



Trustees' Report and financial statements
for the year ended 31 March 2015

Company Limited by Guarantee
Registered Number 3958960
Registered Charity Number 1082889

Wheatsheaf Trust

Trustees' Report and financial statements

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Secretary and Registered Office

J Lennard
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Southampton
SO14 3AY

Copies of the consolidated financial statements can be obtained from the above address.

Auditors

Morris Crocker Chartered Accountants
Station House
North Street
Havant
PO9 1QU

Solicitors

Blake Morgan LLP
New Kings Court
Tollgate
Chandler's Ford
Eastleigh
SO53 3LG

Bankers

Natwest Bank
12 High Street
Southampton
SO14 2BF

TRUSTEES' REPORT

The Trustees present their annual report and the audited financial statements for the year ended 31 March 2015.

Constitution and Objects

Wheatsheaf Trust is a charitable company limited by guarantee. Its objects and powers and other constitutional matters are set out in the Memorandum and Articles of Association. Its objects are "the relief of unemployment for the public benefit in such ways as may be thought fit including the provision of advice and assistance to find employment provided such objects are charitable". In practice, this means a range of interventions to promote social inclusion, economic development, and lifelong learning for communities in South Hampshire.

The Trustees have complied with their duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission, both with regard to the charity's activities and how they are reported within the Annual Report.

Trustees

The Trustees who served during the year were:

P B Church	G M Rubins (Vice Chair)
L Samuels (resigned 16 July 2014)	S M Siddall (Chair)
A Esser	P Chapman
S Lent	M Pryor (resigned 2 July 2015)
A Thomson (resigned 30 May 2015)	C Longhurst
H S Dovey	R Jones (appointed 3 December 2014)
T Houghton (appointed 3 June 2015)	

The Trustees are also directors for the purposes of company law. The Trustees are appointed by the members at the annual general meeting with one third retiring by rotation at each annual general meeting. The Trustees may co-opt additional Trustees to fill vacancies with the co-opted Trustee holding office until the next annual general meeting. The Trustees meet between five and eight times a year.

In addition, the Board delegates more detailed discussion and decision-making to three Committees encompassing Finance, Human Resources and Information Security / Infrastructure. These groups are scheduled to meet at least three times per year, and membership consists of a chair from the Board of Trustees plus one other Trustee, attendance from key members of the management team and external advisers where appropriate.

The Trust aims to appoint Directors who between them have a range of relevant educational, financial, legal, and commercial expertise and also reflect the demography of the areas that we serve. Where necessary, we invite observers who for legal reasons (eg. local authority rules) cannot serve as Directors. At June 2015, the composition of the Board (including observers) was:

Male	55%	Female	45%
White British	100%		

There is an induction process in place similar to that used for new employees, and training is available where appropriate. Trustees are responsible for setting the broad policy parameters of the Trust, including strategic plans, annual budgets, staff policies and procedures, and financial

policies and controls. Thereafter, day to day running of the organisation is delegated to the staff through the Chief Executive and the performance is monitored against specific agreed targets.

Subsidiary

The charity is connected to two subsidiary organisations: Wheatsheaf Services Ltd, a company limited by guarantee, and Green Insight Ltd, a company limited by shares.

Wheatsheaf Services Ltd and Green Insight Ltd are wholly controlled by the Trust, which is the sole member of the two companies. The results of Wheatsheaf Services Ltd and Green Insight Ltd for the year were below the thresholds required for a statutory audit (and were immaterial to the group) so a separate audit of the subsidiaries was not carried out.

Wheatsheaf Trust acquired a 100% share in Green Insight Ltd on 1 April 2013 (previously a joint venture arrangement with Groundwork Solent Ltd). The company is used to support the charitable objectives of the Trust in and around construction, light landscaping and horticulture activities.

With effect from 6 July 2015, Green Insight Ltd changed its name to Wheatsheaf Enterprises Ltd.

Details of related party transactions are shown in Note 25 of the accounts.

Political and Economic Context

The UK economy has shown increasing signs of achieving a sustainable recovery during this period and we are encouraged at the falling levels of unemployment and renewed confidence that business has shown through recruitment drives and stated intentions.

However we remain concerned about the nature of some of the jobs being created in the private sector and in particular those which are insecure, part-time or on 'zero-hours' contracts. Many former Work Programme clients have now shifted to requiring 'in-work' benefits to supplement unreliable incomes and we remain concerned for how this group will fare as future cuts to public services, including the significant reduction to the welfare budget, starts to take effect.

With regard to supporting some of society's most vulnerable, the system for reviewing people with disabilities and long-term health issues (the Work Capability Assessment) has also endured a difficult period with the original contract-holder handing back the contract amid claims of damaging publicity and threats to staff. A new Prime has now taken on the challenge of delivering this work and we wait to see the outcome for clients as the Provider look to both clear the log-jam of reviews that has built up, and to deliver the contract in a different manner within the same parameters set by DWP.

The Work Programme is now four years old and longer term performance is starting to be reviewed with a view to informing the design of its successor programme. The general perception is that whilst the Programme has worked well for those closest to the labour market (generally those claiming Job Seekers Allowance) it has performed less well for other claimant groups, particularly those claiming Employment Support Allowance.

Whilst numbers of referrals on Work Programme have dropped significantly with the up-turn, the % of clients claiming ESA and on the Programme is growing. Supporting this group is the main priority for providers such as Wheatsheaf going forward and we remain committed to delivering innovative solutions to support them.

A recent visit from the Minister for Civil Society – Rob Wilson – prior to the election confirmed that the Conservative approach would see more 'Prime Contractor' style procurement with contracts based on a 'payment by results' (PBR) approach increasingly becoming the norm. Whilst Wheatsheaf has proven itself capable of delivering PBR contracts the Prime to sub-contractor model

still raises challenges around both transparent commissioning and procurement and then external stewardship of supply chain relationships in action.

The effect of the election during this period has been to delay the commissioning and procurement of follow-on activity to contracts such as 'Progress!' (*supporting families with multiple difficulties*) and 'Phase Two' (*supporting young people who are not in education, employment or training to re-engage*). This delay has made for both a level of uncertainty amongst the supplier base as we wait for procurement to begin, and more fundamentally a growing concern about levels of un-met need amongst the most vulnerable in society. Uncertainty around the role that the European Union believe the Local Enterprise Partnerships can play in designing and administering these successor programmes has also added to the delays.

