

# CONSTRUCTION INDUSTRY TRUST FOR YOUTH

(A company limited by guarantee)

## REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDING  
31 DECEMBER 2012

Company Number 04461612  
Charity Number 1094323

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# **CONSTRUCTION INDUSTRY TRUST FOR YOUTH**

## **Statutory Information for the year ending 31 December 2012**

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### **Patron**

HRH the Duke of Gloucester KG GCVO

### **Life President**

Sir Michael Latham DL MA FRSA

Hon Vice-president Anthony P Hill FCIOB

### **Chairman**

Rod Bennion MRICS FRSA FCIOB

Vice Chairman Richard B Haryott BSc FREng FICE

### **Directors**

Rod Bennion

Richard B Haryott

### **Trustees**

Rod Bennion

John Abbott

Bola Abisogun

Steve Brewer

Michael A Brown

David Bucknall (resigned November 2012)

Denise Chevin

John Connaughton

Richard B Haryott

Shelley Kainth

Richard Laudy

Liz Male (resigned June 2012)

Peter Marchant (resigned October 2012)

Perry Morgan (resigned March 2012)

Jane Nelson

Nelson Ogunshaken

Terry Spraggett

Michelle Tilley

Andy Wates

### **Registered Office**

The Building Centre

26 Store Street

London

WC1E 7BT

Telephone 0207 467 9540

Email [cyt@cytrust.org.uk](mailto:cyt@cytrust.org.uk)

Website [www.constructionyouth.org.uk](http://www.constructionyouth.org.uk)

### **Trust Administrators**

Director Chnstine Townley

Secretary Joanne Cooke

Administrator Dorothea Gorman

Company Registration Number

4461612

Charity Registration Number

1094323

### **Auditors**

Mazars LLP

Times House, Throwley Way

Sutton

Surrey

SM1 4JQ

### **Accountants**

Jacob Cavenagh & Skeet

5 Robin Hood Lane

Sutton

Surrey

SM1 2SW

### **Bankers**

Lloyds TSB Plc

34 Moorgate

London

EC2R 6DN

## **CONSTRUCTION INDUSTRY TRUST FOR YOUTH**

### **Annual Report of the Trustees for the year ending 31 December 2012**

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#### **Report of the Trustees for the year ended 31 December 2012**

The Trustees submit their annual report and the audited financial statements for the year ended 31 December 2012. 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 Trust is a charitable company limited by guarantee, and, although operating as a charity since 1961, it was formally constituted as a company on 14 June 2002 as 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.

#### **Structure, Governance and Management**

##### **Governing Documents**

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 are overseen by the Governance Committee, a committee of the Board of Trustees, in the first instance, and appointments are referred for approval by the Board in accordance with current best practice.

##### **Trustee induction and training**

New Trustees undergo an orientation day to brief them on their legal obligations under Charity and company law, the content of the Memorandum and Articles of Association, the decision making process, the action plan and recent financial performance of the Charity. In addition, new Trustees meet key staff and other Trustees. New Trustees are encouraged to undertake appropriate training which will facilitate them in undertaking their role. Ongoing training is provided for all trustees on an ad-hoc basis.

##### **Organisational Structure**

Construction Youth Trust is governed by a Board whose members are the trustees of the Charity. The Board meets quarterly and is responsible for the strategy of the Trust and the upholding of its objectives. Council has 2 subgroups with defined terms of reference:

- Resources
- Governance

The Chairman is an ex-officio member of Resources and Governance and the Trust Director is in attendance at all meetings.

The activities of the Trust are managed by the Executive. The quality and effectiveness of our programmes is overseen by the Resources Group in accordance with Terms of Reference and delegated powers agreed by Council.

##### **Related Parties**

The Trust's Patron is His Royal Highness The Duke of Gloucester KG GCVO, and the Life President is Sir Michael Latham, former Chairman of CITB. Many of the Construction Youth Trust's Trustees are senior figures from built environment companies and construction related organisations.

##### **Major Risks**

Following a review conducted by the Board of Trustees, the Executive manages and maintains a register of all known major risks. This is reviewed and updated on a regular basis by the Governance Committee and includes appropriate mitigation against a risk occurring or action to be taken should a risk occur.

##### **Public benefit**

The Charity's Trustees have complied with the duty in the Charities Act 2011 to have due regard to Public Benefit guidance published by the Charity Commission. All Trustees gave their time voluntarily and received no benefits from the Charity. No trustee reclaimed expenses from the charity in the current or prior years.

##### **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 2006. They are also responsible for safeguarding the assets of the charitable company and for taking reasonable steps for the prevention and

## CONSTRUCTION INDUSTRY TRUST FOR YOUTH

### Annual Report of the Trustees for the year ending 31 December 2012

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#### Report of the Trustees for the year ended 31 December 2012 (continued)

##### **Statement of Disclosure of Information to Auditors**

The trustees of the charity who held office at the date of approval of these Financial Statements, as set out above, each confirm so far as we are aware, that

- there is no relevant audit information of which the charity's auditors are unaware, and
- we have taken all the steps that we ought to have taken as trustees in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information

##### **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

- Raising awareness of opportunities in the sector at trade and professional level
- Enhancing employability
- Providing basic training in hand skills
- Providing support and guidance on progression into further training and employment
- Mentoring and supporting
- Influencing policy and practice

The Trust's key objects are 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
- create, support or facilitate programmes of education, learning, training or employment in the context of the construction and built environment industries
- educate, train, assist and facilitate such individuals or groups to develop their physical and mental capacities and skills
- disseminate good practice in relation to overcoming barriers and creating opportunities, and to encourage its widespread adoption

The Trust's corporate partners and supporters play a key role in helping us to deliver our mission to provide young people with work placements and employment opportunities in the built-environment sector. Our ambition is to increase our corporate supporter's year-on-year

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 recent years we have also developed a range of new projects that help groups of young people overcome particular barriers. As part of our unique offering, we have developed a range of distinct programmes which provide training and awareness in preparation for joining the trades and professions within the sector. In much of our work we support young people who are not in education employment or training (NEETS).

