

North West Young People's Development Trust

Report and Accounts

**For The Year Ended
31 March 2021**

NORTH WEST YOUNG PEOPLE’S DEVELOPMENT TRUST

CONTENTS

	Page
Charity information	1
Trustees’ annual report	2
Independent examiner’s report	5
Statement of financial activities	6
Balance sheet	7
Notes to the accounts	8

NORTH WEST YOUNG PEOPLE'S DEVELOPMENT TRUST

TRUSTEES AND ADVISERS

CHARITY INFORMATION

Trustees who served in the year

Mrs K M Barton JP FCA
Mr N J Clough LLB
Mr M J Hanson BA FCA ACIB
Ms W Priscott

Chair of Trustees

Mr W Clough FCA FTII (*to 2 April 2020*)
Mrs K M Barton JP FCA (*from 20 May 2020*)

Charity number

229988

Charity administrator

Mr M J Hanson

Honorary Treasurer

Mrs K M Barton JP FCA

Charity address

16 Eden Park Road
Cheadle Hulme
Cheadle
Cheshire
SK8 6RG

Independent examiner

N Mason FCA DChA
MHA Moore and Smalley
Richard House
9 Winckley Square
Preston
Lancashire
PR1 3HP

Solicitors

Bromleys Solicitors LLP
50 Wellington Road
Ashton-under-Lyne
Lancashire
OL6 6XL

NORTH WEST YOUNG PEOPLE'S DEVELOPMENT TRUST

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 MARCH 2021

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019.

Structure, governance and management

Governing document and history

The Trust was established and regulated by indenture dated 29 September 1856 and subsequently amended by a scheme of the Charity Commissioners in 1876 and by schemes made by the Board of Education in 1903 and 1925.

In 1903, the Trust acquired land in Poulton-Le-Fylde on which a school was built to provide for the education and accommodation of underprivileged young men from the North West area. Additional land was purchased for agricultural education purposes. In 1973 the property was taken over by Lancashire County Council who ran it as a controlled community home until 2006 when it ceased operation.

In 1994 the Trust's powers were extended and the scheme was registered with the Charity Commission on 15 February 1994. The charity's name was changed to North West Young People's Development Trust.

In 2013 the buildings and 54 acres of land were sold for development purposes for £6,091,694 leaving 79 acres of agricultural land which the Trust retains and receives rental income from an Agricultural Tenancy. It is the intention of the Trust to retain the existing, and potential future sale proceeds and to utilise such funds to meet its objectives.

Organisation of the charity

The charity and its property are administered and managed by the body of trustees listed on page 1.

The body of trustees consists of 4 co-opted trustees, appointed for a term of 5 years by a resolution of the trustees passed at a special meeting.

The trustees meet at least four times a year.

The Trustee Body is responsible for maintaining effective Board succession strategies and for the Recruitment, appointment and induction and training of new trustees. The Trust seeks to maintain the necessary range of skills and experience within the Trustee Body to ensure that it is effectively managed and meets the charitable objectives.

NORTH WEST YOUNG PEOPLE'S DEVELOPMENT TRUST

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Objectives and activities

The Constitution and Instrument of Management allows for the application of income from the charity being disbursed for the benefit of young persons under the age of 25 years in the following manner:

- a in promoting the education (including the social and physical training) of such persons who are in need of financial assistance in such ways as the trustees think fit;
- b for the relief of such persons who are in conditions of need, hardship or distress either in gifts in kind or grants of money.

The trustees have embarked on a project of researching, investigating and interviewing to seek out well structured, effective and efficient service providers with a proven track record of helping and developing young people with a view to partnering with them in sustainable relationships to channel distributions in the future.

Grant making policy

A policy for the assessment and awarding of grants is in place to ensure that grant making activities are relevant to and contribute to the achievement of the aims and objectives of the charity.

Public benefit

The trustees have considered the Charity Commission guidance on public benefit and are taking this into account when considering the options available for utilising the funds. Distributions from income were made during the year to the organisations set out in note 5 to support key projects in the North West.

Achievements and performance

Main achievements of charity during the year

The trustees have effectively managed the remaining land assets under their control and have prepared and implemented formalised grant making processes, an enhanced Risk Management Framework and administrative policies and procedures. Investments are in place to produce a stream of income which can be distributed to partners who meet the requirements of our due diligence processes.

Financial review

During the year, the trustees invested no additional funds into the COIF Charities Investment Fund. The fair value of these investments at 31 March 2021 was £5,295,315. The Trust received dividends of £166,738 (2020: £172,458) on these investments during the year.

The charity has a net surplus for the year before transfers and gains/losses on investments held of £106,141 (2020: £47,214). Details are shown on the Statement of Financial Activities on page 6.

The net increase in funds after taking account of unrealised investment gains of £823,400 was £929,541.

The net assets of the charity at 31 March 2021 amounted to £6,207,712 (2020: £5,278,171).

