



**Abberton Rural Training**  
**Financial Statements**  
**2017/18**

**ABBERTON RURAL TRAINING (ART)**  
**A Charitable Incorporated Organisation (CIO)**  
**Registered Charity No. 1169247**

**FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2018**

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## **1. REFERENCE AND ADMINISTRATIVE DETAILS**

The registered name of the Charity is Abberton Rural Training. It is registered with the Charity Commission in England and Wales with the number 1169247 as a Charitable Incorporated Organisation (CIO). The Charity was first registered on the 19<sup>th</sup> September 2016.

### **Registered Office**

Wormingford Community Education Centre, Church Road, Wormingford CO6 3AZ,

Tel: 01206 984591

Website: [www.abbertonruraltraining.org](http://www.abbertonruraltraining.org)

### **Report of the trustees for the year ending 31 March 2018**

The Trustees of Abberton Rural Training present their annual report and accounts for the year ended 31 March 2018 and confirm they comply with the requirements of the Charities Act 2011, our Constitution and have adopted the provisions of the Charities SORP (FRS 102).

## **2. OUR AIMS**

The Charity operates under a constitution of a Charitable Incorporated Organisation (Foundation Model), with the date of the constitution (last amended) of 8<sup>th</sup> September 2016 and was sealed by the Charity Commissioners for England and Wales on 19<sup>th</sup> September 2016 which included the regulations for appointment of trustees.

### **ABOUT ABBERTON RURAL TRAINING**

Although much of rural Essex exudes an air of prosperity this does not mean that everyone is wealthy. There is evidence of deprivation and issues of low skills and disengagement from the labour market that are particularly apparent in the more coastal and rural parts of the county.

ART was created in 2014 following a Section 106 requirement as part of the expansion to the Abberton Reservoir (hence the name), and a recognition that a new education centre, concentrating on young adults, adults and those most disengaged from society, was required. Initially under the governance of the Rural Community Council of Essex (RCCE), ART gained independent charity status in September 2016.

ART, which is committed to using the natural environment for the benefit of its students, has just published a new four-year strategy and continues to develop further funding and contracts to provide unique learning opportunities for all.

### 3. OBJECTIVES AND ACTIVITIES

The purpose of Abberton Rural Training's work, as stated in its Memorandum of Association, is:

The objects of the CIO are:

- (a) The advancement of education, training or retraining and
- (b) The relief of those in need in particular but not exclusively among unemployed people in Essex by providing them with work experience, volunteering opportunities, mentoring and rural employability and craft skills courses, and by supporting their re-integration back into the Rural Community.

Or by such other means as may from time to time be determined subject to the prior written consent of the Charity Commissioners for England and Wales.

Nothing in this constitution shall authorise an application of the property of the CIO for the purposes which are not charitable.

During the period under review, ART's Strategy 2018-2022 provided the strategic framework for the charity's development. ART will focus on delivering a number of core objectives over the period 2018-2022:

1. Deliver a programme of land based and construction courses to at least 350 participants p.a. by December 2020 and 500 participants by December 2022.
2. Review portfolio of courses to ensure that they remain relevant to the target audience and their prospective employers in the light of not just of Brexit, but also new technology and other changes that may occur
3. Develop a network of outreach facilities to provide relevant courses within acceptable distances of its core markets

In achieving this, the operational focus for ART is to deliver a range of rural and construction skills courses for trainees aged 16 and over six linked enabling areas (organisational structure, premises, staffing, ICT, marketing and financial performance) to achieve and maintain a sustainable business which delivers ART's strategic objectives. This will include:

Service:

- Course portfolio – develop and maintain a portfolio of courses which stays current with both trainee and employer demands, whilst being fundable and aligned with ART's strategic focus on those who are outside the jobs market or at risk of exclusion from the training and jobs market in the rural economy.

Enabling:

- Organisational structure – ART will operate within a charitable organisation as a separate legal entity
- Staffing - develop a core management team of three enabling a focus on high quality training delivery supported by a team of core and contract tutors with appropriate relationship management, communication and business development, provided by ART, and robust financial control, provided through ART

- Premises – the Board and senior management will regularly review the strategy for premises for ART
- ICT – develop online learning provision to prepare trainees for the use of digital interfaces in the modern workplace and do so in away that to facilitates the day to management of ART
- Marketing – develop and implement a marketing strategy which focuses on raising ART’s profile with potential trainees, delivery partners and funding bodies via engagement and promotion of ART’s provision
- Compliance – ensure that ART remains fully compliant with all appropriate legislation.

