

Charity number: 1163658

Essex Boys & Girls Clubs C.I.O.

Trustees' report and financial statements

for the year ended 31 December 2021

Essex Boys & Girls Clubs C.I.O.

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Essex Boys & Girls Clubs C.I.O.
Charity Reference and Administrative Details
For the year ended 31 December 2021

Charity information

Charity Registration Number	1163658
Trustees:	J.P. Douglas-Hughes OBE DL M.J. Dyer MBE G.P. Middleton FCA P. Drummond D. Springett Mrs J. Fosh L. Blissett
Principal place of business:	Harway House Rectory Lane Chelmsford Essex CM1 1RQ
Auditor:	Ashings Chartered Accountants Northside House Cockfosters Parade Barnet EN4 9EB
Solicitor:	Gepps Solicitors No. 5 Springfield Lyons Approach Springfield Chelmsford Essex CM2 5LB
Bankers:	CAF Bank Limited, 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ Lloyds Bank plc High Street Chelmsford Essex CCLA Investment Management Limited Senator House 85 Queen Victoria Street London EC4V 4BT NatWest Bank plc Chelmsford Branch 4-5 High Street Chelmsford Essex CM1 1FZ

Essex Boys & Girls Clubs C.I.O. Trustees' Report

The trustees hereby present the financial statements of the Essex Boys & Girls Clubs for the year ended 31 December 2021. The financial statements have been prepared using applicable accounting standards consistent with previous years and in accordance with the recommendations of Statement of Recommended Practice (Accounting by Charities).

The Covid 19 Virus pandemic that began to affect the UK in March 2020, and the law changes imposed to control and manage public health, have once again this year impacted the day-to-day operation of the organisation. However, this charity is committed and determined to continue to execute its aims and objectives to the very best of its ability and is currently well placed to carry on doing so. This report reflects the circumstances applicable in 2021, the second year of the pandemic, a year of both challenge and opportunity.

Constitution and Objectives

Essex Boys & Girls Clubs was formerly known as The Essex Association of Boys Clubs prior to 2009. With effect from 1st January 2016, it transferred its assets into a Charitable Incorporated Organisation.

The general objectives of the charity are to further the development and education of boys and young men and girls and young women, primarily but not exclusively in a single gender setting so as to help them achieve their physical, mental and spiritual potential enabling them to grow to full maturity as individuals and members of society, and for this purpose to:

- Encourage the formation of new clubs for young people and render assistance and guidance to existing clubs.
- Provide a comprehensive programme of adventurous, sporting, and creative activities to bring young people together to appreciate, learn and develop their personal skills.
- Promote an interest in boys work primarily, and in girls work as and when time and funds permit, by maintaining contact with other bodies, statutory and voluntary, interested in the welfare of young people.
- Promote co-operation between affiliated clubs for their mutual benefit and foster their contact with the national body.
- Arouse public interest, recruit, and arrange for the training of leaders and helpers.
- Raise funds for the furtherance of the objects of the charity.

We have referred to the guidance in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in the planning of future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

Organisation and Trustees

The organisation employs a number of full time and part-time staff to deliver its services, headed by a County Director. The trustees are elected by the Members at the AGM. The Chief Constable of Essex and the Bishop of Chelmsford are each entitled to appoint one committee member. The trustees who served during the year are listed in the Legal and Administrative details.

The organisation keeps under constant reviews the desirability of strengthening the skills and experience of its Board of Trustees by further recruitment. Newly appointed trustees are likely to have experience of working with young people and receive induction training and written information about the organisation's constitution and work, and guidance on their duties and responsibilities as trustees.

Related Parties

Essex Boys & Girls Clubs is a founder member of the National Association of Boys & Girls Clubs, an organisation formed to promote inter-county relationships and national events.

Review of the Year

Activities and Performance

A more detailed review of Essex Boys & Girls Clubs activities and outcomes is published separately in the Annual Review, a printed report accompanying these accounts.

The charity has historically delivered and expects to continue to deliver its objectives in a number of ways:

Member Club Support programme – Trained club support officers regularly visit all affiliated youth clubs during operational periods to advise and assist with constitutional, regulatory and governance guidance and promote opportunities for young members to participate in the organisation's activity programmes. The second year of the Covid pandemic related circumstances affected the activities of all member clubs, many resorting to limited on-line activity, some closing at least temporarily. All members face some difficulty in re-establishing their former activities as restrictions ease and this charity is working hard to re-establish and support all youth groups.

