

Charity number 225768

ESSEX YOUTH TRUST

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

## ESSEX YOUTH TRUST

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**ESSEX YOUTH TRUST  
REPORT OF THE TRUSTEES'  
FOR THE YEAR ENDED 31 MARCH 2022**

The trustees present their annual report and financial statements of the charity for the year ended 31 March 2022. The financial statements have been prepared in accordance with the charity's Scheme, the Charities Act 2011, the Charity (Accounts Reports) Regulations 2008, the Statement of Recommended Practice (FRS 102) and the accounting policies set out in note 1 to the accounts.

**1. REFERENCE AND ADMINISTRATIVE DETAILS**

Essex Youth Trust is an unincorporated association, charity number 225768.

The principal office is now situated at The Old Rectory, Gestingthorpe, Halstead, Essex CO9 3BB.

The trustees are Michael John Dyer, The Revd. Canon Duncan Jamie Green, William David Robson, Mrs Claire Cottrell, Lady Denison-Smith, Mrs Julie Fosh, Michael Biegel and Jonathan McEachern.

The clerk is Jonathan Peter Douglas-Hughes to whom day to day management of the trust has been delegated.

The charity's bankers are CAF Bank, West Malling, Kent.

The charity's solicitors are Gepp Solicitors LLP, 5 Springfield Lyons Approach, Springfield, Chelmsford, CM2 5LB.

The charity's auditors are Ashings Limited, Northside House, Mount Pleasant, Barnet, EN4 9EB.

**2. STRUCTURE, GOVERNANCE AND MANAGEMENT**

- a) The Essex Youth Trust is administered under a scheme dated 24 February 1993.

The charity has a permanent endowment which at 31 March 2022 amounted to £9,536,113

- b) New trustees are selected and appointed by the trustees for the time being.

- c) Upon appointment a new trustee is given copies of the scheme, the last report and accounts, the minutes of the last meeting and a copy of any grant making policies. At the new trustee's first meeting the chairman explains how the trust operates, answers any questions and explains points throughout the meeting and all subsequent meetings. New trustees are referred to the Charity Commission website for guidance on the role of a trustee.

- d) **Organisational and decision making structure of the charity.**

Essex Youth Trust is a grant-making charity and the trustees of the charity, as named above, meet on a quarterly basis. At each quarterly meeting the trustees consider:-

- (i) The income of the charity and its expenditure against its annual budget.
- (ii) The report of its investment managers
- (iii) The charity's other investments and its overall investment policy.
- (iv) Grant applications.

If it is considered necessary, one of the trustees will visit the applicant for a grant and report to the remaining trustees. Decisions as to the approval or rejection of applications are made by unanimity, in accordance with the general principles of trustee law.

No decision is delegated to the clerk.

During the year the charity paid grants and management charges to related parties as disclosed in notes 11 and 12 to the accounts.

- (e) **Risk assessment**

The trust's primary risk is the loss in value of the charity's funds. The charity has a permanent endowment which will not be added to, so the trustees consider that the protection of this fund is of prime importance.

The funds will in future be invested by CCLA of Senator House, 83 Queen Victoria Street, London, EC4V 4ET instead of Cazenove Capital Management. This change of advisors resulted from an assessment of the abilities of total

## ESSEX YOUTH TRUST

### REPORT OF THE TRUSTEES' FOR THE YEAR ENDED 31 MARCH 2022

return investment managers. The trustees consider that the risk of misappropriation by CCLA or losses through incompetence is at the lowest level possible.

The trustees' review the performance of the investment managers, who operate on discretionary basis, in the light of market conditions, and the property fund managers, at every meeting.

The bankers of the charity, Cafbank, specialise in banking for charities and take every conceivable step to ensure security of funds in their possession. Funds can only be withdrawn from the bank upon the presentation of a cheque drawn on the bank and signed by two trustees where details are in the possession of the bank. The clerk has no power to deal with the trust's funds. No remote banking facility is in place.

The risk of misapplication of funds is low because substantial grants are only given to well known and solidly established recipients. When smaller grants are given to newer, less well known, charities the trustees are careful to take personal references or to carry out detailed inspection and interview. The trustees are satisfied that risk of misapplication is low.