We set out below some of our key programmes

**Mobile Classroom** Reaching out to young people in the heart of their own community, this is a vehicle fully equipped with tools, materials and a trainer. It introduces skills and opportunities in the construction industry in a fresh new way, builds confidence and motivation, and engages participants in further education, training, and employment.

**Toolkit for Life offender programme** Developed to help young ex-offenders to bridge the gap between custody and working life by providing routes into training, education and employment by providing advice and support to young people during their custodial sentence. Construction Youth Trust helps to raise their aspirations, build their confidence and enable them to acquire the skills necessary to adjust to life outside prison.

**Practical community projects** Providing young people with work experience in the heart of their local community. Young unemployed residents transform their local area through a real construction project, such as a new pathway or seating areas or refurbishing community centres.

**Budding Brunels** an accredited programme aimed at informing and inspiring students from disadvantaged backgrounds about higher education and career options within construction.

**Duke of Gloucester's Young Achievers Scheme** an opportunity for exceptional young professionals in the construction industry to be celebrated for their achievements.

As the Trust builds its range of programmes and develops its ability to identify specific solutions to help young people from different communities to access training and employment in the sector we have also been able to identify what works and to highlight best practice. Building on this experience the Trust aims to increase its role as an influencer of policy and practice at both a national and regional level.

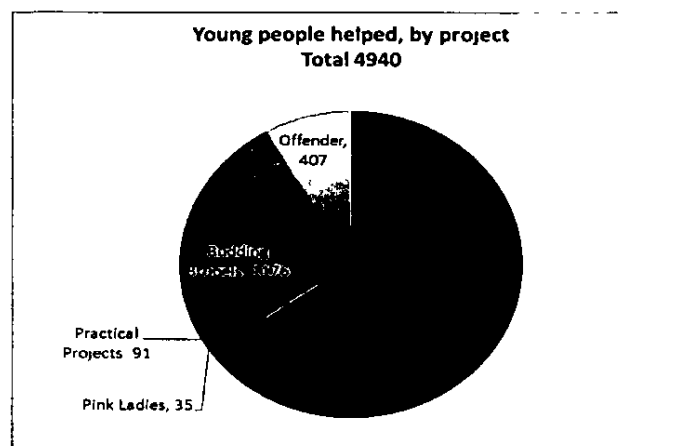
## CONSTRUCTION INDUSTRY TRUST FOR YOUTH

### Annual Report of the Trustees for the year ending 31 December 2012

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#### Report of the Trustees for the year ended 31 December 2012 (continued)

#### Achievements and Performance



#### **Summary**

2012 has been another exciting and eventful year in which we have continued to make a real and growing impact on the lives of young people. We have once again expanded our range of activities, enabling us to increase the number of beneficiaries we support. During the year we have worked with nearly 5000 young people from diverse communities throughout England and Wales helping them at various stages on their journey to work. The Trust's role as a developer of solutions and a broker has enabled young people from a range of different communities and backgrounds to understand more about the wealth of opportunities that construction offers. Our close links with the industry through our Trustees and other partners give us the edge in making our programmes live, relevant and demand-led.

During 2012 the size of the executive stayed at a stable number of around 22 members of the team. In 2011 we made significant appointments of Operations Director and Marketing & Communications Manager, both have played a key role in developing and consolidating the work and systems of the Trust. A significant appointment to the executive in 2012 included that of Business Development Manager to develop corporate partnerships and help increase the income of the Trust. The Trust continues to work with advisors and expert partners, all of whom complement the skill set of the Executive. The Trust recognises the value of volunteers and has developed a framework to enable it to manage and support them effectively.

In 2012 we have continued with our strategy of securing funding from a broad range of sources including Trusts, Foundations, the public sector, and corporate donors and recognise that to grow we must keep abreast of emerging new approaches to funding such as social finance. Our rich mix of funding sources, including those from CITB, The Big Lottery Fund and the Youth Justice Board, has enabled us to grow and broaden our work and to develop programmes that support particular disadvantaged groups, such as offenders. Over the year we have seen a sizable growth in corporate commissions for our programmes, most notable for Budding Brunels.

Over the year Construction Youth Trust has had many key successes. We set out below some of the significant highlights.

#### **UK Wide**

In 2012 the Trust continued to expand upon and develop existing UK-wide programmes as well as creating many successful new initiatives.

The Trust's Budding Brunels programme enjoyed significant growth and was rolled-out across the UK with 14 highly successful programmes with partners including Vinci Plc, British Land, Mace, Worshipful Company of Pavors.

The Trust joined forces with the Considerate Constructors Scheme to raise awareness of the charity through their network of 1,200 sites and also formed a strategic partnership with the Household Cavalry Operations Casualty Fund and others on an emerging programme that will help wounded, injured and sick military personnel by brokering employment opportunities on their return to civilian life.

As well as working on the support of ex-forces personal into work in the sector, the Trust continues to expand its work brokering employment opportunities for ex-offenders.

Receptions including the annual Christmas Concert and the Pinsent Masons sponsored golf day once again proved to be particularly effective, not just in supporting fundraising activity and generating solid income, 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.