Following the Conservative party's success at the election we now wait to see how their stated intentions regarding their mainstream employability programmes will manifest in terms of contract opportunities for the Trust to reflect on. The Conservative manifesto highlighted:

- Focus on youth unemployment, mental health and homelessness
- Build on a Work Programme type approach, scaling up the use of social impact bonds and payment-by-results

Review of Activities

The Trust delivers its formal objective, "the relief of unemployment", in three ways:

- Short term help to move individuals into work.
- Longer term help for individuals further from the labour market to improve their employability, skill levels, or earning power.
- Contextual work in the wider economy to improve the prospects for employment generally.

The 2014-15 year was largely devoted to delivering the contracts in hand for the benefit of a broad base of clients across the region, consolidating our position as a key Provider of services both directly to Local Authorities and Charitable funders and as a sub-contractor to Primes. This year also saw the arrival of a new CEO – Dan Freshwater – who along with the Senior Management Team looked to ensure that our ethos and distinctive client-centred culture remained at the forefront despite commercial pressures and political uncertainty.

- Focussing ever closer on the needs of ESA customers and those on other programmes displaying low-level mental health issues we have built upon our use of the 'Human Givens' approach to individual counselling and life coaching and have incorporated the principles into our adviser team's work to emphasise the clients' own resources and abilities to take charge of their own lives.
- This year has also seen us successfully deliver a pilot programme in partnership with Gosport Borough Council focussed on improving clients' health and well-being as a precursor to employment. This programme has a focus on socialisation, reducing isolation, healthy eating and low impact health-related activities such as walking groups. This programme was run by volunteer mentors, some of whom have gone directly into work as a result, and an external evaluation of the programme has shown very positive results for all participants
- We have agreed a new strategy for developing social enterprises to create 'stepping-stone jobs' for clients, and have built upon the early success of our trading venture, Green Insight Limited. The company turnover has grown considerably this year whilst delivering a modest

profit and providing employment for a growing number of clients. The name Green Insight Ltd will soon be replaced by 'Wheatsheaf Enterprises Limited' and the activities it undertakes will be expanded in line with the agreed strategy.

- Focussing on the needs of long-term unemployed clients with a health condition we have delivered a pilot project incorporating a new intermediate labour market model as part of the 'City Deal' agreed between Southampton, Portsmouth and the Government.
- We have also worked in partnership with Southampton City Council and the Youth Offending Service to deliver an 'enhanced traineeship' programme for young offenders, offering intensive mentoring support to young people to prepare them for apprenticeship opportunities in the construction industry.

In terms of influencing policy, the Trust has joined ERSA (the Employment Related Services Association) this year and been an active Member feeding into various forums seeking to inform and influence government. This year also saw the Trust recognised by the welfare to work industry with the award of 'Supply Chain Partner of the Year' by ERSA; with a particular focus on our activity supporting young people 18-24 on the Work Programme into employment the Trust has beaten stiff competition to win this coveted prize.

Performance against Objectives

The objectives for 2014-15 year were as follows: -

Support for Individuals

We aimed to register 1000 new clients during the year and support 120 young people. We also set ourselves a target of 500 job entries for our clients across all of our activities and aimed to provide employability training to 650 participants during the year.

At the end of the year we,

- had enrolled 1700 adults and 260 young people,
- achieved 668 job entries
- ran training courses for 791 participants

Client Statistics

The Trust has two main areas of service – young people (mainly 16-19 year olds) and adults (19+). In 2014-15 the work for these groups happened in Southampton, Gosport, Havant and Eastleigh, with outreach in Fareham. Our services were focused in two Employment Access Centres in Southampton, one in Gosport, one in Havant plus a permanent presence in a community centre in the Leigh Park area of Havant and a satellite office in Warren Park.

Summary

Output	2014-15 target	2014-15 achieved
Clients engaged on programme of support	1000 new clients	1700
Young People (16 – 18 yrs) engaged on programme of support	120 new clients	260
Provide Information, advice and guidance	840 interviews	1175
Assist clients to find work	500 job entries	668
Clients to participate in employability training	650 participants	791

Note: Clients engaged on programme of support does not include Young People engaged on programme of support

Breakdown of new clients by area

Southampton: 481
 Havant: 454
 Gosport and Fareham: 503
 Eastleigh: 262

Sample demographics

The following statistics are derived from a sample of projects across all the Trust's geographical areas, and are indicative of the client base with which we work.

Age group	Percentage
<16	2.1%
16-17	8.7%
18-24	24.7%
25-30	10.1%
31-40	13.1%
41-50	20.4%
51-60	15.7%
60+	1.3%
Not known	4.0%

Ethnicity	%
Asian or Asian British - Any other Asian background	0.9%
Asian or Asian British - Bangladeshi	0.3%
Asian or Asian British - Indian	1.2%
Asian or Asian British - Pakistani	0.6%
Black or Black British - African	0.7%
Black or Black British - any other Black background	0.1%
Black or Black British - Caribbean	0.0%

Chinese	0.0%
Mixed - any other Mixed background	0.1%
Mixed - White and Asian	0.3%
Mixed - White and Black African	0.0%
Mixed - White and Black Caribbean	0.7%
Not known/ Not provided	17.8%
Prefer not to say	0.4%
White - Any other White background	2.5%
White - British	73.7%
White - Irish	0.6%

Disability

Clients with a stated health issue / disability made up 38.5% of the client base.

Financial Results

The Trust continues to operate in a difficult funding environment with a significant reliance on 'payment by results' contracts. At the out-turn, a consolidated surplus of £37,108 is reported. This breaks down into an unrestricted surplus (after fund transfers) of £69,995 and a restricted deficit of £32,887. 29% of the restricted funds going forward are held in connection with grant-funded fixed asset acquisitions and will be reduced in line with depreciation charges. £36k of the movement on unrestricted funds relates to depreciation and equipment-related expenditure on infrastructure.

The Trust continues to rely heavily on funding from public sources in the form of grants, performance-related contracts and service level agreements (approximately 96% of total income).

Grant income includes £55,743 from Big Lottery Fund to work with 'workless' families across Hampshire; £12,500 from Eastleigh Borough Council to provide employment support in the local borough and a further £12,500 to work with young people 'Not in Education, Employment or Training' (NEET); £43,079 from Gosport Borough Council to provide health and wellbeing courses for local residents; and £4,468 from Southampton City Council to provide apprenticeship pathways to 16-18 year olds 'Not in Education, Employment or Training' (NEET).