To support this, ART needs to grow its financial base so that ART:

- Has sufficient turnover to be able to recover the costs necessary to support the scale required for ART to be successful
- Can obtain funding so that each course is fully funded without reliance on central reserves
- Will aim for a small operational surplus to reinvest in the growth of training provision each year
- Develop a capital base of at least £150,000 by September 2020, and maintain that level in subsequent years, to provide a sustainable platform on which to operate and bid for funding.

To deliver its programme, ART will continue to rely on funding as the majority of trainees will not be in a position to self-fund. The principles to be applied to its funding base are that:

- No single contractual arrangement should account for more than one third of ART’s operational income to give the organisation stability even if funding priorities change
- The focus should be on multi-year opportunities with public and related bodies (e.g. the Lottery)

ART also recognises the importance of working with others and will work to ensure it has and maintains clear partnerships in place with:

- One or more strategic educational partner(s) (currently ACL) who can help it to access funding opportunities and/or validate ART’s course provision (with a preference for an FE College provider as its core partner)
- Councils, DWP, the SELEP, businesses and other strategic partners who have funding to support training
- Colleges and employers who can offer progression opportunities for those trained by ART as well as refer to ART where rural skills training or the correct level of training is not on their own curriculum.

#### **4. ACHIEVEMENTS AND PERFORMANCE**

This section of the report summarises the achievements and performance of ART in the year to 31 March 2018 in relation to the three priority areas of work set out in the Strategy 2018-2022. The trustees have paid due regard to guidance from the Charity Commission on public benefit in deciding what activities the charity should undertake, and the impact of the following achievements, based on ART's aims, evidences that public benefit.

The income and expenditure attributable to each of the activities outlined in this section are presented in Notes 2 and 3 to the Financial Statements respectively.

##### **Deliver a programme of land based and construction courses to at least 350 participants p.a. by December 2020 and 500 participants by December 2022**

Following development of new courses, in particular the Rustic Recovery Programme in conjunction with Colchester Garrison, has led to an increase during the 2017/18 academic year, leading to a total of 321 participants being active on programmes during this year. This is a substantial increase on the previous year of 172 participants being registered. This does include many short term courses, and further work is required to give further opportunities, particularly in long length training opportunities to a large number of participants, however, developments within the short course programmes has already seen an increase in further education take up following completion of short courses.

ART continues to work hard on developing further partnership and funding opportunities to further increase the number of participants able to participate in programmes, and has been recognised by partnership bodies, such as the Department of Work and Pensions Regional Management team, as a leader in providing successful education opportunities for the hardest to reach in the community.

##### **Review portfolio of courses to ensure that they remain relevant to the target audience and their prospective employers in the light of not just of Brexit, but also new technology and other changes that may occur**

ART continues to liaise with partner bodies, including local and national Government bodies, including the Department of Work and Pensions, the Police, the South East Local Enterprise Partnership (SELEP), and Essex County Council Employability and Skills team, and other charity organisations such as the Big Lottery Fund, to ensure that we remain relevant and up to date with local requirements, particularly skills shortages relevant to local rural employment opportunities.

We work closely with the Essex County Council teams to ensure we have correct coverage for requirements moving forward, for example, the need for new courses for NEET's moved over to Universal Credit which will be needing courses from March 2019, to be able to continue receiving their benefits and reduce the impact on the local communities if this group are not otherwise engaged. We continue to input into further strategies, including the Essex Rural Partnership and SELEP strategy.

##### **Develop a network of outreach facilities to provide relevant courses within acceptable distances of its core markets**

We have introduced this year a new location for our Woodlands and Land based courses at Halstead, Essex, in the Braintree District, which provides further accessibility to participants from the North

West of the County. We have also commenced operations for our Coppicing and Woodland skills courses known as the Rustic Recovery Programme in association with the Colchester Garrison at the Garrison Farm (Rock Farm, Colchester) and at Layer Breton Heath, to assist the local community to return the area to Heathland. We continue to also work at our main base at Wormingford, Colchester where we provide Land Based studies, Horticulture, Construction and Carpentry courses and Stow Maries Aerodrome where we provide Countryside and Environment courses.

We are continuing to seek and negotiate on further sites, including current negotiations with a partner charity, InterAct, for a site in Chelmsford, which is progressing, subject to funding being granted for further programmes. In addition to this we are working with partners to develop projects where an identified gap in provision lies, such as a new skills course in conjunction with Colchester Garrison, with a particular focus on supporting younger people leaving the army prematurely due to being wounded or injured.

