

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

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

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# 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

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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

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### ***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

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### 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

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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					
<b>Income from:</b>						
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
<b>Total income</b>		460,221	-	23,000	483,221	518,732
<b>Expenditure on:</b>						
Charitable activities	6	495,031	662	15,667	511,360	496,771
Other	10	5,579	-	-	5,579	10,019
<b>Total expenditure</b>		500,610	662	15,667	516,939	506,790
<b>Net (expenditure)/income for the year</b>						
<b>Net movement in funds</b>		(40,389)	(662)	7,333	(33,718)	11,942
Fund balances at 1 February 2022		(165,498)	662	-	(164,836)	(176,778)
<b>Fund balances at 31 January 2023</b>		(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			
<b>Income from:</b>				
Donations and legacies	3	84,890	-	84,890
Charitable activities	4	433,836	-	433,836
Investments	5	6	-	6
<b>Total income</b>		518,732	-	518,732
<b>Expenditure on:</b>				
Charitable activities	6	495,778	993	496,771
Other	10	10,019	-	10,019
<b>Total expenditure</b>		505,797	993	506,790
<b>Net (expenditure)/income for the year</b>				
<b>Net movement in funds</b>		12,935	(993)	11,942
Fund balances at 1 February 2021		(178,433)	1,655	(176,778)
<b>Fund balances at 31 January 2022</b>		(165,498)	662	(164,836)

# THE EAST DURHAM EMPLOYABILITY TRUST

## BALANCE SHEET

AS AT 31 JANUARY 2023

	Notes	2023 £	£	2022 £	£
<b>Fixed assets</b>					
Tangible assets	12		2,713		5,218
<b>Current assets</b>					
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>	
<b>Creditors: amounts falling due within one year</b>	16	<u>(315,701)</u>		<u>(164,250)</u>	
Net current assets			3,818		26,174
<b>Total assets less current liabilities</b>			6,531		31,392
<b>Creditors: amounts falling due after more than one year</b>	17		(205,085)		(196,228)
<b>Net liabilities</b>			<u>(198,554)</u>		<u>(164,836)</u>
<b>Income funds</b>					
Restricted funds	19		7,333		-
<u>Unrestricted funds</u>					
Designated funds	20	-		662	
General unrestricted funds		<u>(205,887)</u>		<u>(165,498)</u>	
			<u>(205,887)</u>		<u>(164,836)</u>
			<u>(198,554)</u>		<u>(164,836)</u>

# **THE EAST DURHAM EMPLOYABILITY TRUST**

## **BALANCE SHEET (CONTINUED)**

**AS AT 31 JANUARY 2023**

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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

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### 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

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### 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

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### 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>
<b>Grants receivable for core activities</b>				
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**

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**5 Investments**

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

**6 Charitable activities**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
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>
<b>Analysis by fund</b>		
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
	£	£	£	£	£
<b>Cost</b>					
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
<b>Depreciation and impairment</b>					
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
<b>Carrying amount</b>					
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 £
<b>Amounts falling due within one year:</b>		
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

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### 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

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### 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.