'Payment by Results' contracts account for 81% of total funding (2014: 83%), and were connected with both adult information, advice and guidance and youth services. Overall funding in this area decreased by around 15% on the previous year and includes DWP Work Programme (£788,250), JobCentre Plus Support Contract (£137,022), 'Progress!' (£272,562) and Youth Contract (£58,815), funded by Skills Funding Agency through Skills Training UK Ltd, and 'Phase 2' (£156,349), funded by the Skills Funding Agency through the Barnardos charity. This type of funding has considerable advantages for the Trust in its flexibility, where the focus has shifted away from demonstrating cost efficiency towards achieving outcomes. It is also possible for some longer-term projects to over-achieve against targets within a particular financial year, a factor that has partly contributed to the Trust's surpluses in previous years. In view of the preponderance of payment-by-results, it is more important than ever to maintain sufficient cash reserves against delays in payment and the risks of underperformance.

Costs associated with governance of the charity were 2% of the total resources expended (2014: 1.9%). This reflects a slight increase in senior management time spent on strategic and policy work. The costs associated with applications for, and negotiations around, voluntary and performance-related contract income were around 3.5% of total expenditure (2014: 1.7%). This increase reflects activities to seek new funds associated with a number of adult contracts coming to a natural end, notably Big Lottery Fund (family work) and Jobcentre Plus Support Contract, both of which came to an end in the tail end of 2014.

Coming out of the 2014/15 financial year, the Trustees are mindful that substantial long-term 'payment by results' contracts will continue to take time to convert client referrals into sustained job outcomes, and some further time to convert outcomes into positive cash flows. The accumulation of historical reserves should continually be viewed in this context, and the Trustees will pay close attention to the future designation of funds.

The Trust's longer term strategy continues to focus on finding ways to increase the proportion of income from more diverse sources, and in particular began to focus in early 2015 on the development of social enterprise activities through the charity's trading subsidiary.

In the year, a modest level of activity was conducted through the wholly owned subsidiary, Green Insight Ltd, which finished the year with a surplus of £3k on a turnover of £24k, double that of the previous year. How we use the subsidiary as an effective social enterprise to grow jobs for our clients and achieve a return for the parent is now the subject of some detailed review and planning.

A pilot scheme in conjunction with Hampshire Credit Union for up to 20 clients to gain access to cheap borrowing was still running at the year end, with two participants drawing down a loan and a further application in the pipeline. This scheme will be the subject of some review in 2015/16 alongside discussions of its ongoing effectiveness in the context of social enterprise development and client access to finance and support.

The Trust's wholly owned subsidiary, Wheatsheaf Services Ltd remained dormant in 2014/15 and the Directors are likely to agree to wind this company up in July 2015.

The Consolidated Statement of Financial Activities on page 12 shows the Group results for the year and related notes disclose more detail on subsidiary company results.

The Trust would like to acknowledge with gratitude the financial support of the following organisations in 2014/15: A4e Limited, Artsworld Ltd, Barnardos, Big Lottery Fund, cfBT, Chichester College, Eastleigh Borough Council, Gosport Borough Council, Hampshire County Council, Havant Borough Council, Skills Training UK Ltd, Southampton City Council.

Charity Policies

Reserves

The Trustees have recently reviewed the Trust's reserves policy, and in particular have looked at some of the factors that determine our requirements for achieving and maintaining certain levels of 'free' reserves. It has been agreed that reserve requirements should continue to be monitored with reference to three levels:

- minimum level to cover the cost of 'winding up' the organization in the event of all funding coming to an end (this would include the cost of redundancies and meeting short term liabilities). Current reserves would already meet this requirement.
- intermediate level to allow for the continuation of 'core' activities for a 3-6 month period in the event of significant reductions in funding.
- higher level to provide access to 'free' funds which could be used to take advantage of opportunities for new work or expansion of services where full funding is not available. Achieving this level is a longer term strategy (5-10 years).

For the purposes of the second bullet point above, 'free' reserves are taken to include unrestricted funds and restricted funds to the extent that they support 'core' project activities and do not contravene funders' restrictions (see note 19 to the accounts).

The Trustees are always mindful of the fact that the Trust operates in a changing environment which is highly sensitive to shifts in government policy and priorities around employment and welfare benefits. With this in mind they will review annually the need to designate funds to cover short term reductions in funding, necessary changes to operational activities or organisational infrastructure and the transition to new funding arrangements which have an impact on short term cash flow.

Investments

The Trustees have delegated the detailed review of investment strategy to the Finance Committee, which meets on a quarterly basis. The short term strategy of the Committee has been to continue to invest surplus cash in a combination of short notice deposit accounts (maximum 7 days) and 12 month accounts offering fixed interest rates, payable on maturity. The Trustees will also seek to mitigate risk by both spreading deposits across multiple banking institutions in order to take advantage of the Financial Services Compensation Scheme (FSCS), and by staggering 12 months deposit account openings to take place at three monthly intervals.

The Trustees drew up a formal policy statement in 2012 to consider the Trust's short term (reduction of counterparty risk not covered by the FSCS) and longer term strategy, including a statement on attitude to risk and the consideration of alternative investment vehicles, e.g. equities, bonds, property or social enterprise companies. This formal investment policy was reviewed in June 2015 and a consideration of long term investment vehicles and social enterprise investment will form part of Finance Committee discussions in September 2015.

Risk Management

The Trustees review and update the Charity's risk register on an annual basis and discuss issues around risk at Finance Committee meetings 4-5 times per year. The Trust's wider management team undertook project management training using the PRINCE2 methodology during the early part of 2015, and are working with the Board to develop a practical set of risk assessment tools which can be embedded within the Trust's business processes. The Trustees last reviewed the primary risks in June 2015.

Normal good practice has been observed in taking out relevant insurance cover on office risks, and the Trust also carries professional and trustee indemnity insurance.

Future Developments

We are now into the third year of our 2013-16 Strategic Plan and are prioritising the following for the year ahead:

- We are working hard to further develop our expertise in supporting marginalized client groups in an improving labour market, to ensure they are not left behind by the recovery
- We will continue to develop the quality of our work through staff training and learning from best practice elsewhere
- If an appropriate opportunity arises, we will expand our presence into at least one new local authority area
- We continue to look for more diversified sources of income compatible with our core principles, and are closely examining the opportunities presented by the Social Investment market place including Social Impact Bond arrangements

- In concert with our subsidiary organization, Wheatsheaf Enterprises Ltd, we will pilot the delivery of Supported Employment/Intermediate labour market opportunities for our clients
- The move of our current Southampton headquarters to alternative premises is a focus for the Senior management team in 2015-16 as we plan for the future

Auditors

In accordance with Section 485 of the Companies Act 2006, a resolution for the appointment of auditors of the company is to be proposed at the forthcoming Annual General Meeting.