## **CONSTRUCTION INDUSTRY TRUST FOR YOUTH**

### **Annual Report of the Trustees for the year ending 31 December 2012**

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#### **Report of the Trustees for the year ended 31 December 2012 (continued)**

We held a very successful dinner hosted by Pinsent Masons which focused on Infrastructure and the skills needs of the future. Sir John Armit made the opening remarks for the dinner and was in attendance with other senior figures from the industry. This was the first of a series of dinners aimed at raising the issue of young people accessing opportunities in construction. Early in 2013 we have another dinner planned hosted by Trowers and Hamlin which will focus on social housing and youth unemployment.

#### **London and the South East**

2012 was another successful year for the London and South East Team and saw practical delivery extend out of London on a wider basis.

##### **London Mobile Classroom**

- The Mobile Classroom delivered over 26 programmes throughout 2012 to around 200 young people. 85% of those who started a course completed it and 64% of those were supported to progress into education, employment, and training. More broadly the Mobile Classroom engaged with over 1600 young people at a range of community events and open days, raising the profile of the Trust and the Classroom itself. Delivery of the Mobile Classroom programme has improved throughout the year with honing of the curriculum and staff roles and responsibilities. In addition, eight community benefit programmes were delivered, ranging in size and scale from small bench building projects to painting and decorating programmes in mixed use community spaces.
- Programmes have been delivered in partnership with housing associations, youth groups and contractors alike, with the latter paying for programmes as part of their community engagement on projects.

##### **Practical Community Projects – Pathways to Success**

- Another Pathways to Success programme was delivered in Islington over the summer of 2012. Over 50% of the young people moved into construction related education, employment or training by the end of the programme, some of whom were well known to police in the local area.

##### **Toolkit for Life Offender Programme in partnership with YJB (Wessex & South East)**

- 2012 saw the Trust's YJB resettlement work continue successfully in Wessex and also expand into other areas in the South East. Hampshire County Council also funded an additional practical training programme for some of the young people released from custody. Upon consultation with the council it was highlighted that there is a gap in provision for young people who leave custody and need a flexible training programme in place upon release. This pilot project was a success with a number of young people managing to complete the programme successfully.
- Through our work with the South East consortium the Trust placed two young people, one into training and one into an apprenticeship. Work took place with a contractor and Mid-Kent College to deliver an employer focused short course for eight young people who had been referred by Kent Youth Offending Services. The contractor take the group for one day a fortnight to undertake CSCS training, site visits and work shadowing so that the group can see the working context of the training they are doing. The model has been successful and Kent County Council is looking at opportunities to continue the project in 2013.

#### **South Wales**

Throughout 2012 the Wales team continued to drive forward into new communities and new areas of work. The Mobile Classrooms, Toolkit for Life and Budding Brunels all formed part of Wales' programme of events for the year. The Trust reached out to many new communities and is now successfully working in twice as many areas than in 2011, primarily Cardiff, Newport, Torfaen, Blaenau Gwent, Swansea, Glamorgan, Rhondda, Caerphilly, Merthyr Tydfil, Neath & Port Talbot and Bridgend. The Trust is now operating directly within the boundaries of the most deprived areas in South Wales as highlighted by End Child Poverty.

##### **ESF Funding Projects**

- Known as *Engagement Gateway* courses, these projects are designed to reach out to those who are disengaged from social provision and guide them into education, training, volunteering and employment. The Wales Team's commitment to quality led to eight "Effective" ratings out of a possible nine when the European Audits occurred, with "Effective" the highest quality mark obtainable.

##### **Toolkit for Life**

- This project was delivered in partnership with Parc YOI, Wales' only Young Offenders Institute and 80% of those who attended on their first day completed an OCN with the Trust.

##### **Practical Community Projects**

- CITB funded practical community projects in Glamorgan and Newport, which saw us training young people and leaving a legacy for their communities in the form of freshly painted walls and clean, safe environments. Nearly 40 young people started a course, and 73% those progressed onto education, training or employment, including 14% who we supported into employment. 55% of the participants achieved a recognised qualification.

##### **Partnership development**

- Presentations were made at industry events across the country, such as Construction Excellence Wales' Community Benefits Breakfast Meetings, SE Wales Schools, Capital Buildings Framework's Client meetings, and the launch of Welsh Government's procurement site Sell2Wales.

## **CONSTRUCTION INDUSTRY TRUST FOR YOUTH**

### **Annual Report of the Trustees for the year ending 31 December 2012**

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#### **Report of the Trustees for the year ended 31 December 2012 (continued)**

- Construction Youth Trust Wales sits on the South Wales Youth Justice Board Consortium, CITB's Diversity Forum and both South East and South West Wales' Construction Industry Forums
- The Trust in Wales secured over £20,000 in in-kind donations in 2012 through its contacts with such names as Mears Group, Kier, Britannia Construction, St David's Hotel and the Millennium Stadium, as well as financial donations from industry bodies ARUP, HLN Architects and G4C

#### **North West region**

2012 has seen significant growth in the North which comprises the Manchester office and a regional presence in West Yorkshire. The Trust has established a strong presence in Manchester which has been augmented through the recruitment of a new North-West Project Assistant, North West trainer and Yorkshire Project Coordinator to work along side the Regional Manager

