

YOUNG ENTERPRISE
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 JULY 2008

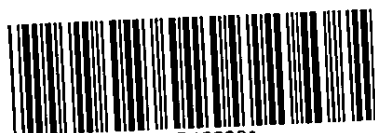
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Company Limited by Guarantee No. 712260

Registered Charity No. 313697

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YOUNG ENTERPRISE

HIGHLIGHTS FOR THE YEAR ENDED 31 JULY 2008

During the 2007/08 academic year **351,296 students** took part in Young Enterprise programmes.

National Company-based programmes

39,264 students ran 3,231 Young Enterprise companies during 2007/08 (11.2% of activity)

- 32,679 students set up their own real companies through the Company Programme
- 4,952 students gained work and life skills through the Team Programme
- 1,235 students gained business start-up experience whilst at University through the Graduate Programme
- 398 students experimented with mini-enterprises through the QuickStart and QuickStart-Music pilots

National Classroom-based programmes

5,114 Young Enterprise classroom programmes were delivered to 248,571 students (70.8% of activity)

- 105,386 pupils learnt about the world of work through the Primary Programme
- 43,462 students took part in the Learn to Earn programme
- 33,947 students experienced a Young Enterprise Entrepreneurship Masterclass
- 22,064 students participated in the Project Business programme
- 9,263 students developed their enterprise capability through the Enterprise in Action programme
- 12,994 students enhanced their skills in personal finance through the Personal Economics programme
- 856 students experienced Northern Ireland's Key Programme
- 20,599 students took part in the Big School programme now redeveloped as Your School Your Business

Regional pilot programmes

1,032 regional pilot and test programme sessions were run with 63,461 students (18.0% of activity)

- 8,823 students participated in London's In Business With The Games programme pilot
- 10,420 students were engaged in Northern Ireland's Moving On programme pilot
- 5,645 students participated in the South East Region's Sell for Success programme pilot
- 38,573 students engaged with a range of other regional programme pilots

Other Achievements

- Completed the major redevelopment of the Company Programme including taking the programme fully online with the production of a cutting edge website and new programme materials. The programme was launched through a series of regional road show events and comprehensive training sessions supported by a suite of marketing resources.
- The results of the Company Programme alumni evaluation were rolled out to the Young Enterprise regions and key stakeholders through a variety of marketing materials. An alumni evaluation media campaign was completed and resulted in 56 articles being run across national print, online and broadcast media, as well as specialist business and education titles.
- Successfully created and launched a dedicated QuickStart Music website hosting publicly available education resources with the support of Edge, British Music Rights and Sony BMG and contacts from the music industry.
- Delivered a number of successful events including the 2007/08 Innovation Awards, Celebration Dinner and Staff Conference.
- Completed extensive renovations of two of the Primary Programme modules 'Our Families' and 'Our Community' which were rolled out during the first and second terms respectively.
- Developed new programme to support the transition of students from primary to secondary school titled 'Your School Your Business'. The new materials will be used in programme delivery from September 2008.

YOUNG ENTERPRISE

CHAIRMAN'S REPORT FOR THE YEAR ENDED 31 JULY 2008

I am delighted to be able to report on another successful year of activity for Young Enterprise across the UK.

Whilst each of the autonomous Regional organisations will be reporting separately, we shall provide here a summary of the overall UK activity.

ACHIEVEMENTS AND PERFORMANCE

1) Excellent levels of student participation

During the 2007/8 year 351,296 young people took part in our programmes. Details of performance in each programme can be found on the preceding "Highlights" page.

2) Programme Development

With continuing additional funding support, most notably from the educational foundation Edge, we have this year been able to expand our five-year investment project to develop exciting new programmes and renovate materials for our existing portfolio.

QUICKSTART MUSIC PILOTS

Supported by Edge, Department for Culture Media & Sport, British Music Rights and Sony BMG, this programme builds on the success of Company Programme and see students aged 14 to 16 working in teams to set up and run their own real music industry over the course of ten weeks.

The reported year saw the launch of the QuickStart Music website which supports the programme with 33 individual subject based videos featuring 35 music industry professionals representing a wide range of occupations and industry areas. The resources are publicly available via the website and are also featured on a number of music industry websites.

With new funding from DCMS a further 15 pilots will take place from September 2008 prior to national rollout in January 2009.

