



## **Annual Report and Financial Statements**

# **2016-17**

Year ended 31<sup>st</sup> August 2017

**The Federation of London Youth Clubs**

47-49 Pitfield Street London N1 6DA

Charity Registration: 303324

Company Limited by Guarantee. Registration (England and Wales): 258577

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# Introduction

## Welcome from the Chair

I am pleased to present our Annual Report and Accounts for the year ended 31<sup>st</sup> August 2017.

London Youth has marked two significant anniversaries this year. It is 130 years since the birth of our movement. When we began in 1887 it was because the then boys' clubs had the simple, powerful idea that they could become stronger by working together. That remains a hugely important idea. When schools or colleges are finished for the day, we are beginning ours - in the evenings, at weekends and in the holidays. Our network of over 300 youth organisations is open and together we are offering hundreds of thousands of young people a wealth of opportunities to learn and to grow.

We also celebrated 70 years with HRH the Duke of Edinburgh as our passionate and committed patron. We have always been sincerely appreciative of his amazing support and it was a special honour to have the chance to celebrate with him at an event at Buckingham Palace in May.

Throughout the year, we have celebrated youth work and the tremendous importance of helping young people to grow up confident and resilient. We celebrated our members and the terrific work that they do with young people all over the city. And we celebrated fun – the fun that young people have in our clubs, on our programmes and at our wonderful outdoor centres. Fun helps young people to learn at their best - in fact it helps all of us build relationships that we can rely on when things are tough - and it helps young people to become the very best they can be.

Looking ahead, we need to reach out - so that more organisations can benefit from our strength together. We want to be creative, with more opportunities for young people in the Arts, in employment and in sport. We have developed a new strategy to help us to do this, but we all need to work together to help shape the future of London's youth and keep this very special movement going.

On behalf of the board of trustees I would like to thank our members, funders and partners who are crucial to our success. And I would like to extend my gratitude to my fellow Trustees and the dedicated staff at London Youth who have been crucial to delivering the strong results that you will see outlined in this report.



**Julian Beare**  
Chair of the Trustees



# A message from the Chief Executive

130 years ago London Youth was founded. A group of youth workers decided to work together believing that, through sharing resources and learning, they could become stronger. Looking at our vibrant network today of over 300 youth organisations – delivering support right across London – it seems clear their goal was well founded. And I believe that in today's environment the importance of our network is greater than ever.

The last few years have been tough for youth organisations. At the start of this year a report into London's lost youth services was published: since 2011/12 £22 million has been cut from local authority youth services. Direct provision budgets are down by an average of 36% and, whilst limited data is available, it suggests that funding of voluntary youth services is down by an average of 35%. What's more, these cuts are likely to be extended as local authorities try to deliver their statutory duties on reduced funding. There is no short term prospect of this funding being replaced.

In that context, we have put our membership right at the heart of our strategy. Young people in London are facing challenges around employment, getting access to sports/ physical and cultural activities and in relation to their emotional wellbeing. London Youth will do everything we can to deliver even better support to our members so that young people can still find high quality youth services in their area. Our position as a network organisation is what makes us unique. It also gives us a responsibility to think hard how best we use that position to support our members and, with them, the young people in our city.

I feel very proud reviewing the last year. The team has worked hard. We have increased our membership and the number of networking and professional development sessions we deliver. I am really pleased that people are taking even more advantage of this – with participation in these sessions more than doubled. We have extended our reach, working with members to support more young people participating in our sports, youth action and employment programmes. At our residential centres we have continued to focus on combining adventure with learning and personal development. We have also been able to bring in exciting new activities: a Jacob's ladder and a fantastic new mountain bike track at Woodrow; and an inclusive high ropes course at Hindleap. Our influencing work has been gaining real traction, with our report *Young People's Capital of the World?* engaging new audiences. And our anniversary celebrations providing the opportunity to increase our profile and raise awareness of the strength of our member network.

There is more to do. We want to extend further our suite of professional development activities for members. We must ensure that we are tackling the most critical skills needed to help members survive and thrive in this new environment. We have made some good progress this year, with corporate partnerships that have brought significant value to young people and our members. We need to do more of this. And we want to explore how we can take further advantage of our shared scale in securing funding or cost savings for members.

We are determined to take this proud 130 year tradition and use the unique role it gives us to help create a better environment for our members and consequently a better future for young Londoners.

**Rosemary Watt-Wyness**, Chief Executive



# 2016-17 at a glance

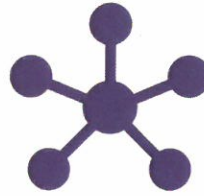
## Member Development



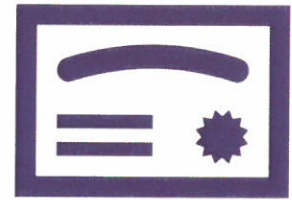
**307** ↑  
Members in  
our network  
(Last year 267)



**97** ↑  
Members holding  
quality marks  
(Last year 93)

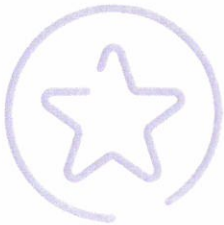


**37** →  
Networking, training &  
information sessions  
(Last year 39)



**521** ↑  
Youth workers &  
managers participated in  
networking & training  
(Last year 250)

## Opportunities



**27,632** ↑  
Total young  
people supported  
(Last year 26,610)



**51,687** ↑  
Young people visit  
days at the centres  
(Last year – 50,854)



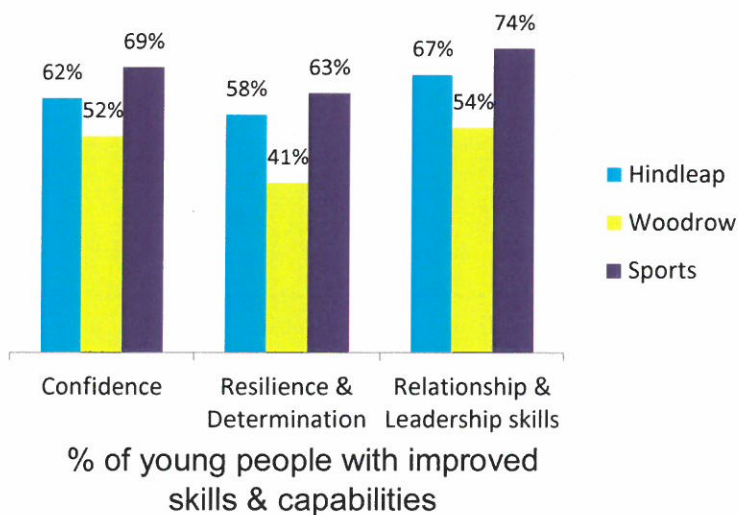
**6,543** ↑  
Young people on  
programmes  
(Last year 5,850)



**292** ↑  
Members using  
programmes or centres  
(Last year 209)

## Outcomes

### Personal development



**271** young people  
supported into full-  
time employment



Of which, **174** have  
sustained employment for at  
least 6 months.

**25** youth-led  
projects that  
benefit the  
community



*NB: the numbers listed are for the opportunities created, not necessarily the numbers of individual people or clubs supported. In some cases there could be, and is, duplication where a young person might take part in more than one opportunity*

# About London Youth

## Our vision

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.

## Our history

### **Working together for over 130 years....**

London Youth was founded in 1887 because the individual youth organisations of the day thought they were stronger by working together.

Since the 1880s much has changed for young Londoners, but the need to work together is as strong as ever.

Throughout our history, community youth organisations have provided a constant lifeline and a vital safe space beyond the family and formal education, where young people can develop the confidence and skills they need to become successful adults.

## Our approach

### **Supporting and challenging young people to become the best they can be...**

All across London, young people want opportunities outside school to have fun with their friends, to create and lead projects that make positive change in their communities, and to shape the kind of city they want for the future.

London Youth supports a growing, thriving network of over 300 organisations within communities all across the capital. Together, we help tens of thousands of young Londoners do all of those things – and more. With local authority funding hugely reduced, it is more important than ever that youth organisations are supported to be resilient and resourceful.



In this context, London Youth provides vital backing to our members, and high quality opportunities for them to engage young people in:

- Sports development
- Outdoor education
- Social action
- Employability

We want to reach out to even more communities, co-creating new opportunities with young people and those that work with them, securing more investment for youth organisations, so they are seen as a vital part of the social infrastructure that binds London together.

By supporting young people to become active, confident citizens – and by building the resilience and sustainability of the network of community organisations that support them – we can together shape a movement that will make London a better place for young people, now and into the future.

## Our objectives

**We deliver our mission through four strategic objectives:**

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

## Our principles

**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

# Strategic Report

## Achievements and performance

### Summary

2016/17 has seen London Youth increase its reach and scale of provision both in terms of the members we support and the young people taking up opportunities through our programmes and at our residential centres. During 2016/17 we have increased our membership by 15% (from 267 to 307) and participation in our programmes by 12% (from 5,850 to 6,543). Across the year, we have been able to support just under 30,000 young people with opportunities to develop their confidence, resilience and relationship skills.

The evaluation of our impact in supporting our members has remained almost the same: the key measure of member satisfaction with our services is at 8.2 out of 10 (compared to 8.4 last year). Our key measure for support of young people – our Net Satisfaction Score – whilst still above our internal measure of 40%, at 45.4% is lower than last year (58.7%). We have increased the range of aspects we now evaluate to include other elements, such as food and accommodation score for our residential centres, which are the reasons for the decrease. These are clearly areas for improvements going forward, yet scores for the intrinsic outcomes for young people remain consistent.

Whilst performance has been strong, the climate in which our members operate and the challenges facing young people in London mean we need to increase our support and develop our approach. As a result, during 2016/17 we undertook a major review of our strategy and launched a new plan in September 2017. This builds on our strong past performance and outlines our ambitions for the future.

*NB: the numbers listed in this report are for the opportunities created, not necessarily the numbers of individual people or clubs supported. In some cases there could be, and is, duplication where a young person might take part in more than one opportunity (and be listed multiple times) or one member organisation might visit Woodrow High House, take part in Getting Ready and go on a youth leadership course (where this would be counted as 3 in the membership total).*

We have also adjusted how we calculate some of the figures provided in the report and have therefore restated last year's figures throughout for the purposes of comparison.



