

YOUTH AT RISK
Charity

Youth At Risk (UK)
(Limited by Guarantee)

REPORT AND FINANCIAL STATEMENTS

For the year ended 30 June 2011

Company number 2930456

Charity number 1041855

Youth At Risk (UK)

(Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE INFORMATION

Trustees

Mr R P Ackerman
Ms S Cook
Mrs F Gillespie
Mr Tony Morgan (Chairman)
Mr B J Rose
Mr L S Spencer

Chief Executive

Mr N Wragg

Secretary and registered office

Mr P E Morris, The Old Warehouse, 31 Upper King Street, Royston, Hertfordshire, SG8 9AZ

Company Number

2930456

Charity Number

1041855

Solicitors

Harbottle & Lewis, Hanover House, 14 Hanover Square, London, W1R 0BE

Bankers

HSBC Bank plc, 60 Queen Victoria Street, London EC4N 4TR

Auditor

Baker Tilly UK Audit LLP, 46 Clarendon Road, Watford, Hertfordshire, WD17 1JJ

Youth At Risk (UK)

(Limited by Guarantee)

TRUSTEES' REPORT FOR THE YEAR ENDED 30 JUNE 2011

The trustees, who are also directors of Youth at Risk (UK), present their annual report and the audited financial statements of the charity for the year ended 30 June 2011. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005 in preparing the annual report and financial statements of the charity.

Status and administration

The Charity was originally registered with the Charity Commission by Trust Deed in May 1991 under registration number 1041855. On 31 January 1995 it was wound up and reconstituted on 1 February 1995 as a company limited by guarantee and governed by its Memorandum and Articles of Association. The company registration number is 2930456.

Object of the Trust

The principal activity of the Charity is to advance the social education of young people who are deemed to be at risk either from physical, mental or sexual abuse, drug or other substance abuse, criminal activity, poverty, homelessness, unemployment, or illiteracy; to help them improve their condition and thereby become useful members of society.

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities and setting the grant making policy for the year and are satisfied that the Charity is in compliance.

The trustees of Youth at Risk who served during the year were:

Mr Roy Ackerman
Ms Sue Cook
Mrs Felicity Gillespie
Mr Tony Morgan (Chairman)
Mr Ben Rose
Mr Linbert Spencer

The day to day running of the Trust is delegated to the CEO Neil Wragg.

Secretary Mr P E Morris

Auditor Baker Tilly UK Audit LLP
1st Floor
46 Clarendon Road
Watford
WD17 1JJ

Bankers HSBC Bank plc
60 Queen Victoria Street
London
EC4N 4TR

Solicitors Harbottle & Lewis
Hanover House
14 Hanover Square
London
W1R 0BE

Youth At Risk (UK)

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TRUSTEES' REPORT FOR THE YEAR ENDED 30 JUNE 2011 (CONTINUED)

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisation Structure

The directors of the company are also Charity trustees for the purposes of Charity law and under the company's Articles are also members of the company. The directors are the only members of the company. Under the requirements of the Memorandum and Articles of Association one-third of the directors shall retire from office each year (on a length of service basis) and are eligible for re-election.

Once appointed, any necessary training needs for trustees are identified by the directors and appropriate training is organised.

The trustees (listed before) have continued to monitor, on a quarterly basis (monthly for financial results and forecasts), the Charity's activities, to ensure they are operated on a proper basis.

Management Structures

The Board of Trustees consisted of the same six members this year. The level of six trustees is considered sufficient for the current needs of the Charity but the matter is under continuous review.

