

2015-16

Year ended 31 August 2016

Annual Report and
Financial Statements

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Consolidated Annual Report and Financial Statements 2015-16

The Board of Trustees presents its statutory report together with the financial statements of London Youth (the Federation of London Youth Clubs) for the year ending 31st August 2016. The accounts have been prepared in accordance with the accounting policies set out therein and comply with the charity's trust deed, applicable laws and the requirements of Statement of Recommended Practice on "Accounting and Reporting by Charities" (Charities SORP FRS 102). There have been no changes in the policies adopted by the charity during the year except where required under the adoption of the Charities SORP.

The report as a whole has been prepared in accordance with Part 8 of the Charities Act 2011. The information in the sections headed "Strategic Report" constitutes the strategic report as required by the Companies Act 2006 (strategic report and directors' report) Regulations 2013. The information required to be presented in a directors' report under the Companies Act 2006 is incorporated in the remaining sections of the report.

The Federation of London Youth Clubs
Company Limited by Guarantee
Registration Number
00258577 (England and Wales)

Charity Registration Number
303324

Patron	HRH The Prince Philip, Duke of Edinburgh KG KT
President	Field Marshall the Lord Guthrie of Craigiebank GCB LVO OBE
Chair	Julian Beare
Deputy Chair	Jennifer Izekor until 2 March 2016 Nat Defriend from 3 March 2016
Honorary Treasurer	Keith Ward
Vice Presidents	Jarvis Astaire OBE The Lord Brooke Robin Callender Smith Jane Earle Clive Efford MP Robin Gowlland Peter Hudson Rt. Hon. Sir Simon Hughes Peter Hunter Sir David Knox Peter Levy OBE Roger Merton MBE Lady Mary Mumford Dr. Terry Powley John Ratcliff CBE Marsha Rae Ratcliff G Davide Rodrigues The Rt. Rev. Roger Sainsbury Richard Sermon MBE John Spencer OBE Paul Stewart Joy Toghill Vanni Treves CBE Joseph Williams Carl Wonfor

Trustees	<p>Sue Asprey-Price (from 19 January 2016)</p> <p>Julian Beare</p> <p>Guy Davison</p> <p>Nat Defriend</p> <p>Jennifer Izekor</p> <p>David Miller (from 20 January 2016)</p> <p>John Norman</p> <p>Louise Rodgers</p> <p>Stu Thomson (from 2 March 2016)</p> <p>Simon Turek (from 20 January 2016)</p> <p>Scott Tweed</p> <p>Keith Ward</p> <p>Keeley Williams (to 9 March 2016)</p> <p>Derek Willis (to 9 March 2016)</p> <p>Charline King (from 2 March 2016)</p>
Youth Advisers attending Trustee meetings	<p>Will Cunningham (from October to December 2016)</p> <p>Zak Osman</p> <p>Alda Saba (from October 2016)</p> <p>Nima Roble (from October 2016)</p>
Chair of Finance Committee	Keith Ward
Chair Assurance Committee	John Norman
Chair of Nominations Committee	<p>Simon Turek (from March 2016)</p> <p>Derek Willis (to March 2016)</p>
Chief Executive and Company Secretary	<p>Rosemary Watt-Wyness (from 7 April 2016)</p> <p>Rosie Ferguson (to 31 March 2016)</p>
Senior Team	<p>Martin Curtis – Director for Residential Centres (from March 2016)</p> <p>Sam Grimstone – Director for Residential Centres (to February 2016)</p> <p>Phillip Kerry – Programmes Director</p> <p>Jim Minton – Director of Communications & Membership</p> <p>Clare Wadd – Director of Finance & Resources</p>

Consolidated Annual Report and Financial Statements 2015-16

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Registered/Principal office	47-49 Pitfield Street London N1 6DA
Telephone	020 7549 8800
E-mail	hello@londonyouth.org.uk
Website	www.londonyouth.org

Company registration number	00258577 (England and Wales)
Charity registration number	303324
Auditor	Crowe Clark Whitehill St Brides House 10 Salisbury Square London EC4Y 3EH
Bankers	National Westminster Bank plc 54 Marsh Wall West India Dock London E14 6LJ
Investment managers	Sarasin & Partners Juxon House 100 St Paul's Churchyard London EC4M 8BU

Foreword from Julian Beare, Chair of London Youth

I am pleased to present our Annual Report and Accounts for the year ended 31 August 2016.

In a period of significant change – both at London Youth, and in the wider world – I am pleased to be able to reflect in this report on the high quality of innovation, the range of opportunities, and clear impact of the work done by London Youth's members, from our own programmes and at our residential centres. We remain financially robust.

In management terms this was a transition year: the foundations built by Rosie Ferguson, who left London Youth in March 2016 after four years as Chief Executive, have given us a great platform on which to move forward. Rosemary Watt-Wyness, her successor, has stepped into her shoes with aplomb, and brings total commitment to help young people aspire and achieve. She has made a great start with London Youth.

As described in the Outcomes Summary and KPIs section of this report, during the last year we have once again supported nearly 25,000 children and young people through our programmes in London and at our two outdoor education centres. We want to support even more young people next year and to provide even better support for our member youth organisations.

2017 sees twin anniversaries for London Youth. It is 130 years since we were formed as a network of organisations seeking to help young Londoners have a better start in life. Even more notable are the 70 years that HRH the Duke of Edinburgh has been our passionate and committed Patron. We hope you will join with us in celebrating both these milestones during the year.

As charities, London Youth and our growing network of members are rightly subject to high expectations from the wider public that support us. Much of our work is concerned with helping youth organisations throughout London to operate effectively and sustainably, and we welcome anything which helps us increase our professionalism, while seeking to ensure that the core work with young people remains the main focus, and funding and cost structures are aimed at supporting this.

It only remains for me to thank our members without who play such a vital role supporting young people in communities, and building cohesion and social integration; and of course the wide range of supporters who fund and help us, many for year after year. We need to keep earning your trust and your backing but are so grateful for the way that you work with us, help us shape our programmes and genuinely believe in the importance of great community based youth work.

And I extend my personal gratitude to my Deputy Chair, the Chairs of our Board sub-committees, my fellow Trustees, London Youth's dedicated staff team and, in particular to those young people drawn from London Youth's member organisations, who do so much to keep us focused on the fact that they are our ultimate beneficiaries. I am very privileged to work with such a talented group, and am very confident that London Youth will continue to go from strength to strength in the anniversary year ahead.

Julian Beare
Chair of the Trustees

A message from London Youth's Chief Executive

I am writing this midway into my first year as chief executive of London Youth, a job which I enjoy hugely and feel privileged to hold. During my first few months I've done my best to listen to as many of our members, supporters and partners as I can to help me build a clear plan for our future. Listening to London Youth members, young people and Dare Londoners talking about what they value about our organisation - and where they think we could do even better for them - has been a very important marker of both the strength of our network, and the responsibility we have to support and promote great youth work and its impact on young people and their communities.

This report reflects some of the progress we have made over the past year. Our sports programme now works with around 4,000 young people in 100 communities, offering them the chance to learn new sports when they might otherwise miss out. Excitingly, we're now working with clubs to offer high quality dance, and want to broaden that out into a wider arts offer in the near future. At our centres almost 20,000 children and young people, from youth organisations, schools and programmes like the National Citizen Service, had a high quality, tailored residential experience that can transform the way they view the world and relate to their peers. We've re-established a strong suite of youth action programmes to help our members support young people to do community work and meet new challenges around online exploitation, extremism and violence. And our members themselves continue to provide great opportunities and support in safe spaces all over London, every day of the year, despite the huge and ongoing challenges of funding, and the complexity of London life for teenagers and other young people. This year we've awarded our Quality Mark to a record number of clubs, and it's something youth workers and young people take pride in, so we want even more clubs to achieve the standard.

In the evening, at the weekend and in the holidays, when school or college closes, youth organisations are open, offering opportunities for young people to do something positive: they can choose dance master classes in Barking; fencing in Hendon; table tennis in Mile End; make music in Shoreditch, theatre in Haringey or any number of other activities in other places. As well as being great for children, this is a vital support service for parents.

The frustration is that funds are limited and so many children still miss out. It is estimated over half a million children live in poverty in the capital. We need in particular to be there for these young people, but for all children and teenagers we want to offer something – and believe we can. We were delighted that the new Mayor of London Sadiq Khan endorsed our Vision for Young Londoners before his election, and are looking forward to ensuring that youth work is given a higher priority as he implements his plans for London.

Next year we want to do even more to support our members, and bring resources into our network. This is not just about money, but expertise, partnerships and ideas. We want to grow our membership – we know that need in London is changing, and have grown our learning and impact capability to better understand the impact of youth work, and where it is needed. Not enough provision exists in some parts of London where many more young people now live – we want to work in partnership with others, including the new structures which are emerging at borough level, to ensure that wherever young Londoners are, there are great things for them to do. Our evidence and learning continues to show that good youth work does help young people build their essential life skills – confidence, resilience and networks. There is so much that we have achieved this year, but there is more that we can do even better – and more that young people want from us. Together we can rise to the challenge - there are exciting times ahead, and lots for us to do.

Rosemary Watt-Wyness
Chief Executive

Vision, Mission and Strategy

Our vision is that all young Londoners grow up healthy, able to navigate a fulfilling career and make a positive contribution in their communities.

Our mission is to support and challenge young people to become the best they can be.

We support them to develop the confidence, resilience and relationship skills they need to do this, delivering with and through our network of community youth organisations and at our two residential centres.

We work with all young people but place a particular emphasis on those who wouldn't otherwise have access to the kind of opportunities we offer.

Because good youth work works.

We deliver our mission through four strategic objectives:

1. Developing, training, connecting and quality assuring our membership network to deliver good youth work (Membership Development)
2. Creating a broad and inclusive range of quality opportunities for young people in social action, sports development, employability and outdoor education (Opportunity)
3. Ensuring our expertise and the on-the-ground voices of youth workers and young people are reflected in public policy, practice and opinion (Voice)
4. Being the best we can be ourselves; fundraising effectively, financially robust and a great place to work (Best we can be)

And we strive to act in line with our four simple principles:

1. Honesty – about what works (and what doesn't). We learn from our mistakes
2. Collaboration – with each other, young people, our members, and the world beyond
3. Improvement – committed to continual improvement
4. Fun – because we think we achieve and learn the most when we enjoy ourselves

Our strategic priorities for 16-19 are to:

- Drive up the number of members and of Quality Mark members
- Establish at least one major new programme, working with our members to understand their need

Strategic Report

Structure, Governance and Management

Governing document and constitution

The Federation of London Youth Clubs, operating under the name London Youth, is constituted as a company limited by guarantee and registered as a charity with the Charity Commission. London Youth's governing documents are its Memorandum and Articles of Association.