PROGRAMME RENOVATIONS

The year saw the extensive renovation of two of the Primary Programme modules, 'Our Families' and 'Our Community', which were rolled out during the first and second terms respectively.

We have also completed the second of a two-year project to renovate the programme materials for the Company Programme, which will now move them to online delivery from September 2008. The new Company Programme website combines the traditional guidance materials with facilities for students, teachers, business volunteers and members of our Alumni programme to collaborate, meet, manage their finances, exchange ideas, seek advice, call on mentors, view advice videos and build identities for themselves and their companies on-line.

During the reported year we have also completed the first of a two year project to renovate the programme materials for the Team Programme which will move them to online delivery from September 2009.

In future years this will also expand to the Graduate Programme.

YOUNG ENTERPRISE

CHAIRMAN'S REPORT FOR THE YEAR ENDED 31 JULY 2008

3) Communications

PROMOTIONAL MATERIALS

In the reported year, seven additions were made to the range of nationally produced brochures and videos. Titles include Young Enterprise at a Glance, The Value of Volunteering, Enterprise Education: From Theory to Practice, Primary Programme, Whose Business is it to put Enterprise into Education?, The Value of Volunteering, Alumni Evaluation, Alumni case studies (print and video), Company Programme is changing (print and video), A4 Young Enterprise at a Glance folder (designed to accommodate curriculum mapping printouts).

ALUMNI PROGRAMME

Through the support of Edge, we have this year completed an extensive evaluation of Company Programme alumni against a control group – the first of its kind in the UK. The main highlights of the evaluation were used in a national media campaign:-

- Young Enterprise alumni earn more than their peers
- Young Enterprise alumni are twice as likely to start up a business as their peers
- In the eighteen to twenty-one age range, five times more alumni have set up, or are in the process of setting up, a business, compared to their non-alumni peers

FINANCIAL REVIEW

Our accounts relate only to the UK organisation. The autonomous Young Enterprise Regions make their own financial returns.

Total incoming resources reduced from the previous year to £2.4m (2007: £2.8m). The matching Total resources expended were £2.2m (2007: £2.7m), down £0.5m, after a transfer to the Development Fund of £90,000 we generated a surplus for transfer to the unrestricted income fund of £206,000 (2007: £26,000).

The principal funding sources during the year were HSBC Bank plc, Edge, Cadbury plc and GKN plc.

A combination of better treasury management, prudent cost management and timing of donations have created the surplus on the year's activity.

I would like to take this opportunity to thank our many corporate supporters, business volunteers and teachers for their dedication, enthusiasm and achievement in delivering this record year of activity. Equally, the Regional Chairmen, their Board members and staff are to be congratulated for their tremendous commitment and determination to build strong Young Enterprise regional organisations.

Finally, but by no means least, I would like to thank my UK Board colleagues and the National Office staff team for their leadership and effective management of our organisation.

We are all looking forward to another successful year of inspiring and enabling yet more young people to Learn by Doing.



Michael Geoghegan CBE
Chairman

12th November 2008

YOUNG ENTERPRISE
REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2008

The Trustees present their report and the audited financial statements of the charitable company for the year ended 31 July 2008.

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISORS

The name of the charity Young Enterprise

Registered charity number 313697

Registered company number 712260

Registered office Peterley House
Peterley Road
Oxford
OX4 2TZ

Trustees/Directors – UK Board

Representatives from business, education, public or voluntary sectors.

Michael Geoghegan	Chairman	
Neil Makin	Vice Chairman	
Jeremy McDonald	Honorary Treasurer	(Appointed 3 rd November 2008)
Grey Denham		
Kevin Dundas		
David Horner		
Mary Marsh		
Alan Pascoe		
William Salomon		
Phil Smith		
Miles Templeman		

National Council

Each of the company chairs from the 12 Regional Organisations.