Our Advisory Board continue to be immensely supportive and the Charity is greatly indebted to each and every one of them. They actively support the Charity both through individual counsel and their attendance at the twice yearly advisory board meeting. The members of the Advisory Board are:

- Sir Michael Barber, Senior Partner, McKinsey & Co
- John Cox, Theatre and Opera Director
- John Everett, retired Managing Partner at Deloitte & Touche
- Lord Fraser of Carmylie, QC
- Tim Godwin, Deputy Commissioner, Metropolitan Police
- Sir David Henshaw, Chair, North West NHS Strategic Health Authority
- Dr Tony Kaplan, Child and Adolescent Psychiatrist
- Rt Hon Sir Paul Kennedy, Interception of Communications Commissioner
- Professor Rod Morgan, former Chair, Youth Justice Board
- Mike Parton, Chairman & CEO, Damovo Group
- Lord Putnam of Queensgate
- Lord Ramsbotham, GCB, CBE, former HM Chief Inspector of Prisons
- Mark Rawlinson, Head of Corporate Development, Freshfields Bruckhaus Deringer
- Lord Phillips, President of the Supreme Court of the United Kingdom

Youth at Risk's management executive team meets monthly.

Risk Management

The Charity maintains a Risk Register identifying the high level risk. The register is used by the management executive to identify potential risks and put in place strategies to reduce or avoid negative impact.

The trustees continue to assess the major risks to which the Charity is exposed including those related to its operations and finances. The trustees are satisfied, having regard to the size and objects of the Charity that appropriate measures are in place to manage its exposure to risk.

Overview

The austerity anticipated in last year's report continues unabated and is putting increasing pressure on the already limited funds available to the small to medium charitable organisations. In these conditions the trustees are pleased to report that the Charity remains both viable and vibrant, with a much reduced staff continuing to deliver remarkable results.

Youth At Risk (UK)

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TRUSTEES' REPORT FOR THE YEAR ENDED 30 JUNE 2011 (CONTINUED)

Looking back over the past year the trustees are proud of the Charity's achievements and the numbers of young people and adults trained in our "tough love" programmes. The recent riots, increase in youth unemployment and many other factors make "tough love" an important tool available to Government in the way forward.

The completions of two significant government contracts on time, on target and objectively measured by independent evaluation have clearly demonstrated the value the Charity has added to communities across the UK.

The first nine months of the year saw significant activity on the two government and other contracts followed by a much reduced activity level in the final three months. This change regrettably necessitated a reduction in staff and the Charity is now in a more appropriate shape to meet the current economic climate.

The training team, staff, trustees and advisory board are ready for the challenge of today having for 20 years demonstrated that transformation and coaching combined produce long term sustainable results.

Objectives and Achievements during 2010/11

For 2010/11 the Board of Trustees agreed the following objectives;

- to continue to improve our training delivery by using the experience of the Community Transformation Programme to redesign aspects of our programme curriculum and structure to ensure high quality impact and results;
- to achieve a breakeven position despite the current economic climate and the anticipated cuts in Government expenditure;
- to improve our position in the sector through working in consortia with other like-minded organisations.

The programme targets set and the actual achievement are detailed below.

Category	Target	Actual
Programmes	75	79
Overall number of people	3,750	5,521
Young people	1,900	2,233
Adults & Volunteers	1,200	3,288

Volunteers are trained by the charity to provide specific voluntary support on programmes - this usually takes the form of coaching young people to achieve their goals over a period of 6 to 12 months. Over 600 of the adults trained have already volunteered on one or more of our programmes.

The level of activity in the first three quarters of the year along with unrestricted donations and cost constraints allowed the Charity to exceed its breakeven objective and make a surplus. The economic conditions for the current year are harder and the Charity has had to cut core costs including significantly reducing the size of the core staff team to ensure stability for the future.

Partnership work with Foyer and Changemakers has already begun as will be evident in the delivery section of this report.

Quality

87% of youth participants rated our training content as good or excellent

91% of youth participants rated our trainers as good or excellent

82% of participants rated the results they got from participating in our programmes as good or excellent

Our retention rate was 74%

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TRUSTEES' REPORT FOR THE YEAR ENDED 30 JUNE 2011 (CONTINUED)

The Charity is continually seeking to improve how it measures the quality, impact and communication of its programmes. This year we continue to work with York Consulting, our external evaluators for the Youth Sector Development Funded 'Community Transformation Programme' the final report for this programme was produced at the end of September 2011 - please see later section of this report. We are also working with York Consulting on considerable improvements to our data capture, collation and analysis through updating our systems into an access database, which will allow us to use data more intelligently for reports, bids and promotional materials. We continue to work with our national Youth Forum which is producing our first youth-led promotional DVD and we now have over 2,000 adults on our Practitioners & Volunteer Network Database receiving newsletters, playing active roles in our supporters clubs and attending advanced training events.

