

Annual Report and Financial Statements 2017-18

Year ended 31st August 2018

The Federation of London Youth Clubs

47-49 Pitfield Street London N1 6DA

Charity Registration: 303324

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Introduction

Welcome from the Chair

London Youth has always been a champion for young people and for the crucial network of youth organisations that support them. Our members tell us how important this role is: at a time when funding reductions have hit youth organisations so hard, their voices and the views of the young people they support need to be heard.

So this year London Youth has focused hard on our role as an advocate:

- Our report 'Hidden in Plain Sight' was a groundbreaking piece of work that uncovered the challenges faced by young people who are not in employment but not receiving any statutory support.
- Our Tackling Youth Violence network is an important bridge between grassroots, community organisations and policy makers.
- We have made the case for the power of good youth work and the need for a coherent framework of youth policy and provision.

For us to be effective and legitimate in representing the youth sector in London we need to deepen our reach and must involve our members and young people closely. This year we have grown our membership, particularly in outer London and we are even better placed to support people to get their views heard:

- We have worked with members to respond to 12 policy consultations, in areas such as the Mayor's Social Integration strategy.
- Staff and members of our youth advisory group have shared our message in the media and at policy events.
- We have facilitated members to share their message directly in the media.

The 24 members of Dare London, our advisory Board, have spoken at policy events, hosted our Awards event and represented London Youth in consultation processes. Importantly, Dare has also had representatives participating in our own Board. I know how much we benefit from this.

In our city the impact of youth service cuts has been deeply felt. Young people need support to help them unleash and explore their talents. We at London Youth are determined to make our presence felt.

London Youth is all about people; and at London Youth we have an outstanding group of leaders and individuals working to achieve our aims. On behalf of our Trustees I would like to thank all the staff at London Youth for all their hard work, and for the great support they have given to the Trustees in the last year. You have made our task immeasurably easier with your dedication and hard work.

Thanks, of course, go to our benefactors, partners and funders as well. Lastly I would like to thank my fellow Trustees for always being prepared to go the extra mile; your experience and expertise in specialist areas has been of great value.

Julian Beare
Chair of Trustees

Message from the Chief Exec

London Youth is a network unique in our city. Since 1887 we have been championing outstanding youth work. Today we are a charity on a mission to improve the lives of young people in London, challenging them to become the best they can be. Our growing reach, with over 400 organisations in our network, is matched by the growing value of support we offer.

This is critical because these organisations are under pressure. The loss of funding for youth work threatens their ability to be there for young people. And we know that young people need support. Young Londoners face several significant challenges: in employment, physical and emotional health and from the damage done by violence.

At London Youth, we are challenging ourselves to respond to this crisis in youth support. And the unique way we can do that is by strengthening the organisations young people turn to. We have set ourselves the goals of reaching out to more and delivering more of the support they need.

So I am really pleased that this year we significantly increased our support to organisations:

- 1656 youth professionals took part in training courses, development sessions and learning networks. This is over 200% up on last year and shows the level of demand from our members – as well as the commitment and drive of our team.
- Our programmes, delivered through our network, bring in high quality opportunities for young people and funding to our members. This year we added new Arts opportunities to our successful Sports, Youth Action and Employability programmes.
- Our partnership with City Bridge Trust awarded £64,000 to organisations that achieved Silver or Gold London Youth Quality Mark awards. This was over 50% up on the prior year. Our partnership with CVC Capital partners grew and distributed £51,774 in summer grants. And with Kinleigh Folkard & Hayward estate agents we were able to provide nearly £30,000 in small grants.

Our challenge is to do even more. We know the difference our members make to young people's lives. We need to ensure we make a difference for them.



Being members of London Youth has opened many doors... We take full advantage of the ever-developing networks... We attend as much training as possible... so that we can best support the young people we work with. We also cannot get enough of their residential opportunities, something that is the highlight for all our young people. We definitely feel stronger as a collective, working towards a better London for the young people we work with. London Youth gives us a home and umbrella to have one collective voice and champion for change." Haringey Shed

Rosemary Watt-Wyness
Chief Executive

2017-18 at a Glance

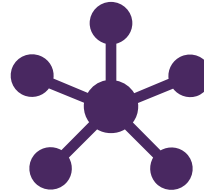
Membership Development



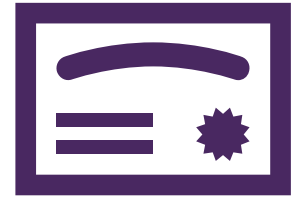
402 ↑
Members in
our network
(Last year 307)



94 →
Members holding
quality marks
(Last year 97)



96 ↑
Networking, training
& information
sessions
(Last year 37)



1,656 ↑
Youth professionals
participated in
networking & training
(Last year 521)

Opportunities for Young People



27,188 →
Total young people
supported
(Last year 27,632)



48,389 ↓
Young people
visit days at the centres
(Last year – 51,687)



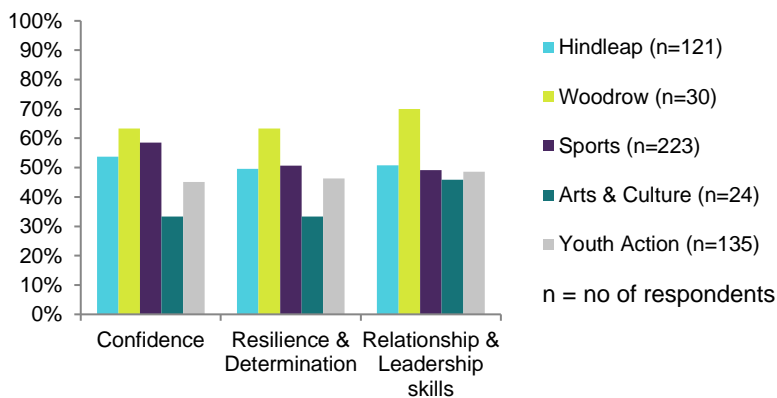
6,635 →
Young people on
programmes
(Last year 6,543)



346 ↑
Members using
programmes or centres
(Last year 292)

Outcomes

Personal development



% of young people with improved skills
& capabilities



165 ↓
Young people
supported into
full-time employment
(Last year 271).



32 ↑
Youth-led projects
that benefit the
community
(Last year: 25)

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

We are London Youth. A charity on a mission to improve the lives of young people in London, challenging them to become the best they can be. Young people need opportunities outside school to have fun with their friends, to learn new skills, to make a positive change in their communities and to shape the city they live in.

Last year, we worked with over 27,000 young people through our sports development, employability, youth action and involvement, arts and outdoor education programmes. Our work gives young people access to opportunities they might not otherwise have had.

Our vision

Throughout our history, community youth organisations have provided a constant lifeline and a vital safe space outside the family and formal education, where young people can develop confidence, resilience and skills.

Our **vision** is that all young Londoners grow up healthy, able to express themselves, 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; developing their confidence, resilience and relationship skills.

We do this with, and through, our network of community youth organisations and at our two residential centres. We look to work with all young people, focusing particularly on those who wouldn't otherwise have access to the kind of opportunities we offer.

Because good youth work works.

Our story

Working together for over 130 years....

London Youth was founded in 1887 because the individual youth organisations of the day knew that they were stronger and could achieve more for young people by working together. Since then, much has changed for young Londoners, but the need to work together is more pressing than ever.

Since 1887, we have worked with our members to offer young people a wide range of high quality opportunities for learning and fun and to build strong trusted relationships with adults and their peers.

We grew from the Ragged Schools movement of the 19th century, inspired by the simple idea that every young person, irrespective of background and circumstance, has something to gain from somewhere to go, something to do and someone to talk to.

We spent the twentieth century as two separate charities, The Federation of Boys' Clubs and The Union of Youth Clubs, which worked primarily with girls. In 1999 the charities merged to create The Federation of London Youth Clubs. That's still our legal name, though we prefer London Youth.

We're proud of our history, helping young people become the best they can be for over 130 years.

London Youth continues to provide a united voice and support for community youth organisations and youth workers across the capital.

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 400 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
- Arts

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. **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

We want to reach out to even more communities, co-creating new opportunities with young people and drawing the youth organisations who work with them into our network.

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

Why our work is needed now more than ever

Our three year strategy for 2017-2020 reflects the challenging context of growing up in London today. Whilst London is an extraordinary city, it is also going through major change, growth and uncertainty. This impacts dramatically on the young people living here and the many youth organisations facing challenges to survive.

- 1. Young Londoners are losing the activities and safe, open access spaces vital for their well-being and personal development.** With no statutory duty to provide positive activities for young people outside of school and under pressure to make ongoing savings, London's Lost Youth Services report¹ found that London councils have cut £39 million from their annual youth service budgets since 2011/12. Across 22 councils with like-for-like data, 800 youth service full-time posts have gone, greatly reducing the places available and support for young people.
- 2. As services decline, the population of young people in London is increasing.** London's youth population is changing at an unprecedented rate. Currently, 2.89m children and young people aged 0-25 live in London – one third of the population of the capital². The capital's youth population is growing almost as fast as the working age population, with nearly one in four Londoners now under the age of 18³. However, this population growth has major implications for youth organisations already at capacity and for areas where services have already been significantly reduced.
- 3. Young Londoners face complex challenges more pronounced than elsewhere in the UK.** Young people are talented, committed and incredibly resourceful in spite of the challenges they face. London is the most unequal place to live in the UK⁴ and the lack of a level playing field impacts on children and young people more than other age groups: 37% (700,000) live in poverty and 530,000 children in London are materially deprived – lacking several basic items on the grounds of cost⁵. Yet housing costs, inflation and cost of living continues to climb, making it harder for young people to live independently and many fear they'll get priced out and won't be able to live in the capital as adults. And finding full time employment remains a challenge with unemployment in London almost four times higher for 16-24 year olds than for 25-64s⁶. The number of young people from black and minority ethnic backgrounds who have been unemployed for more than a year has risen by almost 50% since 2010⁷.
- 4. All of this is taking its toll on young people's resilience and well-being.** We are seeing that young people's struggles with emotional wellbeing and mental health are at record levels. And this is even more profound amongst young people in London. In 2014/15, 1 in 6 (15.5%) 15 year olds in London reported a low life satisfaction; this is

¹ London's Lost Youth Services 2018, <https://www.london.gov.uk/about-us/london-assembly/assembly-members/publications-sian-berry/publication-sian-berry-londons-lost-youth-services-2018>

² GLA London Datastore, <https://data.london.gov.uk/> Accessed on 22nd November 2018

³ *Young People's Capital of the World?*, London Youth, 2017. <http://londonyouth.org/wp-content/uploads/2018/05/Young-peoples-capital-of-the-world-March-2017.pdf>

⁴ *London's Poverty Profile 2017*, Trust for London, 2017
<https://www.trustforlondon.org.uk/publications/londons-poverty-profile-2017/>

⁵ *London's Poverty Profile 2017*

⁶ *London's Poverty Profile 2017*

⁷ *Young People Count*, Partnership for Young London 2016,
<http://www.partnershipforyounglondon.org.uk/wp-content/uploads/2016/12/Young-People-Count-2016.pdf>

significantly higher than the rest of England and is the highest of all regions in the country. The rate of children aged 0-17 years being admitted to hospital for mental health illnesses is higher in London than the rest of the country (94.2 per 100,000 compared to 87.4 per 100,00)⁸.