Disclosure of Information to Auditors

The Trustees who held office at the date of approval of this Trustees' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware; and each director has taken all the steps that they ought to have taken as directors to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Small company disclosure

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006. The Trustees confirm that this Report and Financial statements complies with current statutory requirements, the Statement of Recommended Practice: Accounting and Reporting by Charities (Revised 2005) and with the Charity's Memorandum and Articles of Association.

By order of the Board

S M Siddall

Chair

Wheatsheaf House
24 Bernard Street
SOUTHAMPTON
SO14 3AY

20 July 2015

Statement of Trustees' Responsibilities

The law applicable to incorporated charities in England and Wales required the Trustees, who are also directors of the Company, to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of its financial activities during the year. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In determining how amounts are presented within items in the profit and loss account and balance sheet, the trustees must have regard to the substance of the reported transaction or arrangement, in accordance with generally accepted accounting principles or practice.

Independent Auditor's Report to the Members of Wheatsheaf Trust

We have audited the financial statements of Wheatsheaf Trust for the year ended 31st March 2015 which are set out on pages 12 to 25. 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). This report is made solely to the charitable company'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 charitable 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 charitable company and the charitable 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 auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 9, the trustees (who are also the directors of the charitable company 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.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of affairs of the group's and parent charitable company's affairs as at 31st March 2015 and of the group's incoming 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 Trustees' Annual Report 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:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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.

Richard Perry, Senior Statutory Auditor

For and on behalf of Morris Crocker Chartered Accountants, Statutory Auditor

Station House
North Street
Havant
Hampshire PO9 1QU

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Wheatsheaf Trust Group

Consolidated Statement of Financial Activities (incorporating the Income and Expenditure Account and Statement of Total Recognised Gains and Losses) for the year ended 31 March 2015

	Note	Unrestricted Funds 2015 £	Restricted Funds 2015 £	Total Funds 2015 £	Total Funds 2014 £
Incoming Resources					
<i>Incoming Resources from Generated Funds</i>					
Voluntary Income	3	50,927	-	50,927	57,442
Investment income	4	7,181	-	7,181	8,216
Trading Income	5	21,812	-	21,812	12,911
<i>Incoming Resources from Charitable Activities</i>					
Information, Advice & Guidance	6	1,298,906	111,322	1,410,228	1,644,412
Youth Services	6	257,694	16,968	274,662	272,013
Other Charitable Activities	6	39,057	156	39,213	57,097
Total Incoming Resources		<u>1,675,577</u>	<u>128,446</u>	<u>1,804,023</u>	<u>2,052,091</u>
Resources Expended					
<i>Costs of generating funds</i>					
Fundraising Costs	10	62,662	-	62,662	33,995
Trading Costs	10	19,198	-	19,198	12,411
<i>Charitable Activities</i>					
Information, Advice & Guidance	10	1,095,568	132,842	1,228,410	1,365,336
Youth Services	10	243,512	24,212	267,724	351,186
Other Charitable Activities	10	148,979	4,279	153,258	185,936
Governance	10	35,663	-	35,663	37,870
Total Resources Expended		<u>1,605,582</u>	<u>161,333</u>	<u>1,766,915</u>	<u>1,986,734</u>
Net Incoming / (Outgoing) Resources before transfers		69,995	(32,887)	37,108	65,357
Net (Expenditure) / Income for the year		69,995	(32,887)	37,108	65,357
Transfers					
Gross transfers between funds	19	<u>(8,335)</u>	<u>8,335</u>		<u>-</u>
Net Movement in Funds for the Year	19	61,660	(24,552)	37,108	65,357
Total Funds brought forward at 1 April		949,256	28,480	977,736	912,379
Total Funds carried forward at 31 March		<u>1,010,916</u>	<u>3,928</u>	<u>1,014,844</u>	<u>977,736</u>

All incoming resources and resources expended derive from continuing activities.

The Group has taken advantage of the special provisions of paragraph 397 of the SORP 2005 not to produce a separate Statement of Financial Activities for the parent charity (see note 8).

Wheatsheaf Trust Group

Consolidated Balance Sheet as at 31 March 2015

	Note	Charity		Group	
		2015 £	2014 £	2015 £	2014 £
Fixed Assets					
Tangible fixed assets	14	33,424	64,894	33,983	64,430
Programme Related Investments	15	25,000	25,000	25,000	25,000
Investment in Subsidiary Undertaking	15	<u>3,308</u>	<u>3,308</u>	<u>-</u>	<u>-</u>
		<u>61,732</u>	<u>93,202</u>	<u>58,983</u>	<u>89,430</u>
Current Assets					
Stock	16	2,177	3,144	2,297	3,144
Debtors	17	323,194	356,853	325,897	358,062
Cash at bank and in hand		<u>713,732</u>	<u>653,879</u>	<u>721,313</u>	<u>658,634</u>
		<u>1,039,103</u>	<u>1,013,876</u>	<u>1,049,507</u>	<u>1,019,840</u>
Creditors: Amounts falling due within one year	18	<u>(88,695)</u>	<u>(128,794)</u>	<u>(93,646)</u>	<u>(131,534)</u>
Net Current Assets		950,408	885,082	955,861	888,306
Total Assets less Current Liabilities		1,012,140	978,284	1,014,844	977,736
Net Assets		<u><u>1,012,140</u></u>	<u><u>978,284</u></u>	<u><u>1,014,844</u></u>	<u><u>977,736</u></u>
Reserves					
Unrestricted Funds	19,20				
General Funds		<u>488,101</u>	<u>405,361</u>	<u>490,766</u>	<u>404,812</u>
		488,101	405,361	490,766	404,812
Unrestricted Designated Funds	19,20	520,150	544,444	520,150	544,444
Restricted Funds	19,20	<u>3,889</u>	<u>28,479</u>	<u>3,928</u>	<u>28,480</u>
		<u><u>1,012,140</u></u>	<u><u>978,284</u></u>	<u><u>1,014,844</u></u>	<u><u>977,736</u></u>

These accounts have been prepared in accordance with the special provisions relating to small companies within part 15 of the Companies Act 2006.