Activities

It is difficult to express adequate thanks to **Freshfields Bruckhaus Deringer** who have continued their close partnership with Youth at Risk and have provided significant pro bono legal support throughout the year and other facilities in kind.

This relationship has played an important part in the charity's development and growth over the last financial year.

Youth at Risk began delivery on its **Community Transformation Programme** in December 2008 and completed in March 2011. The programme is a whole community approach to the tackling the issue of "at risk" young people, in ten local authority areas: Central Bedfordshire, Croydon, Manchester, Salford, Sandwell, Southend, Staffordshire, Sunderland, Thurrock and Warwickshire. This pilot has brought together a number of Youth at Risk programmes that have a proven track record of making a very significant difference in the lives and communities of the participants. With some specific family work, the combination of the programmes (Coaching for Success, Choices, Coaching for Professionals and Coaching for Communities) has created a new model for working in specific geographic areas. The programme engaged **2,264** young people and **2,448** adults across the UK.

Typical programme beneficiaries are aged between 14 and 19 and display a range of anti-social behaviours. Many are not in education, employment or training (NEET) or on re-engagement programmes and a significant minority are at the extreme end of alienation or disaffection. Internal self-reported data shows the following impact:

- **72%** retention rate of young people to programme completion;
- **93%** adults participating in our training reported a positive impact on their aspirations and motivation and **90%** reported an improved ability to work with young people;
- **88%** young people completing programmes reported a positive impact on their self-esteem, motivation and aspiration;
- **59%** young people completing programmes had moved to a positive destination during their participation (education, employment, training, voluntary activity etc);
- **60%** young people completing programmes had reduced their criminal activity/drug & alcohol use/anti-social behaviour/ risky sexual behaviour;
- During the programme **788** adults have signed up to be a part of our National Practitioners and Volunteers Network participating in ongoing events/forums/training workshops.

In addition the external report produced by York Consultancy (an independent evaluator) noted that the programme had "a potential long term improvement in resilience factors that will help young people deal with challenging situations in the future." There were a range of successful outcomes including a 65% reduction in young people on the programme being NEET. Six of the ten local authority areas are now seeking funding to continue working with Youth at Risk and two of them (Sunderland and Southend) have already been successful.

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TRUSTEES' REPORT FOR THE YEAR ENDED 30 JUNE 2011 (CONTINUED)

Youth at Risk is now close to completing its Southend 'Motivate the Estate' project, funded by the Haywards Foundation. This programme is focussed on transforming the Woodgrange Drive Estate in Southend – one of the most deprived estates in the country. The project is founded on the knowledge that to make a sustainable change with the most at-risk young people, one must first alter the culture and attitude of the adults in the community in which they live. We have now worked with a total of 403 adults and 148 young people including taking 22 of the hardest to reach young people on a community residential which has resulted in young people and adults coming together to take on projects to impact the estate on which they live. These projects include holding a community fun day and painting the estate railings in June 2011. Although the final report is not yet complete, initial findings show up to 50% reduction in NEET status for participants, 67% increasing engagement with positive activities and almost all young people reporting an increase in motivation and aspiration. The final report is due at the end of October.

'My Life is My Business' was a pilot programme created with the Aldridge Foundation and delivered in Blackburn with Darwen. The project targeted young people from Blackburn & Darwen, who were not in education, employment or training and offered them a structured, intensive programme of personal development coaching and entrepreneurship training. The project also challenged conventional approaches to youth work and organisational partnership and provided an opportunity to engage Darwen's business, professional and residential communities. The programme worked with 45 young people and 136 adults.