- 5. The organisations which work to support young people with these challenges are still facing further threats to their future.** Council cuts to youth services have led to closure of youth organisations in some areas and further cuts are likely to have the same impact. Meanwhile, for these organisations there has been a shift in the type of funding available towards heavily targeted programmes. There has been a general trend away from funding universal, open access provision. The effect is two-fold: a lack of early help for young people whose needs may not be immediately obvious or who may not meet intervention criteria; and fewer opportunities for young people, particularly from less wealthy backgrounds.

⁸ *The mental health of children and young people in London*, Public Health England, 2016.
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/583866/Mental_health_of_children_in_London.pdf

Strategic Report

Achievements and Performance

Summary

2017-18 has seen London Youth extend the reach of our network and the breadth of the development opportunities available to our members substantially. We have increased our membership by 31% (from 307 to 402) and engaged more than three times the number of youth professionals (1,656 from 521) in training, networking and other development opportunities. This growth puts us in a strong position to achieve our target of 500 member youth organisations in our network by 2020.

Over the year, we have successfully delivered to young people at our outdoor education centres and programmes, reaching over 27,000 young people and exceeding the target number of young people supported overall. Now in its final year, Talent Match London, our employability programme, has engaged over 2,500 young people over the past five years. We have been able to take forward these learnings into the set-up and delivery of our new Talent Match programme in Croydon.

We have invested in programme innovation and successfully piloted a new arts programme with 10 of our members, sharing the creative talents of young people through showcase events. We have continued to build on the success of City Leaders, our flagship youth social action programme, and this year engaged 30 members and 266 young people, with excellent retention across all stages of the programme. We exceeded our participation target for our sports programme, engaging over 2,600 young people in the weekly programme, and over 2,875 young people in events, tournaments and residential. We successfully delivered fantastic outdoor learning experiences for nearly 18,000 children and young people at our two outdoor education centres, whilst also completing significant building and maintenance work to ensure our centres continue to provide high quality experiences in the longer-term.

Our policy and influencing work has gone from strength to strength, and during the year, we secured good coverage of our *Hidden in Plain Sight* report, invitations to key policy meetings, and broadcast media coverage whilst also responding to policy consultations and representing the views of our membership in these. This has enabled us to be an effective voice on behalf of our members and London's youth sector.

Alongside this stretching programme of delivery, we have successfully met challenging financial targets and completed significant property sales, putting us in a strong position for the year ahead.

NB: the numbers listed are for the opportunities created, not necessarily the numbers of individual people or organisations supported. In some cases there could be, and is, duplication where a young person or youth organisation might take part in more than one opportunity. This is consistent with our reporting in 2016-17.

KPI highlights

Development

- ↑ **Number of members:** We now have 402 members (last year: 307).
- ↓ **Number of members with the Quality Mark:** 94 members currently have a Quality Mark (last year: 97)
- **Member satisfaction with our services:** Mean satisfaction rating of 8.2 out of 10 (last year: 8.2 out of 10)

Opportunity

- **Number of young people engaged in our programmes:** 6,635 (last year: 6,543)
- **Number of children and young people visiting our outdoor education centres:** 17,958 (last year: 18,208). The number of children and young people visiting our outdoor education centres was down marginally on last year, due to the loss of a couple of regular winter bookings and lower attendance in the summer from the National Citizenship Service programmes that we host. The number of member youth organisations visiting our centres remained consistent with the previous year.
- ↑ **Our Net Satisfaction Score (NSS)⁹ across our programmes and centres:** 48.6% (last year: 45.4%) from a sample of 2,893 children and young people (last year: 3,641). This exceeds our internal benchmark of 40%.

Voice

- **Member representation satisfaction score:** Mean satisfaction rating of 8.0 out of 10 (last year: 8.2 out of 10). As a membership organisation, one of our key measures is how well our members think that we represent their voices and that of the youth sector in London. This has remained stable over the last two years.

Best We Can Be

- **Staff Satisfaction in the Staff Survey:** 95% of employees were proud of the work London Youth delivers (last year: 96%). 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 £59,684 surplus and the out-turn was £39,365, excluding profit on the sale of buildings and property expenditure related to future sales – a variance of 0.2% of turnover.

⁹ 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 strategic objectives

Development

This objective relates to developing, training, connecting and quality assuring our membership network to deliver good youth work.

A network for all youth organisations in London

Members of London Youth include traditional youth clubs, volunteer-led teams and well known charities. We welcome all organisations that work with and support young people in London to join our network.

Whilst some members focus on a specific activity, such as theatres and sports clubs, others provide general community-based services. Several cater for specialist groups such as refugees or homeless young people, others work with all young people in their local area. Between them they are a powerful, knowledgeable and vital network for both young people and for the communities in which they are located.

In 2017-18, we grew our network substantially from 307 members in 2016-17, to 402 members as of 31st August 2018, providing us with an even stronger platform from which to collectively advocate for and deliver high quality services for young people across London. Growth was particularly rapid during the last three months of the year following the announcement of a grant programme for services for young people by the Greater London Authority, with organisations needing to hold or be working towards the London Youth Quality Mark as a condition of the funding. This led to an increase in demand for our services. This growth puts us in a strong position to reach our target of 500 members by 2020 as set out in our current strategic plan.

Of the 128 organisations which joined our network in 2017-18, 50% are based in an Outer London borough. This is a particular area of focus for us in light of a growing population of young people living in Outer London and evidence to suggest there are fewer youth services available in these areas. Retention of current members was also high, with 94% of members choosing to renew their annual membership. This reflects well on the value that membership brings to organisations within our network.

In addition to supporting youth organisations who work directly with young people within a discrete geographical area or around a particular topic or issue, we have continued to work in partnership with infrastructure organisations which have a broader remit for supporting the delivery of youth services at a borough level. Last year (2016-17), we introduced a new category of Associate Membership to formalise our relationship with this type of borough-level infrastructure and over the past year we have continued to strengthen our relationship with our Associate Members. With the support of the John Lyon's Charity, we have developed a tailored offer of support for the Young People's Foundations (a sub-set of our Associate Members) to ensure that they are well positioned to provide effective and sustainable support to youth organisations and young people at a borough level. We have grown the number of Associate Members from 14 to 20 during 2017-18 which in part, reflects an increase in the number of organisations who are operating at a borough level to promote services for young people and greater awareness of the support we can offer infrastructure organisations.

Across all our members, we aim to:

- Develop the capacity of youth organisations to deliver the highest quality youth work, whatever 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 support to aid member sustainability and income generation.

Over the last year, we have continued to deliver support in these areas.

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.

This year we supported 43 members to achieve one or more levels of the Quality Mark (last year: 31), completing a total of 48 successful assessments at bronze, silver or gold (last year: 35). We also rolled out a revised set of indicators.

The importance of quality assurance in enabling youth organisations to deliver high quality youth work is increasingly being recognised. Earlier this year, the Mayor announced a £45 million fund for services for young people, with organisations needing to hold or be working towards our Quality Mark as a condition of the funding. This level of recognition is incredibly positive, and we are in discussions with funders to ensure that we are able to meet the increased level of demand over the next year.

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 increased our training offer and raised the profile of our networks substantially over the last year, engaging over three times as many youth professionals in 2017-18 than the year before.

We delivered a total of 96 networking, consultation, training and celebration events over the year (56 training sessions and workshops, 22 network meetings, 4 policy consultations, 11 sessions linked to the Quality Mark, 2 celebration and 1 meet the funder events) (last year: 37). This included launching two new networks focusing on Youth Involvement and Wellbeing & Mental Health respectively, in response to increasing demand from members for opportunities to learn from each other and share best practice in these areas, as well as introducing new training courses on Equality & Diversity, Building Management and Mental Health.

In total, 1,656 youth professionals took part in these development opportunities (last year: 521). This increase was in part due to improvements we made to our marketing and business processes, which meant that attendance was higher on average for each event, as well as an increase in the overall number of training and workforce development opportunities available to our members.

Feedback from individuals participating in our training opportunities indicated that these were delivered to a high standard. On average, training participants (n=229) rated the quality of training 4.8 out of 5. We have more limited data assessing the impact of the training on youth professionals' knowledge and practice. However, the data that is available from a small sample of training participants provides a positive indication that the training is supporting youth workers to gain new knowledge that will support the delivery of high quality and safe services for young people.

On average, training participants (n=32) gave an average rating of 4.7 out of 5 on feedback questions relating to how their knowledge and confidence had increased as a result of participating in our training. Putting measures in place to assess the impact of workforce development opportunities for members, alongside other development opportunities, will be a priority in the coming year.

Supporting programme development and innovation

We have continued to adapt and evolve how we support our members to develop new programmes and assess the impact of their work. This year we moved from a closed cohort model of support for organisations wanting to understand more about the impact of their work with young people, to a more flexible offer of support that included a one-day training session and access to follow-up learning clinics.

This brought it in line with our wider training offer and made it more accessible to a larger number of organisations, with over 59 organisations accessing support of this kind (last year: 10 organisations participated in the cohort-based programme). Feedback from participating organisations has been extremely positive, with over 90% of participants indicating that they had gained a better understanding of impact measurement and evaluation, and that they planned to use tools and resources made available to them during the training in their ongoing work.

In 2017-18 we supported eight London Youth members to develop new projects in response to growing need around young people's mental health by giving them access to a small development grant of up to £2,500 (£19,712 of funding in total), alongside project development support (last year: four projects and £9,935 of funding). This year we focused the grants on a single priority topic in order to facilitate better sharing of learning between projects, and with our wider membership (last year members could apply for grants under one of four thematic areas). To this end, we also provided more opportunities for peer learning for grant recipients and established the practitioner-focused Mental Health and Wellbeing Network to run alongside delivery of the development grant projects. Projects supported in 2016-17 have also continued to see some success, and two of the four members secured additional funding to continue delivery into 2017-18. A third project received a second development grant to enable them to embed the work in their ongoing delivery.

Aiding financial sustainability and income generation

We are always striving to find ways to support our members to generate income and become more financially sustainable, making them aware of new funding opportunities they can tap into.

During the year, we hosted one 'Meet the Funder' session (last year: five) with Team London, the Greater London Authority's volunteering programme, which was attended by representatives from 14 youth organisations. Alongside this, we provided regular updates on relevant funding opportunities through our weekly Member News, and partnered with Charities Aid Foundation to pilot training on Income Diversification.