Tim Allan	Scotland
Geoff Bell	South East
Malcolm Clark (Acting)	West Midlands
Martin Hathaway	Yorkshire and Humber
Mark Henderson	North East
Clive Hyman	East of England
Jon Marx	East Midlands
Judith Nicol	North West
Chris Conway	Northern Ireland
Paul Oram	Wales
David Shelley	London
Tim Heal (Acting)	South West

YOUNG ENTERPRISE
REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2008

Trustees who resigned or retired during the year:

Philip Sims Honorary Treasurer (Resigned 20th June 2008)

Honorary Company Secretary

Derek Walmsley

UK Senior Management Team

Sir Michael Savory

UK Chief Executive

Rachael Anderton

UK Deputy Chief Executive

Mark Collins

UK Finance, Administration and HR Director

Andrew Grimley

UK Development and Communications Director

Peter Guy

UK Programmes Director

Penny Perry

UK Communications Director

Auditors

Critchleys Chartered Accountants
 Greyfriars Court
 Paradise Square
 Oxford
 OX1 1BE

Bankers

HSBC Bank plc
 Prama House
 Banbury Road
 Summertown
 Oxford
 OX2 7HY

Solicitors

Bates, Wells & Braithwaite
 2-6 Cannon Street
 London
 EC4M 6YH

YOUNG ENTERPRISE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2008

STRUCTURE, GOVERNANCE AND MANAGEMENT

Young Enterprise is a national educational business charity and a company limited by guarantee which, is governed by a Memorandum and Articles of Association.

Recruitment and appointment of new trustees

All new trustees meet with the Chief Executive to go through a formal induction and training process. A Trustee/Director guide is also provided with further information on governance and Young Enterprise.

Organisational structure

Young Enterprise is the UK's largest business and enterprise education charity, operating via a structure of 12 licensed autonomous regional organisations and a National Office. It is governed by the UK Board made up of representatives from business, education, public or voluntary sectors. During the reported year, the membership and UK Board of Young Enterprise comprised the Trustees of the UK organisation. Every year, one third of the Trustees must retire, but are then available for re-election.

The UK Board appoints the UK Chief Executive who provides leadership to the UK organisation. The UK Chief Executive appoints the UK Deputy Chief Executive who heads up the National Office. The UK Chief Executive is responsible to the UK Board in the execution of his or her duties. The UK Deputy Chief Executive heads up the Senior Management Team at National Office who operate the departments that support the UK Chief Executive and Deputy Chief Executive across the whole Young Enterprise UK network.

The role of the National organisation is, through the UK Board, to govern the UK organisational structure, license YE Regional organisations to operate as Young Enterprise, delivering approved programmes to agreed standards. This relationship is formalised in an Operating Agreement between the UK organisation and each Region.

The National organisation maintains a National Office to manage relationships between the National organisation and the Regions, between the 12 Regional organisations and relationships with International partner organisations in the Junior Achievement World-wide network. The main vehicle for this is the UK Executive Teams. Chaired by the Deputy Chief Executive or the Heads of the relevant National Office Functions, the Executive Teams are formed to address the specific business areas of Business Planning and Performance, Fundraising, Administration, Programme Development and Operations. Each Executive Team comprises the UK Senior Management Team and Regional Chief Executives, or their delegated representatives. The UK Chief Executive represents the UK organisation on the JAYE Europe Executive and the JA World-wide Executive.

The National Office provides support to the Regional organisations and monitors their performance providing management information to the UK Executive Teams, each local staff member and Board and to the UK Board and National Council. The relationship is formalised in a Regional Service Agreement that is reviewed annually by the UK Business Planning Executive each Spring.

OBJECTIVES AND ACTIVITIES

Objects

The objects of the charity are:

- The advancement of Education and in particular commercial education if and in so far as such purpose shall be charitable; and
- to educate young people in the United Kingdom in the organisation, methods and practice of commerce and industry and in all subjects related thereto.

Core Purpose

To inspire and prepare young people to succeed in a global economy.

YOUNG ENTERPRISE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2008

Long Range Aspiration

To be recognised by businesses, educators, and policymakers as the premier organisation for inspiring and preparing young people to develop the attitudes and skills for enterprise, personal success, and life long learning and employability to achieve the common goals of creating jobs, building stable economies, and providing higher standards of living.

Aims

The key objectives described in the statement of core purpose are met via a range of educational programmes designed to help young people to develop a practical understanding of business and enterprise and gain new skills in preparation for their working lives.

The UK National Office operates in support of the whole of the UK to provide programme guidance and materials for use in schools, colleges, and universities. Specifically, the National Office has responsibility for programme development, research and evaluation, brand management, administrative and operational systems, insurance cover and national event management. In relation to its own internal operations, other key areas include fundraising, supporter relationship management, financial controls and personnel management.