Activities and Events programme – A wide range of adventurous, sporting and arts-based activities are normally staged regularly each year to encourage team spirit, competitive fair play and creative skills in the young people participating, and their leaders. These are delivered locally, county wide, and in concert with other county-based youth organisations, regionally and nationally. A portion of the programme is delivered at the organisation's own outdoor activity centres at High Row in Cumbria, Maes-y-Lade in Powys and Layer Marney Outdoors in Essex. In this covid affected year, events were funded and staged to support young people in food poverty situations and those activities that were possible to stage within covid safety guidelines were able to proceed.

Education and Training – Programmes continually in hand, many individually funded, include Leadership, First Aid, Child Protection and Drug Awareness courses for club leaders and members, Activity qualifications for staff and youth workers, apprentice youth worker training schemes and "Respect", the charity's flagship initiative which over many years has proven to be an exceptionally successful life skills and behaviour appreciation and modifying experience benefiting many hundreds of young people. Wherever physically possible within covid guidelines, a number of Respect and National Citizen Service activities were successfully delivered in 2021 but at substantially less volume than in previous years.

Financial Review

Funding for established projects continued to be received and new projects such as Holiday Hunger financed novel activities created to meet different needs arising from pandemic related consequences. Funds received for designated specific activities improved modestly by some 2% an increase of £17,738. Funds allocated to Restricted projects also increased by £111,689 representing a welcome 32% recovery. Unrestricted or general "core" income also showed a very welcome recovery of some 200% to £318,689 thanks to increased activities and a surge in donations. All of these aggregated to a total income of £1,524,384 compared to the previous year's £1,234,644.

Restricted projects delivery costs exceeded income by £83,532, reflecting the completion of pre-funded activities not currently being replaced, however, the prudent policy of ringfencing funds to cover long term contractual liabilities injected £270,963 into this fund, seeing it grow by £187,431 to £521,437.

Designated Funds saw an overall reduction of £8,555 to £1,340,336, despite a resurgence in income, as project activities were able to resume to a certain extent and sums set aside in earlier years were drawn upon to restore unrestricted funds impacted by Pandemic attributable circumstances. The fund balance of £1,340,336 includes provisions for contingent liabilities relating to Stubbers Adventure Centre rent guarantees as well as amounts set aside to finance planned new activities, bursaries and the restoration of covid affected activities.

The boost in unrestricted general income was mainly routed into restricted reserves to cover contractual liabilities arising in the next two years to guarantee that the charity will remain a going concern.

The net movement of unrestricted funds at £153,106 includes the unrealised increase in the value of core investments of £151,637. Recognition of this sum enables these investments to appear in the Balance Sheet at their market value at the accounting date, but this may rise and fall at any time.

At the year end, total unrestricted funds amounted to £1,144,468 of which £752,607 is locked into premises costs and £391,861 was represented by unencumbered cash. This cash together with the sums set aside in other funds for known and anticipated liabilities is considered sufficient to meet the charities costs for the foreseeable future.

Throughout the year, the charity has constantly reviewed its forecasts of income and expenditure and actively balanced its activities to ensure support for young people within rapidly changing economic and social circumstances, doing all it can in pursuit of its charitable objectives.

Principal Funding Sources

In 2021 the source of the largest amounts of income was National Citizen Service funding from Reed in Partnership. Significant sums were also forthcoming from The National Lottery Funded schemes supporting the Youth Endowment Fund and the National Association of Boys and Girls Clubs for the delivery of our Respect programme across the country. Substantial funding was also received from The London Borough of Redbridge and Essex County Council in support of Holiday Hunger activities.

The organisation is loyally supported by the Essex Youth Trust, the Jack Petchey Foundation, The Rank Foundation, and a small group of other local and national charitable trusts who continue to place great value in the type of work and successful outcomes EBGC undertakes and obtains with young people. This charity is clearly indebted to these trusts and very appreciative of all this support for its initiatives.

EBGC continues to be active and resourceful in generating appropriate income from other sources and this is a perpetual quest. Meanwhile it retains sufficient reserves which are available to bridge possible funding gaps so as to maintain its regular resourced delivery programmes and enable it to invest in future opportunities.

Plans for Future Periods

Essex Boys & Girls Clubs intends to continue to develop its work in creating and supporting youth activity groups and programmes giving young people opportunities to reach their full potential into adulthood. It will continue to work with its funding partners to achieve outcomes commensurate with its stated objectives. It will seek to engage in both small and large-scale projects to provide facilities and opportunities for young people to participate in meaningful educational and physically challenging activities and events to better influence their character and life skills.