Whilst there were fewer ‘Meet the Funder’ style events in 2017-18 than in the preceding year, we increased the amount of funding going directly to members. Through our partnership with City Bridge Trust, we have been able to award £64,000 to members achieving the Silver or Gold levels of the London Youth Quality Mark (last year: £41,000). This increase reflects the higher number of organisations achieving Silver and Gold levels of the Quality Mark this year compared to 2016-17 when more of our support was focused on organisations working towards achieving the Bronze level (Bronze awards do not have any financial recognition attached). We are delighted that City Bridge Trust has agreed to extend our partnership and provide awards for organisations achieving the Bronze Quality Mark in 2018-19, encouraging more organisations to invest in their standards.

Our partnership with CVC Capital Partners has continued to go from strength to strength and we were able to increase the amount of funding available to members through our Summer Grants programme for the second year in a row. This year we distributed £51,774 in Summer Grants to our members (last year: £40,263). This partnership also allowed 9 members to access financial education programmes for young people delivered by financial education charity MyBnk, free of charge (total value: £ 4,765).

Through our ongoing partnership with London-based estate agents Kinleigh Folkard & Hayward, we were able to distribute £29,851 in small grants to ten members, each of whom has been matched with their local KFH branch. In addition to funding, each of the ten members also benefits from opportunities for corporate volunteering and other forms of support from their local branch. We also ran a poster campaign in KFH branch windows across London to promote the impact of our partnership over the year and to raise awareness of London Youth’s work.

We also provide grants to members and support ongoing costs through our programmes and delivery as part of our “Opportunity” objectives.

Opportunity

Across London young people need opportunities outside education and the home to have fun with their friends, to be healthy and creative, to make positive change in their communities, and to shape the kind of city they want for the future.

In 2017-18, together with our network of over 400 community youth organisations, we created opportunities for 27,188 young people (last year: 27,632) to become the best they can be through:

- Sports development
- Arts and culture
- Youth social action
- Employability
- Outdoor education

Sports Development

London Youth has been supporting youth organisations to offer sports opportunities to young Londoners for over 130 years. Getting Ready, London Youth’s sports development programme, offers young people high quality, fun sports opportunities within their local community. We support members to engage and motivate young people to get active by providing them with:

- Opportunities to participate in a range of sports, delivered in community settings

- Expert coaching and new equipment
- Capacity building, support and training for youth workers
- Leadership opportunities for young people, including qualifications
- Tournaments and residentials that bring young people from different communities together.

In the last year, we took our weekly sports programme to 96 youth organisations across London (last year: 94), with 2,626 young people participating in weekly sports sessions (last year: 2,731). Of these young people, 48% were inactive prior to their engagement in the programme. Young women's participation was comparable to last year, after three consecutive years of rising participation rates. In 2017-18, 37% of participants were female (last year: 38%, up from 26% in 2015-16) and 10% of young people participating in the programme had a disability (last year: 10%).

A total of 89 community youth organisations (last year: 69) and 2,875 young people participated in sports events, including one-day events and residentials (last year: 2,760).

For the first time this year we ran a 'Happiness Weekender', bringing together a focus on sport and young people's mental health and wellbeing. This was in response to an increasing demand for support for young people's mental health amongst our membership.

We have continued to build partnerships with local and regional sports providers to open up access to the capital's world class sports facilities to a wider group of young people. In January 2018, we launched a partnership with Lea Valley Regional Park Authority that provided opportunities for London Youth members to access seven different sporting facilities managed by the Authority and choose from 27 different activities, all fully funded. By the end of August 2018, 15 members had taken up this opportunity from 10 different London boroughs resulting in 303 young people benefiting.

We have also provided opportunities for youth workers and young people to develop their skills and gain coaching and leadership experience within sport, which they are then able to use to support ongoing delivery within their youth organisations. In 2017-18, 344 individuals (172 youth workers and 172 young people) completed an industry recognised qualification or accreditation through training opportunities that we provided as part of our sports development programme (last year: 236 young people). Each youth organisation that participated in the programme received £1,300 of grants or expenditure.

Participation in our sports programme continues to support young people's personal development, as well as providing clear health benefits. Pre and post-programme data gathered from a sample of 186 young people showed statistically significant improvements in young people's social and emotional development, with large effect sizes across a number of areas, including self-confidence, social competence and emotional control. Whilst the proportion of young people with improved 'life effectiveness' decreased from last year, the majority of young people (63.4%) did show improvements during the course of the programme (last year: 76.5%). Encouragingly, 95% of young people (n=168) stated that they will continue to play sport or be active regularly at the end of the programme indicating that there are likely to be longer-term and sustained benefits from participating in the programme.

Arts & Culture

In 2017-18, we piloted a new arts programme, Young Culture Makers, with the aim of inspiring more young people to get creative and to open up opportunities for them to explore different art forms, and work with artists and arts organisations to deliver a youth-led creative project. This programme was driven by awareness of inequality of opportunities to participate, access being reduced in schools, and young people themselves telling us they want more opportunities to engage in the arts.

Delivered in partnership with London Youth members and new partners from across the creative and cultural sector, the Young Culture Makers programme consists of four stages:

- **Explore** - Providing opportunities to try out different art forms through taster sessions
- **Create** - A youth-led group project, supported by professional artists
- **Inspire** - Inspiration days at some of the best cultural venues in London
- **Showcase** – Opportunities to showcase the artwork created as part of the programme at local and central London venues.

Young people also had the opportunity to attend the Young Culture Makers residential weekend, and to work towards gaining a nationally recognised Arts Award qualification.

In its pilot year, we successfully engaged 10 youth organisations and 151 young people in the programme. These organisations were facing similar barriers such as lacking the space, funds, resources and staff knowledge to deliver arts programmes.

An evaluation of the pilot year highlighted successes in supporting young people's personal development and wellbeing, and in building the capacity of youth organisations to deliver arts programmes successfully. Youth workers reported that the programme helped strengthen friendships and that young people became more open to trying new things over the course of the programme. Young people themselves reported feeling proud of their individual and collective achievements and more confident at the end of the programme. The programme also succeeded in helping grassroots youth organisations work in partnership and collaborate with artists and arts organisations, including several brand new partnerships. Analysis of pre- and post-programme data (available for a sub-group of 28 participants) showed increases in wellbeing for 40% of young people over the course of the programme. This is encouraging given that the programme is not specifically targeting young people with poor mental wellbeing.

Self-reported benefits for participating youth organisations included developing new partnerships (often with organisations that they weren't previously aware of), increased opportunities to learn from other youth organisations, and enhancing their offer to young people.

We have identified a number of areas for improvement moving forward including extending the 'Explore' phase of the programme to allow young people more time to try out different art forms and providing additional support to help youth organisations build partnerships with the creative sector.

Youth Social Action

Our social action and leadership programmes bring young people, member organisations and their local communities together for mutual benefit. With and through our members

we design, deliver and evaluate social action programmes that provide young people with opportunities to improve their skills and qualities, boost their confidence and resilience, and develop leadership skills through practical action.

City Leaders

City Leaders is London Youth's flagship social action and leadership programme. Between September 2017 and August 2018, 266 young people (last year: 286 young people) from 30 youth organisations (last year: 29 youth organisations) took part in the progressive, four stage programme designed to develop and enhance the confidence, networks and leadership skills of participants.

The four stages consist of:

- **Team stage** - young people work together to run a group activity and learn about teamwork.
- **Club stage** - young people develop and lead a project to improve the youth organisation they attend.
- **Community stage** - young people design their own project to have a positive impact on their local community. They pitch for the resources and support needed to deliver the project at Dragon's Den style 'Community Challenge' events.
- **Final stage, called 'Futures'** - we work directly with a group of young people who've shown the greatest commitment through the Team, Club and Community stages of the programme. These aspiring leaders take part in a three month leadership programme designed to help them learn about power and influence in London, understand themselves and how to work with others better and develop project planning skills through running their own self-led projects.

Over last year:

- 26 organisations completed the Team and Club Stages of the programme (last year: 27 youth organisations) and 23 completed the Community Stage (last year: 20 youth organisations).
- 25 young people went on to the Futures summer leadership programme (last year: 27 young people) and 12 young people were supported to achieve a youth leadership accreditation (last year: 11 young people).

This phased delivery means that young people can achieve small, quick wins early on and start to develop their leadership skills before tackling larger projects or participating in more intensive leadership development opportunities.

Through the programme, young people are able to access funding to support the delivery of their projects and in 2017-18, £37,245 was given to participating youth organisations and young people across the three stages of the programme.

City Leaders is an open access programme, encouraging and enabling young people to take part from backgrounds that would not normally do so. In partnership with our member organisations, we strive to engage groups of young people who are less likely to participate in social action.

- In 2017-18, 36% of participants had not volunteered in the last 12 months, and a further 22% had volunteered less than once a month (last year: 30% and 24% respectively).

- 43% of participants were male (last year: 60%) and 69% were from black, Asian and minority ethnic (BAME) backgrounds (last year: 80%) – both groups are typically under-represented in social action.

This year, we built on the learning from the evaluation of the pilot year and provided more opportunities for participating organisations to share good practice and provided youth workers with additional support to help young people embed the leadership skills that they were developing.

The findings from our ongoing programme evaluation were largely positive:

- 75% of young people who provided feedback on the programme (n=79) agreed that taking part in City Leaders supported them when thinking about changing their youth club or local community and 84% of young people (n=95) felt more confident about taking part in similar projects in their club or local community as a result of taking part in the programme.
- Data gathered from young people using a reflective tool also indicated that young people felt they were gaining valuable skills through participation in the programme – 68% of young people indicated that they had improved their ability to develop ideas in a group, 60% felt they were better at completing projects, and 58% stated they were better at motivating and influencing others than they had been at the start of the programme (n=67).
- Analysis of this year's evaluation data showed that fewer young people improved their social and emotional capabilities across the course of the programme this year (47.8% compared to 72% in 2016-17), with smaller average improvements, based on pre/post-programme data gathered using the Life Effectiveness Questionnaire (average increase of 0.1 on an 8-point scale compared to 0.8 in 2016-17). We will be exploring programme data further to understand the potential causes of the differences we observed between the two years of delivery, and to identify whether there are particular groups who are not benefiting as much from the programme.

A follow-up evaluation from the first cohort of City Leaders, conducted by external evaluators Shephard & Moyes this year, did however highlight a number of lasting benefits from participation in the programme. These included:

- Embedding a culture of leadership and social action in participating youth organisations
- Developing new relationships with other community organisations.

This reinforces the need for a dual focus on building the capacity of youth organisations, and providing opportunities for young people, as part of our ongoing delivery.