## **5. FINANCIAL REVIEW**

During the year the charity recorded a surplus on restricted funds, following the release of final Section 106 funds held by Colchester Borough Council, which is reserved for Capital expenditure. We were able to break even on unrestricted funds with careful financial management.

### **Risk Management**

The Board of Trustees review the charity's Risk Register at each of its bi-monthly meetings. The main strategic risks facing the charity going forward are outlined in Section 4 of this report. Internal financial risks are minimised through the implementation of robust financial control procedures. These procedures are regularly reviewed by the Chair of Trustees and Treasurer to ensure that they meet the needs of the charity.

### **Reserves Policy**

The charity's Reserves Policy requires ART's minimum unrestricted funds neither committed nor invested in tangible assets (i.e. the charity's minimum 'Free Core Charitable Funds' or 'Free Reserves') to be sufficient to enable the charity to meet its next five months' direct expenditure on its unrestricted activities and, in addition, its next five months' expenditure on all its support costs, as defined in Note 1ii) to the Financial Statements. As at 31 March 2018 this equated to a minimum requirement of £58,482 in Free Reserves. The actual Free Reserves as at that date amounted to £72,247.

## **6. PLANS FOR FUTURE PERIODS**

The trustees believe that the charity has already made significant progress in implementing its Strategy 2018-2022 during this year, as evidenced in Section 2 of this report.

They expressed confidence that ART's strategy and its work in fields such as new partnerships, new locations, and applications to new funding streams was particularly positive.

The trustees also considered the possible impact of 'Brexit' on future UK education and employment policy and agreed that ART must work closely with its partners to monitor and influence appropriate developments.

ART's own Strategy 2018-2022 acknowledges the charity's heavy dependency on funding from Essex County Council and government bodies. In light of this risk, the strategy gives priority to the development of bids to alternative sources. In addition, the charity will explore opportunities for collaboration and joint working with other partners and organisations, particularly in the voluntary and community sector. Opportunities for greater partnership working with the corporate sector have also been explored over the past year and new bids in partnership with a corporate partner have been submitted.

## **7. STRUCTURE, GOVERNANCE AND MANAGEMENT**

Abberton Rural Training is a Charitable Incorporated Organisation under the Charity Commission in England and Wales, registered charity number 1169247. The company is governed by its Foundation Model Constitution dated 9<sup>th</sup> September 2016.

### **Trustees**

The trustees who have held office during the year are as follows:

Mr Paul Roberts – Chair  
Brian Cairns  
Cllr. Anne Brown  
Fiona Wilson  
Henry Bass  
Ian Flint  
Jonathan Compton  
Nick Shuttleworth  
Paul Williams  
Russell Grant Everard

### **Charity trustees**

#### **(1) Functions and duties of charity trustees**

The charity trustees shall manage the affairs of the CIO and may for that purpose exercise all the powers of the CIO. It is the duty of each charity trustee:

- (a) to exercise his or her powers and to perform his or her functions in his or her capacity as a trustee of the CIO in the way he or she decides in good faith would be most likely to further the purposes of the CIO; and
- (b) to exercise, in the performance of those functions, such care and skill as is reasonable in the circumstances having regard in particular to:



(i) any special knowledge or experience that he or she has or holds himself or herself out as having; and,

(ii) if he or she acts as a charity trustee of the CIO in the course of a business or profession, to any special knowledge or experience that it is reasonable to expect of a person acting in the course of that kind of business or profession.

(2) Eligibility for trusteeship:

(a) Every charity trustee must be a natural person.

(b) No individual may be appointed as a charity trustee of the CIO:

- if he or she is under the age of 16 years; or
- if he or she would automatically cease to hold office under the provisions of clause 12(1)(e).

(c) No one is entitled to act as a charity trustee whether on appointment or on any re-appointment until he or she has expressly acknowledged, in whatever way the charity trustees decide, his or her acceptance of the office of charity trustee.

(3) Number of charity trustees

(a) There must be at least three charity trustees. If the number falls below this minimum, the remaining trustee or trustees may act only to call a meeting of the charity trustees, or appoint a new charity trustee.

(b) There is no maximum number of charity trustees that may be appointed to the CIO.

The Chief Executive Officer (CEO), Ms Jacqui Stone, has delegated authority from the Board of Trustees to manage the day to day operations of the charity. Sitting beneath the CEO, ART currently has a Programme Officer, who also deputises for the CEO, and an Administration Assistant (part time). ART employs self-employed Tutors and Mentors to provide teaching and counselling services.