A key activity of the National Office is the development, print and distribution of programmes and support materials. The National Office maintains and regularly updates an agreed core of National Programme materials and supports Regional innovation of new programme development within a framework for new programme development, approval and adoption.

The Young Enterprise programmes are:

1. **Primary Programme:** Volunteers from business and the local community throw open a window on the world of work and life in their community for pupils aged 4 to 11.
2. **Your School Your Business (PILOT):** Students aged 10 to 11 are introduced to secondary school life through hands-on, practical activities as part of a one day seminar.
3. **Personal Economics:** Encourages students aged 12 to 15 to appreciate their current and future role in society and the economy as consumers, employees, employers, tax payers, investors and borrowers.
4. **Enterprise in Action:** Business volunteers challenge students aged 12 to 15 to identify and develop attitudes and capabilities for entrepreneurship through creating a prototype product.
5. **Learn to Earn:** Students aged 13 to 15 are challenged to consider the link between their education and their future success and happiness in work and life.
6. **Project Business:** Students aged 14 to 15 gain a practical, activity-based insight into economic and business life through sharing in the real life experiences of a volunteer who works in their locality.
7. **QuickStart (PILOT):** Students aged 14 to 15 are given a brief introduction to enterprise and business start-up through setting up their own company and taking a product to market over a 10-week period.
8. **QuickStart Music (PILOT):** Students aged 14 to 15 gain an insight into the workings of the music industry and key issues such as intellectual property and licensing, through setting up their own mini-industry in school, signing artists and putting on a music event or producing and selling a music-related product.
9. **Company Programme:** Students aged 15 to 19 gain practical experience of business and enterprise through setting up and running their own real company.
10. **Team Programme:** Young People aged 15 to 19+ who experience difficulties with their learning have the opportunity to develop skills for work through a real-life enterprise experience.
11. **Entrepreneurship Masterclass:** Students aged 15 to 19+ are inspired and challenged to consider business start-up through first hand accounts from entrepreneurs.

YOUNG ENTERPRISE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2008

- 12. Industry Masterclass:** Business volunteers from a specific industry sector guide students aged 15 to 19+ in exploring careers and opportunities for business start up within that sector.
- 13. Graduate Programme:** Students in Higher Education have the opportunity to test-out self-employment and business creation through setting up and running their own company.

Young Enterprise programmes are delivered by volunteers from business and the local community, who work in partnership with teachers, sharing their own experiences with participating students using materials developed by Young Enterprise in consultation with leading business organisations and professional bodies. In addition, Young Enterprise has a range of regional pilot and specialist programmes currently underway.

ACHIEVEMENTS AND PERFORMANCE

Achievements and performance for the year are summarised in the Chairman's Report.

FINANCIAL REVIEW

A financial review is also summarised in the Chairman's Report.

AUDIT COMMITTEE

At the July 2008 UK Board meeting it was decided that the Board would reinstate the Audit Committee in 2009.

PLANS FOR FUTURE PERIODS

Our business plan objectives for the coming year fall into ten categories:

1. **Student Delivery:** To deepen delivery of core programmes to all schools and colleges
2. **Programmes:** To ensure that accredited programmes challenge students in hands on learning activities
3. **Volunteers:** To ensure that volunteers are well prepared and share their business experiences
4. **Boards:** To ensure that all board members are equipped to meet our objectives
5. **Funding:** To ensure well diversified corporate and government funding
6. **Brand:** To be the provider of choice for enterprise education
7. **People:** To develop the capacity of our staff to build & maintain our links with business, education and other stakeholders
8. **Operations:** To ensure that our systems are fit for purpose and to develop positive lines of communication throughout the organisation
9. **Governance:** To ensure that good practice is consistently applied across the organisation
10. **Alumni:** To trace and engage with past students to stimulate participation in our objectives

Across the UK, we will seek to expand Young Enterprise's reach into all schools over the coming years. In particular, we will focus our energies on growing and expanding the Company, Team and QuickStart programmes, and will do more to demonstrate how our programme range more-than-meets curriculum objectives for enterprise, work related learning and economic well-being.

Attention will continue to be focused on improving the quality of the YE offering and building brand reputation on high standards of delivery, solid business engagement and business-led learning outcomes.

At the same time the organisation will drive for growth in schools penetration, seeking to achieve a presence in every school in the country through demonstrating how the YE programmes more than meet curriculum requirements for enterprise and employability.