Appointment, induction and training of Trustees and Honorary Officers

The Board of Trustees (who are all also company directors) comprised 13 at 31 August 2016. There were three sub-committees of the Board of Trustees responsible for Finance, Assurance and Nominations.

Trustees are elected by Members at the Annual General Meeting following nomination either by the Board of Trustees or by five or more Members, and retire in accordance with the charity's Articles of Association. Honorary Officers comprising the Chair, Deputy Chair and Treasurer are elected annually.

Trustees are provided with a Trustee Handbook and have an induction on first joining London Youth's Board, including meetings with senior staff and training as needed thereafter. The Trustee Board has an annual Away Day with senior staff to consider its strategic plans and improve governance, and Trustees are also invited to attend the Leadership Team Day at the beginning of the annual planning process.

We put together expert advisory boards for specific projects as required; including, during the year, Talent Match London.

Management structure and decision-making

Executive management is delegated to the Chief Executive and Senior Team; the Chief Executive (who is also the Company Secretary) chairs the Senior Team. Senior Staff meet formally on a monthly basis, and frequently between meetings at an operational level. A Leadership Team comprising middle managers meets monthly, and plays an active part in the annual planning and budgeting cycle.

Trustees receive monthly updates on the organisation's activities and delivery. They meet quarterly at formal Board and sub-committee meetings at which they review management accounts with forecast out-turn, the risk register and progress against planned deliverables. Trustees and staff interact regularly and, specifically: the Chief Executive meets regularly with the Chair; the Director of Finance and Resources with the Honorary Treasurer; and the Head of Safety and Safeguarding with the Chair of the Assurance Committee.

Involving young people in decision-making

London Youth is committed to giving young Londoners the chance to develop their leadership potential, and Dare London, our Youth Advisory Board, made up of young people aged 16-24 from our member clubs, ensures what we do is relevant and responsive to the needs of young people. During the year we reviewed youth involvement in London Youth and developed our Youth Involvement Charter which includes but is not limited to Dare London. Our plans for next year include enhancing youth involvement in accordance with the charter.

Principal risks and uncertainties

London Youth maintains a risk register to identify the principal risks we are exposed to and confirm that systems are in place to manage those risks. The Senior Team, Finance

Committee and Board review the risk register on a quarterly basis, monitoring risks and, where possible, taking steps to mitigate them by ensuring management implements controls and obtains insurance where appropriate. Under London Youth's new Chief Executive, the risk register and risk management processes were reviewed towards the end of the year. This review included: improving the articulation of risks, particularly as they affect London Youth; a change to the scoring mechanism, including providing guidance on scoring; and a separation of the risks according to the strategic aim under the relevant director, so that relevant members of Leadership Team can be included in the formal review and management of key risks for the first time. The key risks facing the organisation are:

- Risk that a child or young person is seriously injured or killed whilst taking part in our activities at one of our outdoor education centres. In over 40 years of running successful outdoor and residential experiences for many thousands of young people, we have not had an incident of this magnitude, so we do think that this risk - while hugely significant - is nevertheless one we are well equipped to avoid. Our confidence in this comes from our culture of health and safety promoted by the Heads of our Centres and Head of Safety & Safeguarding, supported by local managers. Our adventure activities were professionally built and are regularly inspected, and the trees in which activities are placed are regularly inspected by professional arboroculturists. We ensure proper training and qualification for instructors, including supervision of new employees until their competence can be validated. All activities are risk assessed, and appropriate control measures put in place. Staff carry out checks on personal safety equipment and on activity equipment before activities take place. Our swimming pools are only ever operated with two lifeguards on duty (or holders of an equivalent qualification) at all times. Where London Youth delivers swimming tuition a lifeguard is present in addition to swimming teachers who are qualified with a suitable award from the STA or ASA (or recognised equivalent). Minibuses are driven by staff who hold relevant qualifications and training, and the buses are inspected regularly to ensure they are roadworthy. We are confident in our health and safety procedures including reporting of accidents, incidents and near misses with follow-up investigation and review at senior level.
- Risk in relation to safeguarding – London Youth's staff and volunteers are vetted at recruitment stage, including DBS checks to the level appropriate for their roles, and all staff attend safeguarding training within three months of joining the organisation and then every three years. Four staff members have undergone additional training, three of whom, are Designated People who deal with any disclosures made or incidents reported. In most cases the children and young people we work with are accompanied by a teacher or youth worker. Whilst we are not complacent, we believe that our policy, procedures and training combine to mitigate our risk.
- Risk that we don't successfully recruit members into our network, because the economic circumstances are such that they can't keep operating, or can't make use of what we offer. A reduction in the size of our membership could threaten our existence as a membership organisation, and our voice as youth work experts would not be as effective if we represented fewer members. Over recent years, we have successfully engaged and recruited new organisations into our network and our rates of renewal of membership payments are significantly increased from four years ago, giving us confidence that we can grow our membership. In this context London Youth has a growth strategy for membership to ensure we support more youth organisations to be sustainable and deliver quality services, and we are actively seeking new members at the same time as existing ones may close. We are working with funders to support members, promote the Quality Mark, which we believe puts clubs in a stronger position to access available

funding, and we provide networks and training for members to support them in their relevance and sustainability.

- Risk that we do not successfully diversify our income streams, nor raise enough unrestricted funding in what continues to be a difficult and uncertain economic environment. The impact would be that we could not innovate, grow or support our own infrastructure effectively. However, we have developed strong multi-year funding relationships with trusts and foundations and with institutional funders, and have grown this core support year on year. We are developing our fundraising through events, and with corporates and high net worth individuals, which should, in time, yield more income.
- Financial risk – London Youth is committed to honouring pensions' liabilities under its arrangements with the TPT Retirement Solutions (formerly the Pensions Trust), and is making additional payments, which are subject to review triennially, as part of a deficit reduction plan. London Youth has a strong balance sheet and robust plans to enable it to meet its pension commitments in the long-term. See Note 21.

Charitable objectives

Our vision, mission and strategy fit clearly within our charitable objectives, to assist the personal and social development of young people through a number of practical means including: assisting and delivering high quality youth work; relieving poverty by assisting young people in need; giving young people access to a range of learning opportunities; and providing a range of recreational, sporting, artistic and cultural opportunities.

Public Benefit Statement

The Trustees confirm that they have referred to the Charity Commission's guidance on public benefit when considering the charitable objectives and activities of the charity. Our Vision and Mission are shown on Page 8 and our report of activities in the year starts on Page 12.

Grant making policy

The Charity's policy is to make grants to organisations working with young people in London with similar objects to that of the Charity.

Fundraising

London Youth has a small fundraising team focused on securing income to enable us to deliver our programmes for young people and to support our member youth clubs. We receive funds from a range trusts and foundations, livery companies, corporate organisations, and a small number of individuals. We also receive valuable support from challenge event fundraisers who give their time and energy to help us raise unrestricted income. We do not use third party fundraising organisations, nor do we carry out telephone or direct mail fundraising. We adhere to the Code of Fundraising Practice and will be registering with the new Fundraising Regulator as soon as the new process opens.

Key management personnel remuneration

Remuneration of key management personnel is set by the Trustees in line with affordability and the charitable sector to ensure remuneration is fair and not out of line with that generally paid for similar roles. See Note 9.

Key management personnel are the Senior Team listed on Page 4.

Reserves policy

Total funds at 31 August 2016 amounted to £10,059,737 (2015 - £10,084,414). See Financial Review.

Outcomes Summary and KPIs

During the year we have been further developing the Key Performance Indicators (KPIs) we monitor. Whilst the KPIs will be further developed through 16-17, including setting targets for them, they are expected to remain broadly in line with previous years:

Development

- **Number of members:** historically we kept non-paying and disengaged members on our database and counted them as members. Over the course of the last year we contacted all of the organisations on our database and at 31.8.16 we had **267** real paid members. We have increased our membership despite showing 384 organisations on the database last year.
- **Number of members with the Quality Mark:** at 31.8.16 this was **93** (last year: 86), and we are aiming to increase this; the target was for 100.
- For the first year we measured member satisfaction with our services and achieved a satisfaction rate of **83.4%**

Opportunity

- **Number of young people engaged in our programmes:** in 2015-16 this was 5,614 (last year: 5,577)
- **Number of children and young people visiting our outdoor education centres:** in 2015-16 this was 20,117 (last year: 19,463)
- Our **Net Satisfaction Score (NSS)** across our programmes and centres was 58.7% (last year: 52%), from a sample of 4,778 children (under 12) (last year: 3,863) and 753 young people (last year: 732). This is a weighted NSS based on sample size and, due to changes in methodology, it cannot be directly compared with last year's figure

To ensure a high level of scrutiny on the feedback we receive, we calculate a Net Satisfaction Score (NSS) for our process questionnaires. This helps to highlight areas for improvement that might be less obvious when using mean scores. A NSS of above 0% is satisfactory, 20%+ is 'Good', 40%+ is considered 'Great', and 60% considered 'Excellent'. We have set an internal target of achieving over 40% on all programmes and at the centres.

Voice

- As a membership organisation, one of our key measures is how well our members think that we represent the voice of youth work in London. We measured this for the first time this year, achieving a score of 82.6%, which we seek to improve in future years.

Best We Can Be

- Staff Satisfaction in the Staff Survey: **95%** of employees were proud of the work London Youth delivers (2015: 98%). We seek to maintain this at 95% or above and, despite the small fall this year, we are comfortable that this remains a very impressive result.
- Our Finance KPI is to make a surplus on the General Fund (which excludes depreciation) in the region of £50,000; this year the budget was £48,000 surplus but the out-turn was £93,000 deficit. The difference between budget and actual primarily resulted from: careful cost control offset by movement in the net present value of pensions deficit reduction payments meaning an increase in the provision of £81,000; and significant expenditure on the property portfolio of £135,000 which was not in budget, principally related to squatters and subsequent remedial work and security at one property.

Development: developing, training, connecting and quality assuring our membership network to deliver good youth work

London Youth's members are a diverse range of organisations, including traditional youth clubs, community centres, arts and sports clubs, and projects for refugees and disabled young people. Our members operate in every London Borough, and in many different communities there are organisations within our network delivering services and programmes for young people beyond school and outside of the family.