YouthLeads

YouthLeads, funded by the Big Lottery Fund, provides young people from three north London boroughs – Enfield, Haringey and Waltham Forest – opportunities to develop their leadership qualities and the life skills they tell us they need the most. Many young people in these boroughs face barriers to becoming successful adults – changing demographics, localised poverty and criminal activity, and cuts to statutory youth services. YouthLeads aims to make a difference for these communities by creating positive activities for local young people and developing their skills.

Between September 2017 and August 2018, we supported 16 Young Leaders (last year: 20 Young Leaders) in 3 youth organisations (last year: 4 youth organisations) to plan and deliver community-based projects. This core group engaged a further 27 young people (last year: 85 young people) in their projects. The number of youth organisations and young people participating in the programme was slightly lower this year due to a late withdrawal during the recruitment phase, and as a consequence, we will be expanding the programme to five youth organisations next year in order to reach our overall target of 12 youth organisations across the three years of delivery.

Twelve young leaders gained a youth leadership accreditation as part of the programme (last year: 16 young leaders), and a total of £3,800 was distributed to participating youth organisations to support the delivery of projects and as a contribution to youth worker time to support the residential element of the programme.

Data gathered at the beginning and end of the programme from 12 of the participating young people indicated a number of positive benefits, including young people's task leadership improved, they felt more likely to use their initiative, and more able to motivate and influence others.

ActiveLeads

ActiveLeads, funded by the Big Lottery Fund and iWill Fund, is a new youth leadership programme that brings together London Youth's expertise in sports development and youth social action. It aims to increase the number of young women engaged in sport-related volunteering – an area where they are currently under-represented – by supporting them to develop sports-focused social action projects, alongside capacity building with youth organisations to create ongoing volunteering opportunities.

In its first year, we supported 31 young women from 6 youth organisations to plan and deliver sports-based volunteering projects that engaged a further 19 young people. Twenty-five young people achieved a youth leadership accreditation as part of the programme, and £5,159 was distributed to participating organisations to support delivery of projects and as a contribution towards youth worker time spent supporting the residential element of the programme.

Our evaluation of the first year of delivery showed a positive impact on young people with over half of the young people (n=31) improving their self-confidence, initiative, leadership, time management and emotional control. 68% of young people agreed that the volunteering they had done through ActiveLeads had a positive impact on others (n=32).

Additionally, through the young women taking the lead, ActiveLeads appears to be having an impact on the way others view the role of women in sports leadership. Feedback gathered from youth workers and participants indicated that having young women take the lead led to numerous benefits, from challenging gender stereotypes, to inspiring other young women to get involved.

Employability

Young people and community youth organisations consistently tell us that employment and job prospects are among the biggest concerns that young Londoners have about their lives.

Even though there are potentially more opportunities in London than elsewhere, the variety of programmes and players are not well co-ordinated and young people who are out of work – particularly those facing the biggest barriers – find the system very hard to navigate.

Talent Match London

Now in its fifth and final year, our partnership programme, Talent Match London, supports young people aged 18-24 who have been out of education, employment and training for at least 12 months, into sustainable employment. This is a £10 million programme over five years, funded by the Big Lottery Fund, focusing predominantly on seven boroughs in North and East London. Through a distinctive 'youth work' approach to employability, Talent Match London aims not only to get young people into jobs but also to equip them with the skills, capabilities and desire to navigate a fulfilling career pathway.

Over the last year, our focus has been on bringing the programme to a successful conclusion and embedding the learning from the past five years of delivery. As a result of shifting focus to sustained outcomes at this stage of the programme, we have engaged fewer new young people on the programme this year - 384 young people compared to 660 last year.

Of the 384 new young people engaged:

- 182 young people were previously 'hidden' (not accessing statutory support).
- We continued to successfully support young people to achieve positive outcomes and between September 2017 and August 2018, 165 young people moved into employment (last year: 271), of which 110 have sustained employment for at least six months (last year: 124).
- A further 56 young people moved into full-time education (last year: 132)
- 38 young people secured apprenticeships (last year: 38).

This is a snapshot in time and as we reach the end of the programme in December 2018, we have collected more evidence in 2018/19 and are on track to reach the programme targets with a higher number having sustained employment.

We also undertook a substantial research project that took a deeper look at young people who are 'hidden' – young people who are out of work and not claiming statutory benefits – in order to highlight a significant under-reported issue in national unemployment and welfare claimant counts. We launched the report in February 2018 and successfully engaged a wide-range of stakeholders with the findings, including funders, commissioners, policy-makers, businesses and delivery organisations. We reached over 140 individuals through the initial launch, with subsequent engagement with cross-party policy makers and the media.

Internally, we have used the findings to inform the design of our new employability programme and have worked with partners to explore the implications for their practice.

Talent Match Croydon

The Talent Match programme was expanded to Croydon in the early part of 2017-18. This is a £1m programme over two years, funded by the Big Lottery Fund, which builds on the learning from the last four years of delivery through Talent Match London. It is a place-based model situated in the heart of Croydon, delivering through local community based partners with close working relationships with the local authority, statutory service providers and local employers.

There are four partners covering the geographic area:

- Sports Active Coaching – South Croydon
- Play Place Innov8 – East Croydon

- Palace for Life – North Croydon
- London Learning Consortium – Central and West Croydon

The partnership is now established and working in collaboration.

The outputs are within two years to improve the social and emotional capabilities of 350 “hidden NEET” young people (not in education, employment or training):

- Support at least 25% of them into sustained work at the six month follow-up point
- Determine whether the estimated cost savings of 25-30% compared with the “standard” London Youth model are achievable
- To raise awareness locally of the ‘hidden NEET’ population and share good practice
- To “manualise” the approach, for wider learning and potential replication elsewhere

Delivery started in January 2018 and 97 young people were engaged by the end of August 2018 (64% of those are from black, Asian and minority ethnic backgrounds and 38% are young people for whom access to statutory services is challenging). Many of these young people are close to achieving a positive outcome following intensive work with partners on developing their skills in order to fulfil their aspirations. We are currently on target for achieving the outputs.

Future Talent

Over the last year, we have been carrying out development work for our new pre-employability programme aimed at young people aged 14-18. Drawing on our learning from Talent Match, Future Talent aims to support young people to become job-ready through a combination of personal development opportunities, inspirational employer experiences, coaching and mentoring.

Delivered in partnership with our members, we will:

- Support youth workers to deliver effective employability support by providing training in coaching, mentoring, and career pathways
- Establish a practitioner network
- Create spaces for peer-to-peer support and sharing of best practice.

It is anticipated that programme delivery will commence early in 2019.

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.

London is a high pressure, busy place for young people, so providing an outlet to get out of the city is a vital part of increasing their life experience, supporting their physical and mental health and wellbeing and personal development. At our two residential centres, we ensure that access to high quality residential and outdoor learning 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 staff have many years of experience working with young people. A residential experience at Hindleap Warren or Woodrow High House gives 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. Hindleap is also a leader in provision for children with additional needs.

This year 10,892 (last year: 10,464) children and young people came to Hindleap, including 939 with additional needs (last year: 890). The number of visit days reduced from 33,011 in 2016-17 to 31,243 in 2017-18. This was in part due to a reduction in the number and length of school bookings. However, visits from members remained relatively stable with 67 residential visits from members. Eight additional members visited as part of a London Youth programme residential.

A total of 1,245 young people visited Hindleap Warren from member youth organisations during 2017-18 (last year: 1,071 young people and 65 members). During the year, we made a number of improvements to the centre, including the addition of new activities for young people, improvements to our catering, and completing renovations to staff accommodation block.

Our programme data once again showed the positive impact of the activities at Hindleap on young people's personal development. Based on a sample of 121 young people:

- Over half showed improvements in their social and emotional capabilities during the course of their visit, with statistically significant improvements across a range of skills and competencies, including time management, emotional control and using their initiative.
- This positive impact was further reinforced by feedback from youth professionals (n=171), with over 90% of youth professionals indicating that visiting Hindleap improved young people's motivation, confidence and team work.

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 7,066 children and young people came to Woodrow (last year: 7,744), of whom 355 children have additional needs (last year: 352). In addition, 2,595 children learned to swim in the Sports Centre (last year: 2,829).

- A total of 32 members visited Woodrow in 2017-18 (last year: 25), bringing 482 young people (last year: 440).
- Among other London Youth programme-based residential visits, Woodrow hosted the first Arts and Wellbeing residentials for our Young Culture Makers and Sports programmes respectively.

- 63 additional members visited Woodrow through these programme-based residential visits.

During the year, we made a number of changes to improve the experience of young people and youth professionals visiting Woodrow:

- We carried out work on the building to improve the physical environment through re-decorating key communal areas and replacement of the kitchen air handling units.
- Put measures in place to improve the food served in our dining hall (this is an area where we have historically had less positive feedback from young people), including changing catering supplier.
- Changed our staffing model to increase the number of experienced outdoor instructors. This appears to have had a positive impact with good feedback from groups on our instructor team.

Feedback from youth professionals (n=183) highlighted the positive impact of the activities and experiences provided at Woodrow for children and young people.

- Over 95% agreed that young people will be able to cope better with challenges, be more confident and more motivated after their residential than before. A limited sample of pre-/post programme data (n=30) further supported this, with significant improvements in young people's motivation, social competence, leadership and intellectual flexibility over the course of their residential.

Although based on a limited sample, a higher proportion of young people showed improvements in 2017-18 this year than last year (75% compared to 54%).

Voice

Policy and advocacy informed by youth workers for young people

During the year, we have strengthened our policy voice externally. We have used our communications channels to inform our members of the external policy context and have advocated for young people and the youth sector on important issues, such as tackling youth violence and the impact of funding cuts for the youth sector. We have responded to 12 policy consultations, supported by the knowledge and evidence provided by our members, our specialist member networks, and evidence from our programmes and research. We have actively engaged with policymakers to advocate on behalf of the youth sector, and have provided opportunities for young people and our members to have their voices heard in the media, at a range of speaking events and in Parliament

Digital communications

Over the past year we have launched new websites for London Youth, Hindleap Warren and Woodrow High House. The new websites are at the core of all communications, with the voices of our members, young people, and staff reflected across featured stories and blogs.

Across our digital platforms, including the website and social media, we have worked to ensure all areas of our work are represented. Through proactive communications on issues related to the youth sector and young Londoners we have engaged with key policy makers, including the Mayor of London and MPs. Web traffic and social media engagement has steadily grown throughout the year.

Media and public events

We have been involved in a number of media engagements and public events, working with members and young people in order to amplify the voice of youth organisations in London. Our reports and policy work have featured on Channel 4 News, BBC News, BBC Radio London and the BBC online, as well as press coverage in the Evening Standard, the Independent and other print/online third sector media.

Staff and members of our youth advisory board from London Youth have spoken at several public events, including All Party Parliamentary Groups and at Public Policy Exchange events. We have also held a number of events, including the London Youth Awards which was attended by 296 people and the Hidden in Plain Sight report launch, all attended by supporters, funders and policy makers.