Two years of covid restrictions has affected the lives and routines of young people disproportionately to their parents and guardians. Many will have not been aware of the opportunities to enrich their health, welfare, and life-skills through organised group physical and mental activity. The charity's personnel continue to keep youth groups active by all means available to them and, together with funders, are working toward a post-covid restoration of normal services whilst at the same time, identifying and rising to the new and different needs of an emerging new generation.

The charity has a core of innovative and enterprising employees highly motivated and able to respond to new demands. Opportunities to engage are constantly sought and taken and the finances are sufficiently secure to ensure a strong and responsive presence in the pursuit of its charitable objectives. It is the opinion of the trustees that Essex Boys & Girls Clubs has adequate resources to survive the Covid 19 disruption and will remain a going concern with excellent developmental prospects for the future.

Policies of Trustees

Reserves – Given that virtually none of its funding is secured in the medium to long term and therefore carries a high risk of volatility and sensitivity to changing circumstances, the trustees, after careful consideration of the organisation's future planned expenditure and probability of maintaining its income, believe it to be prudent to maintain unrestricted reserves of not more than 12 months expenditure incurred from unrestricted funds.

Grantmaking – Grants are made to affiliated clubs out of the General Fund on the basis of merit at the discretion of the trustees.

Fundraising – The organisation seeks to obtain grants and donations for its activities. A number of events are staged regularly with the purpose of raising funds for core activities. The majority of funds raised are from appeals for voluntary donations from partnering organisations and charitable trusts.

Risk Assessment and Monitoring - Risks are continually assessed and monitored by both senior staff and trustees who meet regularly. The principal risk areas recognised by the association are categorised as:

Governance and Management –

Composition of trustees – trustees are recruited from all sectors of the county and broadly represent affiliated clubs, the Youth Service, the Church, industry and business, the Police and Armed Forces.

Direction and forward planning – The organisation has a strategic plan covering three years forward operational development.

Key personnel – The trustees regularly review performance, appropriateness and succession.

Reporting to trustees – Each officer of the organisation reports directly to the trustees at least four times each year, either orally or in writing.

Operational risk –

Services to Affiliated Clubs – Constant feedback is sought from clubs. All projects are planned, monitored and evaluated.

Quality control – The use of trained, qualified personnel and de-briefing procedures ensures quality maintenance of activities. Complaints procedures are in place to identify deficiencies.

Fundraising – Fund-raising staff are employed to ensure adequate revenue is sourced from a variety of benefactors, minimising dependency on any one source.

Employment issues – There is a formal recruitment process which ensures equal opportunity. References are taken up and all relevant checks made. There are grievance procedures and defined channels of communication. The charity has also engaged with a professional HR organisation for further support.

Health & safety - Compliance with statutory regulation is reviewed regularly.

Disaster recovery planning – All critical computerised data is adequately replicated off site. Plans are in place to implement essential procedures during any period of disruption, and to rebuild normal operational capacity.

Financial Risk –

Budgetary control and reporting - The Finance Officer prepares annual budgets forecasting monthly cash flows. These form comparatives against actual reports delivered to the trustees four times annually. Annual accounts are prepared in accordance with appropriate accounting requirements, which are audited, approved by the trustees and distributed to members together with a written review. The recent appointment of a full time professionally qualified Finance Officer ensures that all information and monitoring systems across the group are maintained and developed to a very high standard.

Cash flow sensitivity analysis – Cash flow performance is continually monitored to ensure adequate funding of activities at all times. No money is borrowed.

Dependency checks on income sources – Most projects are directly related to specific funding, which are usually time limited. The organisation has, and continually seeks to enlarge, the number of benefactors.

Insurance – Indemnity and liability insurance appropriate to the organisation's activities is purchased. The organisation minimises claims by effective awareness and prevention training.

Pension commitments - The organisation, in addition to a statutory workplace pension plan, supports defined contribution plans operated by key eligible employees.

Investment policy – All monies held are invested in an instant access COIF Charities Deposit Fund account provided by CCLA Investment Management Ltd and deposit accounts operated by CAF Bank Limited.

Environmental / External Factors –

Maintenance of the organisation's good reputation is a principal factor in its ability to continue to deliver its objectives. The areas most considered posing risk, and the measures taken to safeguard the organisation in this regard are:-

Public perception – The success enjoyed in the pursuit of the association's objectives, continues to retain support from members, benefactors, agency partners, and the community at large. Every opportunity is therefore taken to publicise events and achievements and to communicate and advise on issues relating to young people in the county. This process, which is constantly under review, is aimed at attracting new partners and participators.