Our offer to members is to:

- Develop the capacity of clubs to deliver the highest quality youth work, whatever the type of provision they offer
- Support them to become financially sustainable and robust in the way that they manage themselves; and
- Enable them to become embedded in their community, and part of the local range of services for young people

The Quality Mark remains the primary tool by which we support clubs, providing a badge of excellence that they can show to local authorities, funders and young people. Our Quality Mark is accredited by City & Guilds and young people are part of the team assessing the awards. We supported 33 unique members to achieve one or more levels of the Quality Mark this year, completing a total of 46 successful assessment at bronze, silver or gold (last year: 40). Through our partnership with City Bridge Trust, we have been able to award £85,000 to members achieving the silver or gold levels (last year: £113,000).

This year we developed a streamlined version of the bronze level Quality Mark renewal process which has been approved by our partners City & Guilds and Ambition, and was delivered to five organisations during a pilot phase. This is one of a series of changes we're working towards following the evaluation of the Quality Mark last year. The challenge around renewal for members whose Quality Mark has expired has been that the process to renew was the same as that to achieve the Quality Mark, and many members felt that there was limited value in repeating it.

We delivered 39 networking and workshop sessions over the year (last year: 25), with a total attendance of 250 youth workers and managers (last year: 240). These continuous professional development courses for managers and senior youth workers included: leadership and management; tackling youth violence; inclusion; girls' engagement; and evaluation and impact.

In addition, we continued to run a small amount of accredited training courses for youth work, although these are limited by both funding and time available to youth workers in our network. This year we ran Level 2 Youth Leadership and Levels 2 and 3 Youth Work, with a total of 25 youth workers completing a qualification (last year: 22).

We plan to run these sessions and qualifications next year with similar levels of participation.

Opportunity: creating a broad and inclusive range of quality opportunities for young people in social action, sports development, employability and outdoor education

This year we supported 24,614 young people (last year: 24,538) to become the best they can be through sports, social action and employability programmes, and through opportunities to engage in outdoor education.

Sports Development

Our sports development programme, *Getting Ready*, has an overall goal of ensuring all young Londoners grow up with a life-long love of sport. This year, working in partnership with youth workers and local sports providers, we took the programme to 103 youth clubs across London (last year: nearly 100). 2,250 young people completed weekly sports programmes (target 2,245) and 2,467 young people took part in our Jack Petchey Foundation sports events (target 2,100; last year: 1,750). Opportunities to progress are key, and 236 young people completed coaching and leadership (target 180), with many using their new skills to support delivery in their clubs. We were also pleased to grow the numbers of young women participating from 17% to 26%, (target: 30%); however, the number of young people with a disability taking part remained at 10%.

We measure the change in personal development of young people taking part in *Getting Ready* using the Life Effectiveness Questionnaire (LEQ). Our learning data for this year showed a statistically significant improvement in a number of aspects social and emotional development, although effect sizes were small ranging from 0.18 to 0.2. Changes in the overall LEQ score was non-significant – a key difference from last year's data and one that we are seeking to understand further.

Youth Social Action

At the heart of London Youth's support for young people is youth social action, through which young people are supported and empowered to take ownership of their lives and communities.

Athan 31

Athan 31 supports young people to lead and learn from projects of increasing complexity that engage their peers, their club and their community. Often the young people we work with are those who would not readily volunteer but, through engagement in our programmes, they gain confidence, leadership and life skills. This year the programme ran on a smaller scale due to reduced funding, but 95 young people (target 80) from 11 member youth clubs (target 10) took part, with seven clubs involved in City Pitch, which gives young Londoners the opportunity to present their community project proposal to their peers and a panel of experts at City Hall, pitching for up to £1,000. We used the Life Effectiveness Questionnaire to measure the impact of Athan 31, and our learning data was encouraging, with a statically significant improvement in overall LEQ score from the beginning of the programme to the end, and an effect size of 0.55.

City Leaders

In the summer of 2016 we began preparing to launch our new City Leaders programme, which will run for a year from September 2016, and hopefully beyond, subject to funding. Continuing the work started through Athan 31, City Leaders will engage 300 young people from 30 member youth clubs across London in social action projects to benefit their clubs and communities, while boosting their own skills and personal qualities. 24 participants

will take part in an intensive leadership programme during the summer of 2017 involving residential training weekends, regular mentoring and skills-focused masterclasses, from which they will gain a youth leadership accreditation.

Employability

Talent Match London

We are now in the third year of Talent Match London, a partnership of organisations led by London Youth which is testing innovative youth-led solutions to unemployment and sharing learning for social impact. It is a five year £10m programme working in specific London Boroughs where the need is greatest, as well as at a strategic pan-London level. This means it has the scale and investment needed to try to identify solutions to long term and complex challenges.

We have supported 659 young people on the programme over the last year, of whom 41% were not previously accessing any support. As a result of our intervention, 57% of young people completing the programme are now in employment (last year: 68%) and a further 9% have become self-employed (last year: 12%). As we have improved our outreach and find ourselves supporting more young people who have previously not been receiving support we have found that it can take longer to support them into job outcomes.

We have continued our work to influence policy makers to embed our learning in future employment provision. This included the publication of our learning report **Reach Out, Enable, Connect** which was launched at the Institute for Government in February, and which was extremely well-received as a both raising awareness of “hidden” young people and addressing the challenges in supporting them.

Other activity we have done to share our learning has included:

- Holding events with the industry membership body, Employment Related Services Association, for practitioners to learn from our approach
- Led on the youth voice aspects of the Learning and Work Youth Employment Convention
- Contributed to the London Fairness Commission’s recommendations on youth employment - central to influencing the new Mayor
- Taken part in European Social Funding commissioning plans, with some of our members having successfully bid for this funding as a result of their learning from Talent Match London

Build-it

Build-it ran for over three years to the end of August 2016, giving young people in south London the chance to learn construction skills and access employment and training opportunities from the regeneration of their local communities.

Through Build-it young people gained:

- Increased confidence and resilience
- Construction industry certificates and CSCS cards
- Level One construction and personal social development qualifications
- Work experience with building contractors
- Move-on support to access employment or training

Once Build-it’s initial funding came to an end, new funding was put in place to continue on a smaller scale, however this proved not to be sustainable in the longer term. In its final year, Build-it continued to deliver strong outcomes for young people, with 59 young people taking part this year (last year: 334), 53% of whom progressed into work, training or education as a result of our support (last year: 60%).

We are incorporating the learning from the Build-it programme into Talent Match and any future employability programmes we may run; we also hope to share it within the sector.

Outdoor Education

The opportunity to learn and have fun outside of formal settings is essential in helping young people develop the skills and confidence they need for the rest of their lives. Outdoor education plays a major part in our offer to young people through our outdoor education centres at Woodrow High House and Hindleap Warren.

Both centres are used by schools, youth groups and the National Citizenship Service (NCS). Because we want them to be accessible, we provide support for disadvantaged and disabled young people and offer discounts to member clubs with the Quality Mark.

Hindleap Warren

This year 10,421 (last year: 10,040) young people came to Hindleap, and the number of Special Educational Needs young people visiting Hindleap increased to 767 (last year: 756 restated). The number of young people visiting from member clubs also increased, from 979 to 1,168, and we are pleased to have increased the number of visits from member clubs from 49 to 62 against a target of 60.

Activities designed to stretch young people of all ages include archery, orienteering, bushcraft, climbing, high ropes, zip-wires, abseiling, tunnels, an obstacle course and team challenges. We also take groups off-site to do canoeing, mine and cave exploration, rock climbing and bouldering.

The My Hindleap capital appeal continued throughout the year, but will draw to a close at the end of 2016. During the year some of the toilets and showers were upgraded and work started to refurbish the swimming pool. Some of the staff accommodation, which is in poor condition, and some of the activities will be replaced next year.

Woodrow High House and Sports Centre

This year 7,650 (last year: 7,100) children and young people came to Woodrow, of whom 421 children have a disability. Once again around 2,600 children learnt to swim in the Sports Centre. 29 member club visited Woodrow (last year: 22, target 29), bringing 428 young people.

For the first time this year Woodrow delivered the NCS summer programme, incorporating use of more high-adrenalin activities at a local Scouts centre to ensure the activities were challenging enough for the age group. Woodrow is planning to install its own high-ropes activity in time for summer 2017 so that it can deliver the full programme itself.

Focus on Inclusion

Our cross-departmental staff team of Inclusion Champions has now completed its work to ensure young people with disabilities are able to fully engage in all the opportunities London Youth has to offer and can achieve the same outcomes as their peers.

This year we ran diversity training for staff and brought together young people and youth workers from member clubs for our third Forward Thinking inclusion residential to develop their leadership skills and help shape our inclusion work. We made our new website and print materials more accessible, and have started to do the same with our buildings signage.

We believe that work with young people with disabilities is now embedded across our work.

Voice: ensuring our expertise and the on-the-ground voices of youth workers and young people are reflected in public policy, practice and opinion

As a network of youth organisations across London, one of our key roles is to ensure that the knowledge and experience of youth workers from our membership – and the young people we work with – informs policy and funding priorities in the capital.

Making the case for good youth work, demonstrating our learning and highlighting positive outcomes for young people

We have had positive coverage throughout the year on issues including: schools and youth clubs research in the Times Education Supplement; London Riots Five Years On video; blogs prior to the London mayoral elections in the Huffington Post; a Guardian blog on learning from the demise of Kids Company; thought leadership pieces in Third Sector and Children & Young People Now; and multiple letters in The Standard. Young people and youth workers are involved in relevant opportunities.

We have refreshed our brand and launched our new website.

Our second learning report, 'Good Youth Work Works.', was launched in March 2016, and provides further evidence for the value and effectiveness of the work we deliver.

Working with the London Fairness Commission, we led on youth recommendations and organised the associated youth debate to engage young people with the London Mayoral and GLA elections. We used *A Vision for Young Londoners to 2025* to gain support from over 100 cross-sector organisations, as well as recognition from Sadiq Khan about the value of involving young people in his mayoral campaign and vision for London's future. Following our work around the elections, Sian Berry AM is attending one of our Tackling Youth Violence Network meetings.

Dare London

Young people participating in Dare London develop as leaders by leading London Youth, experiencing an individual and collective three year learning journey.

