

CONSTRUCTION INDUSTRY TRUST FOR YOUTH

(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2008

Company No 04461612 (England and Wales)
Charity Registration Number 1094323

55 Tufton St
London
SW1P 3QL

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Construction Youth Trust

Annual report
of

The Construction Industry Trust for Youth

Year ended 31st December 2008

PATRON

HRH the Duke of Gloucester KG GCVO

PRESIDENT

Sir Michael Latham DL MA FRSA
Hon Vice-President – Anthony P Hill FCI0B

CHAIRMAN

Rod Bennion MRICS FRSA

TRUSTEES

Rod Bennion MRICS FRSA (Chairman)	Liz Male
Douglas A Barrat FRSA	Peter Marchant
Michael A Brown BSc MSc FCI0B	Rob Oldham BEng MSc CEng MICE
Norman Critchlow BSc Econ FCA (Treasurer)	Martin P W Scarth CEng MICE MCI0B
Martin K Davis MA Cantab.	John C M Taylor MBE MA MSc FCGI
Anthony J Furlong RIBA	Alistair H C Voaden FRICS
Richard B Haryott FR Eng	Andy Wates MBA
Richard Laudy	

LIMITED COMPANY

Company Directors:

Rod Bennion
Richard B Haryott

Registered Office

55 Tufton Street, London
SW1P3QL
Tel: 0207 227 4560
Email: cyt@cytrust.org.uk
www.constructionyouth.org.uk

Company Secretary:

Jo Cooke ACIS

TRUST ADMINISTRATORS

Trust Director: Christine Townley BSc CEng MICE

Administrator: Beryll Camplin BA

Auditor	Solicitor	Banker
Thompson and Hunter Chartered Accountants Registered Auditor 43/45 High St Sevenoaks	D A Martin and Co 13 Holywell Row, London EC2A 4JF	Lloyds TSB plc 34 Moorgate, London EC2R 6DN

Charity Registration Number 1094323. The Construction Industry Trust for Youth
A company limited by guarantee. Company Number 04461612

Report of the Trustees for the year ended 31 December 2008

The Trustees submit their annual reports and the audited financial statements for the year ended 31 December 2008. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in 2005 in preparing the annual report and financial statements of the charity.

The charity is a charitable company limited by guarantee and was set up on 14 June 2002 as The Construction Industry Trust for Youth. It created the working name of Construction Youth Trust in 2004. It has no share capital and is a registered charity.

On 15 May 2008 Peter Marchant and Liz Male were appointed as new Trustees and John Carpenter resigned. On 19 November 2008 the trustees resigned as directors with the exception of Rod Bennion and Richard B Haryott. Anthony J Furlong resigned as trustee on 11 February 2009.

Structure, Governance and Management

Governing Documents

The Construction Youth Trust is constituted as a Company Limited by Guarantee under Memorandum and Articles of Association which came into force on 14 June 2002.

Recruitment of Trustees

Recommendations for the recruitment of new trustees is overseen by the Governance Committee, a committee of the Council of Trustees, in the first instance, and appointments are referred for approval by Council in accordance with current best practice.

Organisational Structure

The Construction Youth Trust is governed by a Council whose members are the Trustees of the Charity. Two Trustees are Directors of the Company. The Trust Secretary is also the Company Secretary. This Council meets quarterly and is responsible for the strategy of the Trust and the upholding of its objectives. Council has four subgroups with defined terms of reference. The Chairman is an ex-officio member of all these sub-groups and the Trust Director is in attendance at these meetings:

- Resources
- Governance
- Services
- Fundraising

The activities of the Trust are managed by a small executive staff. The quality and effectiveness of our programmes and the award of bursaries and grants is overseen by the Services Group in accordance with Terms of Reference and delegated powers agreed by Council.

Related Parties

The Trust Patron is His Royal Highness The Duke of Gloucester KG GCVO, and the Trust's President is Sir Michael Latham, Chairman of ConstructionSkills. Many Trustees are senior figures within built environment companies, partnerships or associations with whom the Trust works.

Major Risks

The Council has conducted its review of the major risks to which the Trust is exposed, and systems have been established to mitigate those risks. Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects. These procedures are periodically reviewed to ensure that they continue to meet the objectives of the Trust.