# KPI highlights

## Development

- ↑ **Number of members:** We now have 307 members (last year: 267).
- ↑ **Number of members with the Quality Mark:** 97 members currently have a Quality Mark (last year: 93)
- **Member satisfaction with our services:** Mean satisfaction rating of 8.2 out of 10 (last year: 8.4 out of 10)

## Opportunity

- ↑ **Number of young people engaged in our programmes:** 6,543 (last year: 5,850)
- **Number of children and young people visiting our outdoor education centres:** 18,208 (last year: 18,136). Although the number of unique young people remained broadly comparable, there was an increase in the average length of stay, potentially increasing impact. Hence, the number of young people visit days increased from 50,854 to 51,687.
- ↓ **Our Net Satisfaction Score (NSS)<sup>1</sup> across our programmes and centres:** 45.4% (last year: 58.7%) from a sample of 3,641 children and young people (last year: 5,531). Whilst lower, this remains above our internal benchmark of 40%. Differences between this year's score and last year's score can be accounted for in terms of how we assess children and young people's overall experience at our outdoor education centres with increased scrutiny on aspects like food and accommodation, which we believe are an important part of the residential experience.

## Voice

- **Member representation satisfaction score:** Mean satisfaction rating of 8.2 out of 10 (last year: 8.3 out of 10). 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.

## Best We Can Be

- **Staff Satisfaction in the Staff Survey:** 96% of employees were proud of the work London Youth delivers (last year: 95%). We seek to maintain this at 95% or above.
- ↑ **Financial management:** Our Finance KPI is to make a surplus on the General Fund before depreciation in the region of £50,000; this year the budget was £47,845 surplus but the out-turn was £190,486, excluding profit on the sale of assets and one-off costs outside the operating budgets. The difference between budget and actual primarily resulted from stronger earned income performance.

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<sup>1</sup> 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. We use a weighted NSS based on sample size across our different programmes.

## Performance against our four strategic objectives:

### Development

This objective relates to 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 young people with disabilities. Our members operate in every London borough. In many different communities there are organisations within our network delivering services and programmes for young people beyond school and outside of the family.

#### **A network for all youth organisations in London**

From small volunteer-run projects to well-established community groups, our network offers something for everyone who works with young people.

In 2016/17 we introduced a new category of Associate Membership to support emerging borough-level infrastructure organisations. With the support of the John Lyons Charity, London Youth has created this new tier of membership to support these new organisations as they build their model of support for their borough. This new model will also enable London Youth to reach and engage the local members of these organisations who may not be aware of what direct support we can offer. We had 14 Associate Members by 31<sup>st</sup> August 2017.

Our offer for members aims to:

- Develop the capacity of youth organisations to deliver the highest quality youth work, whatever the type of provision they offer
- Support organisations to develop their skills and knowledge, improve their services, and develop stronger links with other organisations
- Support members' programme delivery and innovation
- Provide direct support to aid member sustainability and income generation.

#### **Helping to deliver the highest quality youth work**

We offer a package of support to help members strengthen their organisations and make sure that they offer the best quality opportunities to young people. We use the London Youth Quality Mark, a quality assurance framework recognised by City & Guilds, to guide our members through a journey that enables them to review how they work with and involve young people; quality assure their organisational policies and procedures; and be better able to plan and articulate the impact of their work. In order to make this process as transformational as possible, we provide members with a range of support, including workshops to improve their understanding of the framework, one-to-one advice, guidance and action planning, access to resources and templates, as well as free training and seminars.

We supported 31 members to achieve one or more levels of the Quality Mark this year (last year: 33), completing a total of 35 successful assessments at bronze, silver or gold



(last year: 46). Due to vacancies in the London Youth membership team in 2016/17 we had reduced capacity to support the development, but now have additional staff in place and aim to expand this area in 2017/18.

## **Developing skills, knowledge and stronger links with other organisations**

We support those working with young people to develop their skills and knowledge, improve their services, and build positive connections with other organisations.

We delivered 37 networking, consultation, training and information sessions over the year (17 short training workshops, 2 training courses, 9 network and consultation meetings, 9 sessions linked to the Quality Mark) (last year: 39), with a total attendance of 521 youth workers and managers (last year: 250).

The accredited and non-accredited training courses covered topics such as working with young people, safeguarding and organisational policies, and were attended by 302 people from across our membership. We ran two longer courses: Leadership and Management in Youth Work and a Level 3 Diploma in Youth Work Practice qualification, which a further 30 people completed.

During the last year, our Inclusion Network and our Tackling Youth Violence Network have gone from strength to strength. We've hosted seven network and two consultation sessions which have been attended by a total of 117 people. A small-scale evaluation of the learning networks found them to be effective in supporting individuals to build and sustain relationships with others in the sector, as well as in developing their knowledge of specific topics. An unexpected outcome of our learning networks has been that they have enabled us to gather a much deeper understanding of our members' work and provided opportunities for us to connect members to key decision-makers, including policy-makers and funders.

## **Supporting programme development and innovation**

Over the last year we have worked with ten organisations on 'Defining Success', a programme designed to support organisations to develop their ability to assess and evidence the impact of their work. Through intensive one-to-one support, training and expert advice, the participating organisations developed a theory of change and an evaluation plan for their projects and prepared for validation against Level 1 of Project Oracle's Standards of Evidence.

We have also supported four members to develop new ideas through a Development Grant, which saw each organisation receive a grant of up to £2,500 (£10,000 in total) to deliver a new project idea or enhance an existing project.

## **Aiding financial sustainability and income generation**

We are always striving to find new ways in which we can support our members to generate more income and become more financially sustainable.

Last year, we hosted five 'Meet the Funder' sessions with funders such as the Lloyds Bank Foundation and Comic Relief. These sessions were attended by 73 members who were interested in finding out more about how to improve their funding prospects.

In addition to connecting our members with funders, we also seek to find ways in which we can broker direct support for our members. Through our partnership with City Bridge Trust, we have been able to award £41,000 to members achieving the Silver or Gold levels of the London Youth Quality Mark (last year: £85,000 – this change reflects a higher proportion of bronze quality marks awarded in 2016/17). We have also distributed £40,263 through our Summer Grants programme in partnership with CVC Capital Partners (last year: £25,933).

## Opportunity

This objective relates to creating a broad and inclusive range of quality opportunities for young people including:

- Sports
- Youth Action
- Employability
- Art and culture
- Outdoor education

In 2016/17 we supported 27,455 young people (last year: 26,610) to become the best they can be through sports, social action and employability programmes, and through opportunities to engage in outdoor education. We remain committed to ensuring our opportunities are inclusive for all young people and, for the first time, this year we hosted an Inclusion Day. This brought together 52 young people from seven membership organisations to participate in a range of fun and interesting activities and provided youth workers with valuable insight into the type of inclusive activities they could run.

## Sports

Sport doesn't just help young people to be fit and healthy – it also helps them to be leaders and team workers and become more confident, resilient and active in their daily lives.

Too many young people in London are still missing out on the benefits of sport, leading to huge challenges of obesity and a negative impact on mental health and wellbeing. Our sports development team works every day with our members, to reach out, engage and enthuse young people to try sport, and over time develop a passion to stay active and healthy.

To help them, we offer:

- A range of sports delivered in community settings
- Expert coaching and new equipment
- Support and training for youth workers
- Leadership opportunities for young people, including qualifications
- An award-winning structured programme with lots of scope for innovation
- Tournaments and residential sessions at our centres that bring young people from different communities together.

In the past two years we've continued to extend our reach, including creating more opportunities for girls and for young people with disabilities, and joining up with schools



and other providers. We aim to make our offer even more inclusive and extensive in the future.

This year, working in partnership with youth workers and local sports providers, we took our weekly sports programme to 94 member youth organisations across London, with 69 members also participating in our Jack Petchey Foundation sports events (last year 103 clubs participated across both weekly sports sessions and events). This involved 2,731 young people completing weekly sports programmes (last year: 2,250) and 2,760 young people took part in sports events (last year: 2,467). Opportunities to progress are key, and 236 young people completed coaching and leadership training (last year: 236), with many using their new skills to support delivery back in their local organisations. We were also pleased to grow the numbers of young women participating in our weekly sports programme from 26% to 38%, (target: 30%); 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 the programme using the Life Effectiveness Questionnaire (LEQ). Our learning data for this year, gathered from a sample of 272 young people, showed a statistically significant improvement in young people's social and emotional development, with strong effect across a range of areas, including self-confidence, social competence and emotional control.

In addition to examining the impact on young people's personal development, we assess the impact of the programme on young people's activity levels. Encouragingly, 89% of young people (n=154), stated that they will continue to play sport or be active regularly at the end of the programme.

For the first time, we piloted measuring young people's activity levels using activity trackers, with the aim of gathering more reliable and objective data. This pilot proved to be challenging both in terms of the set-up and synchronising of devices, and the consistency with which young people used the tracker. Whilst the pilot did not enable us to capture the data we had hoped, we will be using the learning to inform future work on developing our digital capabilities and in improving how we measure young people's activity levels in the future.

## **Youth Action**

Young Londoners want to live in and grow up in communities where they feel they have a say over their own future – and they want the chance to take part in projects, activities and opportunities that create positive change.

Our youth social action programmes combine both of these things and offer hundreds of young people the chance – supported by our members – to improve their skills whilst improving communities across London.

### **Connecting young leaders to opportunities**

We help our members give young people the chance to develop increasingly challenging projects with their peers, focusing on things that matter to them first in their youth organisations and then in the wider community.

### **Enabling young people to tackle complex issues**

Young people can sometimes feel isolated and vulnerable to people who might be negative influences in their lives. We support our members to use social action to help young people confront those challenges – including sexual exploitation, staying safe on the Internet and grooming – and take positive steps to address them with their peers.

### **Supporting young people to shape communities**

We work with peer groups to research and identify opportunities and aspirations in areas with limited provision so they can establish and lead projects for themselves.

### **City Leaders**

Our City Leaders programme engaged 286 young people from 29 youth organisations across London in social action projects to benefit their clubs and communities, while boosting their skills and personal development. During the summer of 2017, 27 participants took part in a subsequent intensive leadership programme involving a residential training weekend, six skills-focused masterclasses and the chance to extend their club or community project.

An external evaluation of City Leaders highlighted that the progressive nature of the programme – which starts with team-based activities before young people deliver projects that benefit their youth organisation and wider community – was key in enabling young people to take the lead on their projects. Young people's skills and confidence increased (from an average of 5.49 to 6.15 on an 8 point scale for organisational skills, and from 6.61 to 6.97 for confidence), as did their ability to lead themselves and others (from 5.83 to 6.67, and from 5.8 to 6.45 respectively). The programme also provided new opportunities for young people by extending the type of provision that the participating youth clubs were able to offer and by providing more structure and focus on youth leadership.