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, communicate our messaging to young audiences, tell us where we need to focus and in turn take opportunities to represent and add to London Youth's offer.

This year, 24 young people took part in Dare London. As well as helping to shape our future plans, we work hard to ensure that the young people who take part in Dare London are able to use the opportunity to develop their own skills and gain new experiences.

Some of the opportunities taken up by Dare London this year include hosting and presenting awards at the London Youth awards, being part of interview panels for new members of staff, and supporting quality mark assessments. We have also provided opportunities for members of Dare London to share their views and expertise with key stakeholders outside of London Youth. During the year, members of Dare London have fed into consultations at City Hall for the Mayor's Fund, a youth violence consultation with London Assembly Member Sian Berry, as well as representing London Youth at Westminster events for UK Youth Voice event and NYA.

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.

This year we invested in organisational development in a number of key areas.

We invested in our digital capabilities to support us to become more efficient and effective and developed three year programme to improve our support and engagement with members through technology.

In 2016-17 we externally benchmarked our staff reward and benefits package and in 2017-18 implemented changes as a result to improve our staff retention and wellbeing.

We also reviewed our governance, using the 2017 Charity Governance Code as a framework to assess our performance and implemented an action plan as a result. While we were largely compliant, we are committed to continual improvement and were pleased to have been able to apply or explain all the requirements by September 2018.

2017-18 also saw improvements to our financial monitoring and reporting and piloting new project management processes for internal projects to increase our effectiveness and learning.



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 £59,864 surplus but the out-turn was £39,365, excluding profit on the sale of assets and one-off costs outside the operating budgets – a variance of 0.2% of turnover.

During 2015-16, London Youth took three freehold properties from its historical portfolio to market and completed the sale of the final property in December 2017.

The profits from the sales were invested to support the long-term sustainability of London Youth through 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 31st August 2018, the group had unrestricted net expenditure of £2,296,255 (2017: £3,644,000). Total unrestricted funds for the group were £14,465,639 (2017: £11,815,239) of which £7,466,548 related to designated fixed assets (2017: £7,528,987) and other designated funds of £4,371,485 (2017: £2,552,463). General funds were £2,627,606 (2017: £1,733,789).

Total group income was £10,190,877 (2017: £11,739,868), but excluding the sale of assets was £7,579,829 (2017: £6,767,787). The principle increase in operating income related to grants for charitable activities, including income for activities taking place in 2018-19, and increase in investment income. Total expenditure was £7,421,219, but excluding one-off other expenditure was £7,330,496 (2017: £6,905,536). The principle increase related to increases in charitable expenditure related to increased income above.

During the year the organisation received restricted income of £4,097,472 (2017: £3,283,463) and expended £3,478,045 (2017: £3,338,426). As at 31st August 2018 restricted funds of £789,157 (2017: £523,875) were held for charitable activities.

The net movement in funds for the year ended 31st August 2018 was a surplus of £2,939,482 (2017: £3,660,352).

Investment performance

London Youth has an investment portfolio of £4,550,416 (2017: £2,382,592) 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 valued at £1,404,777 on 31st August 2018. During the year the Girls' Fund investment performance was reasonable, with an overall increase in capital value of £23,801. The income target was 3.5% per annum; net income received during 2017-18 was £46,211, which equates to 3.3% or gross income of £55,963 (4%).

The other investment was for a designated fund (The Development Fund) which was created towards the end of the 2016-17 financial year with additional funds added in February 2018 from the sale of a property. The value of the investments at the end of August 2018 was £3,145,347. The increase in the capital value was £146,044 with net income of £51,832 or gross income of £58,628.

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 between three and six months' expenditure, excluding capital appeal expenditure. This means that we would seek to hold unrestricted free reserves of between £1.8m and £3.6m.

At 31st August 2018, total reserves were £15,254,795, excluding the permanent endowment, comprising £789,157 in restricted funds, designated reserves of £11,838,033 and free reserves of £2,627,606.

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

Designated reserves consist of:

- £7,466,548 of a fixed asset fund representing the net book value of fixed assets
- £725,988 designated for a digital development and programme innovation fund to be invested over the next 3 years for deliverance of the strategy

- £3,645,497 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 2017-18 were as follows:

Individuals

Patrick Bateman
Guy Davison
P Pearce Forder
Anonymous donors

Companies and organisations

Big Lottery Fund
Bupa
Centre for Sight
Centre for Youth Impact
Centrica
Clifford Chance
Credit Suisse
CVC Capital Partners
Deutsche Bank
Freshfields Bruckhaus Deringer LLP
Goldman Sachs
Greater London Authority
Jefferies International
Kinleigh Folkard & Hayward
Latham & Watkins LLP
Lewis Silkin LLP
London Sport
London Wildlife Trust
Movement to Work
Rural Payments Agency
S Wernick & Sons
Sport England
Total Gas and Power Ltd
Waitrose Community Matters
Zebra Technologies Europe Ltd

Livery Companies

The Worshipful Company of Drapers
The Worshipful Company of Girdlers
The Worshipful Company of Goldsmiths
The Worshipful Company of Mercers
The Worshipful Company of Tallow Chandlers
The Worshipful Company of Wax Chandlers

Trusts and Foundations

Angel House Foundation
Bassil Shipman & Alsford Trust
Beaconsfield Housing Society
Benelovent Trust
Bernard Sunley Charitable Trust
Bouttell Bequest
BP Foundation
Carrington Charitable Trust
Chapman Charitable Trust
City Bridge Trust
Clemence Charitable Trust
D'Oyly Carte Charitable Trust
EF and MG Hall Charitable Trust
Ernest Kleinwort Charitable Trust
Esmée Fairbairn Foundation
Eyre Family Foundation
Four Acre Trust
Friarsgate Trust
Gatwick Airport Community Trust
George John & Sheilah Livanos Trust
Hale Trust
Hall Charities Trust
Isabel Blackman Foundation
iWillFund
Jack Petchey Foundation
Jimmy Dixon Charitable Trust
Joseph Levy Endowment Trust
John Lyon's Charity
Joyce Dickinson Children's Trust
King/Cullimore Charitable Trust
Lawson Trust
Lochlands Trust
Lynn Foundation
Mobbs Memorial Trust
Morrisons Foundation
The Pamela Elizabeth Lennard Will Trust
Paul Hamlyn Foundation
Redfern Charitable Foundation
Relief Chest Scheme
Roger Vere Foundation
Roland Callingham Foundation
Sir Jeremiah Colman Gift Trust
Sulgrave Foundation
Tarlow Children Education Charity
Thomas Cook Children's Charity
Thomas J Horne Memorial Trust
Thompson Charitable Trust
Tudor Foundation
Variety Club
William Allen Young Charitable Trust

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Plans for the future

Strategy

2018-19 is the second year of our strategic plan 2017-20. It builds on activities from 2017-18 and reflects implementation of the plans to date.

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 community 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 youth social action, sports development, arts and culture, 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.

Priorities for 2018-19

- Further development and implementation of core long-term strategies – Centres, Programmes, Membership, Fundraising and Finance. In this respect, 2018-19 is a transitional year.
- Grow the centres offer and team capabilities.
- Successful delivery and exit of Talent Match London, and transition to new employability programme.
- Find funding to sustain current delivery levels of all programmes and maximise funding opportunities to grow where possible, particularly arts and culture.
- Clarify member needs and membership offer and packages of support.
- Understand and assess the impact of London Youth's work for members (the impact on them as organisations).
- Embed marketing disciplines and capabilities across the organisation.
- Further data and digital development and embedding in to the organisation internally (including skills and capabilities) and externally (especially website functionality) improving efficiency and effectiveness.

- Expand policy and influencing work and establish London Youth as experts in our five key policy priority areas.
- Maximise impact of Champion London Youth campaign, and collect evidence to build future campaigns.
- Income diversification, particularly increasing income from corporates and range and nature of funders of centres activities.
- Improving line management standards and consistency.
- Increasing diversity, inclusion and sensitivity at all levels and in all decision-making.

Growth has been a theme of all three years of the strategy, but the focus for 2018-19 is on refining the approach, focusing on maximising impact through integration and analysis, and on longer term sustainability.

Key KPIs 2018-19

The following will be monitored at the top level of the plan

Measure		Target
Development	Number of members	452
	Youth professionals participated in networks and training	1,500
	Member satisfaction with member services (out of 10)	8.5
	Member opportunities taken up	400
	Unique members engaged in opportunities	66%
Opportunity	Number of Young People on programmes	6,000
	Proportion of young people with an increase in LEQ score	
	Average increase in LEQ score	
	Young people visit days at centres	50,000
	Net Satisfaction Score for young people at centres	70
	Net Promoter Score of Youth Leaders at centres	80
Voice	Member satisfaction with voice work (out of 10)	9
	Rating from Dare Londoners as to how well LY represented the views and concerns of young people	8
Best We Can Be	General Fund surplus/(deficit) before depreciation and excluding property sales forecast compared to budget	£58k
	Earned income forecast compared with budget	£3,182k
	Fundraised income forecast compared with budget	£3,246k
	Staff who would recommend London Youth as an employer to friends in annual staff survey	90%

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 they 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, 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 2017-18 we also reduced our risk by completing on a property which allowed us to increase the level of our reserves to better cope with uncertainty.

Efficiency and effectiveness

There is a risk that we do not deliver results or that we do not do so in the most efficient way to be able to maximise our impact.

We continually monitor our performance and have a dedicated Learning team reviewing the outcomes of our work.

We work hard to foster a culture committed to continual improvement. During 2017-18 we also focused internally on strengthening the organisation to reduce this risk. This included a governance review and implementing actions as a result of this, piloting new internal project management processes, and investing in our IT, data and digital capacity.

We recruited a new post of Head of Digital Development & ICT in January 2018 and have a programme of work planned over the next 2-3 years to support our internal effectiveness and use of digital technologies to improve our support for members.

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 22nd August 1931 as a charitable company limited by guarantee. It is governed by its Articles of Association which were last amended on 21st March 2018.

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 aged up to 25 years old.

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.

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 2018-19 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 12 at 31st August 2018. Trustees that served during the year are detailed on page 63. 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 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 each of the recommendations.



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 actively provides young Londoners with opportunities to develop their leadership potential through our City Leaders programme and Dare London, our Youth Advisory Board, made up of young people aged 16-24 from our member clubs. Dare London ensures what we do is relevant and responsive to the needs of young people. During the year we enhanced youth involvement at London Youth, in accordance with our Youth Involvement 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 2017-18 this included some small grants to members for specific projects and activities, but also included major grants as part of the Talent Match London and Talent Match Croydon programme.

Before making a grant, London Youth completes appraisals of the project and the proposed partner organisation proportionate to the size of the grant. 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 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.