Statement of Trustees' responsibilities

Company Law requires the Trustees to prepare financial statements that give a true and fair view of the state of affairs of the charitable company and of the surplus or deficit for the financial year. In doing so, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Follow applicable accounting standards and the Charities SORP, disclosing and explaining any material departures in the financial statements;
- Prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the company will continue in business.

The Trustees are responsible for maintaining proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the charitable company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Objectives and activities

Construction is the UK's largest sector offering exciting opportunities for training and employment in a variety of roles. Young people throughout the UK face barriers to accessing these opportunities for a variety of reasons and our mission is to overcome these barriers through:

- Enhancing employability
- Accessing training
- Raising awareness
- Informing the debate
- Mentoring and supporting

The Trust's key objects are:

- To create, support or facilitate programmes of education, learning, training or employment in the context of the construction and built-environment industries
- To improve the conditions of life for young people in the United Kingdom and to overcome barriers to their education, learning, training or employment arising by reason of their youth, disability or economic or social circumstance, with particular reference to the skills of the construction and built environment industries
- To educate, train, assist and facilitate such individuals or groups to develop their physical and mental capacities and skills.

The Trust's corporate partners and supporters play a key role in supporting its mission to provide young people with employment opportunities in the built-environment sector.

The Trust offers a wide range of educational programmes that support young people into construction training and employment, ranging from awareness-raising to careers guidance and employability skills development. We also provide bursaries to those in financial need.

In the last two years the Trust has also developed a range of new projects including ones that support specific disadvantaged groups.

Achievements and Performance

2008 has been an exciting and eventful year for the Trust in which it has continued to make a real and growing impact on the lives of young people. The Trust has once again expanded the range of activities it is involved in, enabling it to increase the number of beneficiaries it supports. During the year we have worked with 3000 young people from deprived communities throughout England and Wales helping them at various stages on their journey to work. The Trust's skills as solutions-developer and broker play a key role in its effectiveness. Its very close links with the industry through its Trustees and corporate partners give it the edge in making its programmes live, relevant and demand-led.

In keeping with our strategic plan we have continued over the year to develop our regional delivery structure. Our programmes in Wales, the West Midlands and Manchester have become well established along with the continued development of our programmes in London and the South East.

Our executive team is now 12 and draws on staff with a variety of skills to support both core activity and our growing delivery programme. We recognise the need to recruit Trustees from the regions in which we work and during 2008 began to identify potential candidates. In addition, we have begun to recruit a pool of expert advisors. We recognise the value of volunteers and have developed a framework of support to enable us to manage and support them effectively.

In 2008 the Trust has been successful in securing a combination of funds from Trusts, Foundations and from the public sector, as well as continuing to increase support from corporate donors. This rich mix of funding sources has enabled the Trust to grow and broaden its work and develop programmes to support particular disadvantaged groups including offenders and the homeless.

Over the year we have had key successes in all our work. We set out below some of the significant highlights.

In London and the South East we have:

- Launched Budding Brunels in two schools in East London. The project raises awareness of the various professional careers available to young people within building and engineering. The input of our corporate partners and professional bodies such as the Chartered Institute of Building has been key to the success of the programme.
- Worked in partnership with Newham Council to support a mobile classroom which offers school children from the borough taster sessions in construction at a professional level.
- Secured four weeks paid employment for over forty Year 12 students from the 2012 Host Boroughs as part of the LDA funded Capital Xperience programme.
- Delivered information, advice and guidance sessions to a broad range of young people in South Essex.

Our work in Wales has become well established over the last year and in recognition of our success we were delighted to win a Wales Constructing Excellence award for people leadership. Activity in that region has included:

- The launch of two mobile construction vehicles, one in Newport funded by Newport City Council and the other, based in the Rhondda Valley, funded by the Big Lottery Fund. The vehicles go into deprived communities and offer young people a range of taster sessions in construction-related skills such as plastering, tiling and plumbing. Our Patron His Royal Highness the Duke of Gloucester KG GCMG, officially launched the Newport Vehicle; the van based in the Rhondda was officially launched by the Deputy Minister for Regeneration, Leighton Andrews AM.
- The development and delivery of our innovative 'Pink Ladies' programme in Newport which has given young mothers the opportunity to learn home maintenance skills such as tiling and plumbing. The programme provides participants with employability skills and the confidence and self assurance to enter into training and employment.