Some of the opportunities taken up by Dare London this year include:

- Governance: members took part in Trustee Board and Committee meetings and our Trustee Away day, and participated in our AGM. They also contributed to the recruitment of staff, including our new Chief Executive, were involved in our budgeting and planning process, took part in our Team Day, and supported Quality Mark by carrying out assessments.
- Communications: they took part in youth debates and hustings in the run-up to the London Mayoral elections and EU referendum, and contributed to the final recommendations of the London Fairness Commission

Best We Can Be: being the best we can be ourselves; fundraising effectively, financially robust and a great place to work

Our people

We value the contribution of our staff and aim to provide interesting and challenging roles that help employees to grow personally and professionally, with career progression where possible. Staff agree personal development objectives in three areas through annual appraisals – technical skills, personal growth and Team London Youth – and are encouraged to participate in activities including work shadowing and volunteering with members and programmes.

Quality Mark Plus

We were pleased to be awarded the Gold level of Quality Mark Plus in October 2015. Quality Mark Plus is the equivalent of the Quality Mark that we support our members to achieve, but is designed for infrastructure organisations like London Youth.

Safety and Safeguarding

Whilst we have continued to review and improve our accident and incident reporting, policies, procedures and training this year, our focus has now expanded to our membership. Our work this year has focussed on establishing what type of support members need, leading to us starting to run workshops for members to help them write policies and risk assessments. We held a members' event with expert speakers about emerging safeguarding issues including FGM, forced marriage and radicalisation. A free programme of training for our members is being developed for next year including risk assessments, general health and safety awareness and fire warden training, and Safeguarding Level 1.

Environment

During the year we developed an Environmental Policy and started to document the work we have done to reduce our impact on the environment. Our biomass boiler at Hindleap became fully operational in September 2015 meaning our primary heating source at that site is now local woodchip rather than imported oil. An environmental group meets twice-yearly to review our environmental management and improvements that can be made, whilst being conscious that we are not an environmental charity.

Information and digital

Our focus this year has been on improving the connectivity at Hindleap and Woodrow as an enabler to better and new ways of working, and to reduce local email outages and synchronisation issues that impact shared working. By the end of August we were operating on our new Private Wide Area Network (PWAN) but the fibre installations were not yet installed because of local complexities: one site is a listed building and the other a Site of Special Scientific Interest, with access over third party land required.

Next year we will be able to consider new digital solutions including a cloud-based bookings system for the outdoor centres, use of video-conferencing to reduce staff travel between sites, and better solutions for back-up, security and disaster recovery. At the same time we have started to develop a digital strategy to better understand how use of digital can support our work with our members and with young people, and to prioritise improvements.

Learning – delivering clear outcomes for young people

This year we continued to assess the impact of our programmes on young people's social and emotional capabilities through the collection of data at baseline and end of

programme, as well as examining the quality of programme delivery through systematic data collection from youth workers and young people engaged in our programmes or attending our residential centres. This has been used at a local level to reflect on and make changes to how we are delivering our work, whilst also building our organisational understanding of what makes good youth work.

We worked with ten members year through our Defining Success Programme (last year: four) supporting them to develop theories of change and robust evaluation plans. Key outcomes achieved included more reflective practice, greater intentionality in programme design and delivery, improved stakeholder buy-in and more meaningful data collection.

Next year we will continue to strengthen our learning culture, with particular focus on ensuring efficient data collection and analysis. We will also develop an evidence-based approach to innovation, using research to inform both our strategy development and to support members to develop and test solutions that address the changing needs of young people.

Future Plans

Our future plans are detailed throughout the previous sections of the report. We intend to use receipts from property sales to improve our reserves position and to invest in growing the membership and its offer to young people.

Financial Review

Financial report for the year

London Youth showed a strong financial performance this year, out-performing its budget through a combination of successful fundraising and careful cost control. However, results were impacted by some unusual expenditure not included in budget, which meant that, whilst budget was to make a surplus of £48,000 on the General Fund, the out-turn was a deficit of £93,000. This additional expenditure was primarily due to: movement in the net present value of pensions deficit reduction payments, as payments are now required over a longer period, requiring an increase in provision of £81,000; and significant expenditure on the property portfolio of £135,000 which was not in budget. This expenditure is shown in Other Expenditure in the Statement of Financial Activities. The property expenditure primarily related to squatters and subsequent remedial work and security at one property which had become vacant following the tenant ceasing trading. During the year London Youth took three properties from its historical portfolio to market and, following the year-end contracts were exchanged on all three properties. The first sale completed on 31 January 2017; the other two sales are scheduled to complete later in 2017.

In the year ended 31 August 2016, the group had unrestricted Net Expenditure of £366,089. Total unrestricted funds at 31 August 2016 for the group were £8,171,674 (2015: £8,326,462), of which £8,003,408 related to designated fixed assets (2015: £8,029,085). Group unrestricted Income was £3,457,626 (2015: £3,572,229) and group Unrestricted Expenditure was £3,823,715 (2015: £3,695,959).

Total group Income was £6,951,689 (2015: £8,109,358) and Total Expenditure was £7,081,512 (2015: £6,856,421). The principal reason for the fall in income was that, last year, a significant grant was received from the Joseph Levy Endowment Trust, which was used for investment in our outdoor education centre premises.

During the year the organisation received Restricted Income of £3,494,063 (2015: £4,537,129) and expended £3,257,797 (2015: £3,194,500). At 31 August 2016 restricted funds of £578,837 (2015: £553,872) were held for Learning, Residential Centres, Clubs,

Membership Development, Youth Action, Sports Development, Build-it, Talent Match and Inclusion.

As a result of the introduction of FRS 102, London Youth is now required to include the net present value of its pensions' deficit reduction contributions (£452,650) on its balance sheet. The comparative balance sheet has been restated to include the net present value of contributions last year (£371,733), resulting in a material reduction in Total Net Assets as shown on the balance sheet. The increase in net present value results from the period over which deficit reduction payments are required being extended to ten years, and is shown in Other Expenditure in the Statement of Financial Activities.

The net movement in funds for the year ended 31 August 2016 was a deficit of £24,677 (2015: £1,250,779 surplus restated).

Investment Performance

London Youth has investments of £1.3m, see Note 12 and has delegated investment management to Sarasin and Partners, its appointed advisor. London Youth's objective is to achieve capital and income growth that over the long term at least maintains the real value of the assets. The Investment Policy is reviewed annually by the Finance Committee of the Board of Trustees. During the year the investment performance was strong, with an overall increase in capital value of £105,000 as markets rose during the final part of the year. The Income target was revised from 4% to 3.5% per annum during the year, with the aim of protecting the long-term value of the portfolio; income received during 15-16 was £49,747, which equates to 3.8%.

Reserves Policy

Trustees seek to retain a prudent level of reserves from unrestricted income. Trustees reviewed and updated their reserves policy during the year.

London Youth holds financial reserves to be applied to future activities in a number of categories:

- Unrestricted: are available to be applied, at the discretion of the Trustees to any of London Youth's charitable purposes
- Restricted: are to be applied to the specific purpose intended by the donor
- Endowment: are restricted funds that are to be retained for the benefit of London Youth as a capital fund. Permanent endowments require the capital to be maintained and only the income and capital growth can be utilised.

London Youth is funded in a number of different ways, including significant grants and donations from a variety of sources that support our London programmes, and sales income from courses at our two residential centres. These diverse income streams mean we are not reliant on a single source of funding, and are unlikely to see all of our income withdrawn at the same time.

Trustees base their reserves policy on the identified needs to:

- Provide sufficient working capital for the following year, particularly to provide against a downturn in revenue generation
- Mitigate the risk of unforeseeable expenditure, with particular regard to ownership of our two residential centres which require ongoing capital investment
- Support innovative programmes where such require a period of development and testing prior to proving their case to external funders
- Invest in organisational development, strengthening our institutional infrastructure to better support front-line delivery and boost long-term stability and sustainability

London Youth therefore believes that its unrestricted reserves should be in the region of six month's expenditure, excluding capital expenditure and payments made to its Talent Match partners, which are simply passed through from the Big Lottery Fund. This means that we would seek to hold unrestricted reserves in the region of in the region of £2,800,000.

At 31 August 2016, unrestricted reserves were £168,266, represented by general funds of £620,916 and a pension deficit of £452,650. Under the provisions of the Charities' SORP FRS 102, discounted future Pensions Trust deficit reduction payments are included on the balance sheet for the first time this year, which has resulted in a substantial reduction in unrestricted reserves. As unrestricted reserves are below the target of £2,800,000, Trustees have committed to increasing reserves using some of the proceeds from property sales. Leaving aside property sales, London Youth has budget to make a small surplus in the region of £50,000 on the General Fund in 16-17. The aim is to achieve break even on Unrestricted funds (including depreciation which is charged to the Fixed Assets Designated Fund) year on year once all property sales are completed and some ongoing costs removed. Due to advance payments for courses at the residential centres, cash at bank is generally significantly in excess of unrestricted reserves.

Should additional reserves be required, Trustees could consider:

- A mortgage or sale and leaseback on London Youth's London office building, valued at £1.5 million in June 2014
- Requesting an additional donation from the Joseph Levy Endowment Trust which currently holds investments in excess of £600,000

Trustees therefore believe unrestricted reserves stand at a satisfactory level in light of the adopted policy, but will aim to increase unrestricted reserves where possible to improve the ratio to annual planned expenditure.

Designated reserves consist of a fixed asset fund of £8,003,408, representing the net book value of fixed assets.

Trustees have also identified the need to ensure the future operation of the residential centres by building up funds for their long-term maintenance and renewal. The eventual aim is therefore to arrive at a position of break-even every year after depreciation, which will enable funds to be designated for this purpose.

Details of restricted funds and the permanent endowment fund can be found in Note 16.

Principal funding sources

We thank all our supporters to whom we are deeply grateful. Every donation makes a difference and is sincerely appreciated.

In the coming year we are actively seeking further support across a range of our programmes in London and at Hindleap and Woodrow.