The Annual Report and Review is presented to members and distributed widely, alongside progress and out-come reports, to partner agencies and project sponsors.

Government policy – Gift aid schemes provide benefit to the organisation and affiliated member clubs but their withdrawal would result in only a small reduction in income to affiliated clubs.

Policies of government agencies and local government relating to the provision of youth services greatly influences the organisation's strategic planning and development. The organisation remains aware of potential change and opportunity by working with relevant agencies.

Law and Regulation –

Failure to comply with the law and regulations relating to the organisation is a risk. This risk is reduced by ensuring that:-

Compliance at all levels is fundamentally trained into all staff.

Particular attention is paid to compliance and codes of good practice and conduct, whether or not statutorily enforceable, relevant to contact with young people. The organisation provides support, advice and training to youth leaders and workers as a part of its core activities.

Risk of non-compliance is minimised by effective communication with partner agencies and the expertise derived from individual trustees as well as frequent review of best practice.

Non-disclosure of Grants – All monetary grants are accounted for at the time of receipt. It is the policy of the trustees not to publicise grant makers unless requested to do so.

Trustees' responsibilities in relation to the Financial Statements

The trustees are responsible for preparing the Trustees Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

The law applicable to charities in England and Wales 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 of the charity for that period. 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 Charity SORP;
- make judgements and estimates that are reasonable and prudent.
- state whether the applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements; and;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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 confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.



J P Douglas-Hughes – Chairman

4 May 2022

**Independent auditor's report to trustees of
Essex Boys & Girls Clubs C.I.O.**

Opinion

We have audited the financial statements of Essex Boys & Girls Clubs (the 'charity') for the year ended 31 December 2021 set out on pages 9 to 21. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Emphasis of Matter

We draw attention to Note 1.15 to the financial statements which describes the uncertainty related to the Coronavirus outbreak and the associated lockdowns carried out by both the UK and overseas governments and their impact upon the charity.

Our opinion is not qualified in respect of this matter.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- the charity has not kept sufficient accounting records; or
- the charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the parent charity or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



Darryl Ashing FCA
Senior Statutory Auditor
Ashings Limited
Chartered Accountants
Statutory Auditors
Northside House
Mount Pleasant
Cockfosters
Herts. EN4 9EB

4 May 2022

Ashings Limited is eligible to act as auditor in terms of section 1212 of the Companies Act 2006.

Essex Boys & Girls Clubs C.I.O.

Statement of Financial Activities
for the year ended 31 December 2021

		Unrestricted fund	Designated fund	Restricted fund	Endowment fund	Total 2021	Total 2020
Note		£	£	£	£	£	£
Income and endowments from:							
Voluntary Income	3.	119,431	746,458	458,041	-	1,323,930	1,106,327
Charitable activities:							
Activities and course fees		17,300	1,196	-	-	18,496	35,202
Camping, accommodation and catering		170,587	-	-	-	170,587	87,093
Fundraising Events		11,212	-	-	-	11,212	2,487
Bank interest receivable		159	-	-	-	159	3,535
Total income		<u>318,689</u>	<u>747,654</u>	<u>458,041</u>	<u>-</u>	<u>1,524,384</u>	<u>1,234,644</u>
Expenditure on:							
Raising funds	4.	13,620	-	-	-	13,620	16,333
Cost of charitable activities in furtherance of objectives		149,306	602,196	472,744	-	1,224,246	1,158,433
Management and administration		37,344	-	68,829	-	106,173	79,486
Total expenditure	5.	<u>200,270</u>	<u>602,196</u>	<u>541,573</u>	<u>-</u>	<u>1,344,039</u>	<u>1,254,252</u>
		118,419	145,458	(83,532)	-	180,345	(19,608)
Net gains on investments							
Unrealised		151,637	-	-	-	151,637	62,512
Net income/(expenditure)		<u>270,056</u>	<u>145,458</u>	<u>(83,532)</u>	<u>-</u>	<u>331,982</u>	<u>42,904</u>
Transfers between funds		<u>(116,950)</u>	<u>(154,013)</u>	<u>270,963</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net movement in funds		<u>153,106</u>	<u>(8,555)</u>	<u>187,431</u>	<u>-</u>	<u>331,982</u>	<u>42,904</u>
Reconciliation of funds at 1 January 2021							
Total funds brought forward		<u>991,362</u>	<u>1,348,891</u>	<u>334,006</u>	<u>129,497</u>	<u>2,803,756</u>	<u>2,760,852</u>
Total funds carried forward at 31 December 2021	13.	<u>1,144,468</u>	<u>1,340,336</u>	<u>521,437</u>	<u>129,497</u>	<u>3,135,738</u>	<u>2,803,756</u>

The results shown above represent the continuing activities of the charity.