### **Stronger Voices**

Our Stronger Voices programme supported 66 young people from six member organisations to tackle negative influences through participation in weekly sessions exploring the impact of these factors on their lives, before developing positive community-based projects based on their insights. Over two thirds of young people reported improvements in emotional control during the programme (n=52) and there was evidence of a positive impact on relationships in the wider community:

- 81% of young people talked with people they would not ordinarily meet (n=48)
- 81% of young people worked with people with different views to them (n=48)
- 73% of young people worked with people from a different background to them (n=48).

### **Youth Leads**

Youth Leads supported 20 Young Leaders to plan and deliver community-based projects within youth clubs in Enfield, Haringey and Waltham Forest that engaged a total of 85 of their peers. Of this, 16 Young Leaders gained a youth leadership accreditation. Within the participants 94% of young people felt more able to achieve their goals as a result of Youth Leads (n=16) and 75% reported that young people were more involved in their youth club (n=16). Qualitative feedback indicated that the programme had influenced young people's career aspirations, with young people now seeing themselves in leadership positions in the future.



## Employability

London is changing: new opportunities are emerging and yet the pressures and challenges faced by young people within their communities continue to grow.

For too many young Londoners, their biggest challenge remains making the transition into work. Talent Match London, our partnership programme to support 18-24 year olds facing the biggest barriers to employment, works with partners across North and East London, creating meaningful pathways into careers.

We are now in the fourth year of 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.

So far we have engaged 2,156 young people in Talent Match London, 853 of which were not previously accessing support. In the last year, we engaged 660 new young people: this included supporting 271 young people to move into full-time employment (of which 124 sustained employment for at least six months), helping 132 young people back into education and 38 to take up apprenticeships. A further 24 young people were supported to become self-employed. Based on the learning we've developed through Talent Match London, we want to support more of our members to give more young people the rounded support and work experience which will make a vital difference at the start of their career. In 2017/18 we will be extending the programme to Croydon and exploring opportunities to develop new models for our employability work.

## Art and culture

Youth organisations have always offered places and spaces for young people to develop and learn new skills through the arts. London has an amazing cultural landscape and many of the new jobs and opportunities of the future will be in the creative industries. So we will be bringing these things together, to offer young people a high quality, progressive offer around the arts, with active involvement of cultural partners. An Arts Development Officer was recruited in August 2017 and the programme is due to launch in January 2018.

## Outdoor education

Having the chance to learn and have fun outside formal settings is essential in helping young people develop the skills and confidence they need for the rest of their lives. With London often feeling like a high pressure, busy place for young people, providing an outlet to get out of the city is a vital part of supporting their wellbeing and personal development. At our two residential centres, we ensure that access to high quality residential experiences is a major part of our offer to young people.

At each of our centres we work with visiting groups to co-design their experience. Our expert staff have many years of experience working with young people. We've secured new investment to transform the spaces and facilities, providing outstanding places for youth groups and schools to enjoy. A residential experience at Hindleap Warren or Woodrow High House will give young people a fantastic opportunity to have fun, build

confidence, develop leadership skills, become more determined, and create positive relationships with their peers and adult leaders.

### **Hindleap Warren**

Hindleap Warren, located in East Sussex, is set in 300 acres of private woodland in the Ashdown Forest. Through a combination of outdoor activities, team working and time for reflection, Hindleap offers groups of young people a fantastic experience in the countryside. 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.

This year 10,464 (last year: 10,501) young people came to Hindleap, and the number of individuals with additional needs increased to 890 (last year: 767). The number of young people visiting from members was slightly lower than last year at 1,071 (last year: 1,168); however, the number of members who visited increased from 62 to 65. We expanded our offer to members and provided three weekend adventure trips to the Peak District, incorporating caving, climbing, hill walking and mountain biking.

With the help of Santander, we improved our inclusive on-site facilities for visitors. We have a new obstacle course able to challenge all our visitors and a top-of-the-range high ropes course which can provide challenging and exciting experiences for young people who may normally be confined to a wheelchair, as well as all other visiting youth groups.

Our learning data once again showed the positive impact of the activities at Hindleap on young people's personal development. Based on a sample of 482 young people, over two-thirds showed improvements in their social and emotional capabilities over the course of their visit, with statistically significant improvements across a range of skills and competencies. This positive impact was further reinforced by feedback from youth professionals (n=285):

- 87% agreed that visiting Hindleap improved young people's motivation
- 92% agreed that visiting Hindleap improved young people's confidence
- 90% agreed that visiting Hindleap made young people better team players.

### **Woodrow High House**

Woodrow High House is a Grade II listed manor house located in the Chilterns, just outside Amersham. With a range of indoor spaces, an on-site sports centre and a swimming pool, Woodrow provides opportunities for groups to participate in planned sessions or run their own residential programmes. Set within a 25-acre estate, Woodrow's activities provide young people with a safe environment to try new things and have a taste of adventure, boosting their self-confidence and building resilience. Activities include swimming, low ropes, high ropes, bushcraft, orienteering, archery, and obstacle courses. Young people can also participate in Level 1 Youth Leadership courses that blend workshop learning with complementary outdoor challenges.

This year 7,744 children and young people came to Woodrow (last year: 7,635), of whom 352 children have additional needs (last year: 421). There was an increase in the number of children who learned to swim in the Sports Centre from 2,624 to 2,829. A total of 25 members visited Woodrow (last year: 29), bringing 440 young people (last year: 428). Our learning data showed that over half of the children and young people visiting Woodrow had



improved social and emotional capabilities at the end of their stay (n=334), with particular improvements in practical skills, such as time management, as well as their social skills. Whilst a smaller proportion of young people reported increases in social and emotional capabilities compared to groups visiting Hindleap, this is likely to reflect a higher baseline for the groups who came to Woodrow (young people typically rated themselves more positively at the outset of their visit), as well as a shorter average length of stay.

Beyond the self-report measures from young people, feedback from youth professionals further reinforced the positive impact of the activities and experiences provided at Woodrow (n=393):

- 88% agreed that young people will be able to cope better with challenges after their residential
- 96% agreed that young people achieved new things during the residential
- 90% agreed that young people will be more confident after returning from Woodrow.

Over the year we have improved the activities available at Woodrow. A Jacob's Ladder high ropes feature has been added to extend the range of adventurous activities on offer. This provides opportunities for young people to test their agility and teamwork, and develop their resilience and communication skills. We improved accessibility to our low ropes and high ropes courses by building new paths with the help of a team of volunteers. These enable wheelchair users to independently access the two courses.

## Voice

This objective is to ensure our expertise and the on-the-ground voices of youth workers and young people are reflected in public policy, practice and opinion.

We have a huge evidence base about what works as a result of our history, our breadth of membership and the collective experience of supporting thousands of young people across our network.. London Youth has a vital role to play in sharing that evidence with those who make policy decisions which affect young people, and we have a crucial role to play as a gateway for members to directly influence those decisions and those decision-makers.

### **Proposing policy informed by young people and youth workers**

Our 2017 report *Young People's capital of the world?* has created a strong platform for us to argue for a coherent and urgent response to the funding crisis affecting local authorities.

### **Creating opportunities for our members to speak directly to policy-makers**

Evidence from our members has influenced key consultations on crime, employment skills, and culture. And we have a busy programme of engagement meetings and events aimed at ensuring that all policy affecting young people in London is informed by the expertise of our network.

### **Celebrating good youth work**

In March, we held the London Youth Awards where we celebrated our members' achievements in areas such as arts and culture, employability, outdoor education, sports, and youth involvement, alongside the long-term commitment of volunteers and leadership of young leaders and youth professionals. The event was attended by 221 people, including staff, members and supporters of London Youth.

## **Dare London**

Our youth advisory board, Dare London, is drawn from our member organisations, giving us a really clear line of sight through our members to the young people who use their services. They shape our plans and priorities, tell us where we need to focus and in turn take opportunities to represent and add to London Youth's offer. This year we trained and supported members of Dare London to undertake research with their peers, further enhancing our knowledge and understanding to the needs of young Londoners. More broadly, we've introduced a Youth Involvement Charter, guaranteeing that young people's voices play a part in all of our key decisions and the development of programmes.

Young people participating in Dare London develop as leaders by helping to lead London Youth. Each member is on the Board for three years, experiencing a journey of learning both individually and collectively.

Some of the opportunities taken up by Dare London this year include young people taking part in Trustee Board and Committee meetings, our Trustee Away day and our AGM. They also contributed to the recruitment of staff, including our new Director of Finance & Resources, were involved in our budgeting and planning process, took part in our Team Day, and supported the Quality Mark by carrying out assessments.

## **Raising awareness through new partnerships**

Through our partnership with London-based estate agent Kinleigh, Folkard and Hayward (KFH), we were able to raise awareness of our members' work across the capital. Staff from all 60 branches of KFH took part in fundraising events to support our work with members, with ten branches also being matched to London Youth members in their local area. Over £55,000 has been raised through the partnership to support our membership.

## **Best we can be**

This objective is focused on being the best we can be ourselves; fundraising effectively, financially robust and making best use of our resources, and a great place to work.

During 2016/17 we invested time in considering our future and developed an ambitious new strategy for 2017 – 2020 (see Plans for the future below).

We also made significant progress in implementing the property strategy developed in 2015/16. This included selling some properties and leaseholds in 2016/17, and preparing to sell another. As a result, we were able to pay off our pensions deficit to reduce our liabilities and future expenditure and also invest in organisational development, including the creation of a Digital and Programme Innovation Fund to meet the needs of the new strategy.



# Financial review

## Financial report

London Youth showed a strong financial performance this year, out-performing its budget through a combination of strong earned income performance, particularly at the residential centres, stable fundraising performance, and careful cost control. Our target is to make a surplus on the General Fund before depreciation in the region of £50,000; this year the budget was £47,845 surplus but the out-turn was £190,486, excluding profit on the sale of assets and one-off costs outside the operating budgets.

During 2015/16, London Youth took three freehold properties from its historical portfolio to market and during 2016/17 completed the sale of two properties and exchanged on another, with the latter completing in December 2017.

The sale of these properties allowed London Youth to pay off the pensions deficit from a historic pension scheme and exit the scheme. The pensions deficit and associated costs of the exit totalled almost £1m. In paying this off, London Youth has eliminated the future commitments and improved the long term financial position. The other significant expenditure from the proceeds of the sale was a donation of £710,000 to The Joseph Levy Endowment Trust. This is an investment with future income from the endowment returning to London Youth and providing a sustainable income stream.

The remainder of the profits from the sales were invested to support the long-term sustainability of London Youth. This included:

- Increasing reserves to within the target range to provide greater flexibility and resilience
- Investing in a three year programme of Digital Development and Programme Innovation in order to deliver the new strategy
- Investing in a medium to long term Development Fund to create a legacy from the sale of historic assets and support sustainability and development of London Youth and our members.