Investment policy

The intended benefit of the investment policy is to create sufficient income and capital growth to enable the Trust to carry out its purposes consistently year by year with due and proper consideration for future needs and the maintenance of, and if possible, enhancement of the value of invested funds whilst they are retained.

The spread of investments and national and world events continues to be monitored. The trustees have agreed to never commit expenditure prior to receiving income and to continue investing in regulated charitable investment funds rather than speculatively or via unregulated funds.

NORTH WEST YOUNG PEOPLE'S DEVELOPMENT TRUST

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Reserves policy

The general unrestricted reserves as at the year end were £6,207,712 (2020: £5,278,171). The trustees have adopted a reserves policy which is in line with the Charity Commission Charity Financial Reserves guidance, which aims to protect the Trust from drops in income whilst allowing it to take advantage of new opportunities.

Tax status

The charity has exempt status through its registration with the Charity Commission.

Plans for future periods

The COVID-19 pandemic has had a pronounced impact upon the activities of the Trust and the organisations that it has funded and we have sought to continue to be supportive of them, allowing them flexibility in adapting their projects to reflect the constraints unexpectedly imposed upon them. The trustees will continue to support local organisations by the way of making grants.

This report was approved by the trustees on25/01/2022..... and signed on their behalf by:

M J Hanson

.....
Mr M J Hanson BA FCA ACIB

K M Barton

.....
Mrs K M Barton JP FCA

NORTH WEST YOUNG PEOPLE'S DEVELOPMENT TRUST

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2021

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 March 2021 which are set out on pages 6 to 13.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- accounting records were not kept in respect of the charity as required by section 130 of the Act; or
- the accounts do not accord with those records; or
- the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Nicola Mason

.....
**Nicola Mason FCA DChA
MHA Moore and Smalley
Chartered Accountants
Preston**

Date: 26/01/2022

NORTH WEST YOUNG PEOPLE'S DEVELOPMENT TRUST

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2021

	Note	Unrestricted General Funds £	Total 2021 £	Total 2020 £
Income from:				
Investments	2	180,007	180,007	181,581
Other	3	382	382	380
Total income		180,389	180,389	181,961
Expenditure on:				
Raising funds	4	3,089	3,089	2,326
Charitable activities	5	71,159	71,159	132,421
Total expenditure		74,248	74,248	134,747
Net surplus before gains/(losses)		106,141	106,141	47,214
Net gains/(losses) on investments	9	823,400	823,400	(73,672)
Net movement in funds		929,541	929,541	(26,458)
Reconciliation of funds:				
Total funds brought forward at 1 April 2020		5,278,171	5,278,171	5,304,629
Total funds carried forward at 31 March 2021		6,207,712	6,207,712	5,278,171

All of the above results are derived from continuing activities. All gains and losses recognised in the year are included above.

All income and expenditure in the year ended 31 March 2021 and 31 March 2020 related to unrestricted funds.

NORTH WEST YOUNG PEOPLE'S DEVELOPMENT TRUST

BALANCE SHEET

AS AT 31 MARCH 2021

	Note	£	Unrestricted funds 2021 £	£	2020 £
Fixed assets					
Investments	9		<u>5,438,315</u>		<u>4,614,915</u>
			<u>5,438,315</u>		<u>4,614,915</u>
Current assets					
Debtors	10	-	-	-	-
Cash at bank and in hand		<u>771,210</u>		<u>664,741</u>	
		<u>771,210</u>		<u>664,741</u>	
Creditors: Amounts falling due within one year	11	<u>(1,813)</u>		<u>(1,485)</u>	
Net current assets			<u>769,397</u>		<u>663,256</u>
Net assets			<u>6,207,712</u>		<u>5,278,171</u>
Funds of the charity:					
Unrestricted funds			<u>6,207,712</u>		<u>5,278,171</u>
Total charity funds			<u>6,207,712</u>		<u>5,278,171</u>

All assets and liabilities in the current and previous year relate to unrestricted funds.

This report was approved by the trustees on25/01/2022..... signed on their behalf by:

M J Hanson

Mr M J Hanson BA FCA ACIB

K M Barton

Mrs K M Barton JP FCA

NORTH WEST YOUNG PEOPLE'S DEVELOPMENT TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the 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 issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

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.

Going concern

The financial statements have been prepared on a going concern basis and the trustees believe that no material uncertainties exist. The trustees have considered the impact of the Government response to Covid-19 on the activity of the Charity. The expenditure of the Charity is variable with few fixed costs. Income is not expected to reduce significantly and projects are continuing where possible. As a result, the trustees consider that the Charity has sufficient reserves to meet liabilities as they fall due for a period of at least twelve months from the date of signing the accounts.

Income recognition

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment advisor.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

The charity is not registered for VAT; expenditure is accounted for inclusive of VAT.

Grants payable are payments made to third parties in furtherance of the charitable objects of the Trust. Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount of grant payable.