These financial statements were approved by the Board of Directors on 20 July 2015 and were signed on its behalf by

S M Siddall, Chair

Wheatsheaf Trust, Registered in England No. 3958960

Wheatsheaf Trust Group 2015

Notes (forming part of the consolidated financial statements)

1 Accounting Policies

The following policies are applied consistently in respect of items considered material in relation to the Group's financial statements:

Basis of Preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting convention. The financial statements incorporate the recommendations of the Statement of Recommended Practice (SORP): 'Accounting and Reporting by Charities' revised 2005 and in accordance with the special provisions relating to small companies within part 15 of the Companies Act 2006.

The Group has taken advantage of the special provisions of the Companies Act (2006) and FRS 1: Cash Flow Statements relating to small companies, and has not produced a cash flow statement as part of the consolidated financial statements.

Group Financial Statements

These financial statements consolidate the results of the charity and its wholly-owned subsidiary, Wheatsheaf Services Ltd, incorporated in England, on a line by line basis.

Fund Accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objects of the charity. General funds include any reserves of the wholly owned subsidiaries, Wheatsheaf Services Ltd and Wheatsheaf Enterprises Ltd (formerly Green Insight Ltd).

Designated funds are funds which the Trustees have agreed to set aside from general funds for a specific purpose in line with the Trust's strategic objectives, eg investment in infrastructure.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or which have been raised by the charity for specific purposes.

Incoming Resources

All incoming resources are included in the Statement of Financial Activities (SOFA) on an accruals basis, except to the extent that grants receivable must be applied to future periods of expenditure, or are contingent on future requirements being fulfilled. In accordance with the SORP, Paragraph 98, unrestricted fee income invoiced in advance of the activity is deferred in the accounts until such time as the contract is fulfilled.

Gifts in kind and donated services / facilities are included in the Statement of Financial Activities at cost, as valued by the donor.

Grants receivable in respect of fixed assets are included in the SOFA in the period in which they are received in accordance with the SORP, Paragraph 111.

Expenditure

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to transfer resources. All costs have been directly attributed to one of the functional categories of resources in the SOFA.

Apportionment of costs across headings of the SOFA is carried out in relation to claims for grant funding. A method based on the apportionment of staff time is used for revenue expenditure on direct project activities and management and administration costs. Capital expenditure relates to specific claims for funding, and so is apportioned accordingly.

The charity operates a defined contribution group personal pension scheme which is available to all employees. The cost recognised in the accounts is equal to the contributions payable to the scheme in the accounting period. These pension costs are allocated across the relevant resources expended categories of the Statement of Financial Activities.

Costs are allocated to the Governance category where they are identified as relating to Trustee activities or are of a strategic nature, eg statutory audit, insurance and legal expenses. Note 10 gives a detailed breakdown of support costs allocated / apportioned by activity.

Fixed Assets and Depreciation

No depreciation is provided on assets in the course of construction, or not brought into use at year end. Depreciation is calculated on cost in all instances.

It is the policy of the Group to capitalise all single fixed assets costing over £500 or where grouped together when assets are considered to be of a portable or desirable nature. A full year's depreciation is charged in the year of

Depreciation is provided on a straight line basis for the following classes of assets:

Plant and machinery (including motor vehicles)	3 years
Completed leasehold improvements	Remaining life of the lease

Stocks of Raw Materials and Consumables

Closing stocks of raw materials and consumables are valued at the lower of historical cost or net realisable value in accordance with SSAP 9: Stocks and Long Term Contracts.

Value Added Tax

Expenditure subject to VAT which is not recoverable is shown inclusive of VAT.

Operating Lease Rentals

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged to the SOFA over the period in which the cost is incurred. Income from sub- (operating) leases is credited to the SOFA over the period to which the income relates, and aggregate rentals received are disclosed in the notes to the accounts. Land and buildings leased on operating leases are not depreciated, but see above depreciation policy on completed leasehold improvements.

2 Status

Wheatsheaf Trust is a company limited by guarantee and having no share capital. The liability of each member to contribute to the assets of the company is limited to £1. The Trust has two wholly owned subsidiaries (Wheatsheaf Services Ltd - currently dormant; and Wheatsheaf Enterprises Ltd (formerly Green Insight Ltd)) which act as trading subsidiaries, engaging in mainly charitable trading activities in support of the Trust's charitable objects.

3 Voluntary Income

	Unrestricted Funds 2015 £	Restricted Funds 2015 £	Total Funds 2015 £	Total Funds 2014 £
<i>Grants</i>				
Southampton City Council	49,986	-	49,986	53,749
	49,986	-	49,986	53,749
<i>Donations and similar incoming resources</i>				
Southampton City Council (In Kind)	441	-	441	1,361
Wheatsheaf Enterprises Ltd (formerly Green Insi	-	-	-	2,178
Miscellaneous	500	-	500	154
	941	-	941	3,693
	50,927	-	50,927	57,442

4 Investment Income

	Unrestricted Funds 2015 £	Restricted Funds 2015 £	Total Funds 2015 £	Total Funds 2014 £
Interest on Bank Deposit Accounts	7,181	-	7,181	8,216
	7,181	-	7,181	8,216

5 Trading Income (Wheatsheaf Enterprises Ltd (formerly Green Insight Ltd))

	Unrestricted Funds 2015 £	Restricted Funds 2015 £	Total Funds 2015 £	Total Funds 2014 £
Landscaping & Horticulture	3,438	-	3,438	4,109
Grounds Maintenance	17,175	-	17,175	8,130
Cleaning	1,199	-	1,199	-
Fencing	-	-	-	70
Internal Maintenance	-	-	-	602
	21,812	-	21,812	12,911

6 Incoming Resources from Charitable Activities

	Unrestricted Funds 2015 £	Restricted Funds 2015 £	Total Funds 2015 £	Total Funds 2014 £
<i>Information, Advice & Guidance</i>				
Contracts	1,275,406	-	1,275,406	1,506,100
Service Level Agreements	23,500	12,500	36,000	27,901
Grants	-	98,822	98,822	110,411
	1,298,906	111,322	1,410,228	1,644,412
<i>Youth Services</i>				
Contracts	256,694	4,468	261,162	212,013
Grants	1,000	12,500	13,500	60,000
	257,694	16,968	274,662	272,013
<i>Other Charitable</i>				
Grants	-	-	-	-
Letting Income	36,312	-	36,312	51,379
Other	2,745	156	2,901	5,718
	39,057	156	39,213	57,097

Letting income includes rent, service charges and car parking fees payable by subtenants, and charges passed on for facilities management of shared premises where Wheatsheaf Trust acts as the lead tenant (see also note 22).