The notes on pages 12 to 21 form an integral part of these financial statements.

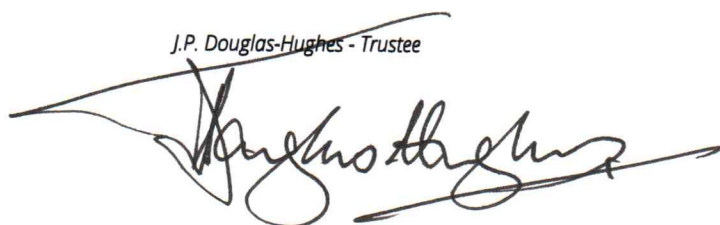
Essex Boys & Girls Clubs C.I.O.

Balance Sheet as at 31 December 2021

	Notes	2021 £	2020 £
Fixed assets			
Tangible assets	8.	752,607	755,654
Investments	9.	1,214,149	812,512
		<u>1,966,756</u>	<u>1,568,166</u>
Current assets			
Stocks		161	162
Debtors	10.	43,920	31,193
Cash at bank and in hand		1,714,712	1,642,399
		<u>1,758,793</u>	<u>1,673,754</u>
Creditors: amounts falling due within one year	11.	(589,811)	(438,164)
Net current assets		<u>1,168,982</u>	<u>1,235,590</u>
Net assets		<u>3,135,738</u>	<u>2,803,756</u>
Funds			
Endowment funds		50,000	50,000
Unrestricted funds:		2,484,804	2,340,253
Restricted funds		600,934	413,503
Total funds	13.	<u>3,135,738</u>	<u>2,803,756</u>

The financial statements were approved by the board of trustees on 4 May 2022 and signed on its behalf by:

J.P. Douglas-Hughes - Trustee



The notes on pages 12 to 21 form an integral part of these financial statements

Essex Boys & Girls Clubs C.I.O.

Statement of Cashflows for the year ended 31 December 2021

	2021	2020
	£	£
Operating activities		
Net income	331,982	42,904
Depreciation	3,047	4,906
Gains on investments	(151,637)	(62,512)
Bank interest received	(159)	(3,535)
Movement in:		
Stock	-	-
Debtors	(12,727)	71,806
Creditors	151,647	(67,771)
Net cash inflow/(outflow) from operating activities	<u>322,153</u>	<u>(14,202)</u>
Investing activities		
Bank interest received	159	3,535
Purchase of fixed assets	-	(3,329)
Sale of fixed assets	-	-
Purchase of investments	(250,000)	(750,000)
Cash outflow from investing activities	<u>(249,841)</u>	<u>(749,794)</u>
Increase/(Decrease) in cash balances	<u>72,312</u>	<u>(763,996)</u>

Essex Boys & Girls Clubs C.I.O.

Notes to the financial statements
for the year ended 31 December 2021

1. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are set out below.

1.1 Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of financial statements requires management and the Board of Trustees to make estimates and judgments that affect reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities. These estimates are based on historical experience and various other assumptions that management and the Board believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions, significantly impacting the company's earnings and financial position.

1.2 The impact of the Coronavirus Pandemic on these Financial Statements

The trustees have reviewed the charity's forecasts and projections and, in particular, have considered the potential implications of the Coronavirus (COVID-19) pandemic. Whilst the eventual financial impact of the pandemic on the charity, and on the overall economy, remains uncertain, the trustees are confident that the charity will be able to remain operational throughout the pandemic. However, it has inevitably had to adjust its operations to remain compliant with advice and regulations.

Given the existing resources on hand together with the benefit of government and local authority support packages available to help businesses through the pandemic, the trustees have a justifiable expectation that the charity will have adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

1.3 Charity information

The charity is a Charitable Incorporated Organisation (CIO) registered in England and Wales on 21 September 2015, and its registered office is Harway House, Rectory Lane, Chelmsford, Essex CM1 1RQ.

By order of The Charity Commission for England and Wales, the assets and liabilities of Essex Boys & Girls Clubs (charity number 301447) were transferred to the CIO on 6 January 2016.

1.4 Basis of preparation

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

Essex Boys & Girls Clubs meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

1.5 Reporting currency

The reporting currency of the company is Sterling. The level of rounding is to the nearest pound.

1.6 Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Donations are credited to the statement of financial activities as and when they are received.