Sources of funding in 2015-16 were as follows:

Companies and organisations	A New Direction
	Ambition
	Absurd Bird
	Barnett Waddingham LLP
	Big Lottery Fund
	Centre for Youth Impact

	<p>CVC Capital Partners CITB Greater London Authority Hyde Housing London Metal Exchange mindapples Partnership for Young London Principal Hayley Santander Sport England Toolstation UBS Whiteoak</p>
Individuals	<p>Dan Thompson Guy Davison Lucy and David Wernick Richard Reed Roger and Jean Jefcoate</p>
Livery Companies	<p>Guild of Freemen of the City of London The Worshipful Company of Drapers The Worshipful Company of Girdlers The Worshipful Company of Gold & Silver Wyre Drawers The Worshipful Company of Goldsmiths The Worshipful Company of Innholders The Worshipful Company of Launderers The Worshipful Company of Saddlers The Worshipful Company of Tallow Chandlers</p>
Trusts and foundations	<p>Anonymous Trust Berkeley Foundation C A Redfern Charitable Foundation Chalk Cliff Trust City Bridge Trust Esmée Fairbairn Foundation Four Winds Trust Hale Trust The Hedley Foundation The Henry Smith Charity Hillingdon Community Trust Jack Petchey Foundation Jimmy Dixon Charitable Trust John Lyon's Charity Joseph Levy Endowment Trust LHR Airport Communities Trust Mayor's Fund for London Monument Trust Paul Hamlyn Foundation Roland Callingham Foundation The RS Brownless Charitable Trust Shanly Foundation Sir Jeremiah Colman Gift Trust The Sulgrave Foundation</p>

Trust for London
Tudor Foundation
Walcot Foundation
Wembley National Stadium Trust

We are also grateful to Accenture, Argos, Arthur J. Gallagher, BT, CBRE, Cinven, Esmée Fairbairn Foundation, Graeme Duncan, Hadron Consulting, Macfarlanes LLP, McCormick, McDermott Will and Emery, Man Group, NBC Universal, NCVYS, OMG, Serco, Siemens, Taylor Wessing, Team Flo, Trueform, Vodafone, and Wickes for the provision of services and goods to support our work during the year.

Information to auditors

Insofar as each of the Directors of the charity at the date of approval of this report is aware there is no relevant audit information (information needed by the charity's auditor in connection with preparing the audit report) of which the charity's auditor is unaware. Each Director has taken all of the steps that he or she should have taken as a Director in order to make himself or herself aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Statement of Trustees' responsibilities

The Trustees (who are also directors of London Youth for the purposes of company law) are responsible for preparing the Trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Statement of Recommended Practice (Accounting and Reporting by Charities) (the Charities' SORP FRS 102);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards 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 it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and 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.

Each of the Trustees confirms that:

- so far as the Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a Trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

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This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Report of the Trustees, which incorporates the requirements of the Strategic Report and the Directors Report as set out in the Companies Act 2006 (strategic Report and Directors Report) Regulations 2013, was approved by the Board and signed on its behalf by:



Julian Beare
Chair

Approved on: 8/2/2017

Independent auditor's report to the members of The Federation of London Youth Clubs

We have audited the financial statements of The Federation of London Youth Clubs for the year ended 31st August 2016 which comprise the Group statement of financial activities, the Group and charity balance sheet, the cash flow statement; the principal accounting policies and the related notes numbered 1-22. The financial reporting framework that has been applied in their preparation is applicable law and FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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.

Respective responsibilities of Trustees and auditor

The Trustees are also the directors of the charitable company for the purposes of company law. As explained more fully in the Trustees' Responsibilities Statement set out in the Board of Trustees' Report, the Trustees 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 Strategic Report and the Trustees' Annual Report 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 the charitable company's affairs as at 31st August 2016 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 Strategic Report and 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 accounting records; or
- the parent charitable company 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.

ND May

Nicola May, Senior Statutory Auditor
for and on behalf of Crowe Clark Whitehill LLP, Statutory Auditor
St Brides House
10 Salisbury Square
London
EC4Y 3EH

3rd March 2017

Consolidated Statement of financial activities including Income and Expenditure year to 31 August 2016

Group	Notes	Unrestricted funds £	Restricted funds £	Permanent endowment funds £	Total 2016 £	Total 2015 £
Income						
Donations and legacies	2	180,840	189,043	-	369,883	1,471,494
Charitable activities						
. Development		146,935	226,490	-	373,425	323,543
. Opportunity		2,864,510	2,873,309	-	5,737,819	6,158,488
. Voice		2,005	-	-	2,005	20,078
. Best We Can Be		4,815	205,221	-	210,036	62,801
Other trading activities	3	204,011	-	-	204,011	22,655
Investments	4	54,510	-	-	54,510	50,299
Other		-	-	-	-	-
Total income		3,457,626	3,494,063	-	6,951,689	8,109,358
Expenditure on:						
Raising funds	5	196,655	16,116	-	212,771	214,411
Charitable activities	6	3,403,428	3,241,681		6,645,109	6,642,010
Other		223,632	-	-	223,632	-
Total expenditure		3,823,715	3,257,797	-	7,081,512	6,856,421
Net gains / (losses) on investments		-	-	105,146	105,146	(2,158)
Net (expenditure) / income		(366,089)	236,266	105,146	(24,677)	1,250,779
Transfers between funds		211,301	(211,301)	-	-	-
Net movement in funds		(154,788)	24,965	105,146	(24,677)	1,250,779
Reconciliation of funds						
Total funds brought forward restated		8,326,462	553,872	1,204,080	10,084,414	8,833,635
Total funds carried forward		8,171,674	578,837	1,309,226	10,059,737	10,084,414

See Pages 13 to 19 for an explanation of Development, Opportunity, Voice and Best We Can Be respectively.

Total income and gains for the charity was £7,049,165 and total expenditure was £7,075,642, giving a net result of £26,477.

Company and Group Balance sheet as at 31 August 2016
Company Number 0258577

	Notes	Group 2016 £	Company 2016 £	Group 2015 £	Company 2015 £
Fixed assets					
Tangible fixed assets	11	8,003,408	8,003,408	8,029,085	8,029,085
Investments	12	1,321,804	1,321,806	1,216,660	1,216,660
		<u>9,325,212</u>	<u>9,325,214</u>	<u>9,245,745</u>	<u>9,245,745</u>
Current assets					
Debtors	13	582,103	611,421	626,613	626,613
Cash at bank and in hand		1,718,820	1,651,468	1,565,499	1,565,499
		<u>2,300,923</u>	<u>2,262,889</u>	<u>2,192,112</u>	<u>2,192,112</u>
Creditors: amounts falling due within one year	14	(1,164,844)	(1,126,812)	(1,031,206)	(1,031,206)
Net current assets		<u>1,136,079</u>	<u>1,136,077</u>	<u>1,160,906</u>	<u>1,160,906</u>
Creditors: amounts falling due in more than one year	15	(401,554)	(401,554)	(322,237)	(322,237)
Total net assets		<u>10,059,737</u>	<u>10,059,737</u>	<u>10,084,414</u>	<u>10,084,414</u>
Represented by:					
Funds and reserves					
Permanent endowment funds	16	1,309,226	1,309,226	1,204,080	1,204,080
Restricted funds	16	578,837	578,837	553,872	553,872
Unrestricted funds					
. General funds		620,916	620,916	669,110	669,110
. Designated funds	16	8,003,408	8,003,408	8,029,085	8,029,085
. Net present value of deficit recovery contributions	15	(452,650)	(452,650)	(371,733)	(371,733)
		<u>10,059,737</u>	<u>10,059,737</u>	<u>10,084,414</u>	<u>10,084,414</u>

Approved by the Trustees
and signed on their behalf by:

Julian Beare
Chair



Keith Ward
Honorary Treasurer

Approved on: 8/2/2017

Notes 1 to 22 form part of these accounts.

Group Cash flow statement for the year ended 31 August 2016

Statement of cash flows	2016 £	2015 £
Cash inflow from operating activities:		
Net cash provided by operating activities	350,881	1,480,921
Cash flows from investing activities:		
Dividends, interest and rents from investments	49,747	50,299
Purchase of property, plant and equipment	(247,307)	(1,148,687)
Net cash (used in) investing activities	(197,560)	(1,098,388)
Change in cash and cash equivalents in the reporting year	153,321	382,533
Cash and cash equivalents at the beginning of the reporting year	1,565,499	1,182,966
Cash and cash equivalents at the end of the reporting year	1,718,820	1,565,499

Cash and cash equivalents

	2015 £	£	2016 £
Cash at bank and in hand	1,554,070	151,238	1,705,308
Cash held as investments	11,429	2,083	13,512
Total cash and cash equivalents	1,565,499	153,321	1,718,820

Reconciliation of net (expenditure) / to net cash flow from operating activities

	2016 £	2015 £
Net (expenditure)/ income for the reporting period as per the statement of financial activities	(24,677)	1,250,779
Depreciation charges	272,984	213,211
(Gains) / losses on investments	(105,146)	2,158
Dividends, interest and rents from investments	(49,747)	(50,299)
Decrease / (Increase) in debtors	44,512	(165,107)
Increase in creditors	212,955	230,179
Net cash provided by operating activities	350,881	1,480,921

Charity information

The charity is an incorporated charity (company number: 00258577 and registered charity number: 303324) domiciled in the UK. The address of the charity is 47-49 Pitfield Street, London, N1 6DA.

Basis of preparation

The accounts (financial statements) have been prepared in accordance with the Charities SORP (FRS 102) applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland and the Charities Act 2011 and UK generally Accepted Practice as it applies from 1 January 2015.

London Youth meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required. The impact of transitioning is material to the financial statements and a restatement of comparatives has been provided reconciliation is presented at Note 18. The transition date was 1 September 2015.

Preparation of the accounts on a going concern

The financial statements have been prepared on a going concern basis. Having considered the charity's reserves position, future plans and forecasts and operating costs for the next 12 to 18 months, the Trustees consider that on this basis the charity is a going concern.

Income

Income is credited to the statement of financial activities on an accruals basis. Grant income is accounted for when there is entitlement to the income. Services are provided at the two outdoor education centres, Hindleap Warren and Woodrow High House, with deposits and course income invoiced in advance and deferred to the month when the course takes place.

Income is deferred when it relates to activity in the next accounting year, primarily at the residential centres.

The charity received some gifts in kind during the year and the prior year including legal services, provision of meeting rooms, provision of building materials and volunteer time; these gifts are not considered material and have not been recognised in the financial statements.

Incoming resources generated from endowment funds are unrestricted.

Where tax is recoverable by the charity in respect of income receivable, it is recognised as part of that income at the time it is receivable.

Expenditure

The costs of generating funds include the salaries, direct costs and overheads associated with generating income from fundraising and membership events.

Costs of charitable activities comprise direct expenses incurred on the defined charitable purposes of the charity and include direct staff costs attributable to the activity.

Governance costs include expenditure on administration of the charity and compliance with constitutional and statutory requirements.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management. Support costs are apportioned between charitable activity headings pro-rata with the proportion of full time equivalent staff. No support costs are apportioned to costs of generating funds or governance as the amounts would be immaterial.

Investments

Investments are included on the balance sheet at their market value at the end of the financial period. Realised and unrealised gains and losses are credited, or debited, to the statement of financial activities in the year in which they arise.

Tangible fixed assets

- Land

Land is shown in the balance sheet at cost. Land has not been depreciated.