In London and the West Midlands

- The Trust's Toolkit for Life project, which supports offenders into construction training and employment, continues to work with a West Midlands prison and during the year expanded to work with a second institution. At a London-based open prison we held a very successful employer event which led to 15 offenders being offered employment.

Across England:

- We have continued to identify best practice in supporting the homeless into work in the sector and brokering introductions between the homeless sector and construction employers. The programme, funded by the Homes and Communities Agency, has also supported several small pilot projects and helped regional partners develop action plans that will enable them to be more effective in supporting the homeless into work in the future in their areas.

In the North West:

- The Trust launched a mobile classroom that takes craft skills to school aged children, as well as Manchester Mapping, an employer-led online database aimed at encouraging the sharing of information between construction companies and training providers in the north-west.

Our receptions and Christmas concerts have proved to be particularly effective, not just in supporting our fundraising activity but, more importantly, in bringing together people from different strands of the industry to learn about the work of the Trust and identify how they can commit to supporting young people into the sector. One particular event of note was the reception held at City Hall, London, which brought senior representatives from industry and education together to discuss the important issue of Skills for the Future, stimulated by a keynote speech by Digby, Lord Jones of Birmingham.

Financial Review

Reserves

The Trust's reserve policy is based upon a forecast of the likely levels of expenditure over the foreseeable future. The policy is subject to annual review.

Investment Policy and Performance

The Council of Management has considered the most appropriate policy for investing funds and has found that, at the present time, investments in COIF Charities Deposit Fund offers the Trust the combination of liquidity, security and yield that meets its requirements.

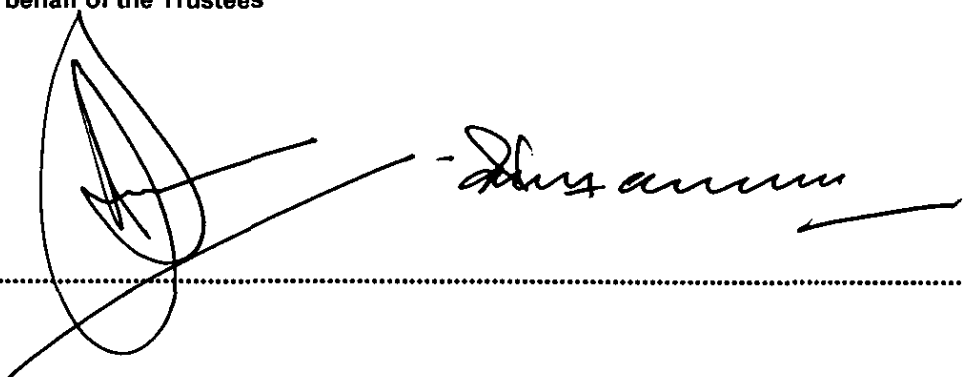
Plans for Future Periods

Over the next three years we aim to continue to diversify our funding base and develop and consolidate our regional infrastructure, including the development of a framework of regional supporters and volunteers. The Trust will also further develop its quality and effectiveness framework to ensure that it excels in everything it does.

Signed by the Chairman, Rod Bennion:

Date: 14 May 2009

on behalf of the Trustees



A handwritten signature, likely of Rod Bennion, is written over a horizontal dotted line. The signature is in cursive and includes a long horizontal stroke at the end.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CONSTRUCTION INDUSTRY TRUST FOR YOUTH

We have audited the financial statements of Construction Industry Trust for Youth for the year ended 31 December 2008 which comprise of the Statement of Financial Activities, Balance Sheet and Notes to the Financial Statements which have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and Auditors

The Trustees' responsibilities for preparing the annual report and financial statements in accordance with applicable law and United Kingdom accounting standards are set out in the Statement of Trustees responsibilities in the Trustees' report.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards of Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you, if in our opinion the Trustees' report is not consistent with the financial statements, if the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if any information specified by law regarding Trustees' remuneration and transactions with the charitable company is not disclosed.