Activities for generating funds is made up mainly of income generated from activities, camping accommodation, catering, open days and the National Citizen Service. The booking fees for these activities are received in advance of the activity

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taking place. This is therefore treated as deferred income until the date of the event at which point the receipts are then recognised as income in the statement of financial activities.

The charity receives grants from external sources, which are recognised as and when they are received.

Investment income is in the form of bank interest received.

1.7 Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes advertising, printing and the remuneration of employees engaged in fund raising.
- Expenditure on charitable activities includes the direct cost of activities provided, employee wages and training thereon and the general maintenance and utility costs of the site.
- Other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity which the expenditure relates.

1.8 Support and governance costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to a particular category they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

Fund raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

The analysis of these costs is included in note 5.

1.9 Pension costs

The charity contributes to a defined contribution stakeholder plan. This plan has a specific long term funding objective requiring contribution levels to be reviewed regularly.

1.10 Designated and restricted funds

Although the charity invites certain donations to fund specific projects, these invariably fall within the pursuance of the general objectives of the charity and are not considered by it, unless other specified by the donor, to represent restricted funds as defined by the Charity Commissioners.

Certain grants and donations have been received pursuant to the general objectives of the charity which the trustees have designated for application to specific activities. The income and expenditure in respect of these activities has been separated from general funds. There is no legal requirement to do this, and the trustees retain the power to reallocate such funds within unrestricted funds unless and until they are expended. The trustees are in the process of reviewing this policy.

Designated funds set aside by the trustees out of unrestricted general funds are for specific future purposes or projects.

Funds earmarked as restricted have been treated as such at the request of the donor or by the terms of the appeal for particular projects and accounted for separately.

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1.11 Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 of Schedule 6 to the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

1.12 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

The rates of depreciation applicable to fixed assets are:

Plant and Machinery	20% straight line
Motor Vehicles	25% reducing balance
Computer Equipment	20% straight line
Furniture and Equipment	40% straight line

Recently acquired freehold buildings are not depreciated.

1.13 Debtors and creditors receivable/payable within one year

The charity only enters into basic financial instruments that result in the recognition of financial assets and liabilities such as trade and other receivables payable.

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

1.14 Cash at bank and in hand

Cash at bank and in hand represents such accounts that are available on demand.

1.15 Going concern

The trustees have reviewed the charity's forecasts and projections and, in particular, have considered the potential implications of the Coronavirus (COVID-19) pandemic. Whilst the eventual financial impact of the pandemic on the charity, and on the overall economy, remains uncertain, the trustees are confident that the charity will be able to remain operational throughout the pandemic. However, it has inevitably had to scale back its operations.

With the benefit of the government support packages available to help businesses through the pandemic and the existing resources on hand, the trustees have a reasonable expectation that the charity will have adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

2. Net incoming resources for the year

	2021 £	2020 £
This is stated after charging:		
Depreciation	3,044	4,908
Auditors' remuneration – audit of the financial statements	5,600	5,600
	<hr/>	<hr/>
and after crediting:		
Profit on disposal of tangible fixed assets	-	10,650
	<hr/>	<hr/>

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Notes to the financial statements
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3. Voluntary income

	Unrestricted funds 2021 £	Restricted funds 2021 £	Endowment funds 2021 £	Total 2021 £	Total 2020 £
Donations received	865,889	458,041	-	1,323,930	1,106,327
Grants received	-	-	-	-	-
	<u>865,889</u>	<u>458,041</u>	<u>-</u>	<u>1,323,930</u>	<u>1,106,327</u>

4. Analysis of expenditure for raising funds

	Unrestricted general funds 2021 £	Designated funds 2021 £	Restricted funds 2021 £	Endowment funds 2021 £	Total 2021 £	Total 2020 £
Wages and Salaries	10,330	-	-	-	10,330	16,333
Venue Hire	3,290	-	-	-	3,290	-
	<u>13,620</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,620</u>	<u>16,333</u>

5. Total resources expended

	Members Support Club £	Activity Programme £	Education & Training £	High Row Centre £	Governance £	2021 Total £	2020 Total £
Costs directly allocated to activities:							
Staff costs	248,200	89,693	258,782	-	65,945	662,620	633,008
and services	3,380	3,751	570,495	-	-	577,626	529,204
Staff travel expenses	2,837	517	7,945	-	26	11,325	9,022
Grants to Members Clubs	-	-	-	-	-	-	-
Audit fees	-	-	-	-	10,575	10,575	8,744
Annual review	-	-	-	-	1,872	1,872	440
Support costs allocated to activities:							
Premises	1,345	24,539	29,425	-	8,894	64,203	62,633
Insurance	-	-	-	-	-	-	-
General administration staff	-	-	-	-	-	-	-
Communications	202	3,689	4,423	-	1,337	9,651	12,085
Bank charges	-	-	989	-	1,484	2,473	116
Depreciation (Net of profit on sale of fixed assets)	-	498	1,161	-	1,388	3,047	(5,743)
Other support costs	647	-	-	-	-	647	4,743
	<u>256,611</u>	<u>122,687</u>	<u>873,220</u>	<u>-</u>	<u>91,521</u>	<u>1,344,039</u>	<u>1,254,252</u>