7 Deferred Incoming Resources (Group)

	Unrestricted Funds 2015 £	Restricted Funds 2015 £	Total Funds 2015 £	Total Funds 2014 £
Balance at 1 April	14,442	-	14,442	9,442
Incoming resources deferred during the year	14,442	-	14,442	14,442
Amounts released from previous years	(14,442)	-	(14,442)	(9,442)
Balance at 31 March	14,442	-	14,442	14,442

Incoming resources were deferred in the year in respect of £9,442 sub-letting income charged in advance of the year end and £5,000 in respect of a 2015/16 service level agreement charged in advance.

8 Net outgoing resources attributable to parent charity

	Unrestricted Funds 2015 £	Restricted Funds 2015 £	Total Funds 2015 £	Total Funds 2014 £
Gross incoming resources	1,655,250	128,446	1,783,696	2,039,679
Expenditure on Charitable Activities	1,490,183	161,333	1,651,516	1,910,691
Fundraising Costs	62,662	-	62,662	33,995
Governance Costs	35,663	-	35,663	37,869
Net outgoing resources before transfers	<u>66,742</u>	<u>(32,887)</u>	<u>33,855</u>	<u>57,124</u>
Transfers between funds	(8,297)	8,297		
Net movement in funds	58,445	(24,590)	33,855	57,124
Total Funds Brought Forward	949,807	28,478	978,285	921,160
Total Funds Carried Forward	<u>1,008,252</u>	<u>3,888</u>	<u>1,012,140</u>	<u>978,284</u>
Represented by:				
Unrestricted	488,102		488,102	405,362
Designated	520,150		520,150	544,444
Restricted Funds		3,888	3,888	28,478
	<u>1,008,252</u>	<u>3,888</u>	<u>1,012,140</u>	<u>978,284</u>

9 Summary of results of wholly owned subsidiary (Wheatsheaf Enterprises Ltd, formerly Green Insight Ltd)

The company's main area of business is grounds maintenance, cleaning, landscaping horticulture.

The following is a summary of the results of the subsidiary company (previously reported as the charity's interest in the results of the joint venture company):

	Unrestricted Funds 2015 £	Restricted Funds 2015 £	Total Funds 2015 £	Total Funds 2014 £
Turnover				
Landscaping & Horticulture	3,438	-	3,438	4,109
Grounds Maintenance	17,174	-	17,174	8,130
Cleaning	2,999	-	2,999	-
Fencing		-	-	70
Internal Maintenance	325	-	325	602
Insulation & Energy Improvements		-	-	-
	<u>23,936</u>	<u>-</u>	<u>23,936</u>	<u>12,911</u>
Cost of Sales	(13,236)	-	(13,236)	(9,429)
Gross Profit	<u>10,700</u>	<u>-</u>	<u>10,700</u>	<u>3,482</u>
Administrative Expenses	(7,229)	-	(7,229)	(3,482)
Operating Profit	<u>3,471</u>	<u>-</u>	<u>3,471</u>	<u>-</u>
Interest Payable and similar charges	(219)	-	(219)	
Profit on Ordinary Activities before Taxation	<u>3,252</u>	<u>-</u>	<u>3,252</u>	<u>-</u>
Taxation on Profit on Ordinary Activities	-	-	-	-
Profit for the Financial Year	<u>3,252</u>	<u>-</u>	<u>3,252</u>	<u>-</u>
Retained Profits at 1 April	(21,945)	-	(21,945)	
Retained Profits carried forward	<u>(18,693)</u>	<u>-</u>	<u>(18,693)</u>	<u>-</u>
			Total Funds 2015 £	Share of Total Funds 2014 £
Fixed Assets			1,122	99
Current Assets			10,311	6,437
Liabilities under one year			(7,051)	(5,406)
Total Assets less current liabilities			<u>4,382</u>	<u>1,130</u>
Liabilities over one year				
Net Assets			<u>4,382</u>	<u>1,130</u>
Capital and Reserves				
Called Up Share Capital			-	-
Members Equity			1,130	1,130
Surplus / (Deficit) on Income and Expenditure			3,252	-
			<u>4,382</u>	<u>1,130</u>

Wheatsheaf Enterprises Ltd falls below the statutory audit threshold but its results are considered as part of the audit of Wheatsheaf Trust's consolidated accounts as the preparing company.

Wheatsheaf Services Ltd remains a wholly owned subsidiary of Wheatsheaf Trust but was a dormant company in the 2012/13 financial year. Some of the activities previously run through Wheatsheaf Services were transferred to Wheatsheaf Enterprises Ltd which became a wholly owned subsidiary of Wheatsheaf Trust on 1 April 2013. Wheatsheaf Services Ltd will remain as a dormant company for the foreseeable future and subject to the strategic The charity loaned an amount of £3000 to Wheatsheaf Enterprises Ltd in the previous year, repayable no later than 4 April 2015 at an interest rate of 5%. The amount outstanding on the loan at the year end was £2000.

10 Group Resources Expended

	Fundraising Costs	Trading Costs	Information, Advice & Guidance	Youth Services	Other Charitable	Governance Costs	Support Costs	Total	Total
	£	£	£	£	£	£	£	2015 £	2014 £
Staff Costs	55,944	5,230	805,141	171,543	68,484	20,312	128,398	1,255,052	1,344,879
Project Activities	207	11,621	73,045	30,702	15,296	-	-	130,871	212,290
Premises Costs	1,574	-	99,237	20,004	14,212	-	22,784	157,811	195,440
Depreciation	-	660	-	-	42,325	-	4,762	47,747	54,023
Audit & Accountancy Fees	-	-	-	-	2,042	7,920	-	9,962	9,995
Office Costs	2,506	1,687	102,107	16,670	6,315	7,431	28,756	165,472	170,107
	60,231	19,198	1,079,530	238,919	148,674	35,663	184,700	1,766,915	1,986,734
Support Costs Allocation	2,431	-	148,880	28,805	4,584	-	(184,700)	-	-
Total Resources Expended	62,662	19,198	1,228,410	267,724	153,258	35,663	-	1,766,915	1,986,734

11 Operating Charges (Parent Charity)

	2015 £	2014 £
Net income for the year is stated after charging:		
Auditor's remuneration (including VAT)		
Statutory Audit Services	7,920	7,848
Non Statutory Audit Services	-	-
Non audit services	-	-
Operating lease rentals - land & buildings	123,202	117,072
Depreciation - owned assets	47,746	54,023

12 Staff Numbers and Costs

The average number of persons (full time equivalent) employed by the Trust during the year, analysed by category, was as follows. Wheatsheaf Enterprises Ltd (formerly Green Insight Ltd) employed less than one full time equivalent staff member in the year. No staff were employed by Wheatsheaf Services Ltd during the year.