'My Life is My Business' celebrated its completion in January of this year with outstanding successes. One of the young people won the Outstanding Achiever of the Year at the annual 'Young 'Uns' awards held in Preston. He was recognised for the work he had undertaken over the last 18 months, from being described by his youth worker as being 'one of the most disengaged young people I have ever seen' to pitching business ideas to entrepreneurs and meeting Prince William and Kate Middleton. He was described by the judges as an inspiration and a positive role model to other young people across the region. He is developing his own business idea of recycling gym equipment from the Darwen Creates business centre at the Darwen Aldridge Community Academy.

All the young people who completed the programme have either started full time college courses, enterprise or training or have found employment – the majority pursuing additional activities in support of their business ideas. 88% of the young people reported an increase in their confidence, aspirations and motivation and a positive impact on their behavior. In addition, 57% reported a reduction in their levels of substance misuse and offending, and 43% reported a reduction in their levels of gun and knife crime. The external evaluation noted considerable success of the model in delivering transformative outcomes for a group of potentially excluded and hard-to-engage young people. It also concluded that intensive transformational personal development training proved to have real impact on the target group and should be promoted amongst practitioners working with young people in challenging circumstances.

The National Challenge programme ran from March 2009 to March 2011. This programme was part of a government initiative with the aim of raising aspiration and attainment levels, and a target that all secondary schools will have 30% or more of their pupils gaining 5 C to A* GCSE grades including Maths and English in 2011. Over the two year programme we worked with 29 schools nationwide, engaging with 1,098 Yr 10 and Yr 11 students and 340 adults. The adults we worked with were both school staff and local volunteers who facilitated the programme and committed to being coaches to the students on the programme. 94% of students completing the intensive training reported a change in attitude, motivation and aspiration and 69% reported making progress towards self-set goals. Although their final GCSE results will not be available until autumn 2012, initial indications show 65% of students have achieved an improvement in their GCSE grades. Additional follow-on training focusing on financial literacy was delivered to a number of National Challenge schools and is being funded with £10.4k from the Britannia Foundation.

Unrestricted Financial Reserves

The results for the year delivered another increase to unrestricted reserves which increased by £44.2k to £214.5k. The reserves are now equivalent to some three months of current core costs. With the current difficult economic climate the trustees would like to see further modest increases to unrestricted reserves but recognise that this may not happen until the economic climate improves.

Youth At Risk (UK)

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TRUSTEES' REPORT FOR THE YEAR ENDED 30 JUNE 2011 (CONTINUED)

PLAN FOR 2011/12

Objectives

For 2011/12 the Board of Trustees agreed the following objectives:

- To maintain current levels of quality of delivery after significant successful input last year;
- To continue to investigate potential partners, strengthen existing partnerships and locate alternative funding streams;
- To achieve a breakeven position in spite of the current economic climate and the contraction in Government expenditure.

Category	Target
Overall people trained	1,855
Young People	780
Adults & Volunteers	1,075

Volunteers are trained by the charity to provide specific support on programmes; this usually takes the form of coaching young people to achieve their goals over a period of 6 to 12 months.

The bulk of the already commissioned work for the coming year will entail the remainder of the Motivate the Estate delivery, continuation work commissioned on the Community Transformation Programme in Sunderland, DfE grant to deliver partnership project with Foyer Federation and Changemakers entitled Connect Yourself, Open Talent partnership programme delivery with Foyer Federation, development of our accredited Coaching School and individual schools programmes.

The Charity has also received a grant from the Cabinet Office Transition Fund of £223.1k for use in developing the Charity to better meet the demands of today's environment.

Our work on developing partnerships and consortia with like minded charities and organisations will continue and grow. This has already resulted in a grant from the DfE on a joint programme with Foyer Federation and Changemakers. Further joint programmes are expected from bids currently in the pipeline.

The Charity has already taken action to reduce its resources to meet anticipated activity levels.

Financial Review

The high activity level in the first three quarters of the year along with unrestricted donations and careful cost management provided the basis for the surplus achieved. The trustees view the results and the small unrestricted surplus of £44.2k as satisfactory.

The Charity is continually reviewing the resources/predicted future activity levels balance and taking appropriate action. Regrettably this necessitated staff reductions during the year.

The trustees and management of the Charity are continuing to place great emphasis on finding alternative funding and partnership arrangements.