Major 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 organisations. We receive funds from a range trusts and foundations, livery companies, corporate organisations, and a small number of individuals. We also receive valuable support from challenge event fundraisers who give their time and energy to help us raise unrestricted income. We do not use third party fundraising organisations, nor do we carry out telephone or direct mail fundraising. We have entered in to agreements with two companies to be beneficiaries of product sales in 2018, for which commercial participation agreements are in place – Mountain Warehouse and Urban Outfitters.

We adhere to the Code of Fundraising Practise and are registered with the Fundraising Regulator. No complaints have been received by the charity about fundraising activities carried out by the charity or someone on behalf of the charity.

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 103 full time equivalent staff (2017: 100), who are based in London and at our two centres. Of this workforce, 60 (2017: 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 and has an active diversity working group supporting initiatives in this area.

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. We also redeveloped our Wellbeing Policy in 2017-18.

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 and 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 13th February 2019

Independent Auditors' Report

Independent Auditors' 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 for the year ended 31 August 2018 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).

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 2018 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 38, 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

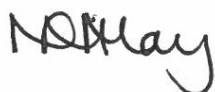
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee 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. This description forms part of our auditor's report.

Use of our report

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.



Nicola May

Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London

1 March 2019

Financial Statements

Statement of Financial Activities

Consolidated Statement of Financial Activities
Including Income and Expenditure year to 31 August 2018

Group	Notes	Unrestricted Funds £	Restricted funds £	Permanent endowment £	Total 2018 £	Total 2017 £
Income						
Donations and legacies	2	168,804	243	-	169,047	258,202
Charitable activities						
. Development		67,314	360,664	-	427,978	257,377
. Opportunity		2,952,444	3,494,476	-	6,446,920	5,990,231
. Voice		-	22,037	-	22,037	-
. Best We Can Be		12,561	220,052	-	232,613	27,485
Other trading activities	3	152,382	-	-	152,382	167,562
Investments	4	128,852	-	-	128,852	66,932
Profit on the sale of assets	5	2,611,048	-	-	2,611,048	4,972,081
Total income		6,093,405	4,097,472	-	10,190,877	11,739,868
Expenditure on:						
Raising funds	6	176,363	36,570	-	212,933	212,954
Charitable activities	7					
. Development		59,525	347,677	-	407,202	271,523
. Opportunity		3,404,526	2,888,279	-	6,292,805	6,163,301
. Voice		111,692	22,037	-	133,729	90,736
. Best We Can Be		100,345	183,482	-	283,827	167,021
Other	8	90,723	-	-	90,723	1,244,768
Total expenditure		3,943,174	3,478,045	-	7,421,219	8,150,304
Net gains / (losses) on investments		146,023	-	23,801	169,824	70,788
Net (expenditure) / income		2,296,254	619,427	23,801	2,939,482	3,660,352
Transfers between funds		354,145	(354,145)	-	-	-
Net movement in funds		2,650,399	265,282	23,801	2,939,482	3,660,352
Reconciliation of funds						
Total funds brought forward		11,815,239	523,874	1,380,976	13,720,089	10,059,737
Total funds carried forward	16	14,465,639	789,156	1,404,777	16,659,572	13,720,089

See pages 5 to 23 for an explanation of Development, Opportunity, Voice and Best We Can Be respectively

Balance Sheet


Company and Group Balance Sheet as at 31st August 2018
Company Number 0258577

	Notes	Group 2018 £	Charity 2018 £	Group 2017 £	Charity 2017 £
Fixed assets					
Tangible fixed assets	12	7,466,547	7,466,547	7,528,987	7,528,987
Investments	13	4,562,416	4,562,418	2,392,592	2,392,594
		12,028,963	12,028,965	9,921,579	9,921,581
Current assets					
Debtors	14	432,365	535,894	228,988	268,358
Cash at bank and in hand		5,434,702	5,319,166	4,554,657	4,474,780
		5,867,067	5,855,060	4,783,646	4,743,138
Creditors:					
falling due within one year	15	(1,236,458)	(1,224,453)	(985,135)	(944,629)
Net current assets		4,630,609	4,630,607	3,798,510	3,798,508
Total net assets		16,659,572	16,659,572	13,720,089	13,720,089
Represented by:					
Funds and reserves	16				
Permanent endowment funds		1,404,777	1,404,777	1,380,976	1,380,976
Restricted funds		789,156	789,156	523,874	523,874
Unrestricted funds					
. General funds		2,627,606	2,627,606	1,733,789	1,733,789
. Designated funds		11,838,033	11,838,033	10,081,450	10,081,450
		16,659,572	16,659,572	13,720,089	13,720,089

Total income and gains for the charity was £10,049,788 and total expenditure was £7,408,075, giving a net result of £2,641,713.

Approved by the trustees and signed on their behalf by:


Julian Beare
Chair


Keith Ward
Honorary Treasurer

on 13th February 2019

Notes 1 to 21 form part of these accounts

Cash Flow

Group Cash Flow Statement for the year ended 31st August 2018

Statement of cash flows	Notes	2018 £	2017 £
Cash inflow from operating activities:			
Net cash provided by operating activities	A	394,568	(1,390,794)
Cash flows from investing activities:			
Dividends, interest and rents from investments		99,359	53,401
Purchase of investments		(2,000,000)	(1,000,000)
Purchase of property, plant and equipment		(415,447)	(41,201)
Proceeds from the sale of assets (net of fees)		2,801,568	5,214,431
Net cash (used in) investing activities		485,480	4,226,631
Change in cash and cash equivalents in the reporting year		880,045	2,835,837
Cash and cash equivalents at the beginning of the reporting year		4,554,657	1,718,820
Cash and cash equivalents at the end of the reporting year	B	5,434,702	4,554,657

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	2018 £	2017 £
Net movement in funds		
Adjustments for:		
Net (expenditure)/ income for the reporting period	2,939,482	3,660,352
Depreciation and amortisation charge	287,369	273,272
Profit from sale of fixed assets	(2,611,048)	(4,972,081)
(Gains)/losses on investments	(169,824)	(70,788)
Dividends, interest and rents from investments	(99,359)	(53,401)
(Increase)/decrease in debtors	(203,377)	353,115
Increase/(decrease) in creditors	351,324	(581,263)
Net cash provided by operating activities	394,568	(1,390,794)
B - Analysis of cash and cash equivalents	2018 £	2017 £
Cash at bank and in hand	5,395,202	4,536,679
Cash held as investments	39,500	17,978
Total cash and cash equivalents	5,434,702	4,554,657



Notes to the financial statements

Notes to the Financial Statements as at 31st August 2018

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 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.

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 August 2018

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 for unrestricted activities and grants 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, financial management, ICT and HR functions. 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 for permanent buildings and 20 years for more temporary structures, 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 25% 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 makes payments into an auto-enrolment defined contributions pensions 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 member organisations are not recorded as incoming or outgoing resources on the statement of financial activities. In 2017-18 these were payments made by City Bridge Trust to organisations achieving a Quality Mark award, totalling £64,000.

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 organisations as part of programme delivery and member development.

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.

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 £	Total 2018 £	Total 2017 £
Donations & Legacies	168,804	243	169,047	258,201
	<u>168,804</u>	<u>243</u>	<u>169,047</u>	<u>258,201</u>

3. Trading Income

	Unrestricted funds £	Total 2018 £	Total 2017 £
Rental income - Company	11,293	11,293	26,750
London Youth Trading Company income	<u>141,089</u>	<u>141,089</u>	<u>140,812</u>
Group Total	<u>152,382</u>	<u>152,382</u>	<u>167,562</u>

4. Investment Income

	Unrestricted funds £	Total 2018 £	Total 2017 £
Income from listed investments			
. Unit trusts and common investment funds	99,359	99,359	53,401
Interest receivable			
. Bank interest	<u>29,493</u>	<u>29,493</u>	<u>13,530</u>
	<u>128,852</u>	<u>128,852</u>	<u>66,932</u>

5. Profit on the sale of assets

	Unrestricted funds £	Total 2018 £	Total 2017 £
Proceeds from property sales	2,858,000	2,858,000	5,736,000
Cost of sales	<u>(246,952)</u>	<u>(246,952)</u>	<u>(763,919)</u>
	<u>2,611,048</u>	<u>2,611,048</u>	<u>4,972,081</u>

6. Expenditure on raising funds

	Staff costs £	Other costs £	Total 2018 £	Total 2017 £
Fundraising costs	142,343	70,590	212,933	212,954
	142,343	70,590	212,933	212,954

7. Expenditure on charitable activities

	Direct costs £	Support costs* £	Total 2018 £	Total 2017 £
Development	347,165	60,037	407,202	271,523
Opportunity	5,743,752	549,053	6,292,805	6,163,301
Voice	129,207	4,522	133,729	90,736
Best We Can Be	234,769	49,058	283,827	167,021
	6,454,893	662,670	7,117,563	6,692,582

*see note 9

Included in expenditure are grants made to Talent Match partners and members as part of development and programme delivery in the following amounts

<u>Grants to Institutions</u>	2018 £	2017 £
Hackney CVS	287,323	323,271
Collage Arts	28,464	338,466
Mencap	74,050	90,417
Royal Association for Deaf People	32,060	39,846
Royal London Society for the Blind	33,980	45,260
City and Hackney Mind	41,328	46,263
Barnados	59,725	74,999
Working With Men	-	15,604
Gingerbread	73,905	122,838
Community Links	223,045	310,301
Rinova	130,912	-
Palace for Life Foundation	42,750	-
Play Place CIC	36,290	-
London Learning Consortium	44,250	-
Sports Active Coaching	31,820	-
Marvels Lane Boxing Club	10,000	-
Grants 5k and under for programme delivery	152,306	-
	1,302,208	1,407,265

8. Other Expenditure

	Total 2018 £	Total 2017 £
Pensions Deficit repayment and associated costs	0	506,438
Donation to the Joseph Levy Endowment Trust	0	710,000
Costs associated with preparation for the Marvels Lane property sale	78,379	0
Other	12,344	28,330
	90,723	1,244,768

9. Support costs

	Development	Opportunity	Voice	Best We Can Be	Fundraising	Total 2018 £	Total 2017 £
	£	£	£	£	£	£	£
Finance	12,153	160,050	5,340	7,419	9,176	194,138	156,025
HR	5,348	77,681	2,550	2,462	2,438	90,479	99,593
IT	6,036	83,043	2,652	5,198	2,657	99,586	124,028
Governance (note 10)	7,965	110,833	4,582	6,875	5,105	135,360	131,673
London Office	26,183	73,636	12,022	12,752	11,560	136,153	130,164
Communications	0	10,196	-23,657	13,461	0	0	98,694
Safety & Safeguarding	2,352	33,614	1,033	891	914	38,804	45,399
	60,037	549,053	4,522	49,058	31,850	694,520	785,576