## **8. OTHER REFERENCE AND ADMINISTRATIVE DETAILS**

### **HR and Financial Services**

ART Financial Services and HR services are provided through the Rural Community Council of Essex (RCCE). RCCE receive monies on behalf of Abberton Rural Training and pay ART suppliers and providers from these funds. Contracts are however in the name of Abberton Rural Training.

All funds are ring fenced and separate from RCCE funds. RCCE provide Human Resources Services to ART, by providing Employment and Contract Services for all ART staff. The RCCE is a registered charity number 1097009.

### **RCCE Bankers**

The RCCE's bankers throughout the year were:

Barclays Bank plc  
40-41 High Street  
Chelmsford  
Essex CM1 1BE

## 9. STATEMENT OF TRUSTEES' RESPONSIBILITIES

Charity law requires the trustees 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 the excess of net income or of net expenditure of the group for that period. 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;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless this is inappropriate.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity. 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.

## 10. Statement of Financial Activities (including Income & Expenditure Account) Year Ended 31 March 2018

Income from:	Notes	Unrestricted Funds £	Restricted Funds £	Total 2018 £	Total 2017 £
Charitable activities		56,212.80		56,212.80	101,531
Section 106 Funding Transfer		11,898.86	72,246.40	84,145.26	
<b>Total income:</b>		<b>68,111.66</b>	<b>72,246.40</b>	<b>140,358.06</b>	<b>101,531</b>
Expenditure on:					
Charitable activities:		68,111.66	0	68,111.66	101,531
<b>Total expenditure:</b>		<b>68,111.66</b>	<b>0</b>	<b>68,111.66</b>	<b>101,531</b>
<b>Total funds brought forward:</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total funds carried forward:</b>		<b>0</b>	<b>72,246.40</b>	<b>72,246.40</b>	<b>0</b>

Approved by the Board on 14<sup>th</sup> September 2018 and signed on its behalf by:



Mr Paul Roberts (Chairman)

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2018

### 1. ACCOUNTING POLICIES

#### *i) Bases of accounting and consolidation*

At the time of approving these Financial Statements, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. They continue to adopt the going concern basis of accounting as a result.

#### *ii) Recognition and allocation of income and expenditure*

All income is accounted for on a receivable basis, net of any applicable VAT. Expenditure is accounted for on an accruals basis. All income and expenditure is allocated to a particular activity where it relates directly to that activity. Support functions (including finance, human resources, facilities management and governance) are apportioned across the activities that the functions support. Overhead costs (including office running costs and consumables, information technology, insurances and affiliation fees) are similarly apportioned, as is the net interest on the defined benefit pension scheme liability (see Note 11). Taken together, all these costs are referred to as 'support costs' in Note 3 to the Financial Statements. To the extent that activity-related funding agreements allow, support costs are apportioned to activities based on the full-time equivalent number of staff employed within that activity.

#### *iii) Fund accounting*

Unrestricted funds comprise grants and donations, contract income and other income receivable or generated for the objects of the charity without further specified purpose. In ART's case this includes the charity's commissioning grants from Essex County Council, which is applied across all the charity's objects and are fully utilised over the course of the year. Unrestricted funds which are not utilised during the year are carried forward as general funds. Designated funds are unrestricted funds earmarked by the trustees for particular purposes. Restricted funds are grants or other donations which are required to be used for specific purposes laid down by the donor.

### 2. INCOME FROM CHARITABLE ACTIVITIES

Activity	2018 £	2017 £
Abberton Rural Training	140,358	101,531
	-----	-----
	£140,358	£101,531
	=====	=====

#### **The above figures include the following 'government grants': Source**

Activity	2018	2017	
Essex County Council	Abberton Rural Training	£56,213	£20,698
Colchester Borough Council	Abberton Rural Training	£84,145	£35,944
DWP	Abberton Rural Training	0	£44,889
Total government grants	<b>£140,358</b>	<b>£101,531</b>	

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 MARCH 2018**

**3. EXPENDITURE ON CHARITABLE ACTIVITIES**

<b>Activity</b>	<b>Direct costs £</b>	<b>Support costs £</b>	<b>Total 2018 £</b>	<b>Total 2017 £</b>
Abberton Rural Training	66,511 -----	1,600 -----	68,111 -----	101,531 -----
Totals	66,511 =====	1,600 =====	68,111 =====	101,531 =====