In the year ended 31<sup>st</sup> August 2017, the group had unrestricted net expenditure of £3,644,000 (2016: £366,089). Total unrestricted funds for the group were £11,815,239 (2016: £8,171,674) of which £7,528,987 related to designated fixed assets (2016: £8,003,408) and other designated funds of £2,552,463 (2016: nil). General funds were £1,733,789 (2016: £168,266).

Total group income was £11,739,868, but excluding the sale of assets was £6,767,787 (2016: £6,951,689). The principal fall in operating income related to £180,493 received in 2016 for the Hindleap capital appeal. Total expenditure was £8,150,304, but excluding one-off other expenditure was £6,905,536 (2016: £7,081,512). The principle decrease related to £135,000 spent on the property portfolio in 2015/16 to prepare for the sales.

During the year the organisation received restricted income of £3,283,463 (2016: £3,494,063) and expended £3,338,426 (2016: £3,257,797). As at 31<sup>st</sup> August 2017 restricted funds of £523,875 (2016: £578,837) were held for charitable activities.

The net movement in funds for the year ended 31<sup>st</sup> August 2017 was a surplus of £3,660,352 (2016: deficit £24,677).



## Investment performance

London Youth has investments of £2.4m 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.

The investments are held in two funds. One is a permanent endowment, the Girls' Fund. During the year the Girls' Fund investment performance was strong, with an overall increase in capital value of £71,315. The income target was 3.5% per annum; income received during 2016/17 was £45,810, which equates to 3.5%. The other investment was for a designated fund which was created towards the end of the financial year so is too early to review performance.

## Reserves policy and position

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. This includes designated funds which have been put aside by the trustees for specific future 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 and an uncertain fundraising climate
- 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 three months' 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 free reserves in the region of £1.6m.

At 31<sup>st</sup> August 2017, total reserves were £12,339,113, excluding the permanent endowment, comprising £523,875 in restricted funds, designated reserves of £10,081,450 and free reserves of £1,733,789.

Trustees therefore believe unrestricted reserves stand at a satisfactory level in light of the adopted policy.

Designated reserves consist of:

- £7,528,987 of a fixed asset fund representing the net book value of fixed assets
- £800,000 designated for a digital development and programme innovation fund to be invested over the next 3 years for deliverance of the strategy
- £1,752,463 designated in a Development Fund for projects for the medium to long term development of the organisation and our members, created as a legacy from the sale of properties.

## 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 2016-17 were as follows:

### **Companies and organisations**

A New Direction  
Big Lottery Fund  
Big Potential  
Centre for Youth Impact  
Charities Aid Foundation  
Chiltern Shakespeare Society  
CVC Capital Partners  
East London Dance  
Greater London Authority  
Kinleigh Folkard & Hayward  
Protein Dance  
Rotary Club of East Grinstead  
Santander Consumer Finance  
Sport England  
Tennis Foundation  
UBS  
Wealden District Council

### **Individuals**

Guy Davison  
Roger and Jean Jefcoate  
The Estate of Mr Euan Foster

### **Livery Companies**

Guild of Freemen of the City of London  
The City of London Solicitors' Company  
The Worshipful Company of Carmen  
The Worshipful Company of Chartered Secretaries  
The Worshipful Company of Drapers  
The Worshipful Company of Girdlers  
The Worshipful Company of Goldsmiths  
The Worshipful Company of Launderers  
The Worshipful Company of Tallow Chandlers  
The Worshipful Company of Wax Chandlers

### **Trusts and foundations**

Anonymous Trust  
BBC Children in Need  
Bouttell Bequest  
C A Redfern Charitable Foundation  
Chapman Charitable Trust  
City Bridge Trust  
Clemence Charitable Trust  
Ernest Kleinwort Charitable Trust  
Esmée Fairbairn Foundation  
Gurney Charitable Trust  
Hale Trust  
Hedley Foundation  
Jack Petchey Foundation  
James Wise Charitable Trust  
Jimmy Dixon Charitable Trust  
John Lyon's Charity  
Mobbs Memorial Trust  
Monument Trust  
Morrisons Foundation  
Paul Hamlyn Foundation  
Roger Vere Foundation  
Sir Jeremiah Colman Gift Trust  
The Sulgrave Foundation  
Thomas J Horne Memorial Trust  
Tudor Foundation  
William Allen Young Charitable Trust  
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, OMG, Siemens, Taylor Wessing, Team Flo, Trueform, Vodafone, and Wickes for the provision of services and goods to support our work during the year.



# Plans for the future

## Strategy

During 2016/17, we completed a significant strategic review and launched a new Strategic Plan 2017-2020.

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

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 desired impact and outcomes that we are working toward are:

1. **Young people grow up physically and emotionally well**
  - Young people feel able to express themselves and their passions
  - Young people are physically active and healthy
  - Young people have strong self-belief and mental and emotional wellbeing
  - Young people have positive relationships
2. **Young people have skills, knowledge and networks to identify and work towards career goals**
  - Young people are aware of career options and are able to assess suitability for them
  - Young people have the skills and knowledge to support employability
  - Young people have access to employment opportunities
3. **Young people are inspired and enabled to make a positive contribution to their communities**
  - Young people have increased awareness of community issues
  - Young people have skills to demonstrate leadership and take initiative
  - Young people have opportunities and resources to enable contributions
  - Young people are motivated to contribute to their organisations and communities
4. **High quality support and opportunities are available to young people who need them**
  - Youth organisations are high performing and resilient
  - Youth organisations are better able to identify and meet the needs of young people
5. **There is a supportive environment to allow young people and youth organisations to thrive**
  - Young Londoners are recognised and valued
  - The role of youth organisations is recognised and valued
  - Policies and funding enable opportunities for young people

We will achieve this by delivering:

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

By 2020 we aim to:

- Make the most of our unique position to grow our **membership** to 500 organisations and strengthen the value of membership for organisations
- Increase **opportunities** for young people, especially those who need us the most; developing 2 new programmes and increasing our annual programmes reach to 6,000 young people
- Optimise the role of our **centres** in our vision; delivering opportunity, impact and user satisfaction for children and young people, increasing usage by members and becoming financially sustainable
- Increase our **voice** and influence with our key external stakeholders
- Strengthen our **fundraising** capacity and manage our resources effectively.
- Become the **best we can be** by making sure that London Youth is and remains a great place to work and is maximising impact.



# 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.

The key risks facing the organisation are:

## **Safety**

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 are professionally built and are regularly inspected, and the trees in which activities are placed are regularly inspected by professional arboriculturists. 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.

## **Safeguarding**

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.

## **Member Engagement**

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.

## **Financial**

There is a 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.

During 2016/17 we also reduced our risk by selling two properties which allowed us to pay off our pension deficit and increase the level of our reserves to our target level to better cope with uncertainty.



# Trustees' Report

## Structure and Governance

### Governance

#### Legal Structure

The Federation of London Youth Clubs, operating under the name London Youth, is constituted as a company limited by guarantee registered in England and Wales (number 258577) and registered as a charity with the Charity Commission (number 303324).

The charity was founded in 1887 as The London Federation of Boys' Clubs and incorporated on 22<sup>nd</sup> August 1931 as a charitable company limited by guarantee. It is governed by its Articles of Association which were last amended on 30<sup>th</sup> November 2005.

#### Subsidiary undertakings

The charity's wholly owned trading subsidiary, London Youth Company Trading Ltd (company number 2977936), carries out non-charitable trading activities for the charity – primarily swimming lessons and sports hall hire for non-youth groups. Details are included in Note 3 to the accounts.

#### Charitable objects

The charitable objects are to give young people access to a range of learning opportunities and challenging experiences which promote their personal and social development.

"Young people" are defined in the governing documents as between 8 and 25.

Our activities to achieve this are:

1. To assist the development of young people by promoting, improving and assisting the delivery of efficient and high-quality youth work services.
2. To relieve poverty by assisting young people in need and by encouraging young people to make use of educational and recreational facilities so that their lives may be improved.
3. To give young people access to a range of learning opportunities and challenging experiences which promote their personal, social and spiritual development.

These are embedded in our vision (see page 4) and reflected in our strategy and activities.

During 2017/18 we will revise our Memorandum and Articles of Association to redefine the age range to up to 25 years to reflect the changing context that we work in.

#### Public Benefit Statement

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'.

London Youth's Board of Trustees regularly monitors and reviews the success of the organisation in meeting its key objectives. The trustees confirm, in the light of the guidance, that these aims fully meet the public benefit test and that all the activities of the charity, described in the Strategic Report, are undertaken in pursuit of these aims.

This report demonstrates how our strategy and activities during the year have helped young people through our reported outcomes. We have also outlined our strategy 2017-20 and plans for 2017/18 in order to show our commitment to continuing to deliver public benefit in the years ahead.

### **Appointment, induction and training of Trustees and Honorary Officers**

The Board of Trustees (who are all also company directors) comprised 13 at 31<sup>st</sup> August 2017. There were three sub-committees of the Board of Trustees responsible for Finance, Assurance and Nominations. We put together expert advisory boards for specific projects as required.

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 which allows a maximum service of 9 years. 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.

Both new and existing trustees are asked to adhere to Trustee Code of Conduct. Our trustees are volunteers and receive no benefits from the charity. Any expenses reclaimed are paid in accordance with our Trustee Expenses Policy.

The Board regularly considers improvements to governance and performance. The Trustees have reviewed the Charity Governance Code for Large Charities and have applied or explained almost all the recommendations, with an action plan developed for the remaining items which will be implemented in 2017/18.



# Management and decision-making

## Management

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.

## 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.

During 2016/17 this included some small grants to members for specific projects and activities, but also included major grants as part of the Talent Match London programme.

Before making a grant, London Youth completes appraisals of the project and the proposed partner organisation. These ensure that there is a good strategic fit between London Youth and the partner organisation, and that the project objectives and activities are consistent with the principles and ways of working for Talent Match and reflect a coherent and well-designed project that will be a cost-effective way of bringing about the intended impact. Grants are managed through specific agreements with partners, which set out the conditions of the grant, including reporting requirements, and when and how disbursement will happen.

Grants are usually disbursed in instalments to ensure that agreed timings and results are being met and managed. London Youth staff monitor and evaluate progress throughout the period of the grant. The nature of these activities will depend on the size and

complexity of the grant and the perceived level of risk. If we are not satisfied that the grant is being managed according to the partner agreement, we discontinue the grant.

## 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 of 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 have registered with the new Fundraising Regulator.

## Our people

### Volunteers

The Trustee Board acknowledges and greatly appreciates the contribution that volunteers make to the charity with their enthusiasm and dedication.