##### **Mobile Classroom**

- In July, the Trust officially launched its new mobile classroom for the region, which was kindly donated to the Trust by Mears. The launch took place at Manchester Town Hall, supported by Manchester City Council and was attended by 50 construction employers, community organisations and housing associations. The event helped to develop the programme in the region through subsequently winning paid commissions from Balfour Beatty in Liverpool, Trafford Compass in Manchester, and delivering taster sessions to community groups across Greater Manchester. The mobile classroom delivered training to 113 young people and has secured a number of new commissions for 2013

##### **Toolkit for Life**

- The year also saw significant successes in the delivery of the YJB offender work which continued to train, educate and place young ex-offenders with employers supported its offender programme through site visits, placements, employment and training. The Trust developed new relationships in the region with BAM, Carillion, Laing O'Rourke, Kier, GB Building Solutions, Interserve, Balfour Beatty, Shepherd, Vinci, Pochin, Seddon, Amey, and Sir Robert McAlpine amongst others. By the end of the year, and ahead of schedule, both the North-West and West Yorkshire regions had made significant advancement in achieving targets which included increasing the number of people engaged from 28 to 250 and the number of people in placements from 5 to 55

#### **West Midlands**

In 2012 we appointed a West Midlands Coordinator with the primary purpose of helping young offenders from Birmingham into work in construction. We worked with an established training provider in the community to give a combination of skills, employability and work readiness training and worked with industry partners to secure placements. In 2013 we aim to grow the offer in the region and include a mobile classroom with the support from Dudley Council

#### **Budding Brunels**

The Trust's schools engagement work experienced significant growth and recognition in 2012, with 15 Budding Brunels projects delivered across England and South Wales through the year to students in years 12 and 13 and included two shorter 'bite sized' events. These courses were delivered in partnership with Vinci, Mace, British Land, Aspire Defence, the Worshipful Company of Paviers and Citb

The Trust brokered new links in 2012 with several leading universities who donated space and staff time, including the University of Oxford, the University of Cambridge, University College London and Imperial College. New project delivery locations included Oxford, Cambridge, Aldershot, Andover, Nottingham and Cardiff

276 students participated in 3-day courses, with 71 work placements arranged. Several significant additional student outcomes were secured, including university sponsorship and traineeships

##### **Accreditation and Endorsements**

- Open College Network accreditation was attached to the project in January 2012, with students able to collect up to two credits in Industry Knowledge and Interview Skills. Of the students who have been assessed over 80% achieved at least one credit, and 62% of students achieved both credits. Endorsement and recognition was achieved from industry and governmental bodies, including the Office for Fair Access, the Institution of Civil Engineers and the Construction Industry Council

##### **Future work**

- During the year the success of the programme has meant that the Trust has secured repeat commissions to deliver programmes in 2013 with Vinci, CITB and British Land, and the Worshipful Company of Paviers. New funders secured to support the programme include Network Rail, the National Apprenticeship Service, Transport for London, the Gatsby Foundation, and the Royal Academy of Engineering

# CONSTRUCTION INDUSTRY TRUST FOR YOUTH

## Annual Report of the Trustees for the year ending 31 December 2012

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### Report of the Trustees for the year ended 31 December 2012 (continued)

#### Financial Review

##### **Results for the year**

The total income for the Trust in 2012 was £1,197,733 (2011 £ 838,323 ) including donations in kind of £127,085 (2011 £91,815) In addition £82,100 of funding was received which specifically relates to projects which will take place in 2013, this income will be recognised in 2013 The overall surplus for the year was £40,802 (2011 deficit £105,742), and excluding restricted funds, the Trust generated an unrestricted deficit of £ 70,227 (2011 deficit of £19,958)

##### **Results against budget**

Comparison to approved budget from January 2012

- Income	Budget £ 1,214,391, Actual £ 1,197,733
- Expenditure	Budget £ 1,201,381, Actual £ 1,156,931
- Forecast balance sheet at end 2012	Budget £ 733,054, Actual £ 760,846

##### **Reserves**

The Trust's reserves policy is to keep a minimum of six months operating expenditure in free unrestricted reserves, and the reserves policy is subject to annual review We hold a 'Regional Development Fund', to support the development of specific strategic services, projects and regional activity as set in the Trust's Business Plan At 31 December 2012 the free reserves (excluding designated funds) totalled £ 299,464 (2011 £229,237) This corresponds to 8.6 months unrestricted expenditure (2011 6.8 months) We also retain a sum of £250,000 in a designated Development Fund (see Note 1) which is dedicated to specific projects to assist the Trust to meet its strategic Business Plan development aims, in terms of capacity building and expanding geographical reach

##### **Investment Policy and Performance**

The Council of Management has considered the most appropriate policy for investing funds and has over the year agreed to continue to spread its investments to reduce risk alongside maximising interest rates Its funds are invested in a combination of COIF Charities Deposit Fund and a fixed term bond with the NatWest

##### **Plans for Future Periods**

The change in funding landscape in the sector to move away from grant funding towards outcome based fundign poses huge challenges for small and medium sized charities 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 In addition to our regional programmes focused on disadvantaged communities our particular focus on offenders will continue and we will seek to develop new programmes for specific groups such as care leavers and those leaving the armed forces The Trust will also further develop its quality and effectiveness framework to ensure that it excels in everything it does

##### **Auditors**

A resolution will be proposed at the next Board meeting that Mazars LLP will be reappointed as auditors to the charity for the ensuing year

This report has been prepared in accordance with the special provisions of the Companies Act 2006 relating to small companies

Signed by the Chairman, Rod Bennion

Date 21 MAY 2013 on behalf of the Trustees



## **CONSTRUCTION INDUSTRY TRUST FOR YOUTH**

### **Independent auditors' report to the members**

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#### **CONSTRUCTION INDUSTRY TRUST FOR YOUTH**

##### **Independent auditors' report to the members**

We have audited the financial statements of the Construction Industry Trust for Youth for the year ended 31 December 2012 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

#### **Respective responsibilities of trustees and auditors**

As explained more fully in the Trustees' Responsibilities Statement set out on page 2, the Trustees (who are also the directors of the charity for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors. This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity'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 charity and the charity's members as a body for our audit work, for this report, or for the opinions we have formed.

#### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's web-site at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

#### **Opinion on financial statements**

In our opinion the financial statements  
give a true and fair view of the state of the charity's affairs as at 31 December 2012 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 Companies Act 2006.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Annual Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

#### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of trustees' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the trustees were not entitled to prepare the financial statements and the Annual Report of the Trustees in accordance with the small companies regime.

*N J Wakefield*

**Nicola Wakefield (Senior Statutory Auditor)**  
**For and on behalf of Mazars LLP**  
Chartered Accountants and Statutory Auditors

*8 July 2013*

# CONSTRUCTION INDUSTRY TRUST FOR YOUTH

Statement of Financial Activities for the year ending 31 December 2012 (Including Income & expenditure account)

Notes	2012			Total	2011
	Unrestricted Funds	Designated Funds	Restricted Funds		Total
	£	£	£	£	£
<b>Incoming Resources</b>					
<i>Incoming resources from generated funds</i>					
Donations & grants	112,185	-	9,621	121,806	117,002
Fundraising income	34,244	-	-	34,244	29,119
Donated services and facilities	127,085	-	-	127,085	91,815
Investment income	5,423	-	-	5,423	6,393
<i>Incoming resources from charitable activities</i>					
Project specific income	-	170,737	738,438	909,175	593,994
<b>Total Incoming Resources</b>	<b>278,937</b>	<b>170,737</b>	<b>748,059</b>	<b>1,197,733</b>	<b>838,323</b>
<b>Resources Expended</b>					
<i>Cost of generating funds</i>	22,201	-	-	22,201	20,142
<i>Charitable activities</i>	198,944	178,581	751,425	1,128,950	918,523
<i>Governance costs</i>	5,780	-	-	5,780	5,400
<b>Total Resources Expended</b>	<b>226,925</b>	<b>178,581</b>	<b>751,425</b>	<b>1,156,931</b>	<b>944,065</b>
<b>Net Incoming/(Outgoing) Resources</b>	<b>52,012</b>	<b>(7,844)</b>	<b>(3,366)</b>	<b>40,802</b>	<b>(105,742)</b>
Transfers between funds	18,215	(22,626)	4,411	-	-
<b>Net Movement In Funds</b>	<b>70,227</b>	<b>(30,470)</b>	<b>1,045</b>	<b>40,802</b>	<b>(105,742)</b>
Fund balances brought forward	229,237	359,402	131,405	720,044	825,786
<b>Fund Balances Carried Forward</b>	<b>299,464</b>	<b>328,932</b>	<b>132,450</b>	<b>760,846</b>	<b>720,044</b>

The charitable company has no recognised gains or losses other than the above reported movements and no separate Statement of Total Recognised Gains or Losses is presented

There were no discontinued activities in the current or preceding year

# CONSTRUCTION INDUSTRY TRUST FOR YOUTH

Balance Sheet as at 31 December 2012

	Notes	2012		2011	
		£	£	£	£
<b>Current Assets</b>					
Debtors	9	177,077		81,169	
Cash at Bank and in Hand		<u>729,754</u>		<u>795,482</u>	
			906,831		876,651
<b>Creditors</b>					
Amounts falling due within one year	10		(145,985)		(156,607)
<b>NET ASSETS</b>			<u>760,846</u>		<u>720,044</u>
<b>Reserves</b>	12,13				
Unrestricted Funds			299,464		229,237
Designated Funds			328,932		359,402
Restricted Funds			132,450		131,405
<b>TOTAL FUNDS</b>			<u>760,846</u>		<u>720,044</u>

These financial statements have been prepared in accordance with the special provisions of the Companies Act 2006 relating to small companies

The financial statements were approved by the trustees on 21 MAY 2013 and signed on their behalf by

Rod Bennion (Chairman)

# CONSTRUCTION INDUSTRY TRUST FOR YOUTH

## Notes to the Financial Statements for the year ending 31 December 2012

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### 1 Accounting Policies

#### **Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with the Companies Acts 2006 and the Statement of Recommended Practice Accounting and Reporting by Charities issued in March 2005. The company has taken advantage of the exemption from the requirement to produce a cash flow statement, applicable to small companies, in Financial Reporting Standard No 1.

#### **Incoming resources**

##### **Donations and grants**

Donations and gifts are included in the accounts when receivable. Grants are recognised on the same basis except where funding is conditional on the delivery of specific performance by the charity. Donated services and facilities are included as income and related expenditure where the value to the charity can be reasonably quantified. The value of services provided by volunteers has not been included.

##### **Fundraising income**

Incoming resources from ticket sales, collections and one-off donations at event days are included in the accounts when receivable.

##### **Investment income**

Investment income is included on an accruals basis as it becomes receivable.

##### **Project specific income**

Grants and donations applicable to specific project work are recognised on an accruals basis as and when receivable. Where grants are dependent on project activities and specific deliverables they are recognised as the charity earns the right to consideration by its performance.

#### **Resources expended**

##### **Cost of generating funds**

The direct cost of operating fundraising events are included on an accruals basis, excluding any staff or overhead cost allocation.