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6. Emoluments of employees

	2021 £	2020 £
Staff costs of the charity were as follows:		
Salaries	579,545	552,765
Social security costs	51,654	49,098
Employers pension contributions and life assurance costs	31,421	31,145
	<u>662,620</u>	<u>633,008</u>
No employee received emoluments of more than £60,000.		
The average number of employees was including part time staff is as follows:		
	No.	No.
County Director	1	1
Assistant County Directors	2	2
Events and Activities Organisers	5	5
Club Servicing Officers	6	6
Educating and Training Officer	5	5
Apprentices	7	3
Administration and support staff	2	2
Total	<u>28</u>	<u>24</u>

The charity administers defined contributions pension schemes for its employees. The total contributed by the charity for the year amounted to £ 27,698 (2020: £31,146) of which £NIL (2020: £NIL) was outstanding at the year end.

7. Trustee remuneration

No trustee received any remuneration or was reimbursed expenses either in this year or the previous year.

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8. Tangible fixed assets

	Freehold property £	Motor vehicles £	Computer equipment £	Furniture and equipment £	Total £
Cost					
At 1 January 2021 and 31 December 2021	748,373	114,159	33,324	5,884	901,740
Depreciation					
At 1 January 2021	30,097	109,129	31,440	5,517	146,086
Charge for the year	-	1,662	1,066	316	3,044
At 31 December 2021	30,097	110,791	32,506	5,833	149,130
Net book value					
At 1 January 2021	748,373	5,030	1,884	367	755,654
At 31 December 2021	748,373	3,368	818	51	752,610

9. Investments

In January 2020 an account was established with CCLA Investment Management Limited for a charities' investment fund acquisition of accumulation units.

	£	2020 £
Balance as at 1 January 2021	812,512	-
Investments additions at cost	250,000	750,000
Revaluation to market value	151,637	62,512
Balance as at 31 December 2021	1,214,149	812,512

10. Debtors

	2021 £	2020 £
Trade debtors	18,165	2,283
Prepayments	23,103	12,627
Other debtors	2,652	16,283
	43,920	31,193

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11. Creditors – amounts falling due within one year

	2021 £	2020 £
Trade creditors	74,587	18,288
Other taxes and social security	24,408	23,096
Accruals and deferred income	481,297	384,571
Other creditors	9,519	12,209
	<u>589,811</u>	<u>438,164</u>

Movement in Deferred Income

	2021 £	2020 £
Balance at 1 January 2021	378,448	385,714
Amount released to incoming resources	(378,448)	(385,714)
Amount deferred in the year	<u>431,361</u>	<u>378,448</u>
Balance at 31 December 2021	<u>431,361</u>	<u>378,448</u>

Deferred income comprises booking fees for activities received in advance of the event taking place.

12. Analysis of net assets between funds

	Unrestricted funds £	Restricted income funds £	Restricted capital funds £	Total £
Tangible fixed assets	752,607	-	-	752,607
Cash at bank and in hand	2,277,928	650,933	-	2,928,861
Other net current liabilities	(545,730)	-	-	(545,730)
Creditors of more than one year	-	-	-	-
Total	<u>2,484,805</u>	<u>650,933</u>	<u>-</u>	<u>3,135,738</u>

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13. Movement in funds

	At 1 January 2021 £	Incoming resources £	Outgoing resources £	Transfers £	At 31 December 2021 £
Restricted funds					
Members Club Support	264,970	65,642	(192,112)	305,934	444,434
Activity and Events Programme	148,533	392,399	(349,461)	(34,971)	156,500
Education and Training	50,000	-	-	-	50,000
Total restricted funds	<u>463,503</u>	<u>458,041</u>	<u>(541,573)</u>	<u>270,963</u>	<u>650,934</u>
Unrestricted funds					
Designated funds					
Activities and Events	-	4,500	(1,140)	-	3,360
Education and Training	348,891	743,154	(601,056)	(84,013)	406,976
Outdoor Activity Centres	1,000,000	-	-	(70,000)	930,000
	<u>1,348,891</u>	<u>747,654</u>	<u>(602,196)</u>	<u>(154,013)</u>	<u>1,340,336</u>
General fund	<u>991,362</u>	<u>470,326</u>	<u>(200,270)</u>	<u>(116,950)</u>	<u>1,144,468</u>
Total unrestricted funds	<u>2,340,253</u>	<u>1,217,980</u>	<u>(802,466)</u>	<u>(270,963)</u>	<u>2,484,804</u>
Total Funds	<u>2,803,756</u>	<u>1,676,021</u>	<u>(1,344,039)</u>	<u>-</u>	<u>3,135,738</u>

