9 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.

1.10 Financial instruments

The charity 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 charity's balance sheet when the charity 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.

THE EAST DURHAM EMPLOYABILITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2021

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and 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.

Derecognition of financial liabilities

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

1.11 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 charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

2 Critical accounting estimates and judgements

In the application of the charity'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.

Critical judgements

Assessing indicators of impairment

In assessing whether there have been any indicators of impairment of assets, the trustees have considered both external and internal sources of information such as market conditions and experience of recoverability.

THE EAST DURHAM EMPLOYABILITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2021

2 Critical accounting estimates and judgements

(Continued)

Key sources of estimation uncertainty

Determining residual values and useful economic lives of tangible fixed assets

The company depreciates tangible fixed assets over their estimated useful lives. The estimation of the useful lives of assets is based on historic performance as well as expectations about future use and therefore requires estimates and assumptions to be applied by management. The actual lives of these assets can vary depending on a variety of factors, including technological innovation, product life cycles and maintenance programmes.

Judgement is applied by trustees when determining the residual values for tangible fixed assets. When determining the residual value trustees aim to assess the amount that the company would currently obtain for the disposal of the asset, if it were already of the condition expected at the end of its useful economic life. Where possible this is done with reference to external market prices.

3 Donations and legacies

	2021 £	2020 £
Donations and gifts	9,225	1,775
Grants receivable	97,905	29,250
	<u>107,130</u>	<u>31,025</u>
Grants receivable for core activities		
Job Retention Scheme funding	46,176	-
Other	51,729	29,250
	<u>97,905</u>	<u>29,250</u>

4 Charitable activities

	2021 £	2020 £
Sales of services by beneficiaries	327,379	501,659
Ancillary trading income	77,009	68,882
	<u>404,388</u>	<u>570,541</u>

THE EAST DURHAM EMPLOYABILITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2021

5 Investments

	2021 £	2020 £
Interest receivable	13	44
	<u>13</u>	<u>44</u>

6 Charitable activities

	2021 £	2020 £
Purchases	35,003	46,631
Carriage	16,511	18,594
	<u>51,514</u>	<u>65,225</u>
Share of support costs (see note 7)	477,397	504,870
Share of governance costs (see note 7)	1,650	1,650
	<u>530,561</u>	<u>571,745</u>
Analysis by fund		
Unrestricted funds - general	523,026	564,095
Unrestricted funds - designated	7,535	7,650
	<u>530,561</u>	<u>571,745</u>

THE EAST DURHAM EMPLOYABILITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2021

7 Support costs

	Support costs	Governance costs	2021	Support costs	Governance costs	2020
	£	£	£	£	£	£
Staff costs	306,784	-	306,784	326,357	-	326,357
Depreciation	11,654	-	11,654	12,559	-	12,559
Training fees	-	-	-	225	-	225
Premises costs	76,215	-	76,215	67,037	-	67,037
General administration expenses	54,972	-	54,972	51,030	-	51,030
Equipment rentals and repairs	12,101	-	12,101	12,030	-	12,030
Motor expenses	889	-	889	4,855	-	4,855
Travel, subsistence and entertaining	3,316	-	3,316	7,570	-	7,570
Accountancy	6,560	-	6,560	2,650	-	2,650
Legal and professional	1,166	-	1,166	16,495	-	16,495
Subscriptions	2,351	-	2,351	2,111	-	2,111
Sundries	1,389	-	1,389	1,951	-	1,951
Independent examination	-	1,650	1,650	-	1,650	1,650
	<u>477,397</u>	<u>1,650</u>	<u>479,047</u>	<u>504,870</u>	<u>1,650</u>	<u>506,520</u>
Analysed between						
Charitable activities	<u>477,397</u>	<u>1,650</u>	<u>479,047</u>	<u>504,870</u>	<u>1,650</u>	<u>506,520</u>

All support cost have been allocated to the only charitable activity of the charity on the basis that no fundraising or other activities have been conducted during the year.

Governance costs includes payments to the independent examiners of £1,650 for the independent examination of the financial statements.

8 Trustees

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

THE EAST DURHAM EMPLOYABILITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2021

9 Employees

Number of employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Charitable activities	13	12

Employment costs

	2021 £	2020 £
Wages and salaries	284,197	300,746
Social security costs	18,385	21,140
Other pension costs	4,202	4,471
	<u>306,784</u>	<u>326,357</u>

The charity considers its key management personnel comprises of the Chief Executive Officer. The total employment costs of the key management personnel were £60,000 (2020: £60,000).