NORTH WEST YOUNG PEOPLE'S DEVELOPMENT TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (continued)

Costs of raising funds

The costs of raising funds consist of insurance costs, repairs and maintenance costs associated with the income receivable on investment properties.

Charitable activities

Costs of charitable activities include grants made, governance costs and legal and professional fees.

Investment properties

Investment property is held by the charity to earn rental income or for capital appreciation or both. Investment property is measured at the trustees' estimate of fair value based on an online valuation source.

Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Trust does not acquire put options, derivatives or other complex financial instruments.

Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

Fund accounting

General unrestricted funds represent funds that are not subject to any restrictions regarding their use and are available for application on general purposes by the charity.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest of the Trust after deducting all of its liabilities.

Significant estimates and judgements

The only significant estimate used in the accounts is the fair value of investment property which is based on an estimated market value from an online valuation source.

NORTH WEST YOUNG PEOPLE'S DEVELOPMENT TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2021

2 Investment Income

	Unrestricted 2021 £	2020 £
Property investment income	11,460	4,640
Deposit account interest	1,809	4,483
Dividends receivable from COIF investments	166,738	172,458
	180,007	181,581

3 Other Income

	Unrestricted 2021 £	2020 £
Substation and wayleave	382	380
	382	380

4 Raising funds

	Unrestricted 2021 £	2020 £
Premises Costs		
Property insurance	1,739	1,739
Repairs and maintenance costs	558	214
Subscriptions	257	109
Other premises costs	535	264
	3,089	2,326

NORTH WEST YOUNG PEOPLE'S DEVELOPMENT TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2021

5 Expenditure on charitable activities

	Unrestricted 2021 £	2020 £
Direct costs		
Grant paid – Fortalice	10,000	-
Grant paid – Power 2 Ltd	15,000	-
Grant paid – Manchester Carers	15,000	-
Grant paid – YMCA	-	10,000
Grant paid – The Outward Bound Trust	-	14,560
Grant paid – Greater Manchester Youth Network	-	14,908
Grant paid – Inter Madrassah Organisation	-	13,610
Grant paid – Manchester Young Lives	-	11,575
Grant paid – Manchester Young People's Theatre	-	10,000
Grant paid – Empowerment	-	12,500
Grant paid – Music Action International	-	5,000
Grant paid – Harmony Youth Project	-	7,000
Grant paid – The Prince's Trust	25,000	25,000
	65,000	124,153
Support costs		
Legal and professional fees	3,248	1,525
Website costs	213	1,035
	3,461	2,560
Governance costs		
Legal and professional fees	367	2,726
Trustee indemnity insurance	533	444
Trustee meeting expenses	257	1,059
Bank charges	56	-
Independent examiner's fee	1,485	1,479
	2,698	5,708
	71,159	132,421

	Governance costs £	Support costs £	Total costs 2021 £	Total costs 2020 £	Basis of apportionment
Legal and professional fees	367	3,248	3,615	4,251	Time spent
Website costs	-	213	213	1,035	Support
Trustee indemnity insurance	533	-	533	444	Governance
Trustee meeting expenses	257	-	257	1,059	Governance
Bank charges	56	-	56	-	
Independent examiner's fee	1,485	-	1,485	1,479	Governance
	2,698	3,461	6,159	8,268	

6 Indemnity insurance

Professional indemnity insurance at a cost of £533 was held during the year to 31 March 2021 (2020: £444) to indemnify the trustees against potential claims.

NORTH WEST YOUNG PEOPLE'S DEVELOPMENT TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2021

7 Related party transactions

There were no transactions with related parties in the current or previous year.

8 Trustees' remuneration and expenses

No remuneration was paid to the trustees in respect of their services as trustees during the year. Expenses of £257 (2020: £1,059) were incurred in respect of the trustees' meeting expenses.

9 Fixed asset investments

	Investment Property £	COIF Charities Investment Fund £	Total £
Fair value as at 1 April 2020	143,000	4,471,915	4,614,915
Additions	-	-	-
Disposal proceeds	-	-	-
Net investment gains	-	823,400	823,400
Fair value at 31 March 2021	143,000	5,295,315	5,438,315
Historical cost at 31 March 2021	151,478	3,841,800	3,993,278

The fair value of the investment property is based on the trustees' estimate of the market value at 31 March 2021 based on an online valuation source.

10 Debtors due within 1 year

	2021 £	2020 £
Accounts receivable	-	-
	-	-

NORTH WEST YOUNG PEOPLE'S DEVELOPMENT TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2021

11 Creditors: amounts falling due within one year

	2021	2020
	£	£
Accruals	1,813	1,485
	1,813	1,485

12 Inalienable and historic fixed assets

The Trust owns land at Garstang Road, Blackpool, which is not included in the accounts. The original cost of the land is not known. The Trustees consider that the costs involved in obtaining a valuation would outweigh the benefits that would be derived by users of the accounts.