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

10. Governance costs

	Total 2018 £	Total 2017 £
Auditor's remuneration		
. Current year audit fees	25,460	18,420
. Non audit fees	7,680	5,100
.Trustee Indemnity insurance	4,993	4,553
.Salary Costs	82,272	56,815
.Other	14,537	46,454
Trustee expenses	418	331
	135,360	131,673

11. Staff costs

Group and charity	Total 2018 £	Total 2017 £
Staff costs during the year were as follows:		
Wages and salaries	3,062,579	2,604,468
Social security costs	284,714	235,020
Redundancy and termination costs	0	10,442
Pension costs	116,843	100,853
	3,464,136	2,950,783
Temporary and outsourced staff costs	361,196	334,763
	3,825,332	3,285,545

Group and charity	Total 2018 £	Total 2017 £
Staff costs during the year were as follows:		
Staff costs per function were as follows:		
Charitable activities		
. Development	245,297	163,930
. Opportunity	2,829,085	2,479,359
. Voice	86,071	79,310
. Best We Can Be	161,801	188,073
Fundraising	142,343	107,377
Support costs	360,735	267,496
	3,825,332	3,285,545

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

Group and charity	2018 Number	2018 FTE	2017 Number	2017 FTE
Direct charitable				
. Development	6	6	4	4
. Opportunity	121	86	118	84
. Voice	3	2	2	2
. Best We Can Be	3	3	2	2
Fundraising	4	3	3	2
Support	6	6	6	6
Total	143	106	135	100

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

	<u>2018</u>	<u>2017</u>
	Number	Number
£80,000 - £89,999	1	1
£70,000 - £79,999	-	-
£60,000 - £69,999	2	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 and National Insurance contributions of the key management personnel for the year was £412,476 (2017: £372,163).

No Trustees received remuneration in respect of their services as a Trustee during the period (2017: £nil). One Trustee received reimbursement of £418 for travel expenses during the period (2017: one Trustee £331). The charity has a Trustee indemnity insurance policy in force for which the charge for the period was £4,993 (2017: £4,553).

12. Tangible fixed assets

	Land and Property £	Improvements £	Furniture, fixtures & equipment £	Motor vehicles £	Computers £	Total £
Cost or valuation						
At 1 September 2017	7,613,583	2,470,392	686,743	64,047	148,902	10,983,667
Additions	252,877	76,050	33,158	22,077	31,285	415,447
(Disposals)	(240,000)	-		(41,145)	(7,962)	(289,107)
At 31 August 2018	7,626,460	2,546,442	719,901	44,979	172,225	11,110,007
Depreciation						
At 1 September 2017	2,123,595	877,149	273,577	64,047	116,312	3,454,680
Charge for year	115,874	93,470	63,329	1,535	13,161	287,369
(Disposal)	(49,480)	-	-	(41,147)	(7,962)	(98,589)
At 31 August 2018	2,189,989	970,619	336,906	24,435	121,511	3,643,460
Net book values						
At 31 August 2018	5,436,471	1,575,823	382,995	20,544	50,714	7,466,547
At 31 August 2017	5,489,988	1,593,243	413,166	-	32,590	7,528,987

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 until 31st July 2018 and currently on the market for sale

During the year, The Trustees disposed of the freehold property at Hawkstone Road

The charity also owns freehold properties listed below which are included at a £nil valuation because the properties are held on trust or have restrictive covenants concerning their disposal. These properties have no recorded cost and are not in use by the charity.

<u>Freehold properties at £nil value:</u>	<u>Reason for non valuation</u>	<u>Insurance Value (£)</u>
Addison Boys Club, London	Held on Trust	277,650
Westminster House Youth Club, London	Held on Trust	450,000

During the year, The Trustees disposed of the leasehold property used by Poplar Boys and Girls Club. This property was not included in the accounts due to restrictive covenants.

13. Investments

	Group 2018 £	Charity 2018 £	Group 2017 £	Charity 2017 £
Shares in subsidiary undertaking at cost	-	2	-	2
Listed investments	4,542,363	4,542,363	2,025,890	2,025,890
Cash held by investment managers for investment	8,053	8,053	354,702	354,702
Other investments	12,000	12,000	12,000	12,000
	4,562,416	4,562,418	2,392,592	2,392,594

The charity owns the entire issued share capital of London Youth Trading Company Limited, company number 02977936, incorporated in England and Wales. This company traded throughout the year ended 31 August 2018; 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 £141,089 (2017: £140,842) and its surplus for the year was £60,320 (2017: £67,367). An amount of £60,320 (2017: £67,367) 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 2017	2,025,890
Additions	2,354,340
Unrealised gains /(losses)	162,133
Market value at 31 August 2018	4,542,363
Cash held by investment managers	8,053
Total investment	4,550,416
Listed investments at cost	3,959,708

Listed investments held at 31 August 2018 comprised the following:

	2018 £	2017 £
Fixed income	510,433	311,681
UK equities	327,146	363,283
Global equities	3,074,353	1,048,756
Property	266,448	140,783
Alternative assets	256,242	102,750
Liquid assets	115,794	413,339
	4,550,416	2,380,592

Included within listed investments are 58.8 ordinary shares in Royal Bank of Scotland Plc with a market value of £142 (2017: £163) at 31st August 2018 which do not form part of the Sarasin & Partners investment portfolio.

14. Debtors

	Group 2018 £	Charity 2018 £	Group 2017 £	Charity 2017 £
Trade debtors	316,845	312,008	90,767	61,612
Prepayments and accrued income	111,675	111,675	134,696	134,696
London Youth Trading Company	0	109,986	0	68,524
Other debtors	3,845	3,845	3,525	3,525
Total debtors	432,365	535,894	228,989	268,358

Amounts totalling £337,132 (2017: £347,072), 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).

Increase in trade debtors in 2018 includes significant grants due but not received before year end - including £100k from City Bridge Trust, £65k from CVC Capital Partners, and £25k from Deutsche Bank. This was due to phasing of activities and all were received by November 2018.

15. Creditors

	Group 2018 £	Charity 2018 £	Group 2017 £	Charity 2017 £
Fees in advance and deferred income	523,520	521,025	560,815	524,875
Trade creditors	182,303	182,303	177,169	177,169
Other creditors	216,157	216,157	15,600	15,600
PAYE and National Insurance	76,220	76,220	71,641	71,641
Pensions Payments	17,508	17,508	11,137	11,137
Accruals	220,750	211,240	148,774	144,209
Total creditors	1,236,458	1,244,453	985,135	944,629

Analysis of movement in fees in advance and deferred income

	Group	Charity
Deferred income at 1st September 2017	560,815	524,875
New deferred income in the year	523,520	578,209
Deferred income released	(560,815)	(524,875)
Deferred income at 31st August 2018	523,520	578,209

16. Funds

	1st Sep 2017	Incoming resources	Expenditure	Transfers	Gains & Losses	31st Aug 2018
	£	£	£	£	£	£
Restricted Funds						
Development						
Membership Development						
Membership Development	-	253,003	(231,557)	-	-	21,446
Quality Mark	-	32,661	(32,661)	-	-	-
Networks	-	30,000	(27,476)	-	-	2,524
Young People's Foundations	10,983	45,000	(55,983)	-	-	-
Clubs						
New Venture	6,921	-	-	(6,921)	-	-
Opportunity						
Residential Centres						
Bucks Gardening	2,475	-	-	-	-	2,475
Woodrow Other	-	45,763	(25,311)	(14,927)	-	5,525
Hindleap Countryside Stewardship	10,061	11,260	(2,540)	-	-	18,781
My Hindleap Appeal	165,242	150,000	(5,760)	(309,481)	-	-
Hindleap Other	-	94,359	(48,883)	(22,816)	-	22,660
Youth Action						
City Leaders	62,556	213,195	(211,513)	-	-	64,238
Jimmy Dixon Leadership Programme	-	38,861	(31,441)	-	-	7,420
Youth Leads	8,233	45,619	(41,040)	-	-	12,812
Keeping it Wild	-	14,136	(4,314)	-	-	9,822
Youth Action Other	-	1,119	(1,119)	-	-	-
Sports Development						
Active Leads	-	45,841	(45,841)	-	-	-
Sports Development	41,991	405,699	(345,363)	-	-	102,327
Getting Ready Girls	-	51,370	(51,370)	-	-	-
Arts						
Young Culture Makers	-	108,000	(75,212)	-	-	32,788
Employability						
Big Lottery Fund Talent Match London	213,626	1,841,421	(1,683,044)	-	-	372,003
Big Lottery Fund Talent Match Croydon	1,777	428,076	(315,528)	-	-	114,325
Voice						
Youth involvement						
Dare London	-	22,037	(22,037)	-	-	-
Best We Can Be						
Learning						
Learning and Innovation	-	175,982	(175,982)	-	-	-
Other	-	7,500	(7,500)	-	-	-
Organisational Development						
Fundraising Development	-	36,570	(36,570)	-	-	-
Restricted Funds Total	523,874	4,097,472	(3,478,045)	(354,145)	-	789,156

	1st Sep 2017 £	Incoming resources £	Expenditure £	Transfers £	Gains & Losses £	31st Aug 2018 £
Designated Funds						
Fixed Assets Designated Fund	7,528,987	-	-	(62,439)	-	7,466,548
Development Fund	1,752,463	-	-	1,746,990	146,044	3,645,497
Digital & Programme Innovation Fund	800,000	-	(74,012)	-	-	725,988
Permanent Endowment Funds						
London Girls Fund	1,380,976	-	-	-	23,801	1,404,777
Unrestricted Funds						
General funds	1,733,789	6,093,405	(3,869,162)	(1,330,406)	(21)	2,627,606
TOTAL FUNDS	13,720,089	10,190,877	(7,421,219)	-	169,824	16,659,572

Transfers are made to and from the Fixed Assets Designated Fund when assets are capitalised and depreciated respectively. The New Venture Fund was transferred to unrestricted funds in July 2018 (see further details below).

Restricted Funds

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

Development

Membership Development - Developing, training, connecting and quality assuring our membership network to deliver good youth work, including running networks meetings to develop and share practice and specific support for Young People's Foundations. Our membership development work is supported by City Bridget Trust, John Lyon's Charity, Paul Hamlyn Foundation, The Worshipful Company of Mercers, The Worshipful Company of Goldsmiths, and others.

Clubs – Funds held on behalf of member organisations. The New Venture Fund has been held for many years on behalf of the dormant New Venture Club. After almost 20 years it is clear that the club will not be re-established and in July 2018 the Charity Commission gave permission to use the funds for general London Youth purposes.