The number of employees whose annual remuneration was £60,000 or more were:

	2021 Number	2020 Number
£60,000 - £70,000	1	1

10 Other

	2021 £	2020 £
Net loss on disposal of tangible fixed assets	2,760	-
Interest payable	<u>5,438</u>	<u>5,944</u>

THE EAST DURHAM EMPLOYABILITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2021

11 Tangible fixed assets

	Leasehold land and buildings	Plant and equipment	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 February 2020	36,490	36,463	11,080	7,800	91,833
Additions	-	1,596	-	-	1,596
Disposals	-	-	-	(4,800)	(4,800)
At 31 January 2021	36,490	38,059	11,080	3,000	88,629
Depreciation and impairment					
At 1 February 2020	33,850	26,879	6,558	3,590	70,877
Depreciation charged in the year	2,185	7,250	1,619	600	11,654
Eliminated in respect of disposals	-	-	-	(2,040)	(2,040)
At 31 January 2021	36,035	34,129	8,177	2,150	80,491
Carrying amount					
At 31 January 2021	455	3,930	2,903	850	8,138
At 31 January 2020	2,640	9,584	4,522	4,210	20,956

12 Stocks

	2021 £	2020 £
Work in progress	22,591	39,920

13 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	57,768	106,683
Prepayments and accrued income	13,202	24,398
	70,970	131,081

THE EAST DURHAM EMPLOYABILITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2021

14 Loans and overdrafts

	2021 £	2020 £
Bank overdrafts	10,228	9,415
Other loans	209,153	165,524
	<u>219,381</u>	<u>174,939</u>
Payable within one year	10,228	9,415
Payable after one year	<u>209,153</u>	<u>165,524</u>

15 Creditors: amounts falling due within one year

	Notes	2021 £	2020 £
Bank overdrafts	14	10,228	9,415
Other taxation and social security		44,489	62,842
Trade creditors		50,122	94,298
Other creditors		4,960	5,827
Accruals and deferred income		11,048	14,015
		<u>120,847</u>	<u>186,397</u>

16 Creditors: amounts falling due after more than one year

	2021 £	2020 £
Borrowings	<u>209,153</u>	<u>165,524</u>

THE EAST DURHAM EMPLOYABILITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2021

17 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds				
	Balance at 1 February 2019 £	Resources expended £	Balance at 1 February 2020 £	Resources expended £	Balance at 31 January 2021 £
Fixed asset fund	24,512	(15,322)	9,190	(7,535)	1,655
	<u>24,512</u>	<u>(15,322)</u>	<u>9,190</u>	<u>(7,535)</u>	<u>1,655</u>

Fixed asset fund

This fund represents fixed assets which were purchased with restricted funds and the terms of the restrictions have been met, allowing the charity to use the asset on an unrestricted basis.

18 Analysis of net assets between funds

	Unrestricted funds 2021 £	Designated funds 2021 £	Total Unrestricted funds 2021 £	Designated funds 2020 £	Total 2020 £
Fund balances at 31 January 2021 are represented by:					
Tangible assets	6,483	1,655	8,138	11,766	20,956
Current assets/ (liabilities)	24,237	-	24,237	(4,982)	(4,982)
Long term liabilities	(209,153)	-	(209,153)	(165,524)	(165,524)
	<u>(178,433)</u>	<u>1,655</u>	<u>(176,778)</u>	<u>9,190</u>	<u>(149,550)</u>

19 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating lease for the charity's premises, which fall due as follows:

	2021 £	2020 £
Within one year	28,000	28,000
Between two and five years	-	28,000
	<u>28,000</u>	<u>56,000</u>

THE EAST DURHAM EMPLOYABILITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2021

20 Related party transactions

Actif

Meryl Levington, director and trustee, is a consultant for Actif

The balance due to Actif at the year end is £23,450 (2020: £23,450). This is repayable within 375 days of the charity receiving a written notice of demand.

Marley Kavelle Limited

Mr W Marley, chief executive, is a director of Marley Kavelle Limited.

Previously, Marley Kavelle Ltd advanced an interest free loan. There have been no further advances during the year. The loan is repayable within 375 days of the charity receiving a written notice of demand. The amount due to Marley Kavelle Limited is £20,666 (2020: £25,611).

Marley Kavelle Ltd has invoiced the charity £nil (2020: £nil) for management fees during the year. The balance due to Marley Kavelle Ltd is £128,392 (2020: £157,337). £68,550 is repayable within 375 days of the charity receiving written notice of demand, the remaining balance is due on demand. No interest is charged on these balances.

Mr W Marley

Chief executive

At the year end £3,076 (2020: £3,076) was due to Mr W Marley, chief executive. The amount due is repayable within 375 days of the charity receiving written notice of demand. No interest is charged on this balance.