The trustees have critically examined their conduct and compared themselves with other grant making charities and consider that their conduct of the charity's affairs continues to be active and innovative and the risk of poor management is low.

The trustees confirm that all major risks have been reviewed and that procedures have been established to manage those risks.

### 3. OBJECTIVES, AIMS AND ACTIVITIES

#### The Object and aims of the Charity

The object of the charity is the education and advancement in life of young people under the age of 25 years who are in need of assistance so as to develop their physical, mental and spiritual capacities so that they may grow to full maturity as individuals and members of society, with a preference for those who, in the opinion of the trustees, are in need of help by reason of being temporarily or permanently deprived of normal parental care or who are otherwise disadvantaged.

#### Review of the development activities and achievements

During the year the trustees have received substantial income from the invested funds forming the permanent endowment of the charity. No other income is received.

The charity is well known in Essex and outer London. The number and quality of grant applications are sufficient to distribute the available income of the trust in accordance with its object and the Charity Commission's guidance on public benefit.

The trustees award grants which favour beneficiaries that develop young people's physical, mental and spiritual capacities through active participation in sports and indoor and outdoor activities. As a result they are particularly supportive of youth clubs and other organisations which provide facilities for young people to take active part in an assortment of activities as well as single activity organisations.

The total income of the trust was £363,176, 5 annual grants to institutions of £160,170 were paid during the year. In addition the trustees received some 34 applications, 25 of these were agreed, 8 were declined and 1 were deferred, with a total commitment for the period of £311,565. The 25 agreed applications represent one-off applications.

The charity is dependent upon the voluntary services offered by its trustees. There are no paid employees.

### 4. ACHIEVEMENTS AND PERFORMANCE

The charity's endowment is invested in Cazenove Unit Trusts and Debt Funds, Global Trusts, bank deposits, UK Government Bonds and in the Charities Property Fund to generate income and to maintain and increase the value of the endowment.

However, during the year the Trustees, after taking advice and considering the matter carefully, decided to change the investment policy to total return which means the investment advisor is free to invest in companies which do not necessarily provide much income but do provide substantial capital growth. This means that the Trustees' will in future set a budget which is not dependant on income from investments, but will have to be modified up or down having regard to the capital value of the investments. The endowment of the charity is invested for the long term and so will be subject to rises and falls

## ESSEX YOUTH TRUST

### REPORT OF THE TRUSTEES' FOR THE YEAR ENDED 31 MARCH 2022

in the short term. Decision as to the annual expenditure on grants will be made having regard to the trustees' view of the need of potential recipients of grants and the value of the investments both in the short term and their potential in the longer term. The investment advisors will be interviewed at least annually so that informal decisions can be made as to the amount that can be expended on grants.

The net income so generated is available for distribution as grants.

An unrealised (paper) loss of £1,604,730 has arisen during the year.

Thus at 31 March 2022 the trustees have sufficient assets available to fulfil the obligations of the charity.

#### **5. PUBLIC BENEFIT**

The trustees consider the Charity Commission's guidance on public benefit when agreeing or declining each grant during the trustees meetings.

All the charity's activities focus on the development of young peoples physical, mental and spiritual capacities through active participation in sports and indoor and outdoor activities. This benefits young people by developing their self-confidence, social skills and life skills.

The charity welcomes grant applications on behalf of all young people regardless of personal background, faith, gender or personal circumstances. Special consideration is given to those applicants who, in the opinion of the trustees, are in need of help by reason of being deprived of normal parental care or who are otherwise disadvantaged. All grants approved by the trustees further the charity's charitable purposes for public benefit.

#### **6. FINANCIAL REVIEW**

Whilst the charity's endowment is of a significant sum and its income is sufficient to require an independent audit and the preparation of accounts in the format required by the Charities SORP (FRS 102), it is a simple operation.

##### **Reserves**

The trustees' reserves policy has been reviewed and it was decided that the reserve was unnecessarily high and it has been reduced and now stands at £93,000. The objects of the reserve are first to be in a position to make a substantial grant to a project which the trustees consider to be particularly appropriate and secondly to provide the trustees with flexibility so they do not have to adhere rigidly to their budget.