	2015 No.	2014 No.
Management	3	3
Administration	4	5
Operating activities	33	37

The aggregate payroll costs of the above persons was as follows:

	2015 £	2014 £
Wages and Salaries	1,006,948	1,091,311
Employer's National Insurance Contributions	84,507	99,287
Employer's Pension Contributions (see below)	116,708	107,618
	<u>1,208,163</u>	<u>1,298,216</u>

One member of staff is paid a salary between £60,000 and £70,000 per annum (2014: One, between £70,000 and £80,000). Pension contributions made by the charity in respect of this member of staff were £6,960 (2014: none). No other members of staff received more than £60,000.

Members of the Trust's Management Team (3 persons) incurred total business expenses (excluding resources and other items purchased on behalf of the charity) of £2,423 (2014: £3,155)

The charity operates a defined contribution group personal pension scheme which is available to all qualifying staff. The charity contributes a minimum of 5% of the employees salary into the scheme subject to a minimum 3% contribution from the employee. The cost of the scheme in the year was £116,708 (2014: £107,618).

13 Trustees Remuneration and Expenses

Reimbursed travel expenses of £309 were paid in the year to four Trustees (2014: £701, three Trustees). No Trustees received remuneration of any form (2014: none).

14 Tangible Fixed Assets

	Completed Leasehold improvements £	Plant and Machinery £	Total £
Cost			
At 1 April 2014	254,068	238,871	492,939
Additions	1,422	15,876	17,298
Transfers	-	-	-
Disposals	-	-	-
At 31 March 2015	<u>255,490</u>	<u>254,747</u>	<u>510,237</u>
Depreciation and diminution in value			
At 1 April 2014	227,298	200,647	427,945
Charge for the year	15,067	32,679	47,746
Disposals	-	-	-
At 31 March 2015	<u>242,365</u>	<u>233,326</u>	<u>475,691</u>
Net Book Value			
At 31 March 2015	<u>13,125</u>	<u>21,421</u>	<u>34,546</u>
At 31 March 2014	<u>26,770</u>	<u>38,224</u>	<u>64,994</u>

All fixed assets are owned by the parent charity with the exception of ground maintenance equipment owned by Wheatsheaf Enterprises Ltd (formerly Green Insight Ltd) (net book value £1,122).

15 Investment and Programme Related Investment Assets

	Investment in Subsidiary Undertaking Charity £	Investment in Subsidiary Undertaking Group £	Investment in Credit Union Charity £	Investment in Credit Union Group £
Carrying Value at 1 April 2014	3,308	(565)	25,000	25,000
Add: Additions to investments at cost	-	-	-	-
Less: Disposals at carrying value	-	-	-	-
Adjustments (see below)	-	-	-	-
Net gain / (loss) on revaluation	-	-	-	-
At 31 March 2015	<u>3,308</u>	<u>(565)</u>	<u>25,000</u>	<u>25,000</u>
At 31 March 2014	<u>3,308</u>	<u>(565)</u>	<u>25,000</u>	<u>25,000</u>

Investment in Credit Union represents an investment which commenced in March 2014 in a loan scheme for Wheatsheaf Trust clients, administered through Hampshire Credit Union.

The carrying value of the parent charity's investment in its wholly owned subsidiary, Wheatsheaf Enterprises Ltd (formerly Green Insight Ltd), was adjusted at 31 March 2014 to reflect the net asset position of the subsidiary (see Note 9). The investment in the subsidiary is eliminated on consolidation so is not reported on the group balance sheet. 'Negative goodwill' arose on acquisition of the remaining shares in the subsidiary company - this shows as an adjustment in the group accounts and is included in the tangible fixed assets figure on the balance sheet.

16 Stock

	Charity 2015 £	Group 2015 £	Charity 2014 £	Group 2014 £
Raw materials and consumables	<u>2,177</u>	<u>2,297</u>	<u>3,144</u>	<u>3,144</u>

17 Debtors

	Charity 2015 £	Group 2015 £	Charity 2014 £	Group 2014 £
Trade debtors (fees)	1,273	1,825	1,623	1,623
Other debtors (grants, donations and other)	58,568	58,570	20,057	20,909
Amounts owed by group undertakings	(28)	-	9	-
Prepayments and accrued income	263,381	265,502	335,164	335,530
	323,194	325,897	356,853	358,062

All debtors are recoverable in less than one year.

18 Creditors: Amounts Falling Due within One Year

	Charity 2015 £	Group 2015 £	Charity 2014 £	Group 2014 £
Trade creditors	27,289	30,445	30,549	30,549
Other creditors	9,436	9,911	12,849	13,418
Social Security and other taxes	20,912	21,017	41,475	41,475
Accruals	16,616	17,831	29,479	31,650
Deferred Income (see note 7)	14,442	14,442	14,442	14,442
	88,695	93,646	128,794	131,534

19 Consolidated Funds

	Balance at 1 April 2014 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2015 £
Restricted Funds					
i HBC Leigh Park	1,054	-	526	(2)	526
ii Migrant Impact Fund	2,807	-	-	-	2,807
iii JP Getty	15,242	-	4,477	(10,765)	-
iv BLF Reaching Communities	1,216	55,743	56,216	(743)	-
v SCC Pre Apprenticeships	-	4,468	3,446	(1,022)	-
vi Gosport Wellbeing	94	43,079	60,364	17,191	-
vii Eastleigh Work Club	-	12,500	16,261	3,761	-
viii Eastleigh NEETs	-	12,500	16,289	3,789	-
ix Youth Capital Fund	1,147	-	595	43	595
x Capital Grant Funded Assets	6,920	-	2,799	(4,121)	-
xi ESF Sweden	-	156	360	204	-
	28,480	128,446	161,333	8,335	3,928
Unrestricted Funds					
General Reserve	404,812	1,675,577	1,569,280	(20,343)	490,766
xii Designated Infrastructure Fund	50,657	-	36,302	12,008	26,363
xiii Designated Transition Contingency	493,787	-	-	-	493,787
	949,256	1,675,577	1,605,582	(8,335)	1,010,916

The transfers to restricted funds reflect the use of unrestricted income funds to set against expenditure which has been incurred in pursuit of the Trust's activity where restricted funds have not met the cost in full.