In an unpredictable world the trustees believe that the 2011/12 objective of a breakeven position for the year is challenging but achievable.

The trustees wish to thank all the organisations and individuals that have supported the Charity over the year.

Unrestricted Reserves Policy

The Charity's current reserves policy is to reach £300,000 in unrestricted reserves. The current year's results (increasing unrestricted reserves to £214.5k) take another step towards the target.

Youth At Risk (UK)

(Limited by Guarantee)

TRUSTEES' REPORT FOR THE YEAR ENDED 30 JUNE 2011 (CONTINUED)

Trustees' Responsibilities

The trustees (who are also directors of Youth At Risk (UK) for the purposes of company law) are responsible for preparing the Trustees' Report and the 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 which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 Charities SORP;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

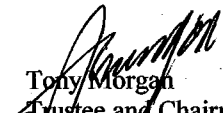
The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding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

All of the current trustees have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

Auditor

Baker Tilly UK Audit LLP have expressed their willingness to continue in office and a resolution to reappoint them will be proposed at the annual general meeting.

On behalf of the Board


Tony Morgan
Trustee and Chairman

Dated: 28 October 2011

Youth At Risk (UK)

(Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF YOUTH AT RISK (UK)

We have audited the financial statements of Youth At Risk (UK) for the year ended 30 June 2011 on pages 10 to 18. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' responsibilities set out on page 8, the trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 June 2011 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006.

Opinion on other requirement of the Companies Act 2006

In our opinion the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

- the charity has not kept adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

Baker Tilly UK Audit LLP

Sarah Mason (Senior Statutory Auditor)

For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor

Chartered Accountants

46 Clarendon Road

Watford

Hertfordshire

WD17 1JJ

Date: 2 November 2011

Youth At Risk (UK)

(Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)

For the year ended 30 June 2011

	Note	Unrestricted Funds 2011 £	Restricted Funds 2011 £	Total Funds 2011 £	Total Funds 2010 £
INCOMING RESOURCES					
Incoming resources from generated funds:					
Voluntary income:					
Donations and similar resources		147,895	185,416	333,311	461,554
Investment income:					
Interest receivable		1,212	-	1,212	252
Incoming resources from charitable activities:					
Local and statutory authority grants		1,394,255	111,580	1,505,835	1,775,593
Total incoming resources	2	<u>1,543,362</u>	<u>296,996</u>	<u>1,840,358</u>	<u>2,237,399</u>
RESOURCES EXPENDED					
Costs of generating funds:					
Costs of generating voluntary income		11,000	-	11,000	11,000
Charitable activities					
Programme expenses, support and administration		1,474,067	215,641	1,689,708	2,186,527
Governance		14,127	-	14,127	13,583
Total resources expended	3	<u>1,499,194</u>	<u>215,641</u>	<u>1,714,835</u>	<u>2,211,110</u>
Net incoming resources for the year / net movement in funds		44,168	81,355	125,523	26,289
Fund balances brought forward at 1 July		170,348	-	170,348	144,059
Fund balances carried forward at 30 June	11	<u>214,516</u>	<u>81,355</u>	<u>295,871</u>	<u>170,348</u>

All amounts relate to continuing activities.

All recognised gains and losses are included in the statement of financial activities.

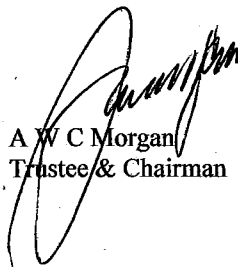
The notes on pages 12 to 18 form part of these financial statements.

Youth At Risk (UK)
(Limited by Guarantee)
BALANCE SHEET
as at 30 June 2011

Company Number: 02049135

	Notes	2011 £	2010 £
FIXED ASSETS			
Tangible assets	6	7,844	11,323
CURRENT ASSETS			
Debtors	8	13,553	109,346
Cash at bank and in hand		503,007	662,270
		<u>516,560</u>	<u>771,616</u>
CURRENT LIABILITIES			
Creditors: amounts falling due within one year	9	228,533	612,591
NET CURRENT ASSETS		<u>288,027</u>	<u>159,025</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>295,871</u>	<u>170,348</u>
FUNDS:			
Unrestricted funds		214,516	170,348
Restricted funds		81,355	-
TOTAL FUNDS	11	<u>295,871</u>	<u>170,348</u>

The financial statements were approved and authorised for issue by the Board on 28 October 2011 and signed on their behalf by;



A W C Morgan
Trustee & Chairman

The notes on pages 12 to 18 form part of these financial statements.