Purposes of restricted funds

Member Club Support: Grants and donations are regularly sought and received to fund the salaries and expenses of officers appointed to visit member clubs to promote leadership skills and activity programmes for young people, and to encourage and assist club development and fundraising needs.

Activity and Events Programme: This fund finances the salaries and expenses of posts dedicated to the charity of character-building competitive sports and creative and arts based activities and events targeted at young people in various age groups, in pursuance of the charity's primary objectives.

Education and Training: Funds are raised by and held on behalf of social partners engaged in projects to create new opportunities and facilities for the benefit of young people.

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Notes to the financial statements for the year ended 31 December 2021

General Income: The general income fund represents grants received which are to fund expenditure relating to a particular aspect of the objects of the charity, as specified by the donor. Any unspent amounts are carried forward to the following year to be expended in accordance with that specified by the donor.

Purposes of Designated Funds

Activities and Events: Funds raised specifically for purchasing equipment to be used by young people in adventurous, creative and sporting activities have been designated for this purpose.

Education and Training: Funds are raised from stakeholders and social partners to enable the Charity to take disadvantaged young people and impart life skills and self-esteem through a structured course entitled and encouraging "respect". Additionally, funds are specifically raised and designated to finance apprenticeships in the delivery of youth work and services and the further education and training of the charity's core staff and affiliated club members, to maintain competences and enhance knowledge in the delivery of support and services to young people.

Outdoor Activity Centres: The charity's outdoor and adventurous activity centres at High Row in Cumbria and the freehold premises at Maes-y-Lade, Herefordshire are maintained and supported by appeals and grants designated expressly for this purpose.

Purpose of endowment fund

Robert Laurie Memorial Fund

Col. Robert Laurie O.B.E. J.P. served the Essex Charity of Boys Clubs from 1973 until his death in August 2005. As its president for many years his leadership inspired the charity to attain its objectives with great success. As a permanent testimony the Trustees have created a fund from General Reserve to be maintained for the benefit of young people from affiliated member clubs selected to broaden their education and character by reciprocal interaction with other young people from overseas countries by way of international exchange schemes. This fund is classified as an Education and Training Restricted Fund.

In 2020 no exchange to the USA took place and funds from general funding of £192 in 2020 were transferred to restricted funds to ensure the fund is maintained. Further programmes are planned for 2021.

Member Clubs Outdoor Centre Bursary Fund

The sum of £100,000 has been set aside in 2014 out of general reserves specifically to provide financial assistance to member clubs to take young people on activity and training programmes offered at the charity's remote facilities.

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Notes to the financial statements for the year ended 31 December 2021

14. Related party transactions

Key management comprises of the directors & trustees and the County Director.

		<u>2021</u>			<u>2020</u>		
		Purchases	Sales	Grants Received	Purchases	Sales	Grants Received
		£	£	£	£	£	£
Frenford Clubs	1	18,823	85		500	-	-
North Avenue Youth Club	1	4,295	343		152	-	-
National Association of Boys & Girls Clubs	1	87	112,500		-	4,800	-
Essex Youth Trust	2			84,000	-	-	24,000
Chelmsford Boys and Girls Clubs	3	30	5,585		2,197	45	-

Related Parties

1. The County Director.
2. M.J. Dyer and J.P. Douglas-Hughes
3. P. Drummond

15. Contingent liabilities

In late 2019 Essex Boys & Girls Clubs ceded control of Stubbers Adventure Centre as a consequence of the en-bloc resignation of all mutual trustees and directors of Stubbers to enable both charities to pursue their separate and disparate charitable objectives.

As part of this arrangement Essex Boys & Girls Clubs has provided a guarantee to the London Borough of Havering to a maximum liability of £500,000 as a condition of a 25 year lease dated 31st July 2019 granted by the Borough to Stubbers Adventure Centre. This contingent liability is matched by a contingent asset in the form of a deed of indemnity provided by Stubbers' new sponsors.