We read the Trustees' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of Opinion

We conducted our audit in accordance with the International Standards of Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes the examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Trustees in the preparation of the accounts and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations that we considered necessary, in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatements, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a fair view, in accordance with the United Kingdom Generally Accepted Accounting Practice of the state of the charitable company's affairs as at 31 December 2008 and of the incoming resources and application of resources, including its income and expenditure for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

Thompson & Hunter
Chartered Accountants
Registered Auditor

43-45 High Street
Sevenoaks
Kent TN13 1JF

Thompson & Hunter

25 June 2009.

STATEMENT OF FINANCIAL ACTIVITIES
Year ended 31 December 2008

	Notes	Unrestricted Funds	Restricted Funds	Total	Total
				2008	2007
				£	£
Incoming Resources					
Incoming resources from generated funds:	1b				
Donations and gifts		146,632	0	146,632	80,655
Fund raising events		42,234	0	42,234	64,709
Investment income		47,227	0	47,227	31,077
Incoming resources from charitable activities:					
Project specific income received	8	234,525	297,563	532,088	790,198
Project income received for future periods					(321,898)
Total Incoming Resources		<u>470,618</u>	<u>297,563</u>	<u>768,181</u>	<u>644,741</u>
Resources expended					
Cost of generating funds:					
Fund raising events cost		13,702	0	13,702	22,717
		<u>13,702</u>	<u>0</u>	<u>13,702</u>	<u>22,717</u>
Charitable activities					
Cost of activities in furtherance of the charity's objectives					
New grant commitments in 2008	3	24,140	0	24,140	56,869
Community based projects	3	143,325	468,995	612,320	436,744
Management and Administrative expenses	4	39,989	0	39,989	99,721
		<u>207,454</u>	<u>468,995</u>	<u>676,449</u>	<u>593,334</u>
Total Resources Expended		<u>221,156</u>	<u>468,995</u>	<u>690,151</u>	<u>616,051</u>
Transfers between funds		<u>(5,237)</u>	<u>5,237</u>	<u>0</u>	
Net movement in funds		<u>244,225</u>	<u>(166,195)</u>	<u>78,030</u>	<u>28,690</u>
Reconciliation of funds					
Fund balances brought forward		159,074	22,677	181,751	153,061
Change in accounting treatment	8	214,373	313,669	528,042	
Total funds carried forward		<u>£617,672</u>	<u>£170,151</u>	<u>£787,823</u>	<u>£181,751</u>

The statement of financial activities includes all gains and losses recognised in the year
All incoming resources and resources expended derive from continuing activities

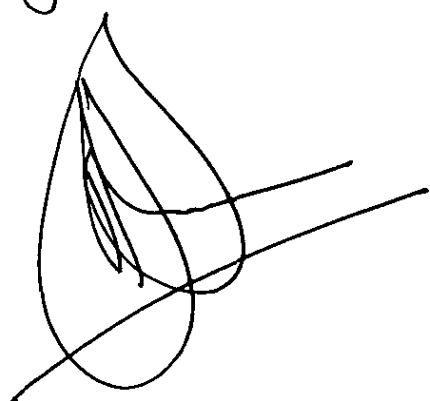

THE CONSTRUCTION INDUSTRY TRUST FOR YOUTH LIMITED

BALANCE SHEET
AS AT 31 December 2008

	Notes	2008 £	2007 £
Current Assets			
Debtors		87,479	79,654
Cash at bank and in hand	5	<u>868,201</u>	<u>864,124</u>
		955,680	943,778
Creditors			
Amounts falling due within one year	6	<u>(167,857)</u>	<u>(762,027)</u>
Net current assets		<u>787,823</u>	<u>181,751</u>
Net Assets		<u>£787,823</u>	<u>£181,751</u>
The Funds of the charity			
Unrestricted Funds	8	617,672	159,074
Restricted Funds	8	170,151	22,677
Total Funds		<u>£787,823</u>	<u>£181,751</u>

The financial statements which have been prepared in accordance with the special provisions of part VII of the Companies Act 1985 applicable to small companies were approved by the board on May 14 2009 and signed on its behalf.