- Freehold properties
Freehold properties are depreciated over their useful economic life, expected to be 50 years, based on cost.
- Improvements
2-20% depreciation per annum has been provided against leasehold improvements, according to the nature of the improvement and the useful economic life.

If no cost is recorded, or if property is not used by the charity for its own activities and is subject to onerous restrictions or held on trust it is considered to have no economic value to the charity, and such properties are held at a valuation of £nil.

Land and buildings had previously been grouped together, but were split during the year, at which time depreciation rates were also reviewed and the depreciation on freehold properties amended within this policy.

Where improvements have been made to properties subject to onerous restrictions, the improvements have been capitalised and are depreciated over the expected time period for which the charity will benefit from the use of those properties.

- Motor vehicles, furniture, fittings, fixtures and equipment
Depreciation at 10% to 20% per annum on cost to write down the motor vehicles and furniture and equipment to net realisable value over each asset's estimated useful life to the charity.
- Computer equipment
Depreciation at 33.3% per annum on cost to write down the computer equipment to net realisable value over each asset's estimated useful life to the charity.

It is the charity's policy to capitalise assets of £1,000 and over in value.

Fund accounting

The general funds comprise those monies which may be used towards meeting the charitable objectives of the charity at the discretion of the Trustees.

The designated funds are monies set aside out of general funds and designated for specific purposes by the Trustees.

The restricted funds are monies raised for, and their use restricted to, a specific purpose, or are donations subject to donor imposed conditions.

The permanent endowment funds comprise monies which must be held as capital indefinitely; income arising from invested funds is unrestricted and is credited to the general fund in the Statement of Financial Activities.

Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight line basis over the lease term.

Pension costs

The charity is a member of the TPT Retirement Solutions Growth Plan. Growth Plans 1 and 2 are defined benefit schemes, Growth Plan 3 is a money purchase pension scheme which also has some historical guarantees, and Growth Plan 4 is a defined contribution scheme. London Youth does not have any active members of Growth Plans 1, 2 or 3, but has three active members of Growth Plan 4. The Growth Plan is multi-employer pension scheme for which it is not possible to identify separately the assets and liabilities of participating employers. Further disclosures in relation to the Growth Plans are given in Note 21. The charity also makes payments into a money purchase pension scheme operated by The People's Pension.

Group accounts

London Youth's subsidiary, London Youth Trading Company Limited, commenced trading in August 2015, and its accounts are consolidated into these accounts for the year ended 31 August 2016. Its results were not consolidated in the prior year as they were not material.

Grants administered on behalf of clubs

Grants and donations received by the charity acting as an agent for individual clubs are not recorded as incoming or outgoing resources on the statement of financial activities.

Grant-making

The Charity is the lead partner on Talent Match London, supported by the Big Lottery Fund, and is responsible for making grants to its partners on the project. The grants are generally paid out as soon as practically possible after receipt of funds from the Big Lottery Fund based on budgeted expenditure pre-agreed with the funder; the partners then make payments to their sub-partners in the partnership. London Youth does not pay grants in relation to Talent Match partners other than in line with the pre-agreed budgets.

The charity also makes a limited number of grants to other charities with charitable objects similar to its own (or similar non-profit organisations), primarily its member youth clubs and The Joseph Levy Endowment Trust.

Financial Instruments

London Youth has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest method. Financial assets held at amortised cost comprise cash at bank and in hand. Financial liabilities held at amortised cost comprise trade creditors.

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Investments, including bonds held as part of an investment portfolio, are held at fair value at the Balance Sheet date, with gains and losses being recognised with income and expenditure.

At the balance sheet date the group held financial assets at amortised cost of £2,265,361 (2015: £2,158,719). The group held financial liabilities at amortised cost of £920,367 (2015: £772,291). The group held financial assets at fair value through income or expenditure of £1,321,804 (2015: £1,216,660).

Key judgments and uncertainties

In the application of the charity's accounting policies, Trustees are required to make judgements, estimates, assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The key estimate used in these accounts is the discount rate applied to the pensions deficit recovery contributions; a discount rate of 3% has been used, which Trustees consider reasonable.

1 Prior Year Statement of financial activities including Income and Expenditure year to 31 August 2015 – Restated

Year Ended 31 August 2015	Notes	Unrestricted funds £	Restricted funds £	Permanent endowment funds £	Total 2015 £
Income					
Donations and legacies	2	255,340	1,216,154		1,471,494
Charitable activities					
. Development		161,985	161,558	-	323,543
. Opportunity		3,070,200	3,088,288	-	6,158,488
. Voice		-	20,078	-	20,078
. Best We Can Be		11,750	51,051	-	62,801
Other trading activities	3	22,655	-	-	22,655
Investments		50,299	-	-	50,299
Total income		3,572,229	4,537,129	-	8,109,358
Expenditure on:					
Raising funds	5	201,146	13,265	-	214,411
Charitable activities					
. Development		78,934	118,642	-	197,576
. Opportunity	6	3,137,760	2,992,376	-	6,130,136
. Voice		91,214	22,880	-	114,094
. Best We Can Be		152,867	47,337	-	200,204
Total expenditure		3,661,921	3,194,500	-	6,856,421
Net gains / (losses) on investments				(2,158)	(2,158)
Net income		(89,692)	1,342,629	(2,158)	1,250,779
Transfers between funds		1,122,791	(1,122,791)	-	-
Net movement in funds		1,033,099	219,838	(2,158)	1,250,779
Reconciliation of funds					
Total funds brought forward		7,293,363	334,034	1,206,238	8,833,635
Total funds carried forward		8,326,462	553,872	1,204,080	10,084,414

2 Donations

Group and company	Unrestricted funds £	Restricted funds £	Total 2016 £	2015 £
Woodrow appeal donations	-	8,550	8,550	510,231
Hindleap appeal donations	-	180,493	180,493	672,293
Other	180,840	-	180,840	288,970
	180,840	189,043	369,883	1,471,494

We are grateful to all our donors who support the very wide range of work we undertake.

3 Other trading activities

	Unrestricted funds £	Total 2016 £	2015 £
Rental income - Company	49,165	49,165	22,655
London Youth Trading Company income	154,846	154,846	-
Group Total	204,011	204,011	22,655

London Youth Trading Company Limited's results are consolidated into those of London Youth. It trades primarily at Woodrow Sports Centre, providing some services to adults using the sports facilities.

4 Investment income

Group and company	Unrestricted funds £	Total 2016 £	2015 £
Income from listed investments			
. Unit trusts and common investment funds	49,747	49,747	45,838
Interest receivable			
. Bank interest	4,763	4,763	4,461
	54,510	54,510	50,299

5 Expenditure on raising funds

Group and company	Staff costs £	Other costs £	Total 2016 £	2015 £
Fundraising costs	200,127	12,644	212,771	214,411
	200,127	12,644	212,771	214,411

6 Expenditure on Charitable activities

Group and company	Direct costs £	Support costs (note 7) £	Total 2016 £	2015 £
Development	212,841	71,786	284,627	197,576
Opportunity	5,459,552	493,290	5,952,842	6,130,136
Voice	114,925	3,684	118,609	114,094
Best We Can Be	257,527	31,504	289,031	200,204
	6,044,845	600,264	6,645,109	6,642,010

Included in Opportunity are grants made to Talent Match London partners in the following amounts:

	2016 £	2015 £
Hackney CVS	315,868	312,232
Collage Arts	337,690	327,365
Mencap	83,835	-
Royal Association for Deaf People	29,799	-
Royal London Society for the Blind	34,287	-
City and Hackney Mind	34,775	-
Barnados	49,897	-
Working With Men	46,425	-
The Princes Trust	-	49,115
Gingerbread	179,777	278,029
Community Links	313,933	316,842
3SC	70,217	275,734
	1,496,503	1,559,317

7 Support costs

	Development £	Opportunity £	Voice £	Best We Can Be £	Total 2016 £	2015 Restated £
Finance	15,948	109,591	818	6,998	133,355	138,065
HR	6,663	45,788	342	2,924	55,717	63,359
IT	12,798	87,945	657	5,617	107,017	69,770
Governance	10,158	69,801	521	4,458	84,938	72,377
London Office	7,604	52,250	390	3,337	63,581	51,604
Management & administration	14,056	96,588	722	6,169	117,535	125,912
Safety & Safeguarding	4,559	31,327	234	2,001	38,121	19,599
	71,786	493,290	3,684	31,504	600,264	540,686

Support costs have been allocated based on full-time equivalent headcount.

8 Governance costs

Group and company	Total 2016 £	2015 Restated £
Auditor's remuneration		
. Current year audit fees	17,700	17,700
. Non audit fees	5,980	-
Trustee Indemnity insurance	5,558	5,558
Salary Costs	45,893	43,622
Other	9,377	10,751
Trustee expenses	430	304
	84,938	72,377

9 Information regarding staff and Trustees

Group and company	Total 2016 £	2015 £
Staff costs during the year were as follows:		
Wages and salaries	2,562,352	2,489,414
Social security costs	226,694	219,579
Pension costs	142,802	151,360
	2,931,848	2,860,353
Temporary and outsourced staff costs	318,787	265,709
	3,250,635	3,126,062
Staff costs per function were as follows:		
Charitable activities		
. Development	148,509	85,904
. Opportunity	2,407,724	2,506,448
. Voice	82,572	77,806
. Best We Can Be	44,407	46,837
Fundraising	200,127	194,889
Support costs	367,296	214,178
	3,250,635	3,126,062

No employees earned between £70,000 and £80,000 per annum including benefits this year (2015: one) as a result of the change in Chief Executive during the year.

The costs presented above include redundancy costs of £4,311 (2015: £26,155).

The average number of employees calculated on a monthly average head count and on a full-time equivalent (FTE) basis was:

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Group and company	2016 Number	2016 FTE	2015 Number	2015 FTE
Direct charitable				
. Development	5	5	4	4
. Opportunity	115	82	120	82
. Voice	2	2	2	2
. Best We Can Be	2	2	2	2
Fundraising	4	3	4	3
Support	6	6	7	6
	134	100	139	99

The total remuneration paid to key management personnel during the year, including pensions costs and accommodation provided to one person who it was necessary lived on site at one of our outdoor education centres, was £318,051. In the prior year it was £293,000, with the difference primarily due to additional FTE headcount.

No Trustees received remuneration in respect of their services as a Trustee during the period (2015: £nil). Two Trustees received reimbursement of £430 for expenses during the period (2015: one Trustee £304). The charity has a Trustee indemnity insurance policy in force for which the charge for the period was £5,558 (2015: £5,558).