##### **Charitable activities**

Charitable expenditure includes all costs incurred by projects in the delivery of their activities and services for beneficiaries. This includes specific grants and bursaries, direct project operation costs and an apportionment of central staff & office costs (allocated based on staff time) and overheads (allocated as a percentage of total project expenditure).

Central support costs are also included in charitable activities to reflect those expenses that can not be fairly allocated to individual projects. These include general fundraising, central recruitment & human resources, finance costs and administrative expenses, along with associated staff time and office costs.

##### **Governance**

This comprises the audit fee for the year.

#### **Fund accounting**

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

**Designated funds** are unrestricted funds that have been earmarked by the Resources Committee of trustees for use on particular projects and to support new initiatives.

The Trust retains a sum of £250,000 in a designated Development Fund which is dedicated to specific projects to assist the Trust to meet its strategic Business Plan development aims, in terms of capacity building and expanding geographical reach.

**Restricted funds** are subject to restrictions on expenditure imposed by the donor or through the terms of an appeal or funding request and may not be used for other purposes without specific permission.

#### **Pension costs**

The trust operates defined contribution schemes for the benefit of its employees. The assets and liabilities of the pension schemes are administered separately. The cost of employers contributions are included in the financial statements on an accruals basis as they fall due.

#### **Operating leases**

Rentals payable under operating leases are charged on a straight-line basis over the term of the lease.

#### **Fixed assets**

The trust only capitalises individual assets costing over £2,000. Items with a useful economic life in excess of one year that cost less than this de-minimis are expensed in the year of purchase as part of the charitable expenditure of the organisation.

# CONSTRUCTION INDUSTRY TRUST FOR YOUTH

Notes to the Financial Statements for the year ending 31 December 2012

## 2 Fundraising

	2012 £	2011 £
<b>Fundraising income</b>		
Christmas Concert	28,238	18,310
General Events	6,006	10,809
	<u>34,244</u>	<u>29,119</u>
<b>Cost of generating funds</b>		
Christmas Concert	16,227	13,662
General Events	5,974	6,480
	<u>22,201</u>	<u>20,142</u>
<b>Surplus on fundraising</b>		
Christmas Concert	12,011	4,648
General Events	32	4,329
	<u>12,043</u>	<u>8,977</u>

## 3 Donated services and facilities

	2012			2011
	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total £
Golf Day	-	-	-	3,100
Christmas concert	9,371	-	-	8,020
Use of facilities	77,777	-	-	20,210
Employee time	1,875	-	-	52,500
Donation of materials & equipment	26,466	-	-	7,985
Donation of professional services	11,596	-	-	-
	<u>127,085</u>	<u>-</u>	<u>-</u>	<u>91,815</u>

The Trust would like to express its sincere gratitude on behalf of all the young people that we help for the great 'in-kind' support and the donations that we receive from construction industry companies. Key supporters are listed on the Trust's website.

## 4 Project specific income

	2012			2011
	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total £
Mobile classroom project (Wales)	-	28,332	-	190,815
Stepping Stones project (Wales)	-	-	-	57,102
Practical Community projects (Wales)	-	-	57,400	-
Engagement Gateway projects (Wales)	-	-	94,139	-
Mobile Classroom project (North West)	-	5,864	40,700	-
Practical Community projects (North West)	-	-	25,000	-
Balfour Beatty (London)	-	-	-	8,294
Islington YOT (London)	-	-	14,092	-
Pathways (London)	-	-	54,049	46,567
Reaching Communities Big Lottery (London)	-	-	61,419	-
Local Energy Assessor Fund (London)	-	-	1,500	-
Mobile Classroom project (London)	-	28,424	12,500	-
Trust for London (London)	-	-	20,250	-
Hackney Built2Work (London)	-	-	-	43,174
Budding Brunels Project (England & Wales)	-	95,017	4,500	23,868
Youth Justice Board (Offender)	-	-	215,189	68,349
Toolkits (Offender)	-	1,000	15,000	-
Vinci (Offender)	-	2,500	-	-
Duke of Gloucester Awards (UK-wide)	-	9,600	-	34,825
Construction Skills (UK-wide)	-	-	120,000	120,000
Employer Ownership of Skills (UK-wide)	-	-	2,700	-
Other	-	-	-	1,000
	<u>-</u>	<u>170,737</u>	<u>738,438</u>	<u>593,994</u>

# CONSTRUCTION INDUSTRY TRUST FOR YOUTH

Notes to the Financial Statements for the year ending 31 December 2012

## 5 Charitable activities

	2012			2011
	Unrestricted Funds	Designated Funds	Restricted Funds	Total
	£	£	£	£
<b>Grant Commitments</b>				
Individual grants and bursaries	-	7,352	14,288	21,640
<b>Community Based Projects</b>				
Donated services and facilities	127,085	-	-	127,085
Education training, skills & materials	1,206	17,735	111,821	130,762
Frontline delivery staff	-	65,772	392,983	458,755
Office costs	-	21,024	95,896	116,920
PR, marketing & events	13,327	1,982	5,536	20,845
Travel & subsistence	-	8,777	30,609	39,386
Core overheads	-	19,646	100,292	119,938
	<u>141,618</u>	<u>134,936</u>	<u>737,137</u>	<u>1,013,691</u>
<b>Support Costs</b>				
Central staff costs	107,700	28,147	-	135,847
Central office costs	9,240	8,146	-	17,386
Central overheads	59,057	-	-	59,057
Recharge	(118,671)	-	-	(118,671)
	<u>57,326</u>	<u>36,293</u>	<u>-</u>	<u>93,619</u>
	<u>198,944</u>	<u>178,581</u>	<u>751,425</u>	<u>1,128,950</u>
				<u>918,523</u>