Youth At Risk (UK)
(Limited by Guarantee)
NOTES ON THE FINANCIAL STATEMENTS
for the year ended 30 June 2011

1 ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), Accounting and reporting by Charities" (SORP 2005) published in March 2005 and applicable accounting standards.

The Trustees and Management of the Charity are placing great emphasis on considering alternative funding and partnership arrangements over the coming months in light of funding cuts. In an unpredictable world the Trustees believe that the 2011/12 objective of a breakeven surplus/deficit for the year is challenging but achievable. The Trustees consider that the charity is a going concern having based their view on cashflow forecasts into the future.

The principal accounting policies adopted are as follows:

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restriction imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of restricted funds on projects is set out in the notes to the financial statements.

Investment income is allocated to the appropriate fund.

Incoming resources

Donations and grants

Income from donations and grants, including capital grants, is included in the SOFA when they are receivable, i.e. the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy, except as follows:

- When donors specify that donations and grants given to the charity must be used in future accounting periods, the income is deferred until those periods.
- When donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in incoming resources until the pre-conditions for use have been met.

When donors specify that donations and grants, including capital grants, are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in incoming resources of restricted funds when receivable.

Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered.

Certain expenditure is directly attributable to specific activities and has been included in those cost categories. Certain other costs, which are attributable to more than one activity, are apportioned across cost categories according to time or the nature of the activity undertaken.

Charitable activities represent expenses incurred in the running of specific programmes and training courses.

Youth At Risk (UK)
(Limited by Guarantee)
NOTES ON THE FINANCIAL STATEMENTS
for the year ended 30 June 2011

1 ACCOUNTING POLICIES (*Continued*)

Costs of generating funds are those costs incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

Programme support and administration costs are those costs incurred directly in support of expenditure on the objects of the Charity. These costs are apportioned to the charitable activities on a reasonable and consistent basis, based on time and resources spent on each area.

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Fixed assets

Fixed assets are stated at cost, or estimated market value at date of receipt where assets have been donated to the charity.

The costs of minor additions or those costing in the region of £100 or below are not capitalised.

Depreciation is provided to write off the cost (or estimated market value at date of receipt) less estimated residual values of all fixed assets over their expected useful lives at the following rates:

Office equipment	- 33% per annum reducing balance
Furniture, fixtures and fittings	- 25% per annum reducing balance

Leased assets

Where assets are financed by leasing agreements that give rights approximating to ownership (finance leases), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable over the term of the lease. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to the statement of financial activities.

Lease payments are analysed between capital and interest components. The interest element of the payment is charged to the statement of financial activities over the period of the lease and is calculated so that it represents a constant proportion of the balance of capital repayments outstanding. The capital part reduces the amounts payable to the lessor.

All other leases are treated as operating leases. Their annual rentals are charged to the statement of financial activities on a straight-line basis over the term of the lease.

Pension costs

The trust operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. Contributions payable are charged to the statement of financial activities in the year they are payable. Differences between contributions payable and contributions actually paid are shown in either the accruals or prepayments in the balance sheet.

Consolidated accounts

Consolidated accounts have not been prepared as the group is a small group and the subsidiary has remained dormant during the year and is not considered by the trustees to be material.