10 Taxation

London Youth is a registered charity and therefore is not liable to corporation tax on income and gains derived from its charitable activities, as it falls within the various exemptions available to registered charities. London Youth Trading Company Limited donated its profits to London Youth under Gift Aid after the year end.

11 Tangible fixed assets

Group and company	Land £	Freehold property £	Improvements £	Assets under construction £	Furniture, fittings, fixtures and equipment £	Motor vehicles £	Computers £	Total £
Cost or valuation								
At 1 September 2015	2,374,078	5,539,505	2,317,097	-	589,948	64,047	110,484	10,995,159
Additions	-	-	-	171,444	75,863	-	-	247,307
At 31 August 2016	2,374,078	5,539,505	2,317,097	171,444	665,811	64,047	110,484	11,242,466
Depreciation								
At 1 September 2015	-	1,963,865	704,967	-	151,912	64,047	81,283	2,966,074
Charge for year	-	110,790	81,752	-	60,650	-	19,792	272,984
At 31 August 2016	-	2,074,655	786,719	-	212,562	64,047	101,075	3,239,058
Net book values								
At 31 August 2016	2,374,078	3,464,850	1,530,378	171,444	453,249	-	9,409	8,003,408
At 31 August 2015	2,374,078	3,575,640	1,612,130	-	438,036	-	29,201	8,029,085

Freehold property included above at cost or Trustees' valuation comprises:

Hindleap Warren	Sussex
Dalston Lane	London
Kenbury Street	London
Woodrow High House	Buckinghamshire
Marvels Lane Boys Club	London
Hawkstone Road	London
47-49 Pitfield Street	London

The charity also owns freehold and leasehold properties listed below which are included at a £nil valuation because some of these properties are held on trust, some have restrictive covenants concerning their disposal and one is leased to a club on a short leasehold. These properties have no recorded cost and are not in use by the charity.

Freehold properties at £nil value:

	Reason for non valuation	Insurance value £
Addison Boys Club, London	Held on Trust	277,650
Westminster House Youth Club, London	Held on Trust	450,000

Leasehold properties at £nil value:

	Reason for non valuation	Insurance value £
North Paddington Youth Club, London	Restrictive covenant	1,116,063
Poplar Boys Club, London	Restrictive covenant	753,313

After the year end, The Trustees disposed of the freehold property Dalston Lane and contracts had been exchanged to sell the properties at Kenbury Street and Hawkstone Road.

12 Investments

	Group 2016 £	Company 2016 £	Group 2015 £	Company 2015 £
Shares in subsidiary undertaking at cost	-	2	2	2
Listed investments	1,309,804	1,309,804	1,204,658	1,204,658
Other investments	12,000	12,000	12,000	12,000
	1,321,804	1,321,806	1,216,660	1,216,660

The charity owns the entire issued share capital of London Youth Trading Company Limited, company number 02977936, incorporated in England and Wales. This company started trading in August 2015, and continued to trade throughout the year ended 31 August 2016; its balance sheet is consolidated within these accounts, although it was not consolidated in the comparative year as it was not material. London Youth Trading Company Limited has Shareholder funds of £2.

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	Listed investments £
Market value at 1 September 2015	1,204,296
Unrealised gains /(losses)	105,146
Market value at 31 August 2016	1,309,442
Cash held by investment managers	362
	1,309,804
Listed investments at cost	956,565

Listed investments held at 31 August 2016 comprised the following:

	2016 £	2015 £
Fixed income	255,066	208,644
UK equities	247,951	233,118
Global equities	647,033	586,295
Property	79,651	68,308
Alternative assets	48,237	54,238
Liquid assets	31,504	53,693
	1,309,442	1,204,296

The following holdings comprised a material holding when compared to the value of the total listed investment portfolio at 31 March 2016.

	% of Portfolio	2016 £
Sarasin global equity income (sterling hedged)	25	328,973
Sarasin international equity income fund	17	221,730
Alpha CIF for endowments	40	523,785
Alpha CIF for income and reserves	18	234,811

These funds are invested in a broad range of assets; however each fund is listed in the UK.

Included within listed investments are 58.8 ordinary shares in Royal Bank of Scotland plc, with a market value of £143 (2015: £143) at 31 August 2016 which do not form part of the Sarasin & Partners investment portfolio and are not part of the London Girls Fund (see Note 16).

All investments are held in the UK.

London Youth Trading Company Limited's income during the year was £154,846 (2015: Nil) and its surplus for the year was £Nil (last year: £1,800 deficit). An amount of £107,177 was donated to London Youth under gift aid subsequent to the year end.

13 Debtors

Group and company	Group 2016 £	Company 2016 £	Group 2015 £	Company 2015 £
Trade debtors	239,515	200,859	400,126	400,126
Prepayments and accrued income	338,229	338,229	222,168	222,168
London Youth Trading Company	-	67,974	-	-
Other debtors	4,359	4,359	4,319	4,319
Total debtors	582,103	611,421	626,613	626,613

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Amounts totaling £314,692 (2015: £279,554), which were invoiced prior to the year end but which relate to activity in the next accounting year, primarily at the residential centres, have been netted off Trade Debtors and Fees in Advance (see Note 14).

14 Creditors: amounts falling due within one year

Group and company	Group 2016 £	Company 2016 £	Group 2015 £	Company 2015 £
Fees in advance and deferred income	582,189	550,097	524,920	524,920
Trade creditors	199,850	199,850	211,382	211,382
Other creditors	23,940	23,940	8,518	8,518
PAYE and National Insurance	63,842	63,842	56,230	56,230
Amount owing to London Youth Trading Company Ltd	-	-	2	2
Pensions Payments	13,126	13,126	14,083	14,083
Net present value of deficit reduction recovery contribution	51,096	51,096	49,496	49,496
Accruals	230,801	224,861	166,575	166,575
Total creditors	1,164,844	1,126,812	1,031,206	1,031,206

Analysis of movement in fees in advance and deferred income

	Group	Company
Deferred income at 1.9.15	524,920	524,920
New deferred income in the year	582,189	550,097
Deferred income released	(524,920)	(524,920)
Deferred income at 31.8.16	582,189	554,097

London Youth is committed to making monthly deficit reduction payments to TPP Retirement Solutions until August 2025, and this commitment has been accounted for on the Balance Sheet for the first time this year as both *Creditors: amounts falling due within one year* and *Creditors: amounts falling due in more than one year* under the provisions of FRS 102. As part of the most recent triennial valuation of the scheme, the length of time over which deficit reduction payments are to be paid was extended from March 2023. The payment due at 31.8.16 is therefore higher than that due at 31.8.15. Future payments have been discounted back to net present value on a monthly basis using a discount rate of 3%.

15 Creditors: amounts falling due in more than one year

Group and Company	2016 £	2015 £
Net present value of deficit reduction recovery contribution	401,554	322,237
	401,554	322,237

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16 Funds

Group and Company	1 September 2015 £	Incoming resources £	Expenditure £	Transfers £	Gains and Losses £	31 August 2016 £
Restricted Funds						
Learning						
. Esmée Fairbairn Foundation	16,230	108,020	(16,230)	-	-	108,020
. Other	-	74,201	(42,628)	-	-	31,573
Residential Centres						
. Woodrow Appeal	38,408	-	(15,250)	-	-	23,158
. Woodrow High Ropes	-	8,550	-	-	-	8,550
. Bucks Gardening	2,475	-	-	-	-	2,475
. My Hindleap Appeal	227,174	180,494	(71,251)	(211,301)	-	125,116
. Countryside Stewardship Awards	-	4,400	(4,400)	-	-	-
Clubs						
. New Venture	6,921	-	-	-	-	6,921
Membership Development						
. City Bridge Trust	-	32,083	(32,083)	-	-	-
. Monument Trust	50,000	-	(50,000)	-	-	-
. John Lyon's Charity	3,000	35,000	(38,000)	-	-	-
. Paul Hamlyn Foundation	18,319	27,437	(32,038)	-	-	13,718
. UBS	-	15,700	-	-	-	15,700
. Esmée Fairbairn Foundation	-	16,222	-	-	-	16,222
. Goldsmiths	-	50,000	(9,914)	-	-	40,086
. Other	-	22,257	(22,257)	-	-	-
Youth Action						
. Santander	-	4,320	(4,320)	-	-	-
. City Bridge Trust City Leaders	-	27,000	(27,000)	-	-	-
Sports Development						
. Sport England	-	114,500	(67,219)	-	-	47,281
. Greater London Authority	13,000	49,750	(62,750)	-	-	-
. Wembley National Stadium Trust	10,500	27,150	(28,600)	-	-	9,050
. A New Direction	-	33,673	(33,673)	-	-	-
. Tudor Foundation	-	60,000	(60,000)	-	-	-
. Jack Petchey Foundation	-	50,000	(50,000)	-	-	-
. John Lyons Charity	-	40,000	(40,000)	-	-	-
. Other	-	66,715	(57,715)	-	-	9,000
Build-it						
. Build-it continuation funding	76,409	214,042	(288,399)	-	-	2,052
Talent Match Grant						
. Big Lottery Fund Grant Main	72,067	2,138,170	(2,103,227)	-	-	107,010
. Big Lottery Fund Grant Croydon	-	55,379	(45,686)	-	-	9,693
Inclusion						
. City Bridge Trust	19,369	36,000	(52,157)	-	-	3,212
. Boshier Hilton Foundation	-	3,000	(3,000)	-	-	-
Restricted Funds Total	553,872	3,494,063	(3,257,797)	(211,301)	-	578,837
Fixed assets designated fund	8,029,085	-	-	(25,677)	-	8,003,408
Permanent endowment funds						
London Girls Fund	1,204,080	-	-	-	105,146	1,309,226
Unrestricted Funds	669,110	3,457,626	(3,823,715)	317,895	-	620,916
Net present value pensions deficit payments	(371,733)			(80,917)	-	(452,650)
TOTAL FUNDS	10,084,414	6,951,689	(7,081,512)	-	105,146	10,059,737

Transfers are made to and from the Fixed Assets Designated Fund when assets are capitalised and depreciated respectively.

Restricted funds

Restricted funds are those funds that must be used in accordance with the donors' wishes.

Learning

- Our Learning work is supported by Esmée Fairbairn Foundation, Centre for London and others.

Residential Centres

- Snagging work took place at Woodrow High House following the substantial mechanical and engineering works carried out last year as part of the Wonderful Woodrow Appeal.
- Funds donated by Bucks Association for Gardening with the Disabled are restricted to use in the Woodrow grounds
- The My Hindleap Appeal is raising funds for the next ten years of Hindleap Warren; funds were spent in year on purchasing items of inclusion equipment, upgrading bathrooms, and the project to refurbish the swimming pool was started.
- Countryside Stewardship Awards supports forestry work at Hindleap Warren.