##### **Investments**

The trustees' investment policy has been to invest the funds in the hands of investment advisors in accordance with its predictions. As detailed at 4 above the trustees now invest the majority of the charity's funds on a total return basis and continue to invest in the Charities Property Fund.

The Trustees' have in the past and will do so in the future make loans to charities who qualify for a grant. The object of making a loan rather than a grant is to enable the charity to raise additional funds without resorting to a commercial lender and to encourage the charity to raise funds over the long term to repay the loan. The trustees may in the future turn the amount outstanding under the loan into a grant. The loans are always interest free.

#### **7. PLANS FOR FUTURE PERIODS**

The trustees' plan to continue to make grants as before and to actively encourage the development of the principal recipient organisations to deliver their charitable objectives to provide more benefits to a greater number of beneficiaries.

No funds are held as custodian trustee on behalf of other charities.

ESSEX YOUTH TRUST  
REPORT OF THE TRUSTEES'  
FOR THE YEAR ENDED 31 MARCH 2022

**8. STATEMENT OF TRUSTEES' RESPONSIBILITIES**

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

Charity Law 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 the affairs of the charity and of the incoming resources and application of resources of the charity 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 Charity's 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 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 Charities Act 2011, the Charity (Accounts Reports) Regulation 2008 and 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.

In so far as the trustees are aware:

- there is no relevant audit information (information needed by the charity's auditors in connection with preparing their report) of which the charity's auditors are unaware, and
- the trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Approved by the Board of Trustees on 23 January 2023 and signed on its behalf by:

Trustee

**ESSEX YOUTH TRUST  
INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF ESSEX YOUTH TRUST  
FOR THE YEAR ENDED 31 MARCH 2022**

**Opinion**

We have audited the financial statements of Essex Youth Trust (the 'charity') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. 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 charity's affairs as at 31 March 2022 and of its incoming resources and application of resources 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.

**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 charity 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**

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

**Other information**

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

**ESSEX YOUTH TRUST  
INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF ESSEX YOUTH TRUST (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2022**

**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
- sufficient accounting records have not been kept; or
- the 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 the 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 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 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

**Identifying and assessing potential risks related to irregularities**

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and noncompliance with laws and regulations, we considered the following:

- The nature of the charity and sector, control environment, performance including the design of the policies and performance targets.
- Results of our enquiries of management.
- Any matters we identified having obtained and reviewed the entity's documentation of their policies and procedures relating to;
- Identifying, evaluating and complying with laws and regulations and whether management were aware of any instances of non-compliance.
- Detecting and responding to the risks of fraud and whether management have knowledge of any actual, suspected or alleged fraud.
- The internal controls established to mitigate risks of fraud or non-compliance with laws and regulations and
- The matters discussed among the audit engagement team where fraud might occur in the financial statements and any potential indicators of fraud.

It is common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

**ESSEX YOUTH TRUST  
INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF ESSEX YOUTH TRUST (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2022**

We also obtained an understanding of the legal and regulatory frameworks that the entity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the entity's ability to operate.

**Audit response to risks identified**

As a result of performing the above, our procedures to respond to risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements.
- Enquiring of management.
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- Reading minutes of meetings of those charged with governance.
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments.
- Assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the rationale of any significant transactions that are unusual or outside the normal conduct of the charity's affairs and
- As part of assessing relevant controls, we sought to gain an understanding of the impact that COVID-19 and remote working had on the nature and operation of those controls, to inform our risk assessment and conclusions on their effectiveness.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentation, or through collusion.

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](http://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 Auditor  
Northside House  
Mount Pleasant  
Barnet EN4 9EB

Date: 23 January 2023

Ashings Limited, Chartered Accountants are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

ESSEX YOUTH TRUST  
STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 MARCH 2022