R Bennion

Notes to the financial statements for the period ended 31 December 2008

1 Accounting Policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

a) Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Companies Act 1985 and the Statement of Recommended Practice: Accounting and Reporting by Charities issued in March 2005. The company has taken advantage of the exemption in Financial Standard No1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

b) Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Designated funds are unrestricted funds earmarked by the Management Committee for particular purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal

c) Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy.

The following specific policies are applied to particular categories of income:

Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.

Investment income is included when receivable.

Incoming resources from grants, where related to performance and specific deliverables are accounted for as the charity earns the right to consideration by its performance.

d) Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred.

Costs of generating funds comprise the costs associated with attracting voluntary income

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Management and administrative expenses include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

All costs are allocated between the expenditure categories of the SoFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis.

e) Taxation

The company is a registered charity and no taxation has been provided for in the accounts, in accordance with S505 ICTA 1988.

2 Legal status of the charity

The charity is limited by guarantee and has no share capital. The liability of each member is limited to £1

Notes to the financial statements for the period ended 31 December 2008

Notes to the financial statements for the period ended 31 December 2008

	Unrestricted Funds	Restricted Funds	Total 2008 £	Total 2007 £	
3 New grant commitments in 2008					
Individual Grants	24,140	0	24,140	56,869	
	<u>24,140</u>	<u>0</u>	<u>24,140</u>	<u>56,869</u>	
Community based projects					
Education, training and skills	32,700	219,018	251,718	235,216	
Project officers and administrators	90,665	176,978	267,643	138,523	
Project office costs	13,781	46,907	60,688	40,504	
Project PR and communications	2,753	3,495	6,248	959	
Travel/Subsistence/Recruitment	3,426	22,597	26,023	21,542	
	<u>143,325</u>	<u>468,995</u>	<u>612,320</u>	<u>436,744</u>	
	<u>167,465</u>	<u>468,995</u>	<u>636,460</u>	<u>493,613</u>	
4 Management and Administrative expenses					
Salaries	234,969		234,969	195,240	
Rent & Rates & Heating	13,043		13,043	19,968	
Stationery & post	6,575		6,575	4,463	
Telephone	2,332		2,332	651	
Meeting expenses	3,665		3,665	3,866	
Insurance	2,186		2,186	805	
Accountancy fees	17,837		17,837	11,690	
Legal fees	0		0	1,528	
Computer Costs	17,310		17,310	2,424	
Bank Charges	766		766	556	
Office	288		288	9,485	
Public relations costs	3,166		3,166	2,944	
Staff training & development	2,299		2,299	512	
Travel	1,516		1,516	1,830	
Salaries & office costs allocated to Projects	(265,963)		(265,963)	(156,241)	
	<u>39,989</u>	<u>0</u>	<u>39,989</u>	<u>99,721</u>	
5 Cash at bank and in hand					
C O I F deposit account			856,105	861,105	
Lloyds TSB current account			12,096	3,019	
			<u>868,201</u>	<u>864,124</u>	
6 Creditors: Amounts falling due within one year					
Deferred income			0	321,898	
Grants committed			128,317	417,200	
Accruals			39,540	22,929	
			<u>167,857</u>	<u>762,027</u>	
7 Analysis of net assets between funds					
		Unrestricted Funds	Restricted Funds	Total	
Current Assets		661,332	294,348	955,680	
Current Liabilities		(43,660)	(124,197)	(167,857)	
		<u>617,672</u>	<u>170,151</u>	<u>787,823</u>	
8 Movement in Funds	At 1 January 2008	Incoming Resources	Outgoing Resources	Transfers	31 December 2008
Unrestricted Funds	159,074	236,093	63,076	(2,014)	330,077
Designated Funds	0	234,525	158,080	211,150	287,595
	<u>159,074</u>	<u>470,618</u>	<u>221,156</u>	<u>209,136</u>	<u>617,672</u>
Restricted Funds	22,677	297,563	468,995	318,906	170,151
	<u>181,751</u>	<u>768,181</u>	<u>690,151</u>	<u>528,042</u>	<u>787,823</u>

In previous years restricted and designated unspent funds committed to projects were shown in creditors as deferred income and grants. In 2007 these totalled £528,042. These unspent funds are now included in the unrestricted and restricted fund balance.