Opportunity

Creating a broad and inclusive range of quality opportunities for young people

Residential Centres – Funds to support our centres and outdoor education. This includes funds donated by Bucks Association for Gardening with disabled people in the Woodrow grounds; Countryside Stewardship supports forestry work at Hindleap Warren; My Hindleap Appeal was for capital projects supporting development at Hindleap Warren. In 2017-18 this mainly included replacement of the staff bungalow. Other funds for the residential centres supported building and refurbishment works, equipment to better support disabled young people, and subsidised visits for your people including trips away from the centre.

Youth Action – A range of youth leadership and social action programmes supported by The City Bridge Trust, The Morrisons Foundation, The Jimmy Dixon Charitable Trust, The Big Lottery Fund and Heritage Lottery Fund.

Sports Development – A range of sports development programmes and events supported by Sport England, the Great London Authority, Tudor Foundation, Jack Petchey Foundation, John Lyon's Charity, The Big Lottery Fund, The iWill Fund, and others.

Arts – Working with our member youth organisations, the programme supports grassroots youth and community groups to develop their creative arts offer for young people, by working in partnership with artists and arts organisations to deliver inspiring projects.

Employability - 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. This has been a 5 year programme ending in December 2018. The Big Lottery Fund also provided a grant to extend the programme to Croydon until December 2019.

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. While the majority of expenditure in this area was from unrestricted income, a grant was received for support for Dare London, our Youth Advisory board.

Best we can be

Being the best we can be ourselves; fundraising effectively, financially robust and a great place to work. In 2017-18 this included grants for support for learning and innovation and developing practice with our members, supporting learning networks, and supporting organisational development with investment in fundraising development. Our learning and organisational development work is supported by The Esmée Fairbairn Foundation, Centre for London and the City Bridge Trust.

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. It will be invested in change projects. Additional money was transferred to the fund in 2017-18 from the sale of Hawkstone Road.

Digital Development & Programme Innovation Fund

This fund will be invested in strategic projects to support the delivery of the 2017-20 strategy. This includes a range of projects that will support improvements in London Youth operations and delivery and pilot new programmes and activities. Investments in 2017-18 focused on developing our digital capabilities with further expansion planned in 2018-19.

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.

17. Analysis of net assets between funds

Charity	Unrestricted funds				Total 2018
	General funds	Designated funds	Restricted funds	Permanent endowment funds	
	£	£	£	£	£
Fund balances at 31st August 2018 are represented by:					
Tangible fixed assets	-	7,466,547	-	-	7,466,547
Investments	12,144	3,145,497	-	1,404,777	4,562,418
Current assets	3,839,915	1,225,989	789,156	-	5,855,060
Creditors: amounts falling due within one year	(1,224,453)	-	-	-	(1,224,453)
Total net assets	2,627,606	11,838,033	789,156	1,404,777	16,659,572

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

Group	Unrestricted funds				Total 2018
	General funds	Designated funds	Restricted funds	Permanent endowment funds	
	£	£	£	£	£
Fund balances at 31st August 2018 are represented by:					
Tangible fixed assets	-	7,466,547	-	-	7,466,547
Investments	12,142	3,145,497	-	1,404,777	4,562,416
Current assets	3,851,922	1,225,989	789,156	-	5,867,067
Creditors: amounts falling due within one year	(1,236,458)	-	-	-	(1,236,458)
Total net assets	2,627,606	11,838,033	789,156	1,404,777	16,659,572

Fund balances at 31st August 2017 are represented by:					
Tangible fixed assets	-	7,528,987	-	-	7,528,987
Investments	12,163	999,453	-	1,380,976	2,392,592
Current assets	2,706,761	1,553,010	523,875	-	4,783,646
Creditors: amounts falling due within one year	(985,135)	-	-	-	(985,135)
Total net assets	1,733,789	10,081,450	523,875	1,380,976	13,720,089

18. Operating leases

At 31 August 2018 the charity had annual commitments under non-cancellable operating leases on office equipment and motor vehicles as follows:

	2018	2017
Group and charity	£	£
Expiring within one year	6,864	11,422
Expiring within two to five years	8,803	15,666
Total	15,667	27,088

19. 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.

20. 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 David Miller. 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 £35,000 (2017: £15,000) from The Joseph Levy Endowment Trust.

London Youth provided management, support services and facilities to London Youth Trading Company Limited in the amount of £68,426 (2017: £66,455), being primarily staff time and costs of the swimming pool and sports centre. London Youth Trading Company donated £60,320 (2017: £70,102) to London Youth through Gift Aid after the year end. As at 31 August 2018 £109,986 was due to London Youth from London Youth Trading Company Limited.

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.

Charline King, a Trustee of London Youth is an employee of Rathbone Society. Philip Kerry, a senior manager at London Youth during the year 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 £5,454 for youth action activities as part of our programmes.

John Norman and Simon Turek, Trustees of London Youth are also Directors of Poplar Harca. Poplar Harca invoiced London Youth for £720 for room hire and London Youth paid Poplar Harca £1998.21 for youth action activities as part of our programmes.

One Trustee of London Youth made a donation to the charity in the amount of £50,000 (2017: One, £25,000).

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 £70,898 from the Jimmy Dixon Trust (2017: £35,000) to support the youth action programme and £7,000 from The Sulgrave Foundation (2017: £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.

21. Prior year figures

Prior year Statement of Financial Activities including income and expenditure year to 31 August 2017

Group	Notes	Unrestricted funds £	Restricted Funds £	Permanent endowment £	Total 2017 £
Income					
Donations and legacies	2	253,930	4,272	-	258,202
Charitable activities				-	-
. Development		72,099	185,278	-	257,377
. Opportunity		2,923,516	3,066,713	-	5,990,229
. Voice		-	-	-	-
. Best We Can Be		285	27,200	-	27,485
Other trading activities	3	167,562	-	-	167,562
Investments	4	66,932	-	-	66,932
Profit on the sale of assets	5	4,972,081	-	-	4,972,081
Total income		8,456,405	3,283,463	-	11,739,868
Expenditure on:					
Raising funds	6	212,954	-	-	212,954
Charitable activities	7	3,354,156	3,338,426	-	6,692,582
Other	8	1,244,768	-	-	1,244,768
Total expenditure		4,811,878	3,338,426	-	8,150,304
Net gains / (losses) on investments		(527)	-	71,315	70,788
Net (expenditure) / income		3,644,000	(54,963)	71,315	3,660,352
Transfers between funds		(435)	-	435	-
Net movement in funds		3,643,565	(54,963)	71,750	3,660,352
Reconciliation of funds					
Total funds brought forward		8,171,674	578,837	1,309,226	10,059,737
Total funds carried forward		11,815,239	523,874	1,380,976	13,720,089

Prior year funds movements to 31 August 2017

	1st Sept 2016 £	Incoming resources £	Expenditure £	Transfers £	Gains & losses £	31st Aug 2017 £
Restricted Funds						
Learning						
Esmée Fairbairn Foundation	108,020	-	(108,020)	-	-	-
Other	31,573	27,200	(58,773)	-	-	-
Residential Centres						
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
Clubs						
New Venture	6,921	-	-	-	-	6,921
Membership Development						
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)	-	-	-
Youth Action						
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
Sports Development						
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 Lyon's Charity	-	40,000	(40,000)	-	-	-
Tennis Foundation	-	15,000	(15,000)	-	-	-
Other	9,000	3,580	(12,580)	-	-	-
Build-it						
Build-it continuation funding	2,052	-	(2,052)	-	-	-
Talent Match						
Big Lottery Fund Grant Main	107,010	2,112,148	(2,005,532)	-	-	213,626
Big Lottery Fund Grant Croydon	9,693	60,682	(68,598)	-	-	1,777
Inclusion						
City Bridge Trust	3,212	4,272	(7,484)	-	-	-
Restricted Funds Total	578,837	3,283,463	(3,338,426)	-	-	523,874
Designated Funds						
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
Permanent endowment funds						
London Girls Fund	1,309,226	-	-	435	71,315	1,380,976
Unrestricted Funds						
General funds	168,266	8,453,395	(4,811,878)	(2,076,014)	20	1,733,789
TOTAL FUNDS	10,059,737	11,739,868	(8,150,304)	-	70,788	13,720,089

Reference Information

Patron	HRH The Prince Philip, Duke of Edinburgh KG KT	
President	Field Marshall the Lord Guthrie of Craigiebank GCB LVO OBE	
Chair	Julian Beare	
Deputy Chair	Nat Defriend (until 21 st March 2018) David Miller (from 21 st March 2018)	
Honorary Treasurer	Keith Ward	
Vice Presidents	Jarvis Astaire OBE The Lord Brooke Robin Callender Smith Jane Earle Clive Efford MP Robin Gowlland Peter Hudson Rt. Hon. Sir Simon Hughes Peter Hunter Sir David Knox Peter Levy OBE Roger Merton MBE	Dr. Terry Powley John Ratcliff CBE Marsha Rae Ratcliff OBE G Davide Rodrigues The Rt. Rev. Roger Sainsbury John Spencer OBE Paul Stewart Joy Toghill Vanni Treves CBE Joseph Williams Carl Wonfor
Trustees	Sue Asprey-Price Julian Beare Guy Davison Nat Defriend Edward Hay Charline King David Miller	John Norman Louise Rodgers Stu Thomson Simon Turek Scott Tweed (until 21 st March 2018) Keith Ward
Youth Advisers attending Trustee meetings	Success Azubuike (from October 2017 until October 2018) Victoria Azubuike (from October 2017 until October 2018) Nima Roble (from October 2016 until October 2018)	
Committee Chairs:		
Finance	Keith Ward	
Assurance	John Norman	
Nominations	Simon Turek	

Chief Executive and Company Secretary	Rosemary Watt-Wyness
Senior Team	
Director for Residential Centres	Martin Curtis
Director of Programmes & Partnerships	Phillip Kerry (to 18 th May 2018)
	Sally Marsh (from 18 th May 2018)
Director of Engagement	Emma Thomas (to 5 th March 2018)
	Gillen Knight (from 5 th March 2018)
Director of Finance & Resources	Tania Cohen
Registered name	The Federation of London Youth Clubs
Registered/principal office	47-49 Pitfield Street London N1 6DA
Telephone	020 7549 8800
E-mail	hello@londonyouth.org
Website	www.londonyouth.org
Company registration number	00258577 (England and Wales)
Charity registration number	303324
Auditors	Crowe U.K. LLP St Brides House 10 Salisbury Square London EC4Y 3EH
Bankers	National Westminster Bank plc 54 Marsh Wall West India Dock London E14 6LJ
Investment managers	Sarasin & Partners Juxon House 100 St Paul's Churchyard London EC4M 8BU
Lawyers	Macfarlanes LLP 20 Cursitor Street London EC4A 1LT
	Charles Russell Speechlys LLP 5 Fleet Place London EC4M 7RD



47–49 Pitfield Street
London N1 6DA
020 7549 8800
londonyouth.org



@LondonYouth

Charity Registration: 303324
Company Registration: 258577