		Unrestricted Income Funds 2022 £	Permanent Endowment Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
	Note				
<b>Income and endowments from:</b>					
Investment income:					
- Dividends		233,945	-	233,945	213,450
- The Charities Property Fund		66,472	-	66,472	73,273
- Gross interest		62,759	-	62,759	61,971
<b>Total income</b>		<u>363,176</u>	<u>-</u>	<u>363,176</u>	<u>348,694</u>
<b>Expenditure on:</b>					
Raising funds – investment manager fees	5.	63,028	-	63,028	64,205
Charitable activities – grants payable	12.	267,565	-	267,565	192,421
Other expenditure	3.	31,644	-	31,644	29,375
<b>Total expenditure</b>		<u>362,237</u>	<u>-</u>	<u>362,237</u>	<u>286,001</u>
<b>Net gains/(losses) on investments</b>					
- realised		-	2,342,583	2,342,583	(22,735)
- unrealised		-	(1,604,730)	(1,604,730)	1,158,289
<b>Net income and net movement in funds</b>		<u>939</u>	<u>737,853</u>	<u>738,792</u>	<u>1,198,247</u>
<b>Reconciliation of funds:</b>					
Total funds brought forward		<u>71,808</u>	<u>8,725,513</u>	<u>8,797,321</u>	<u>7,599,074</u>
<b>Total funds carried forward</b>		<u><u>72,747</u></u>	<u><u>9,463,366</u></u>	<u><u>9,536,113</u></u>	<u><u>8,797,321</u></u>

All income and expenditure derives from continuing activities. There were no recognised gains and losses other than those stated above.

Movements in funds are disclosed in Note 10 to the financial statements.

ESSEX YOUTH TRUST

BALANCE SHEET  
AS AT 31 MARCH 2022

		2022		2021	
	Note	£	£	£	£
<b>Fixed Assets</b>					
Investments	6.				
The Charities Property Fund		1,874,340		1,614,080	
Quoted Investments		-		6,906,081	
Bank Deposit		7,400,719		43,033	
Programme related investments	7.	10,200		13,800	
		<u>9,285,259</u>		<u>8,576,994</u>	
<b>Current Assets</b>					
Debtors	8.	20,261		22,406	
Cash at Bank		255,922		211,200	
		<u>276,183</u>		<u>233,606</u>	
<b>Creditors</b>					
Amounts falling due within one year	9.	(25,329)		(13,279)	
Net Current Assets		<u>250,854</u>		<u>220,327</u>	
<b>Net Assets</b>		<u>9,536,113</u>		<u>8,797,321</u>	
<b>Charity Funds</b>					
Endowment fund		9,463,366		8,725,513	
Unrestricted income fund		72,747		71,808	
<b>Total charity funds</b>	10.	<u>9,536,113</u>		<u>8,797,321</u>	

The financial statements were approved and authorised for issue by the Board of Trustees on 23 January 2023

Signed on behalf of the board of trustees

Trustee

The notes on pages 12 to 17 form part of these accounts

ESSEX YOUTH TRUST

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2022

	Note	2022 £	2021 £
Net cash flow from operating activities	4.	<u>44,722</u>	<u>74,786</u>
Net increase in cash and cash equivalents		44,722	74,786
Cash and cash equivalents at the beginning of the year		<u>211,200</u>	<u>136,414</u>
Cash and cash equivalents at the end of the year		<u><u>255,922</u></u>	<u><u>211,200</u></u>
Cash and cash equivalents comprises:			
Cash at bank and in hand		255,922	211,200
Short term deposits		<u>-</u>	<u>-</u>
Cash and cash equivalents at the end of the year		<u><u>255,922</u></u>	<u><u>211,200</u></u>

## ESSEX YOUTH TRUST

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

#### 1. Principal accounting policies

##### (a) General information and basis of preparation

The charity constitutes a public benefit entity as defined by FRS 102. 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) issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements are prepared on a going concern basis under the historical cost convention in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

##### (b) Investment Income

Investment income is accounted for in the period in which the charity is entitled to receipt.

##### (c) Resources expended

Expenditure is included on an accruals basis.

Charitable expenditure on grants comprises the cost of the charity's commitment to grants approved in the year, as described in the Trustees' Annual Report. Note 12 to these accounts details the recipients of the grants.

##### (d) Fixed Asset Investments

The shares and securities detailed in note 13 to these accounts and the investment in the Charities Property Fund are included at market value at the balance sheet date. Any unrealised gain or loss arising from movements in share prices is reflected in the Statement of Financial Activities.

##### (e) Programme related investments

The investments detailed in note 7 to these accounts are recognised at the settlement amount due.

##### (f) Realised gains and losses

All gains and losses are recognised in the Statement of Financial Activities as they arise. Realised gains and losses are calculated as the difference between sale proceeds and the market value at the beginning of the accounting year (purchase date if later).