Clubs

- The New Venture Fund has been held for many years on behalf of the dormant New Venture Club, which was a member of London Youth

Membership Development

- Monument Trust supported youth clubs to achieve the bronze level of Quality Mark
- John Lyon's Charity supported youth clubs in the boroughs of Barnet, Harrow, Brent, Camden, Kensington & Chelsea, Hammersmith & Fulham, Westminster and Ealing towards achieving their Quality Mark
- Paul Hamlyn Foundation supported learning networks for youth workers within our member clubs
- City Bridge Trust supports the Quality Mark and our work to support our members to monitor their impact
- UBS supported research with young people to inform our future work
- Esmée Fairbairn Foundation is supporting research among our members
- The Worshipful Company of Goldsmiths is supporting our work with members

Youth Action

- City Bridge Trust are funding the City Leaders programme Santander supported our research work

Sport

- Sport England supported the delivery of our sports development programme, Getting Ready
- Greater London Authority provided funding for Getting Ready West, delivered in 30 youth clubs across West London; they then provided further funding for work to engage girls in sport
- Wembley National Stadium Trust provided funding for a disability-specific sports programme delivered in six youth clubs across London
- A New Direction supported our dance programme
- Jack Petchey Foundation funded our sports tournaments
- Tudor Foundation and others funded our Sports work generally

Build-it

- Funding from various sources including has been treated as restricted. The programme has now come to an end and the remaining balance relates to income from Berkeley Foundation who have agreed that it can be spent on providing work experience opportunities for young people.

Talent Match Grant

- The Big Lottery Fund provided funding for the Talent Match London employability programme, which focusses on young people furthest from the job market. It is about inventing new solutions and learning from and joining up existing ones
- The Big Lottery Fund also provided a development grant for a programme working with youth clubs in Croydon

Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the Trustees for a specific reason:

The *fixed asset fund* represents the net book value of tangible assets including property (see Note 11 above). These assets include Hindleap Warren and Woodrow High House which are fundamental to the day-to-day work of the charity, or are assets which cannot readily be realised. Three of these properties with Net Book Value of £426,230 were taken to market during the year.

Permanent endowment funds

London Youth acts as Trustee for the London Girls Fund. This is a capital restricted fund whereby London Youth is entitled to the income only. The London Union of Youth Clubs was appointed Trustee of the fund by a Charity Commission scheme dated 23 January 1998. Following the amalgamation of the London Union of Youth Clubs and the London Federation of Clubs for Young People on 1 February 1999, London Youth became the Trustee under the scheme. Under the terms of the scheme London Youth must ensure that the London Girls Fund is identifiable at all times, and is segregated from, and not mixed with, any other funds held by the charity.

17 Analysis of net assets between funds

Company	Unrestricted funds		Restricted funds		Permanent endowment funds	Total 2016
	General funds	Designated funds	£	£		
	£	£			£	£
Fund balances at 31 August 2016 are represented by:						
Tangible fixed assets		8,003,408				8,003,408
Investments	12,580				1,309,226	1,321,806
Current assets	1,684,052		578,837			2,262,889
Creditors: amounts falling due within one year	(1,126,812)					(1,126,812)
Creditors: amounts falling due in more than one year	(401,554)					(401,554)
Total net assets	168,266	8,003,408	578,837		1,309,226	10,059,737

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Group	Unrestricted funds		Restricted funds		Permanent endowment funds	Total 2016
	General funds	Designated funds	£	£	£	£
Fund balances at 31 August 2016 are represented by:						
Tangible fixed assets		8,003,408				8,003,408
Investments	12,578				1,309,226	1,321,804
Current assets	1,722,086		578,837			2,300,923
Creditors: amounts falling due within one year	(1,164,844)					(1,164,844)
Creditors: amounts falling due in more than one year	(401,554)					(401,554)
Total net assets	168,266	8,003,408	578,837		1,309,226	10,059,737

18 Transition to FRS 102 Prior Year Adjustment

	At 1.9.14	At 31.8.15
Funds as previously stated	9,239,408	10,456,147
Net present value of pensions deficit recovery payments	(405,773)	(371,733)
Funds as restated	<u>8,833,635</u>	<u>10,084,414</u>

Reconciliation of 2015 deficit

2015 surplus as previously stated	1,216,739
Restatement of pension net finance costs	<u>34,040</u>
2015 surplus as stated	<u>1,250,779</u>

At the date of transition in applying the requirement to recognise liabilities arising from the deficit reduction payments due on the multi-employer pension scheme, a liability was recognised for the net present value of deficit recovery payments. The initial liability was £405,773. No other restatements were required. In accordance with FRS 102 a reconciliation of opening balances is provided.

19 Operating leases

At 31 August 2016 the charity had annual commitments under non-cancellable operating leases on office equipment and motor vehicles as follows:

Group and company	2016 £	Restated 2015 £
Expiring within one year	4,515	-
Expiring within two to five years	46,814	74,311
TOTAL	51,329	74,311

20 Liability of members

The charity is constituted as a company limited by guarantee. In the event of the charity being wound up members are required to contribute an amount not exceeding 25p.

21 Pension commitments

Defined contribution schemes

The charity made contributions to two defined contribution pension schemes during the year, both of which are independently administered. Employer contributions to these schemes amounted to £93,648 (2015: £111,209).

Pensions contributions are paid into The People's Pension, except those for three members of Senior Team and the former Chief Executive, which are paid into TPT Retirement Solutions (formerly The Pensions Trust).

The People's Pension is a master trust scheme provided by BC&E which is a defined contribution scheme designed for auto-enrolment. As at 31 August 2016 there were 81 members of the scheme, with contribution levels made by employees and employers respectively at 1-5% and 1-8%. Existing contribution levels were maintained for staff enrolled in a London Youth pension scheme prior to 30 April 2014; other staff who are eligible and do not opt out are auto-enrolled at statutory rates.

As at 31 August 2016 London Youth had three active members of The Pensions Trust Growth Plan 4, which is a defined contribution scheme. Contributions are made by employees and employers respectively at 3-5% and 6-8% of pensionable salary into Series 4 of the Growth Plan.

Defined benefit scheme

London Youth is responsible for contributing to any deficits on the closed multi-employer Growth Plans; Growth Plans 1 and 2 are defined benefit schemes, and Growth Plan 3 is a money purchase scheme which has some historical guarantees. It is not possible to identify separately the assets and liabilities of participating employers.

The rules of the Plan give the Trustee the power to require employers to pay additional contributions in order to ensure that the statutory funding objective under the Pensions Act 2004 is met. Payments made under the recovery plan during the year were £49,154 (2015: £46,693).

The Trustee of the plan commissions an actuarial valuation of the Plan every three years to determine the funding position of the Plan by comparing the assets with the past service liabilities at the valuation date. Asset values are calculated by reference to market levels. Accrued past service liabilities are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.

The valuation results at 30 September 2014 show an increase in the deficit in the Growth Plan since the last valuation, to £177 million. The market value of the Plan's assets at the valuation date was £793 million and the Plan's Technical Provisions (i.e. past service liabilities) were £970 million. The funding level has fallen to 82% at 30 September 2014, from 84% at 30 September 2011. As a result of the 2014 valuation the existing recovery plan has been extended from its original end date of March 2023 to 31 August 2025.

The Growth Plan is a "last man standing" multi-employer scheme. This means that if a withdrawing employer is unable to pay its debt on withdrawal the liability is shared amongst the remaining employers. The participating employers are therefore, jointly and severally liable for the deficit in the Growth Plan. Were London Youth to have no active members, it could be deemed to have withdrawn from the plan, and its share of the debt on withdrawal would be payable.

22 Associated charities and related parties

The Joseph Levy Endowment Trust is an associated charity which has three Trustees in common with The Federation of London Youth Clubs, and uses the same principal office. The Trustees in common are A Julian Beare, Keith Ward, Jennifer Izekor (to March 2016) and Nat Defriend (from March 2016). The objects of The Joseph Levy Endowment Trust are to promote and support the instruction of young people of all walks of life in the principles of discipline, loyalty and good citizenship in such ways as the Trustees shall from time to time think fit and, in particular, by furtherance of the charitable purposes of London Youth. During the year, the charity received £44,858 (2015: £842,600) from The Joseph Levy Endowment Trust. The donation in the prior year included a capital grant of £833,578 which The Federation of London Youth Clubs hopes to donate back to The Joseph Levy Endowment Trust; it granted £40,000 to The Joseph Levy Endowment Trust during the year (2015: £100,000).

During the year, Guy Davison, a Trustee of London Youth, made a donation to the charity in the amount of £25,000 (2015: £25,000). Guy Davison is also a Trustee of Crown and Manor, a member club; during the year London Youth invoiced Crown and Manor £3,905 in respect of youth work training and membership fee, and Crown and Manor invoiced London Youth £450 in respect of room hire. At the year end, London Youth owed Crown and Manor £475.

During the year A New Direction made a grant to London Youth of £33,673 to support a dance programme run in member clubs: Keeley Williams was a Trustee of London Youth and of A new Direction.

The charity is also related to two dormant companies, London Youth Federation and London Union of Youth Clubs, by virtue of the common directors Julian Beare, Keith Ward, Jennifer Izekor (to March 2016) and Nat Defriend (from March 2016); both are companies limited by guarantee.

London Youth is a corporate Trustee of the Jimmy Dixon Charitable Trust, The Sulgrave Foundation, Raymond Plummer Settlement and Bradfield Club. The Federation of London Youth Clubs received £50,000 from the Jimmy Dixon Trust (2015: £50,000) to support the Athan 31 youth action programme and £7,000 from The Sulgrave Foundation (2015: £7,000) to support its sports development work. Bradfield Club is member club who paid the standard £125 membership fee in the year (2014: £100).

London Youth provided management and support services to London Youth Trading Company Limited in the amount of £40,000, being primarily staff time. During the year, London Youth received £80,825 on behalf of London Youth Trading Company Limited, primarily while the latter's bank account was being set up, and London Youth paid expense in the amount of £1,620 on behalf of London Youth Trading Company Limited. London Youth Trading Company donated £107,177 to London Youth through Gift Aid after the year end. As at 31 August 2016 £67,974 was due to London Youth from London Youth Trading Company Limited.

There are no other transactions with related parties of which the Trustees are aware.



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Charity Registration: 303324
Company Registration: 258577