### Staff

We have a paid workforce of 100 full time equivalent staff (2016: 100), who are based in London and at our two centres. Of this workforce, 60 (2016: 60) work in our residential centres. The work of the Charity relies on the admirable professionalism and commitment of these colleagues. The Charity is strongly committed to supporting diversity and welcomes applications for employment from candidates of diverse backgrounds and needs.

London Youth is committed to the wellbeing of our staff and regularly monitors this as part of our internal processes, staff surveys and through support of our wellbeing working group.

### Remuneration Policy

We take an approach to pay and reward that enables us to recruit and retain the skilled staff we need. We have a performance management culture that enables staff and volunteers to understand and deliver our strategy, while being accountable for their role in doing so. London Youth is a diverse organisation that competes in different job markets for varied skills and experience. Our pay policy is structured to reflect this and is guided by the following principles:

- We aim to pay staff a salary that is a fair position of the relevant job market. Our ambition is to reflect the market median where affordable
- We benchmark salaries against service providers and charities of comparable size and roles to ours
- We commission benchmarking exercises and supplement this with checks against charity sector salary surveys in order to monitor our pay position in the market
- We aim to offer a good working environment which makes our reward offer competitive.



The pay and conditions of the Chief Executive and Senior team are set in accordance with our approach then agreed by the Board of Trustees. 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.

This practice is in line with the National Council for Voluntary Organisations' executive pay guidance that, 'the overall goal of a charity's pay policy should be to offer fair pay to attract and keep appropriately-qualified staff to lead, manage, support and/or deliver the charity's aims'.

Key management personnel are the Chief Executive, Director of Programmes & Partnerships, Director of Residential Centres, Director of Engagement and Director of Finance & Resources. See note 11 for total remuneration of these roles.

# 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;
- 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.

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

on 29<sup>th</sup> January 2018



# Independent Auditors' Report

## **Independent Auditor's Report to the Members of The Federation of London Youth Clubs**

### **Opinion**

We have audited the financial statements of The Federation of London Youth Clubs (London Youth) for the year ended 31 August 2017 which comprise Consolidated Statement of Financial Activities including Income and Expenditure, company and group Balance Sheet, Group Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 August 2017 and of the group's incoming resources and application of resources 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.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion based on the work undertaken in the course of our audit

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

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

In light of the knowledge and understanding of the group and the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the [strategic report or the] directors' report included within the trustees' report.

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

- the parent company has not kept adequate accounting records; or



- the parent 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.

### **Responsibilities of trustees**

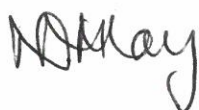
As explained more fully in the trustees' responsibilities statement set out on page 30, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's or the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.



Nicola May  
Senior Statutory Auditor  
For and on behalf of  
**Crowe Clark Whitehill LLP**  
Statutory Auditor  
10 Salisbury Square  
London EC4Y 8EH  
2<sup>nd</sup> February 2018

# Financial Statements

## Statement of Financial Activities

### Consolidated Statement of Financial Activities including Income and Expenditure year to 31<sup>st</sup> August 2017

Group	Notes	Unrestricted funds £	Restricted funds £	Permanent endowment £	Total 2017 £	Total 2016 £
<b>Income</b>						
Donations and legacies	2	253,930	4,272	-	<b>258,202</b>	369,883
Charitable activities						
Development		72,099	185,278	-	<b>257,377</b>	373,425
Opportunity		2,923,517	3,066,714	-	<b>5,990,231</b>	5,737,819
Voice		-	-	-	-	2,005
Best We Can Be		285	27,200	-	<b>27,485</b>	210,036
Other trading activities	3	167,562	-	-	<b>167,562</b>	204,011
Investments	4	66,932	-	-	<b>66,932</b>	54,510
Profit on the sale of assets	5	4,972,081	-	-	<b>4,972,081</b>	-
<b>Total income</b>		<b>8,456,405</b>	<b>3,283,463</b>	<b>-</b>	<b>11,739,868</b>	<b>6,951,689</b>
<b>Expenditure on:</b>						
Raising funds	6	212,954	-	-	<b>212,954</b>	212,771
Charitable activities	7					
Development		11,503	260,020	-	<b>271,523</b>	284,627
Opportunity		3,251,688	2,911,612	-	<b>6,163,301</b>	5,952,842
Voice		90,736	-	-	<b>90,736</b>	118,609
Best We Can Be		229	166,793	-	<b>167,021</b>	289,031
Other	8	1,244,768	-	-	<b>1,244,768</b>	223,632
<b>Total expenditure</b>		<b>4,811,878</b>	<b>3,338,426</b>	<b>-</b>	<b>8,150,304</b>	<b>7,081,512</b>
Net gains / (losses) on investments		(527)	-	71,315	<b>70,788</b>	105,146
<b>Net (expenditure) / income</b>		<b>3,644,000</b>	<b>(54,962)</b>	<b>71,315</b>	<b>3,660,352</b>	<b>(24,677)</b>
Transfers between funds		(435)	-	435	-	-
Net movement in funds		3,643,565	(54,962)	71,750	<b>3,660,352</b>	<b>(24,677)</b>
<b>Reconciliation of funds</b>						
Total funds brought forward		8,171,674	578,837	1,309,226	<b>10,059,737</b>	10,084,414
<b>Total funds carried forward</b>		<b>11,815,239</b>	<b>523,875</b>	<b>1,380,976</b>	<b>13,720,089</b>	<b>10,059,737</b>

See pages 8 to 16 for an explanation of Development, Opportunity, Voice and Best We Can Be respectively.



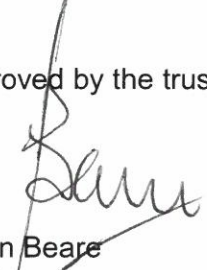
# Balance Sheet


## Company and Group Balance Sheet as at 31st August 2017 Company Number 0258577

	Notes	Group 2017 £	Charity 2017 £	Group 2016 £	Charity 2016 £
<b>Fixed assets</b>					
Tangible fixed assets	12	7,528,987	7,528,987	8,003,408	8,003,408
Investments	13	2,392,592	2,392,594	1,321,804	1,321,806
		<u>9,921,579</u>	<u>9,921,581</u>	<u>9,325,212</u>	<u>9,325,214</u>
<b>Current assets</b>					
Debtors	14	228,988	268,358	582,103	611,421
Cash at bank and in hand		4,554,657	4,474,780	1,718,820	1,651,468
		<u>4,783,646</u>	<u>4,743,138</u>	<u>2,300,923</u>	<u>2,262,889</u>
<b>Creditors: amounts falling due within one year</b>	15	(985,135)	(944,629)	(1,164,844)	(1,126,812)
<b>Net current assets</b>		3,798,510	3,798,508	1,136,079	1,136,077
<b>Creditors: amounts falling due in more than one year</b>	16	-	-	(401,554)	(401,554)
<b>Total net assets</b>		<u>13,720,089</u>	<u>13,720,089</u>	<u>10,059,737</u>	<u>10,059,737</u>
<b>Represented by:</b>					
<b>Funds and reserves</b>	17				
Permanent endowment funds		1,380,976	1,380,976	1,309,226	1,309,226
Restricted funds		523,875	523,875	578,837	578,837
Unrestricted funds					
General funds		1,733,789	1,733,789	620,916	620,916
Designated funds		10,081,450	10,081,450	8,003,408	8,003,408
Net present value of deficit recovery contributions		-	-	(452,650)	(452,650)
		<u>13,720,089</u>	<u>13,720,089</u>	<u>10,059,737</u>	<u>10,059,737</u>

Total income and gains for the charity was £11,732,899 and total expenditure was £8,143,314, giving a net result of £3,589,585.

Approved by the trustees and signed on their behalf by:

  
Julian Beare  
Chair  
on 29th January 2018

  
Keith Ward  
Honorary Treasurer

Notes 1 to 23 form part of these accounts

# Cash Flow

## Group Cash flow statement for the year ended 31st August 2017

### Statement of cash flows

	Notes	2017 £	2016 £
<b>Cash inflow from operating activities:</b>			
Net cash provided by operating activities	A	(1,390,794)	350,881
<b>Cash flows from investing activities:</b>			
Dividends, interest and rents from investments		53,401	49,747
Purchase of investments		(1,000,000)	-
Purchase of property, plant and equipment		(41,201)	(247,307)
Net Proceeds from the sale of assets		5,214,431	-
<b>Net cash (used in) investing activities</b>		<b>4,226,631</b>	<b>(197,560)</b>
<b>Change in cash and cash equivalents in the reporting year</b>		<b>2,835,837</b>	<b>153,321</b>
Cash and cash equivalents at the beginning of the reporting year		1,718,820	1,565,499
<b>Cash and cash equivalents at the end of the reporting year</b>	B	<b>4,554,657</b>	<b>1,718,820</b>

### Notes to the cash flow statement for the year to 31 March 2017

#### A - Reconciliation of net movement in funds to net cash flow from operating activities

	2017 £	2016 £
Net movement in funds adjustments for:		
Net (expenditure)/ income for the reporting period	3,660,352	(24,677)
Depreciation and amortisation charge	273,272	272,984
Profit from sale of fixed assets	(4,972,081)	-
(Gains)/losses on investments	(70,788)	(105,146)
Dividends, interest and rents from investments	(53,401)	(49,747)
(Increase)/Decrease in debtors	353,115	44,512
Increase/(decrease) in creditors	(581,263)	212,955
<b>Net cash provided by operating activities</b>	<b>(1,390,784)</b>	<b>350,881</b>

#### B - Analysis of cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	4,536,679	1,705,308
Cash held as investments	17,978	13,512
<b>Total cash and cash equivalents</b>	<b>4,554,657</b>	<b>1,718,820</b>



# Notes to the Financial Statements

## 1. Policies and information

### a) 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.

### b) 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.

London Youth's subsidiary, London Youth Trading Company Limited, commenced trading in August 2015, and its accounts are consolidated on a line by line basis into these accounts for the year ended 31<sup>st</sup> August 2017

### c) 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 at least 12 months, the Trustees consider that on this basis the charity is a going concern.

### d) Income

Income is credited to the statement of financial activities on an accruals basis. Voluntary income is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably. 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.

### e) Expenditure

The costs of generating funds include the salaries, direct costs and overheads associated with generating income from fundraising, including costs of donations received for charitable activities.

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.

#### **f) 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.

#### **g) 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.

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 20% to 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.

#### **h) 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.

#### **i) 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.



**j) Pension costs**

The charity was 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 exited the plan during 2016/17 - see Note 21. The charity also makes payments into a money purchase pension scheme operated by The People's Pension.