##### (g) Funds

The endowment fund represents those assets which must be held permanently by the charity. These comprise the investments detailed in note 6. Income arising on the endowment fund can be used in accordance with the objects of the charity and is included as unrestricted income. Any gains or losses arising on the investments form part of the fund.

Unrestricted funds comprise income from the charity's investments (the endowment fund) which the trustees are free to use in accordance with the objects of the charity.

##### (h) Going Concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

##### (i) Debtors

Trade and other debtors are recognised at the settlement amount due.

##### (j) Creditors and Provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

ESSEX YOUTH TRUST

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

2. Trustees' remuneration

No trustee nor any person connected with them has received or is due to receive any remuneration or expenses for the period directly or indirectly from the charity's funds.

	2022 £	2021 £
3. Other expenditure		
Audit of the financial statements	3,600	3,600
Preparation of the financial statements	1,510	1,470
Gepp Solicitors LLP: financial administration, legal and other expenses	26,400	24,200
Bank charges	134	105
	<u>31,644</u>	<u>29,375</u>

4. Reconciliation of net income to net cash flow from operating activities

	2022 £	2021 £
Net income for year	738,792	1,198,247
Management fees deducted from investment portfolio	25,987	19,310
Profit on investments	(737,853)	(1,135,554)
Programme related investments	3,600	-
Decrease/(Increase) in debtors	2,145	(383)
Increase/(Decrease) in creditors	12,051	(6,834)
Net cash outflow from operating activities	<u>44,722</u>	<u>74,786</u>

ESSEX YOUTH TRUST

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

5.	Investment Management costs	2022		2021	
		£		£	
	The Charities Property Fund				9,190
	Cazenove Capital – Quarterly management fees	26,328			19,296
	Cazenove Capital – Internal fund management fees	36,700			35,719
		<u>63,028</u>		<u>64,205</u>	
6.	Investments	2022		2021	
		%	£	%	£
	The Charities Property Fund	20.21	1,874,340	18.85	1,641,080
	UK Equities Unit Trust				
	Cazenove Equity Income Trust for Charities	-		33.18	2,841,072
	Schroder UK Corporate Bond Fund Z	-		11.27	966,256
	M & G Investment Global Dividend	-		9.20	787,554
	Schroder International Selection Fund: Strategic Credit Fund	-		5.49	470,279
	UK Government Bonds: iShares GBP Index-Linked Gilts	-		7.78	666,032
	Fidelity Global Dividend Fund	-		5.69	487,318
	Schroder: Asian Income Fund	-		4.60	393,527
	Polar Capital European Ex UK Income	-		1.93	165,964
	Atlas Global Infrastructure Fund	-		1.49	128,079
			<u>8,520,161</u>		
	Portfolio cash - Cazenove Capital Cash Deposit Account	79.79	7,400,719	0.52	43,033
		<u>100.00</u>	<u>9,275,059</u>	<u>100.00</u>	<u>8,563,194</u>
<b>Shares and securities – movement in year</b>					
	Market value at 1 April 2021 and 1 April 2020		6,906,081		5,747,901
	Additions		-		270,000
	Disposals		(5,041,091)		(297,279)
	Unrealised gain/(loss)		(1,864,990)		1,185,459
	Market value at 31 March 2022 and 31 March 2021		<u>-</u>		<u>6,906,081</u>