YOUNG ENTERPRISE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2008

In addition, Young Enterprise will continue to focus attention on developing new media and new modes of delivery for its programmes. The launch of the next-generation Company Programme in September 2008 will be followed by the development this year of web-enabled materials for the Team Programme. In addition, a focus on the expansion of the QuickStart Music pilot to a further 6 regions will provide opportunities to test the viability of bespoke programming mapped to the new diplomas.

Finally, Young Enterprise will continue to harness the potential of its growing alumni membership to add to the bank of enterprise success stories. The findings of the alumni evaluation will be utilised throughout the organisation to prove the benefits of Young Enterprise.

RESERVES

Young Enterprise needs reserves to ensure that it can fulfil and complete the charitable obligations and commitments it enters into.

The trustees have established a policy whereby the unrestricted funds not invested in tangible fixed assets or designated for specific purposes ("free reserves") held by the charity should be between nine and twelve months of the total resources expended.

This is necessary because only a very small proportion of donation and grant income is secured, the remainder being subject to a fresh application each year that is inevitably subject to fluctuation. This policy is reviewed annually by the Trustees.

At 31 July 2008 the charity had free reserves of five months (2007: three months), which amounted to £904,000 (2007: £714,000). This falls short of the minimum nine months total resources expended of £1.6m (2007: £2.0m). Efforts to increase reserves will continue in line with the policy.

INVESTMENT POWERS

These are governed by the Memorandum and Articles which permit monies not immediately required to be invested in such investments, securities or property as may be thought fit subject to conditions imposed or required by law.

RISK MANAGEMENT

The major strategic risks to which the charity is exposed, as identified by the trustees, are being addressed through actions under the ten business plan objectives referred to earlier in this report. The objectives are reviewed at Board meetings together with the associated risks to ensure that appropriate systems, procedures and policies are in place to mitigate and manage the risks. The business plan also incorporates Key Performance Indicators against each objective, that are regularly reviewed as part of the Vision Framework of the organisation.

AUDITORS

The company has by elective resolution under Section 386(1) of the Companies Act 1985 dispensed with the annual reappointment of the auditors. Critchleys will be deemed to be re-appointed for each succeeding financial year.

Approved by the trustees on 12th November 2008.

And signed on their behalf by:

Michael Geoghagan CBE
Chairman

YOUNG ENTERPRISE
STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual Report and financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

The Trustees are the company's directors. Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the results of the company for that year. In preparing those accounts, the directors are required to select suitable accounting policies and then apply them consistently; state whether applicable accounting standards have been followed; make judgements and estimates that are reasonable and prudent; and prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as the directors are aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware; and

Each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF YOUNG ENTERPRISE

We have audited the accounts of Young Enterprise for the year ended 31 July 2008 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. These accounts have been prepared in accordance with the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Trustees and auditors

As described in the Statement of Directors' Responsibilities, the Trustees, who are also the directors of Young Enterprise for the purposes of company law, are responsible for the preparation of accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Trustees' Report is not consistent with the accounts, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the company is not disclosed.

We read the Trustees' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

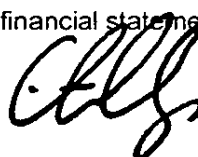
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the company's affairs as at 31 July 2008 and of its surplus for the year then ended; and
- the financial statements have been properly prepared in accordance with the Companies Act 1985;
- the information in the trustees' report is consistent with the financial statements.