**k) 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.

**l) 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.

**m) 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 trade debtors, accrued income and other debtors. Financial liabilities held at amortised cost comprise trade creditors, accruals and other creditors.

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.

**n) 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 in the prior year is the discount rate applied to the pensions deficit recovery contributions; a discount rate of 3% has been used, which Trustees consider reasonable.

**o) 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.

## 2. Donations

	Unrestricted funds £	Restricted funds £	<b>Total 2017 £</b>	Total 2016 £
Woodrow appeal donations	-	-	-	8,550
Hindleap appeal donations	-	-	-	180,493
Other	253,930	4,272	<b>258,201</b>	180,840
	<u>253,930</u>	<u>4,272</u>	<u><b>258,201</b></u>	<u>369,883</u>

## 3. Trading Income

	Unrestricted funds £	<b>Total 2017 £</b>	Total 2016 £
Rental income - Company	26,750	<b>26,750</b>	49,165
London Youth Trading Company income	140,812	<b>140,812</b>	154,846
Group Total	<u>167,562</u>	<u><b>167,562</b></u>	<u>204,011</u>

## 4. Investment Income

	Unrestricted funds £	<b>Total 2017 £</b>	Total 2016 £
Income from listed investments			
Unit trusts and common investment funds	53,401	<b>66,915</b>	49,747
Interest receivable			
Bank interest	13,530	<b>13,530</b>	4,763
	<u>66,932</u>	<u><b>80,445</b></u>	<u>54,510</u>

## 5. Profit on the sale of assets

	Unrestricted funds £	<b>Total 2017 £</b>	Total 2016 £
Proceeds from property sales	5,736,000	<b>5,736,000</b>	-
Cost of sales	(763,919)	<b>(763,919)</b>	-
	<u>4,972,081</u>	<u><b>4,972,081</b></u>	<u>-</u>



## 6. Expenditure on raising funds

	Staff costs £	Other costs £	Total 2017 £	Total 2016 £
Fundraising costs	88,582	124,372	<b>212,954</b>	212,771
	<u>88,582</u>	<u>124,372</u>	<u><b>212,954</b></u>	<u>212,771</u>

## 7. Expenditure on charitable activities

	Direct costs £	Support costs* £	Total 2017 £	Total 2016 £
Development	183,287	88,236	<b>271,523</b>	284,627
Opportunity	5,575,049	588,251	<b>6,163,301</b>	5,952,842
Voice	90,736	-	<b>90,736</b>	118,609
Best We Can Be	141,869	25,152	<b>167,021</b>	289,031
	<u>5,990,942</u>	<u>701,639</u>	<u><b>6,692,582</b></u>	<u>6,645,109</u>

\* see note 9

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

<b><u>Grants to Institutions</u></b>	<b>2017 £</b>	<b>2016 £</b>
Hackney CVS	<b>323,271</b>	315,868
Collage Arts	<b>338,466</b>	337,690
Mencap	<b>90,417</b>	83,835
Royal Association for Deaf People	<b>39,846</b>	29,799
Royal London Society for the Blind	<b>45,260</b>	34,287
City and Hackney Mind	<b>46,263</b>	34,775
Barnados	<b>74,999</b>	49,897
Working With Men	<b>15,604</b>	46,425
Gingerbread	<b>122,838</b>	179,777
Community Links	<b>310,301</b>	313,933
3SC	-	70,217
	<u><b>1,407,265</b></u>	<u>1,496,503</u>

## 8. Other Expenditure

	<b>Total 2017 £</b>	<b>Total 2016 £</b>
Pensions Deficit repayment and associated costs/adjustments	<b>506,438</b>	-
Donation to the Joseph Levy Endowment Trust	<b>710,000</b>	-
Other	<b>28,330</b>	233,632
	<u><b>1,244,768</b></u>	<u>233,632</u>

## 9. Support costs

	Development	Opportunity	Voice	Best We Can Be	Fundraising	Total 2017	Total 2016
	£	£	£	£	£	£	£
Finance	12,144	130,414	-	-	13,467	<b>156,025</b>	133,355
HR	5,088	91,451	-	-	3,054	<b>99,593</b>	55,717
IT	8,748	110,033	-	-	5,247	<b>124,028</b>	107,017
Governance (note 10)	22,032	71,085	-	5,508	33,048	<b>131,673</b>	84,938
London Office	25,500	81,747	-	7,617	15,300	<b>130,164</b>	63,581
Communications	12,492	62,580	-	11,136	12,486	<b>98,694</b>	117,535
Safety & Safeguarding	2,232	40,941	-	891	1,335	<b>45,399</b>	38,121
	<b>88,236</b>	<b>588,251</b>	-	<b>25,152</b>	<b>83,937</b>	<b>785,576</b>	<b>600,264</b>

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

## 10. Governance Costs

<b>Group and charity</b>	<b>Total 2017 £</b>	<b>Total 2016 £</b>
Auditor's remuneration		
Current year audit fees	<b>18,420</b>	17,700
Non audit fees	<b>5,100</b>	5,980
Trustee Indemnity insurance	<b>4,553</b>	5,558
Salary Costs	<b>56,815</b>	45,893
Other	<b>46,454</b>	9,377
Trustee expenses	<b>331</b>	430
	<b>131,673</b>	<b>84,938</b>

## 11. Staff costs

<b>Group and charity</b>	<b>Total 2017 £</b>	<b>Total 2016 £</b>
Staff costs during the year were as follows:		
Wages and salaries	<b>2,604,468</b>	2,558,041
Social security costs	<b>235,020</b>	226,694
Redundancy and termination costs	<b>10,442</b>	4,311
Pension costs	<b>100,853</b>	142,802
	<b>2,950,783</b>	<b>2,931,848</b>
Temporary and outsourced staff costs	<b>334,763</b>	318,787
	<b>3,285,545</b>	<b>3,250,635</b>



**Staff costs per function were as follows:**

<b>Group and charity</b>	<b>Total 2017 £</b>	<b>Total 2016 £</b>
Charitable activities		
Development	<b>163,930</b>	148,509
Opportunity	<b>2,479,359</b>	2,407,724
Voice	<b>79,310</b>	82,572
Best We Can Be	<b>188,073</b>	44,407
Fundraising	<b>107,377</b>	200,127
Support costs	<b>267,496</b>	367,296
	<b>3,285,545</b>	3,250,635

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

<b>Group and charity</b>	<b>2017 Number</b>	<b>2017 FTE</b>	<b>2016 Number</b>	<b>2016 FTE</b>
Direct charitable				
Development	<b>4</b>	<b>4</b>	5	5
Opportunity	<b>118</b>	<b>84</b>	115	82
Voice	<b>2</b>	<b>2</b>	2	2
Best We Can Be	<b>2</b>	<b>2</b>	2	2
Fundraising	<b>3</b>	<b>2</b>	4	3
Support	<b>6</b>	<b>6</b>	6	6
	<b>135</b>	<b>100</b>	134	100

**During the year employees earning in excess of £60,000 per annum, including taxable benefits fell into the following ranges:**

	<b>2017 Number</b>	<b>2016 Number</b>
£80,000 - £89,888	1	-
£70,000 - £79,999	-	-
£60,000 - £69,999	2	-

The key management personnel of the charity in charge of directing, controlling, running and operating the charity on a day to day basis comprise the Chief Executive and a Senior Team, currently comprising the Director of Programmes & Partnerships, Director of Engagement, Director of Centres and Director of Finance & Resources. The total taxable benefits and employers' pension contributions of the key management personnel for the year was £372,163 (2016: £318,051). The increases are mainly attributable to vacancies in 2015/6, most notable a change of Chief Executive in April 2016.

No Trustees received remuneration in respect of their services as a Trustee during the period (2016: £nil). One trustees received reimbursement of £331 for travel expenses during the period (2016: two Trustees £430). The charity has a Trustee indemnity insurance policy in force for which the charge for the period was £4,553 (2016: £5,558).

## 12. Tangible Fixed Assets

	Land £	Freehold property £	Improvements £	Assets under construction £	Furniture, fittings, fixtures & equipment £	Motor vehicles £	Computers £	Total £
<b>Cost or valuation</b>								
At 1 September 2016	2,374,078	5,539,505	2,317,097	171,444	665,811	64,047	110,484	11,242,466
Additions	-	-	-	-	20,932	-	20,269	41,201
Transfer of assets under construction	-	-	153,295	(171,444)	-	-	18,149	-
(Disposals)	-	(300,000)	-	-	-	-	-	(300,000)
At 31 August 2017	<u>2,374,078</u>	<u>5,239,505</u>	<u>2,470,392</u>	<u>-</u>	<u>686,743</u>	<u>64,047</u>	<u>148,902</u>	<u>10,983,667</u>
<b>Depreciation</b>								
At 1 September 2016	-	2,074,655	786,719	-	212,562	64,047	101,075	3,239,058
Charge for year	-	106,590	90,430	-	61,015	-	15,237	273,272
(Disposal)	-	(57,650)	-	-	-	-	-	(57,650)
At 31 August 2017	<u>-</u>	<u>2,123,595</u>	<u>877,149</u>	<u>-</u>	<u>273,577</u>	<u>64,047</u>	<u>116,312</u>	<u>3,454,680</u>
<b>Net book values</b>								
At 31 August 2017	<u><b>2,374,078</b></u>	<u><b>3,115,910</b></u>	<u><b>1,593,243</b></u>	<u><b>-</b></u>	<u><b>413,166</b></u>	<u><b>-</b></u>	<u><b>32,590</b></u>	<u><b>7,528,987</b></u>
At 31 August 2016	2,374,078	3,464,850	1,530,378	171,444	453,249	-	9,409	8,003,408

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

47-49 Pitfield Street	London	London Youth own use
Hindleap Warren	Sussex	London Youth own use
Woodrow High House	Buckinghamshire	London Youth own use
Marvels Lane Boys Club	London	Occupied by a club
Hawkstone Road	London	Occupied by a club at year end but subsequently sold

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

The charity also hold freehold properties for Addison Boys Club and Westminster House Youth Club which are included at a £nil valuation because they are held on trust for the clubs which occupy them. These properties have no recorded cost and are not in use by London Youth.

During the year, The Trustees disposed of the leasehold property used by North Paddington Youth Club and after the year end disposed of the freehold property used by Poplar Boys Club. Both of these properties were not included in the accounts due to restrictive covenants.