- i Havant Borough Council provided funding in 2011 in the form of £3k for capital items and a £12k discretionary Bursary Fund available for clients living in Leigh Park or Wecock Farm engaging with Wheatsheaf Trust employability programmes to aid progression into employment or sustainment of employment. The balance on the fund represents the net book value of computer equipment.
- ii Portsmouth City Council provided funding in the 2010/11 year to enable migrant workers from other EU countries to access vocational training. This activity is ongoing.
- iii A grant from the John Paul Getty Jnr Charitable Trust (totalling £180k across 3 years) was used to enable 16-19 year olds to access activities that support progression into employment, education or training. This funding has now ceased.
- iv BLF Reaching Communities awarded a 3 year grant (totalling £300k) which commenced in the year to support workless families across South Hampshire into employment
- v Southampton City Council provided funding in the year for a programme to create opportunities for young people (aged 16-18) who are 'Not in Employment, Education or Training (NEET)' with local businesses (SMEs), providing a pathway to a full apprenticeship. In addition, the funding will provide 'scholarships' to subsidise the cost of an apprenticeship training wage for a period of up to 26 weeks. By supporting both the trainee and the employer the programme will help to progress young people onto full apprenticeships with local businesses.
- vi Gosport Borough Council Health and Wellbeing Group provided funding which commenced in March 2014 for a project focusing on promoting healthy eating and active lifestyles in the Town and Rowner wards of Gosport. The project will recruit Gosport residents as 'Community Champions' to engage and lead activities in the community.
- vii This project was supported by First Wessex and Eastleigh Borough Council to deliver Work Clubs and added support in the Meadows Centre in central Eastleigh. Our support includes Information, advice and guidance on employment, education or training options as well as bespoke programmes including CV Workshops. Funding for this activity expired in March 2015.
- viii Funding was provided in the year by Eastleigh Borough Council to provide a full time youth worker on an outreach basis in the borough. The project will focus on engaging young people not in employment, education or training ('NEET') and will work with this client group to move them into college courses, informal learning or volunteering opportunities.
- ix The Youth Capital Fund (administered by Southampton City Youth Service) funded the refurbishment of an IT suite as part of the workshop facilities at Wheatsheaf Trust's main Southampton premises.
- x The Capital Grant-Funded Assets Fund is used to fund leasehold improvements and plant & machinery acquisitions and associated depreciation . Funding was received in previous years from University for Industry, SEEDA Devolved Funding, Office of the Deputy Prime Minister and Department for Education.
- xi Community Action Hampshire provided funding in September 2014 as a contribution towards a fact-finding trip in Sweden for two Wheatsheaf Trust project managers to research social enterprises.

Designated Funds

- xii The Trustees approved the creation of a designated 'Infrastructure Fund' in 2010 to enable the Trust to (a) develop and implement an organisation-wide information security policy, including a review of IT support processes, and to meet the requirements of funders as regards information security and IT infrastructure, (b) upgrade and develop existing IT and telecommunications to best support an expanded staffing and geographical base for the Trust, and to meet future challenges, and (c) to research the benefits of up to date technological solutions or the Trust's activities, eg in management information systems, data storage and communications technologies. Transfers to the fund in the year reflect the cost of new asset purchases made in the year to support the Trust's programmes.

- xiii The Trustees agreed to designate an amount of money in 2010/11 in respect of the transition to new long term funding contracts from 2011/12 onwards and the transfer to new lease arrangements on its main Southampton premises from 2015. Specifically this fund encompasses three elements: (a) contingencies to cover the cashflow risk and working capital requirements of new long term contracts; (b) the estimated costs of transferring to new lease arrangements from 2015/16, including building repairs and substantial alterations; (c) investment in the development of social enterprises within the group.

20 Analysis of Funds (Group)

	Current Assets £	Current Liabilities £	Long Term Liabilities £	Tangible Fixed Assets £	Total Net Assets £
Restricted Funds	31,911	(29,104)	-	1,121	3,928
Unrestricted Funds	511,371	(52,104)	-	31,499	490,766
Designated Funds	506,225	(12,438)	-	26,363	520,150
	<u>1,049,507</u>	<u>(93,646)</u>	<u>-</u>	<u>58,983</u>	<u>1,014,844</u>

21 Commitments

Annual commitments under non-cancellable operating leases are as follows:

	2015		2014	
	Land & Buildings £	Other £	Land & Buildings £	Other £
Leases which expire:				
Within one year	111,517	-	-	-
In the second to fifth years	3,000	-	111,517	-
After more than five years	-	-	3,000	-
	<u>114,517</u>	<u>-</u>	<u>114,517</u>	<u>-</u>

22 Rental Income

Aggregate rental income from operating leases is as follows:

	2015	2014
Sub let of office premises	34,578	49,844
	<u>34,578</u>	<u>49,844</u>

'Letting income' as stated in note 6 also includes amounts recharged to sub-tenants in respect of repairs, maintenance and facilities management of the premises by the Trust.

23 Insurance

The charity carries insurance cover for contents, personal accident, trustee indemnity and public and employer's liability. The cost of this for the year was £7,068 (2014: £7,477). In addition the charity holds professional indemnity insurance at an annual cost of £7,420 (2014: £7,420).

24 Contingent Liability

The charity's leases on its main Southampton premises are due to expire in September 2015 with a dilapidations clause. The exact amount of any final agreed dilapidations is not possible to determine with a high degree of certainty at this stage, and the final liability (if any) in respect of dilapidations will be subject to further negotiations with the charity's landlords.

The Trustees have taken the decision to disclose a contingent liability in respect of lease dilapidations and this should be considered alongside existing fund designations in the accounts (see note 19 xiii).

25 Related Party Transactions

C Longhurst, a director of the charitable company, was Chief Executive of Education Business Partnership (EBP) South. The charity had a number of transactions with this organisation in the year in relation to youth programmes, and paid EBP South a total of £14,730. In addition, EBP South owed the Trust a total of £275 at the year end in respect of a contribution to the shared costs of bid writing.

S Dovey, a director of the charitable company, was Chief Executive of Community Action Hampshire. This organisation contributed an amount of £156 towards a fact-finding trip to Sweden for 2 Wheatshaf Trust staff (see note 19 xi). Wheatshaf Trust also made a payment of £175 to Community Action Hampshire which represented a share of the costs of the Sweden trip spread across multiple partners.