Oxford
12th November 2008



Critchleys
Chartered Accountants
Registered Auditors

YOUNG ENTERPRISE
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2008

	Notes	Unrestricted Income Fund	Development Fund	Endowment Fund	Total 2008	Total 2007
		£'000	£'000	£'000	£'000	£'000
INCOMING RESOURCES						
INCOMING RESOURCES FROM GENERATED FUNDS						
Voluntary Income						
Corporate and other donations		1,522	-	-	1,522	1,401
Government funding	4	-	-	-	-	440
Gifts in kind		17	-	-	17	-
Investment income						
Interest receivable		39	-	1	40	39
INCOMING RESOURCES FROM CHARITABLE ACTIVITIES						
Young Enterprise Regions		799	-	-	799	847
Examination fees		17	-	-	17	22
Miscellaneous income		4	-	-	4	2
TOTAL INCOMING RESOURCES		2,398	-	1	2,399	2,751
RESOURCES EXPENDED						
COST OF GENERATING FUNDS						
Costs of generating voluntary income						
Fundraising costs		114	-	-	114	130
CHARITABLE ACTIVITIES						
Programme materials and regional support	5	1,732	50	1	1,783	2,257
Events and exhibitions		235	-	-	235	260
GOVERNANCE COSTS		21	-	-	21	27
TOTAL RESOURCES EXPENDED		2,102	50	1	2,153	2,674
Net incoming/(outgoing) resources before Transfers		296	(50)	-	246	77
Transfer to Development Funds		(90)	90	-	-	-
NET MOVEMENT IN FUNDS		206	40	-	246	77
RECONCILIATION OF FUNDS						
Total funds brought forward		717	150	29	896	819
Total funds carried forward		923	190	29	1,142	896

The notes on pages 15 to 21 form part of these financial statements.

YOUNG ENTERPRISE
BALANCE SHEET AS AT 31 JULY 2008

	Notes	2008 £'000	£'000	2007 £'000	£'000
FIXED ASSETS					
Tangible assets	6		19		3
CURRENT ASSETS					
Stocks		456		470	
Debtors	7	470		521	
Cash at bank and in hand		<u>898</u>		<u>628</u>	
		1,824		1,619	
LIABILITIES					
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR					
	8	<u>(701)</u>		<u>(726)</u>	
NET CURRENT ASSETS			<u>1,123</u>		<u>893</u>
NET ASSETS			<u>1,142</u>		<u>896</u>
THE FUNDS OF THE CHARITY:					
ENDOWMENT FUNDS	9		29		29
RESTRICTED INCOME FUNDS	10		-		-
UNRESTRICTED INCOME FUNDS	11				
Development fund		190		150	
Unrestricted income fund		<u>923</u>		<u>717</u>	
			<u>1,113</u>		<u>867</u>
			<u>1,142</u>		<u>896</u>

Approved by the UK Board, authorised for issue on 12th November 2008 and signed on their behalf.



Michael Geoghegan CBE
Chairman

The notes on pages 15 to 21 form part of these financial statements.

YOUNG ENTERPRISE
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 JULY 2008

	Notes	2008 £'000	£'000	2007 £'000	£'000
Net cash inflow from operating activities	13		235		(186)
Return on investments and servicing of finance:					
Interest received		<u>40</u>		<u>39</u>	
Net cash inflow from returns on Investments and servicing of finance:			40		39
Capital expenditure and financial investment:		<u>(5)</u>		<u>(2)</u>	
Net cash outflow from capital expenditure and financial investment:			<u>(5)</u>		<u>(2)</u>
Increase/(decrease) in cash and cash equivalents	14		<u>270</u>		<u>(149)</u>

The notes on pages 15 to 21 form part of these financial statements.

YOUNG ENTERPRISE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2008

1 ACCOUNTING POLICIES

a) Basis of Accounting

The accounts are prepared under the historical cost convention, in accordance with applicable accounting standards and Accounting and Reporting by Charities: Statement of Recommended Practice (revised 2005).

b) Depreciation

Depreciation is provided on a straight line basis at the following annual rates:

Fixtures, fittings and equipment	20%
Motor vehicles	33 1/3%

c) Incoming resources

Income is recognised by the charity when it becomes entitled to it and includes the following:

- i) Corporate and other donations
- ii) Government funding
- iii) Gifts in kind
- iv) Young Enterprise Regions
- v) Examination fees.

Grants are recognised in the Statement of Financial Activities in the period they relate. Income tax recoverable on gift aid donations is recognised by the charity in the period they relate. Gifts in kind are recognised in the period they are received and recorded at their monetary equivalent cost. Gift in kind assets capitalised within fixed assets are depreciated in line with the depreciation policy set out above.

d) Resources expended

Expenditure is recognised by the charity when a present obligation exists that is probable and with a reliable estimate.

Costs of generating funds include an allocation of salaries and department costs apportioned on staff time.

Charitable activities are split between the two principle activities of i) Programme materials and regional support and ii) Events and exhibitions.