Youth At Risk (UK)
(Limited by Guarantee)
NOTES ON THE FINANCIAL STATEMENTS
for the year ended 30 June 2011

2 INCOMING RESOURCES	2011 £	2010 £
<i>Donations and similar resources</i>		
Donations from individuals	14,839	14,164
Donations from charitable foundations	318,438	435,327
Donations from commercial organisations	34	12,063
	<u>333,311</u>	<u>461,554</u>
	2011 £	2010 £
Local and statutory grants for programmes for “at risk” youth	<u>1,505,835</u>	<u>1,775,593</u>
	2011 £	2010 £
Investment income – Bank interest receivable	<u>1,212</u>	<u>252</u>

All income arises in connection with the charity’s principal activity. The total incoming resources are analysed by geographical source as follows:

	2011 £	2010 £
United Kingdom	1,840,358	2,224,524
Rest of the world	-	12,875
	<u>1,840,358</u>	<u>2,237,399</u>

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3 ANALYSIS OF CHARITABLE EXPENDITURE

	Programme expenses £	Programme support & administration £	Governance £	2011 £	2010 £
Salaries and benefits	414,376	130,987	5,400	550,763	702,314
Social security costs	41,402	14,012	600	56,014	71,092
Contractors and freelancers	502,020	3,060	-	505,080	536,296
Travel and subsistence	247,832	40,932	375	289,139	414,276
Support & infrastructure costs	2,791	51,257	-	54,048	65,438
Telecoms and computer costs	14,056	41,352	-	55,408	53,874
Room hire, catering and programme follow up costs	105,494	(708)	-	104,786	239,237
Professional fees	35,655	29,148	1,200	66,003	80,292
Audit	-	-	9,957	9,957	6,900
Depreciation	-	3,500	-	3,500	4,642
Loss on disposal of fixed assets	-	692	-	692	2,174
Other costs	613	7,832	-	8,445	23,595
Programme interest	-	-	-	-	(20)
Transfers	246,424	(243,019)	(3,405)	-	-
Total costs for year	1,610,663	79,045	14,127	1,703,835	2,200,110

Costs are directly attributable to the activity undertaken, any apportioned costs are apportioned on a basis of time and the nature of activities undertaken.

Auditor's remuneration including irrecoverable VAT, is broken down as follows:

	2011 £	2010 £
Audit services	8,580	8,225
Other services	1,200	1,175

4 STAFF COSTS

Details of the trust's staff costs are shown in note 3 above.

1 employee received remuneration in the band £70,000 - £80,000 per annum (2010 - 1 in the band £80,000 - £90,000 per annum) and the company made pension contributions totalling £3,519 (2010: £3,343).

The average number of employees during the year was 18 (2010: 23).

The charity operates a defined contribution pension scheme, the assets of which are held outside the charity, 11 (2010 : 13) employees participated in the scheme. The company contributed a total of £12,636 (2010 : £14,700) on behalf of all employees during the year. At the year end, £Nil (2010 : £Nil) contributions were outstanding.

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5 TRUSTEES' REMUNERATION AND RELATED PARTY TRANSACTIONS

Apart from those detailed below, none of the members of the Board of Trustees received any remuneration during this year or last year. During the year, 2 trustees (2010 – 2) received reimbursement of non-private expenditure amounting to £3,523 (2010: £4,534).

During the year a related party was paid £10,394 (2010 - £10,394) for administration support services provided to the Chairman. This is in accordance with the written consent received from the Charity Commission dated 14 December 2005.

The Trust provides indemnity insurance to cover the liability of the Trustees in respect of neglect, or breach of trust or duty to the charity. The cost of this insurance was £627 (2010 - £578) in the year ended 30 June 2011.

6 FIXED ASSETS

	Office equipment £	Furniture, fixtures and fittings £	Total £
Cost			
At 1 July 2010	23,100	7,087	30,187
Additions	714	-	714
Disposals	(4,847)	-	(4,847)
At 30 June 2011	18,967	7,087	26,054
Depreciation			
At 1 July 2010	15,103	3,761	18,864
Provided for the year	2,903	597	3,500
Disposals	(4,154)	-	(4,154)
At 30 June 2011	13,852	4,358	18,210
Net book value			
At 30 June 2011	5,115	2,729	7,844
At 30 June 2010	7,997	3,326	11,323

The closing net book value represents fixed assets used for the management and administration of the charity.

7 INVESTMENT

The charity owns 100% of the share capital of YAR Trading Limited. The original cost of the investment of £1 has been fully provided against in a prior period.