## 6 Governance costs

	2012	2011
	£	£
Audit fee	<u>5,780</u>	<u>5,400</u>

## 7 Staff costs

	2012	2011
	£	£
Wages & salaries	536,115	373,992
Social security costs	51,453	37,095
Pension costs	11,440	11,135
	<u>599,008</u>	<u>422,222</u>
Average number of employees in the year (full-time equivalent)	<u>20</u>	<u>13</u>

The number of employees whose emoluments as defined for taxation purposes amounted to over £60,000 in the year was as follows

£60,000 - £70,000	<u>1</u>	<u>1</u>
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Contributions for the provision of a defined contribution pension scheme amounting to £4,828 (2011 £4,733) were paid by the charitable company for this staff member

No trustee received emoluments nor had expenses reimbursed during the year (2011 None)

# CONSTRUCTION INDUSTRY TRUST FOR YOUTH

## Notes to the Financial Statements for the year ending 31 December 2012

### 8 Pensions

The charitable company operates a defined contribution pension scheme, the assets and liabilities of which are administered separately. During the year total employers contributions of £11,440 (2011: £11,135) were charged to the statement of financial activities as they accrued. At the year end a total liability of £2,080 (2011: £1,986) was included within other creditors.

### 9 Debtors

	2012 £	2011 £
Trade debtors	93,395	55,738
Prepayments and accrued income	83,682	25,431
	<u>177,077</u>	<u>81,169</u>

### 10 Creditors

	2012 £	2011 £
Grant commitments	1,000	5,574
Trade creditors	26,407	24,935
Accruals	15,383	9,000
Deferred income	82,100	99,097
Tax & other social security	13,644	12,473
Other creditors	7,451	5,528
	<u>145,985</u>	<u>156,607</u>

Deferred income relates to 8 grants relating to projects and events to be undertaken in 2013 which have been invoiced before the year end.

### 11 Operating leases

At 31 December 2012, the Construction Industry Trust for Youth is committed to making the following payments under non-cancellable operating leases in the year to 31 December 2013:

	2012 Buildings	2012 Other	2011 Buildings	2011 Other
<b>Operating leases that expire</b>				
In less than one year	6,750	689	41,950	40,984
Between one and two years	1,850	3,720	-	4,476
Between two and five years	-	-	-	11,264
	<u>8,600</u>	<u>4,409</u>	<u>41,950</u>	<u>56,724</u>

The significant change between 2011 and 2012 was the renewal of the ICT support contract.

### 12 Analysis of net assets between funds

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total £
Current Assets	363,349	371,032	172,450	906,831
Current Liabilities	(63,885)	(42,100)	(40,000)	(145,985)
	<u>299,464</u>	<u>328,932</u>	<u>132,450</u>	<u>760,846</u>

# CONSTRUCTION INDUSTRY TRUST FOR YOUTH

## Notes to the Financial Statements for the year ending 31 December 2012

### 13 Fund analysis

	B/f funds at 01-Jan-12 £	Incoming Resources £	Outgoing Resources £	Interfund Transfers £	C/f funds at 31-Dec-12 £
<b>Unrestricted Funds</b>	<b>229,237</b>	<b>278,937</b>	<b>(226,925)</b>	<b>18,215</b>	<b>299,464</b>
<b>Designated Funds</b>					
Central & UK Wide	319,547	9,600	(46,298)	(21,507)	261,342
Wales	14,829	28,332	(39,139)	(4,022)	-
London	-	28,424	-	2,863	31,287
North West	13,436	5,864	-	(656)	18,644
Budding Brunels	7,558	95,017	(84,977)	(69)	17,529
Offenders	4,032	3,500	(8,167)	765	130
	<u>359,402</u>	<u>170,737</u>	<u>(178,581)</u>	<u>(22,626)</u>	<u>328,932</u>
<b>Restricted Funds</b>					
Central & UK Wide	3,711	132,321	(126,949)	29	9,112
Wales	-	151,539	(150,338)	6,199	7,400
London	64,684	163,810	(187,854)	(2,861)	37,779
North West	52,050	65,700	(78,277)	655	40,128
Budding Brunels	10,960	4,500	(8,143)	69	7,386
Offenders	-	230,189	(199,864)	320	30,645
	<u>131,405</u>	<u>748,059</u>	<u>(751,425)</u>	<u>4,411</u>	<u>132,450</u>
<b>Total Funds</b>	<b>720,044</b>	<b>1,197,733</b>	<b>(1,156,931)</b>	<b>-</b>	<b>760,846</b>
<b>Big Lottery grants included in restricted funds</b>					
Reaching Communities - Mobile Classroom	-	61,419	(62,419)	-	(1,000)

**Central & UK-wide** - includes the costs of managing the charity that are shared across all projects. It includes staff and financial management, governance, administration, marketing and fundraising. The Construction Skills funding that supports development and delivery work across the Trust is also managed within this fund.

**Wales** - includes all the costs of managing the projects run by the team in Wales. These include the practical community projects and mobile classroom delivery.

**London** - includes the costs of delivery in London. Key projects include the London mobile classroom and practical community projects.

**North West** - includes the costs of managing projects in the North West. The majority of the Trust's work in the North West this year was in the launch of the Mobile Classroom project in the region.

**Budding Brunels** - includes all Budding Brunels projects run across England and Wales.

**Offenders** - includes UK-wide delivery of work with ex-offenders. Key projects include the Toolkit for Life project and work funded by the Youth Justice Board.