## 13. Investments

	Group 2017 £	Charity 2017 £	Group 2016 £	Charity 2016 £
Shares in subsidiary undertaking at cost	-	2	-	2
Listed investments	<b>2,025,890</b>	<b>2,025,890</b>	1,309,804	1,309,804
Cash held by investment managers	<b>354,702</b>	<b>354,702</b>	-	-
Other investments	<b>12,000</b>	<b>12,000</b>	12,000	12,000
	<b>2,392,592</b>	<b>2,392,594</b>	1,321,804	1,321,806

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 2017; its balance sheet is consolidated within these accounts. London Youth Trading Company Limited has Shareholder funds of £2.

London Youth Trading Company Limited's income during the year was £141,847 (2016: £154,846) and its surplus for the year was £67,367 (2016: nil). An amount of £67,367 (2016: £107,177) was donated to London Youth under gift aid subsequent to the year end. Net assets of London Youth Trading Company Limited are shareholder funds of £2.

	Listed Investments £
Market value at 1 September 2016	1,309,442
Additions	645,660
Unrealised gains /(losses)	70,788
Market value at 31 August 2017	2,025,890
Cash held by investment managers	354,702
Total investment	<b>2,380,592</b>
Listed investments at cost	1,605,368

Investments held at 31 August 2017 comprised the following:

	2017 £	2016 £
Fixed income	<b>311,681</b>	255,066
UK equities	<b>363,283</b>	247,951
Global equities	<b>1,048,756</b>	647,033
Property	<b>140,783</b>	79,651
Alternative assets	<b>102,750</b>	48,237
Liquid assets	<b>413,339</b>	31,504
	<b>2,380,592</b>	1,309,442

Included within listed investments are 58.8 ordinary shares in Royal Bank of Scotland Plc with a market value of £163 (2016: £143) at 31st August 2017 which do not form part of the Sarasin & Partners investment portfolio.

## 14. Debtors

	Group 2017 £	Charity 2017 £	Group 2016 £	Charity 2016 £
Trade debtors	90,767	61,612	239,515	200,859
Prepayments and accrued income	134,696	134,696	338,229	338,229
London Youth Trading Company	-	68,524	-	67,974
Other debtors	3,525	3,525	4,359	4,359
<b>Total debtors</b>	<b>228,988</b>	<b>268,358</b>	<b>582,103</b>	<b>611,421</b>

Amounts totalling £347,072 (2016: £314,692), 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 15).

Bad debt written off during the year totalled £86,754 including £83,846 of historical debts provided for in the previous year.

## 15. Creditors

	Group 2017 £	Charity 2017 £	Group 2016 £	Charity 2016 £
Fees in advance and deferred income	560,815	524,875	582,189	550,097
Trade creditors	177,169	177,169	199,850	199,850
Other creditors	15,600	15,600	23,940	23,940
PAYE and National Insurance	71,641	71,641	63,842	63,842
Pensions Payments	11,137	11,137	13,126	13,126
Pensions deficit reduction contribution	-	-	51,096	51,096
Accruals	148,774	144,209	230,801	224,861
<b>Total creditors</b>	<b>985,135</b>	<b>944,629</b>	<b>1,164,844</b>	<b>1,126,812</b>

	Group	Charity
Analysis of movement in fees in advance and deferred income		
Deferred income at 1st September 2016	582,189	550,097
New deferred income in the year	560,815	524,875
Deferred income released	(582,189)	(550,097)
Deferred income at 31st August 2017	560,815	524,875

## 16. Creditors: amounts falling due in more than one year

	2017 £	2016 £
Net present value of deficit reduction recovery	-	401,554



17. Funds	1st Sept 2016 £	Incoming resources £	Expenditure £	Transfers £	Gains & losses £	31st Aug 2017 £
<b>Restricted Funds</b>						
<b>Learning</b>						
Esmée Fairbairn Foundation	108,020	-	(108,020)		-	-
Other	31,573	27,200	(58,773)		-	-
<b>Residential Centres</b>						
Woodrow Appeal	23,158	-	(23,158)		-	-
Woodrow High Ropes	8,550	7,650	(16,200)		-	-
Bucks Gardening	2,475	-	-		-	2,475
Countryside Stewardship Awards	-	13,200	(3,139)		-	10,061
My Hindleap Appeal	125,116	61,102	(20,977)		-	165,242
<b>Clubs</b>						
New Venture	6,921	-	-		-	6,921
<b>Membership Development</b>						
City Bridge Trust	-	20,278	(20,278)		-	-
Monument Trust	-	60,000	(60,000)		-	-
John Lyon's Charity	-	80,000	(69,017)		-	10,983
Paul Hamlyn Foundation	13,718	-	(13,718)		-	-
UBS	15,700	-	(15,700)		-	-
Esmée Fairbairn Foundation	16,222	-	(16,222)		-	-
The Goldsmiths Company	40,086	-	(40,086)		-	-
Jimmy Dixon Charitable Trust	-	19,000	(19,000)		-	-
Other	-	6,000	(6,000)		-	-
<b>Youth Action</b>						
The Morrisons Foundation	-	49,812	(49,812)		-	-
BBC Children in Need	-	40,516	(40,516)		-	-
Jimmy Dixon Charitable Trust	-	16,000	(16,000)		-	-
Big Lottery Fund	-	59,011	(50,778)		-	8,233
City Bridge Trust	-	252,000	(189,434)		-	62,566
<b>Sports Development</b>						
Sport England	47,281	148,000	(153,290)		-	41,991
Greater London Authority	-	59,000	(59,000)		-	-
A New Direction	-	34,012	(34,012)		-	-
Wembley National Stadium Trust	9,050	15,000	(24,050)		-	-
Tudor Foundation	-	30,000	(30,000)		-	-
Jack Petchey Foundation	-	50,000	(50,000)		-	-
John Lyons Charity	-	40,000	(40,000)		-	-
Tennis Foundation	-	15,000	(15,000)		-	-
Other	9,000	3,580	(12,580)		-	-
<b>Build-it</b>						
Build-it continuation funding	2,052	-	(2,052)		-	-
<b>Talent Match</b>						
Big Lottery Fund Grant Main	107,010	2,112,149	(2,005,533)		-	213,626
Big Lottery Fund Grant Croydon	9,693	60,682	(68,598)		-	1,777
<b>Inclusion</b>						
City Bridge Trust	3,212	4,272	(7,484)		-	-
<b>Restricted Funds Total</b>	<b>578,837</b>	<b>3,283,464</b>	<b>(3,338,426)</b>	<b>-</b>	<b>-</b>	<b>523,875</b>
<b>Designated Funds</b>						
Fixed Assets Designated Fund	8,003,408	-	-	(474,421)	-	7,528,987
Development Fund	-	3,010	-	1,750,000	(547)	1,752,463
Digital & Programme Innovation Fund	-	-	-	800,000	-	800,000
<b>Permanent endowment funds</b>						
London Girls Fund	1,309,226	-	-	435	71,315	1,380,976
<b>Unrestricted Funds</b>						
General funds	168,266	8,453,395	(4,811,878)	(2,076,014)	20	1,733,789
<b>TOTAL FUNDS</b>	<b>10,059,737</b>	<b>11,739,868</b>	<b>(8,150,304)</b>	<b>-</b>	<b>70,788</b>	<b>13,720,089</b>

## **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*

- Funds donated by Bucks Association for Gardening with the Disabled are restricted to use in the Woodrow grounds
- Countryside Stewardship Awards supports forestry work at Hindleap Warren.
- Other funds for the residential centres supported building and refurbishment works including a new Jacobs Ladder and High Ropes development at Woodrow.

### *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*

- City Bridge Trust supports the Quality Mark and our work to support our members to monitor their impact
- 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
- 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
- The Jimmy Dixon Charitable Trust supported organisations to achieve the Gold Quality Mark

### *Youth Action*

- City Bridge Trust and The Morrisons Foundation are funding the City Leaders programme
- BBC Children in Need supported our work with young people at risk of extremist influences
- The Jimmy Dixon Charitable Trust supported youth leadership work
- The Big Lottery Fund supported our Youth Leads programme

### *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
- A New Direction supported our dance programme
- Wembley National Stadium Trust provided funding for a disability-specific sports programme delivered in six youth clubs across London
- Tudor Foundation and others funded our Sports work generally
- Jack Petchey Foundation funded our sports tournaments
- John Lyons Charity supported our work with Youth Clubs in west London



#### *Build-it*

- The Build-it programme came to an end in 2015/16 and the remaining balance spent in 2016/17 relates to income from Berkeley Foundation who 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:

#### *Fixed Asset Fund*

The fixed asset fund represents the net book value of tangible assets including property (see Note 12 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.

#### *Development Fund*

The Development Fund was created to create a legacy from the sale of historic assets. This is a medium to long-term fund to support the development and sustainability of London Youth and our members.

#### *Digital Development and Programme Innovation Fund*

This fund will be invested in strategic projects over the next three years to support the delivery of the new strategy. This includes a range of projects that will support improvements in London Youth operations and delivery and pilot new programmes and activities.

### **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

## 18. Analysis of net assets between funds

Charity	Unrestricted funds				Total 2017
	General funds	Designated funds	Restricted funds	Permanent endowment funds	
	£	£	£	£	£
<b>Fund balances at 31st August 2017 are represented by:</b>					
Tangible fixed assets	-	7,528,987	-	-	<b>7,528,987</b>
Investments	12,165	999,453	-	1,380,976	<b>2,392,594</b>
Current assets	2,666,253	1,553,010	523,875	-	<b>4,743,138</b>
Creditors: amounts falling due within one year	(944,629)	-	-	-	<b>(944,629)</b>
<b>Total net assets</b>	<b>1,733,789</b>	<b>10,081,450</b>	<b>523,875</b>	<b>1,380,976</b>	<b>13,720,089</b>

<b>Fund balances at 31st August 2016 are represented by:</b>					
Tangible fixed assets	-	8,003,408	-	-	<b>8,003,408</b>
Investments	12,580	-	-	1,309,226	<b>1,321,806</b>
Current assets	1,684,052	-	578,837	-	<b>2,262,889</b>
Creditors:					
amounts falling due within one year	(1,126,812)	-	-	-	<b>-(1,126,812)</b>
amounts due more than one year	(401,554)	-	-	-	<b>-(401,554)</b>
<b>Total net assets</b>	<b>168,266</b>	<b>8,003,408</b>	<b>578,837</b>	<b>1,309,226</b>	<b>10,059,737</b>

Group	Unrestricted funds				Total 2017
	General funds	Designated funds	Restricted funds	Permanent endowment funds	
	£	£	£	£	£
<b>Fund balances at 31st August 2017 are represented by:</b>					
Tangible fixed assets	-	7,528,987	-	-	<b>7,528,987</b>
Investments	12,163	999,453	-	1,380,976	<b>2,392,592</b>
Current assets	2,706,761	1,553,010	523,875	-	<b>4,783,646</b>
Creditors: amounts falling due within one year	(985,135)	-	-	-	<b>(985,135)</b>
<b>Total net assets</b>	<b>1,733,788</b>	<b>10,081,450</b>	<b>523,875</b>	<b>1,380,976</b>	<b>13,720,089</b>

<b>Fund balances at 31st August 2016 are represented by:</b>					
Tangible fixed assets	-	8,003,408	-	-	<b>8,003,408</b>
Investments	12,578	-	-	1,309,226	<b>1,321,804</b>
Current assets	1,722,086	-	578,837	-	<b>2,300,923</b>
Creditors:					
amounts falling due within one year	(1,164,844)	-	-	-	<b>-(1,164,844)</b>
amounts due more than one year	(401,554)	-	-	-	<b>-(401,554)</b>
<b>Total net assets</b>	<b>168,266</b>	<b>8,003,408</b>	<b>578,837</b>	<b>1,309,226</b>	<b>10,059,737</b>



## 19. Operating leases

At 31 August 2017 the charity had annual commitments under non-cancellable operating leases on office equipment and motor vehicles as follows:

<b>Group and charity</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Expiring within one year	<b>11,422</b>	4,515
Expiring within two to five years	<b>15,666</b>	46,814
	<b>27,088</b>	51,329

## 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 £92,819 (2015: £93,648).

Pension contributions are paid into The People's Pension, except for three members of Senior Team which were paid into TPT Retirement Solutions (formerly The Pensions Trust) until December 2016 when London Youth began the process of exiting the scheme.