YAR Trading Limited is non-trading and as at 30 June 2011 had net liabilities of £615 (2010 £615) including £625 (2010: £625) due to the charity.

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8	DEBTORS	2011	2010		
		£	£		
	Debtors – grants	2,000	58,225		
	Amount due from subsidiary company	625	625		
	Other debtors	3,000	3,000		
	Prepayments and accrued income	7,928	47,496		
		<u>13,553</u>	<u>109,346</u>		
9	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2011	2010		
		£	£		
	Trade creditors	22,062	119,939		
	Taxation and social security	11,805	16,560		
	Accruals	25,822	37,765		
	Deferred income	168,844	438,327		
		<u>228,533</u>	<u>612,591</u>		
10	DEFERRED INCOME				
	Deferred income comprises of money received in advance of programmes, which are yet to start or have started but not been completed and the deferred element relates to the element of the programme to be completed in the forthcoming year.				
	Balance at 1 July 2010	438,327	236,758		
	Amount released to incoming resources	(438,327)	(236,758)		
	Amount deferred in year	168,844	438,327		
		<u>168,844</u>	<u>438,327</u>		
	Balance at 30 June 2011	<u>168,844</u>	<u>438,327</u>		
11	FUNDS				
		At 1 July	Incoming	Resources	At 30 June
		2010	resources	expended	2011
		£	£	£	£
	Unrestricted funds	170,348	1,543,362	(1,499,194)	214,516
	Restricted funds:				
	Various foundations, trusts and other corporate bodies	-	296,996	(215,641)	81,355
		<u>170,348</u>	<u>1,840,358</u>	<u>(1,714,835)</u>	<u>295,871</u>

The unrestricted funds represent the free funds of the charity that are not designated or restricted for particular purposes.

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The restricted funds represent donations and grants from various Statutory Authorities, Foundations, Trusts, Individuals and other corporate bodies to undertake specific programmes to improve the social education of young people.

	At 1 July 2010 £	Incoming resources £	Resources expended £	At 30 June 2011 £
Big Lottery funding	-	111,580	(30,225)	81,355
Motivate the Estate	-	167,764	(167,764)	-
Other funds	-	17,652	(17,652)	-
	<u>-</u>	<u>296,996</u>	<u>(215,641)</u>	<u>81,355</u>

The **Big Lottery** income is funding received from the Big Lottery on behalf of the Office for Civil Society (OCS), Cabinet Office. This funding is received as part of the Transition Fund which is delivered to help civil society organisations which deliver high quality public services adapt to a different funding environment during a period when they are at risk from reductions in taxpayer funded income. Youth at Risk has received 50% of its funding by the year end.

Motivate the Estate is a community programme working with young people and adults from the Woodgrange Drive estate in Southend on Sea. In the financial year 2010/11 we completed the third year of work on our Motivate the Estate and delivered 4 Choices programmes (intensive non-residential programmes for young people outside a school setting), each programme had a 6 month follow-through. We also delivered one Coaching for Success programme in a local school. In addition to this, in March 2011, we delivered a residential programme for young people with more intensive need and volunteers who have now formed a community action group to put on activities and projects of work to positively impact the estate. Alongside these programmes for young people we have continued to deliver our training for adults and volunteers to support the young people on programmes.

The other restricted reserves are small amounts of specific funding that has been donated for particular purposes and projects in order for the charity to fulfil its charitable objectives. These funds have been grouped due to the size of the various donations.

12 YOUTH SECTOR DEVELOPMENT FUND

In 2008/2009, the charity was awarded a grant from the Youth Sector Development Fund (YSDF) covering a 2½ year period. The grant provides for the delivery of 10 major transformation programmes plus infrastructure development to help the charity with its long term capability. Income and expenditure of £683,406 (2010: £1,322,348) is included in the statement of financial activities.

13 COMMITMENTS UNDER OPERATING LEASES

The charity had annual commitments under non-cancellable operating leases as set out below:-

	2011 Land and Buildings £	2010 Land and Buildings £
Operating leases which expire in more than five years	14,859	14,497