ESSEX YOUTH TRUST

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

	2022 £	2021 £	
The Charities Property Fund – movement in year			
Market value at 1 April 2021 and 1 April 2020	1,614,080	1,641,250	
Unrealised profit/(loss)	260,260	(27,170)	
	<hr/>	<hr/>	
Market value at 31 March 2022 and 31 March 2021	1,874,340	1,614,080	
	<hr/> <hr/>	<hr/> <hr/>	
	2022 £	2021 £	
7. Programme related investments - loans			
Frenford Clubs	10,200	13,800	
	<hr/> <hr/>	<hr/> <hr/>	
The Frenford Clubs loan has a repayment period of 4 years. No interest is charged.			
	2022 £	2021 £	
8. Debtors			
Accrued income	20,261	22,406	
	<hr/> <hr/>	<hr/> <hr/>	
	2022 £	2021 £	
9. Creditors due within one year			
Accrued expenses	25,330	7,140	
Other creditors	-	6,139	
	<hr/>	<hr/>	
	25,330	13,279	
	<hr/> <hr/>	<hr/> <hr/>	
10. Movement in funds for the financial year			
	Income £	Endowment £	Total £
Balance at 1 April 2021	71,808	8,725,513	8,797,321
Movement in funds for the year	939	737,853	738,792
	<hr/>	<hr/>	<hr/>
Balance at 31 March 2022	72,747	9,463,366	9,536,113
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Consisting of:			
Fixed asset investments	10,200	9,275,059	9,285,259
Current assets	87,877	188,307	276,184
Current liabilities	(25,330)	-	(25,330)
	<hr/>	<hr/>	<hr/>
	72,747	9,463,366	9,536,113

# ESSEX YOUTH TRUST

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

### 11. Transactions with related parties

Gepps solicitors LLP, of which the Clerk Mr J P Douglas-Hughes is a partner, provide management services to the Trust as set out in note 3. The balance outstanding as at 31 March 2022 was £6,600.

Details of grants paid to related charities and the relationship to the Trust are set out in note 12 of these accounts.

### 12. Grants Paid and Payable for the year ended 31 March 2022

Institution	Relationship to the Charity (if applicable)	Grant made £
Essex Boys' and Girls' Clubs	J.P. Douglas-Hughes is chairman and M.J. Dyer & J.A. Rogers are trustees	56,000
Cirdan Sailing Trust	J.P. Douglas-Hughes is Trustee	50,000
Stubblers Adventure Centre		43,070
North Avenue Youth Centre		32,600
Chain Reaction Theatre Company	M.J. Dyer is Chairman	19,500
Ark Centre		10,000
Ormiston Families		10,000
		<hr/>
Other grants		221,170
		46,395
		<hr/>
		267,565
		<hr/>

All grants paid during the year met the objectives of the charity by educating and advancing the lives of young people, in order to develop their physical, mental and spiritual capacities. The total "other grants" is made up of 22 donations, each below £10,000 and were not paid to related parties and have therefore not been analysed in this note.

ESSEX YOUTH TRUST

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

13. Shares and securities held, dividends and interest received in the year ended 31 March 2022

	Balance b/fwd			Acquisitions		Disposals		Historic Profit/(Loss) £	Balance c/fwd			Dividends £	Gross Interest £
	Nominal	Cost £	Market Value £	Nominal	Cost £	Nominal	Proceeds £		Nominal	Cost £	Market Value £		
The Charities Property Fund	1,300,000	1,487,923	1,614,080			-	-	-	1,300,000	1,487,923	1,874,340	66,472	-
Cazenove Capital:	-	-	-			-	-	-	-	-	-	233,945	62,711
Equity Income Trust for Charities	6,107,206	2,124,854	2,841,072			6,107,206	3,211,780	1,086,926	-	-	-		
Schroder UK Corporate Bonds: Z – Income Units	1,520,994	707,418	966,256			1,520,944	901,159	193,741	-	-	-		
Schroder International Selection Fund: Strategic Credit Fund	4,769	493,340	470,279			4,769	450,048	(43,292)	-	-	-		
iShares GBP Index-Linked Gilts	34,900	389,393	666,032			34,900	680,143	290,750	-	-	-		
M & G Global Dividend Fund	695,719	411,713	787,554			695,719	906,542	494,739	-	-	-		
Fidelity Global Dividend Fund	233,838	337,663	487,318	277,719		511,557	514,114	176,451	-	-	-		
Schroder Asian Income Fund	450,157	306,710	393,527			450,157	392,447	85,737	-	-	-		
Polar Capital European Ex UK Income	19,41	145,000	165,964			19,411	175,087	30,087	-	-	-		
Atlas Global Infrastructure	1,089	125,000	128,079			1,089	152,442	27,442	-	-	-		
Cash Deposit Accounts	-	-	43,033						-	-	7,400,719		48
		<u>6,529,014</u>	<u>8,563,194</u>							<u>-</u>	<u>9,275,059</u>	<u>300,417</u>	<u>62,759</u>