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 2017 there were 92 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.

### Defined benefit scheme

London Youth was responsible for contributing to deficits on the closed multi-employer Growth Plans of The Pensions Trust; 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 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.

During 2016/17, London Youth chose to withdraw from the plan, triggering the payment of its share of the debt. This was planned as part of the organisational financial strategy to pay off our share of the debt and cease our future long-term commitments to the deficit reduction.

The London Youth Section 75 debt contribution was valued at £939,094 at 31st December 2016 and the final payment of this debt to formally exit the scheme was made in August 2017.

## 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, and Nat Defriend. 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 £15,000 (2016: £44,858) from The Joseph Levy Endowment Trust. The Federation of London Youth Clubs made a grant to The Joseph Levy Endowment Trust of £710,000 in 2016/17.

London Youth provided management, support services and facilities to London Youth Trading Company Limited in the amount of £66,455, being primarily staff time and costs of the swimming pool and sports centre. London Youth Trading Company donated £70,102 to London Youth through Gift Aid after the year end. As at 31 August 2017 £71,259 was due to London Youth from London Youth Trading Company Limited.

During the year, Guy Davison, a Trustee of London Youth, made a donation to the charity in the amount of £25,000 (2016: £25,000). Guy Davison is also a Trustee of Crown and Manor, a member club; during the year London Youth invoiced Crown and Manor £125 in respect of the membership fee. Membership fees of £125 were also paid by Knights Youth Centre where Stuart Thompson, a London Youth Trustee, is an employee.

Charline King, a Trustee of London Youth is an employee of Rathbone Society. Philip Kerry, a senior manager at London Youth is a trustee of Rathbone Society. Rathbone Society is a member club and actively engaged with London Youth. London Youth invoiced Rathbone for a membership fee of £125. London Youth paid Rathbone £1530 for youth action activities

John Norman and Simon Turek, a Trustees of London Youth are also Directors of Poplar Harca. Poplar Harca invoiced London Youth for £240 for room hire.

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 and Nat Defriend; both are companies limited by guarantee.

London Youth is a corporate Trustee of the Jimmy Dixon Charitable Trust, The Sulgrave Foundation, and Raymond Plummer Settlement. The Federation of London Youth Clubs received £35,000 from the Jimmy Dixon Trust (2016: £50,000) to support the Athan 31 youth action programme and £7,000 from The Sulgrave Foundation (2016: £7,000) to support its sports development work. The Sulgrave Club related to the Foundation is a member of London Youth and paid a membership fee of £125 during the year.

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



## 23. Prior Year Figures

### Consolidated Statement of Financial Activities including Income and Expenditure year to 31 August 2016

Group	Notes	Unrestricted funds £	Restricted funds £	Permanent endowment £	Total 2016 £
<b>Income</b>					
Donations and legacies	2	180,840	189,043	-	369,883
Charitable activities					
Development		146,935	226,490	-	373,425
Opportunity		2,864,510	2,873,309	-	5,737,819
Voice		2,005	-	-	2,005
Best We Can Be		4,815	205,221	-	210,036
Other trading activities	3	204,011	-	-	204,011
Investments	4	54,510	-	-	54,510
<b>Total income</b>		<b>3,457,626</b>	<b>3,494,063</b>	<b>-</b>	<b>6,951,689</b>
<b>Expenditure on:</b>					
Raising funds	6	196,655	16,116	-	212,771
Charitable activities	7	3,403,428	3,241,681	-	6,645,109
Other	8	223,632	-	-	223,632
<b>Total expenditure</b>		<b>3,823,715</b>	<b>3,257,797</b>	<b>0-</b>	<b>7,081,512</b>
Net gains / (losses) on investments		-	-	105,146	105,146
<b>Net (expenditure) / income</b>		<b>(366,089)</b>	<b>236,266</b>	<b>105,146</b>	<b>(24,677)</b>
Transfers between funds		211,301	(211,301)	-	-
Net movement in funds		(154,788)	24,965	105,146	(24,677)
<b>Reconciliation of funds</b>					
Total funds brought forward		8,326,462	553,872	1,204,080	10,084,414
<b>Total funds carried forward</b>		<b>8,171,674</b>	<b>578,837</b>	<b>1,309,226</b>	<b>10,059,737</b>

## Prior Year Funds Movements to 31 August 2016

Group and Company	1st Sept 2015 £	Incoming resources £	Expenditure £	Transfers £	Gains & Losses £	31st Aug 2016 £
<b>Restricted Funds</b>						
<b>Learning</b>						
. Esmée Fairbairn Foundation	16,230	108,020	(16,230)	-	-	108,020
. Other	-	74,201	(42,628)	-	-	31,573
<b>Residential Centres</b>						
. 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)	-	-	-
<b>Clubs</b>						
. New Venture	6,921	-	-	-	-	6,921
<b>Membership Development</b>						
. 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)	-	-	-
<b>Youth Action</b>						
. Santander	-	4,320	(4,320)	-	-	-
. City Bridge Trust City Leaders	-	27,000	(27,000)	-	-	-
<b>Sports Development</b>						
. Sport England	-	114,500	(67,219)	-	-	47,281
. Greater London Authority	13,000	49,750	(62,750)	-	-	-
. Wembley 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
<b>Build-it</b>						
. Build-it continuation funding	76,409	214,042	(288,399)	-	-	2,052
<b>Talent Match Grant</b>						
. 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
<b>Inclusion</b>						
. City Bridge Trust	19,369	36,000	(52,157)	-	-	3,212
. Boshier Hilton Foundation	-	3,000	(3,000)	-	-	-
<b>Restricted Funds Total</b>	553,872	3,494,063	(3,257,797)	(211,301)	-	578,837
<b>Fixed assets designated fund</b>	8,029,085	-	-	(25,677)	-	8,003,408
<b>Permanent endowment funds</b>						
London Girls Fund	1,204,080	-	-	-	105,146	1,309,226
<b>Unrestricted Funds</b>	669,110	3,457,626	(3,823,715)	317,895	-	620,916
Net present value pensions deficit	(371,733)	-	-	(80,917)	-	(452,650)
<b>TOTAL FUNDS</b>	<b>10,084,414</b>	<b>6,951,689</b>	<b>(7,081,512)</b>	<b>-</b>	<b>105,146</b>	<b>10,059,737</b>



# Reference Information

<b>Patron</b>	HRH The Prince Philip, Duke of Edinburgh KG KT	
<b>President</b>	Field Marshall the Lord Guthrie of Craigiebank GCB LVO OBE	
<b>Chair</b>	Julian Beare	
<b>Deputy Chair</b>	Nat Defriend	
<b>Honorary Treasurer</b>	Keith Ward	
<b>Vice Presidents</b>	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	Dr. Terry Powley John Ratcliff CBE Marsha Rae Ratcliff OBE 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
<b>Trustees</b>	Sue Asprey-Price Julian Beare Guy Davison Nat Defriend Edward Hay (from 23 March 2017) Jennifer Izekor (to 23 March 2017) Charline King	David Miller John Norman Louise Rodgers Stu Thomson Simon Turek Scott Tweed Keith Ward
<b>Youth Advisers attending Trustee meetings</b>	Success Azubuike (from October 2017) Victoria Azubuike (from October 2017) Zak Osman (to June 2017) Nima Roble (from October 2016) Alda Saba (from October 2016 to June 2017)	
<b>Committee Chairs:</b>		
<b>Finance</b>	Keith Ward	
<b>Assurance</b>	John Norman	
<b>Nominations</b>	Simon Turek	

<b>Chief Executive and Company Secretary</b>	Rosemary Watt-Wyness
<b>Senior Team</b>	
<b>Director for Residential Centres</b>	Martin Curtis
<b>Director of Programmes &amp; Partnerships</b>	Phillip Kerry
<b>Director of Membership &amp; Communications</b>	Jim Minton (to 23 August 2017)
<b>Director of Finance &amp; Resources</b>	Emma Thomas (from 23 August 2017)
	Clare Wadd (to 20 January 2017)
	Carmel Kavanagh (20 January -10 July 2017)
	Tania Cohen (from 10 July 2017)
<b>Registered name</b>	The Federation of London Youth Clubs
<b>Registered/principal office</b>	47-49 Pitfield Street London N1 6DA
<b>Telephone</b>	020 7549 8800
<b>E-mail</b>	hello@londonyouth.org
<b>Website</b>	www.londonyouth.org
<b>Company registration number</b>	00258577 (England and Wales)
<b>Charity registration number</b>	303324
<b>Auditors</b>	Crowe Clark Whitehill St Brides House 10 Salisbury Square London EC4Y 3EH
<b>Bankers</b>	National Westminster Bank plc 54 Marsh Wall West India Dock London E14 6LJ
<b>Investment managers</b>	Sarasin & Partners Juxon House 100 St Paul's Churchyard London EC4M 8BU
<b>Lawyers</b>	Macfarlanes LLP 20 Cursitor Street London EC4A 1LT





London Youth  
47-49 Pitfield Street  
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hello@londonyouth.org  
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Charity Registration: 303324  
Company Registration: 258577

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 @LondonYouth



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YEARS  
Championing  
outstanding youth  
work since 1887  
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