#### Transfers

The various transfers to restricted funds have been made to clear deficits arising on specific projects. Where available these transfers have been made from the funds designated to each region.

Where necessary funds have been transferred from unrestricted funds to clear any other amounts.

The trustees have agreed to fund up to £25,000 to the Wales designated fund as and when required over the next year. At the year end £2,177 has been allocated to cover the deficit in this region.

#### Restricted fund deficits

The following three restricted funds were carrying a deficit at the year, relating to expenditure in excess of income for the period:

London Mobile Classroom - Reaching Communities (Big Lottery Grant) deficit of £1,805 - ongoing funding until the end of 2015.

Offender Toolkits - YJB North deficit of £2,650 - ongoing funding until March 2013.

Offender Toolkits - YJB South deficit of £4,605 - ongoing funding until March 2013.

These deficits are a result of expenditure timings and are expected to be cleared by later funding. As such have not been allocated against unrestricted funds. Any remaining deficit at the conclusion of the project period will be cleared by transfers.

### 14 Legal and taxation status of the charitable company

The charity is a company limited by guarantee. The liability of each member is restricted to £1. At the year end the total number of members was 15 (2011: 19).

As a registered charity, no taxation on the charitable activities of the entity has been provided for in the accounts, in accordance with S505 ICTA 1988.



# CONSTRUCTION INDUSTRY TRUST FOR YOUTH

Detailed Income & Expenditure Account for the year ending 31 December 2012

	Offenders									Employer Ownership of Skills	2012	2011
	Central & UK Wide	Wales	London	North West	Central	North	South	Midlands	Budding Brunels		Total	Total
	£	£	£	£				£	£	£	£	£
Incoming Resources	418 158	189 871	192 234	71 564	26 406	51 283	88 750	57 250	99 517	2 700	1 197,733	838 323
Resources Expended												
Bursaries & Travel Grants	5 180	2 984	4 060	87	-	722		251	7 905	-	21,189	14 037
Donated Services & Facilities	127 085	-								-	127,085	91 815
Education & Training												
Freelancers		13 308	31 146			2 154	4 640			-	51 248	58 263
Van Expenses		13 243	7 392	1 940						-	22 575	16 789
Materials & Tools	1 074	13 450	11 903	7 124		131	1 710		655	(100)	35 947	24 635
Venue Costs	906	974	350	180	1 920		-		3 894	-	8 224	20
Accreditation	183	1 156	3 118	150			176	17	3 510	375	8 685	
	2 163	42 131	53 909	9 394	1 920	2 285	6 526	17	8 059	275	126 679	99 707
Marketing & Events												
PR & Communications	21 194	581	84	122			-	4	1 278		23 263	21 442
Events Costs	22 459	-	-	-	-		-			-	22,459	53 010
	43 653	581	84	122	-	-	-	4	1 278		45,722	74 452
Office Costs												
Rent Rates & Utilities	31,061	3 804	-	5 452	-	2 600	-				42,917	30 703
Staff Travel & Subsistence	11 890	7 880	1 347	1 641	945	3 664	12 262	4 975	6 378	297	51,279	30 127
Printing Postage & Stationery	10 805	3 469	577	2 260	-	84	254	214	217		17,880	13 235
Telephone	8 816	1 105	-	532	49	-	92	316	10		10,920	7 980
Insurance	4 129	-	-	-	-	-	-	-	-		4,129	6 046
Meeting Expenses	4 482	126	282	241	-	25	-	16	206		5 378	3 558
Computer & IT Costs	31 605	25	-	-	-	314	704	30	-		32 678	25 224
Staff Training	4 570	667		219	-	299	208	-	-		5 963	6 509
Recharge	(70 451)	12 535	20 295	7 248	1 019	4 779	7 976	4 291	12 156	152	-	
	36 907	29 611	22 501	17 593	2 013	11 765	21 496	9 842	18 967	449	171,144	123 382
Staff Costs												
Wages & salaries	192 381	79 036	75 385	37 953	5 832	28 887	44 512	33 383	38 426	320	536 115	373 992
Social security costs	21 040	6 426	6 977	3 391	667	2 537	3 681	3 072	3 632	30	51 453	37 095
Pension costs	8 652	275	435	491	324	222	320	374	347		11,440	11 135
	222 073	85 737	82 797	41 835	6 823	31 646	48 513	36 829	42 405	350	599 008	422 222
Overheads												
Recruitment	1 358	77	-	-		12		-	540		1 987	22 903
HR	2 952			-	-			-	-		2 952	6 142
Outsourcing Project & Consultancy	-		-	-	-		-				-	30 825
Fundraising	21 850	-	-	-	-		-	-			21 850	33 558
Bank Interest & Charges	1 163	42	-	23	-		-		15		1 243	743
Legal & Professional Fees	6 456	-	-	-	-		-	18			6 474	2 054
Accountancy Fees	25 278	-	-	-	-		-	-			25 278	16 825
Audit Fees	5 780	-	-	-	-	540	-	-			6 320	5 400
	64 837	119	-	23	-	552	-	18	555		66 104	118 450
Core Recharge (Central staff and overhead costs)	(103 015)	28 314	24 503	9 223	1 325	6 963	11 480	7 041	13 951	215		
Total Expenditure	398 883	189 477	187 854	78 277	12 081	53 933	88 015	54 002	93 120	1 289	1,156 931	944 065
Net Incoming/(Outgoing) Resources	19 275	394	4 380	(6 713)	14 325	(2 650)	735	3 248	6 397	1 411	40 802	(105 742)