Governance costs are based on the cost of governance arrangements, which relate to the general running of the charity such as legal and audit fees.

e) Stocks

Stocks are stated at the lower of cost and net realisable value.

f) Leased Assets

Rentals payable under operating leases are charged to the profit and loss account as incurred.

g) Pension Scheme

The entity pays amounts to the personal pension plans of some of its employees and these contributions are charged against the profit and loss account in the year in which they are payable.

h) Seconded Personnel

Young Enterprise benefits from personnel seconded by supporting organisations to work for the company. The value to Young Enterprise of such secondees is not quantifiable and is therefore not included within the financial statements.

YOUNG ENTERPRISE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2008

1 ACCOUNTING POLICIES**i) Development Fund**

Transfers to and from the development fund are made at the discretion of the UK Board Members.

2 STATUS

Young Enterprise is a company limited by guarantee and not having a share capital. The liability of each member to contribute to the assets of the company is limited to £1.

3 STAFF COSTS

Average number of people employed by the company during the year:

	No. of employees		Total	Total
	Full time	Part time	2008	2007
National Office staff	<u>14</u>	<u>4</u>	<u>18</u>	<u>20</u>

Full time equivalent staff of **16** (2007: 18).

	2008	2007
	£'000	£'000
Cost in respect of National office staff:		
Wages and salaries	576	583
Social security costs	62	62
Other pension costs	<u>15</u>	<u>15</u>
	<u>653</u>	<u>660</u>

	£'000	£'000
Pension Scheme:		
Defined contribution scheme		
Costs	13	14
Outstanding contributions at 31.07.08	2	2

	No.	No.
Number of employees earning in excess of £60,000:		
£60,001 - £70,000	1	1
£90,001 - £100,000	-	1
£100,001 - £110,000	1	-

	£'000	£'000
Pension Scheme:		
Defined contribution scheme	1	1
Costs	4	4

Neither the trustees nor persons connected with them received any remuneration or other benefits from the organisation or any connected organisation.

Trustees received reimbursed travel expenses £ nil (2007: £ nil).

YOUNG ENTERPRISE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2008

4 GOVERNMENT FUNDING

Government funding represented nil % of incoming resources (2007: 16%).

5 BREAKDOWN OF COSTS OF CHARITABLE ACTIVITIES

Activity	Activities undertaken directly £'000	Grant funding of Activities £'000	Support Costs £'000	Total 2008 £'000
Programme materials and regional support	1,526	127	130	1,783
Events and exhibitions	<u>233</u>	<u>-</u>	<u>2</u>	<u>235</u>
Total	<u>1,759</u>	<u>127</u>	<u>132</u>	<u>2,018</u>

Activity	Activities undertaken directly £'000	Grant funding of Activities £'000	Support Costs £'000	Total 2007 £'000
Programme materials and regional support	1,790	328	139	2,257
Events and exhibitions	<u>258</u>	<u>-</u>	<u>2</u>	<u>260</u>
Total	<u>2,048</u>	<u>328</u>	<u>141</u>	<u>2,517</u>

OPERATING CHARGES

		2008 £'000	2007 £'000
Operating charges include			
Auditors remuneration	- audit	8	8
	- other	-	2
Depreciation		5	7
Operating lease rentals	- land	37	40
	- other	<u>8</u>	<u>8</u>

YOUNG ENTERPRISE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2008

6 TANGIBLE ASSETS

	Motor Cars £'000	Fixtures Fittings & Equipment £'000	Total £'000
Cost			
At 1 August 2007	18	90	108
Additions	-	21	21
Disposals	-	(3)	(3)
At 31 July 2008	<u>18</u>	<u>108</u>	<u>126</u>
Depreciation			
At 1 August 2007	18	87	105
Charge for the year	-	5	5
Disposals	-	(3)	(3)
At 31 July 2008	<u>18</u>	<u>89</u>	<u>107</u>
Net book value			
At 31 July 2008	<u>-</u>	<u>19</u>	<u>19</u>
At 31 July 2007	<u>-</u>	<u>3</u>	<u>3</u>

Tangible fixed assets are all used for direct charitable purposes.

7 DEBTORS

	2008 £'000	2007 £'000
Other debtors	363	410
Young Enterprise Regions	55	57
Prepayments	52	51
Accrued income	-	3
	<u>470</u>	<u>521</u>

YOUNG ENTERPRISE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2008

8 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2008 £'000	2007 £'000
Trade creditors	405	404
Young Enterprise Regions	211	132
Taxation and social security costs	27	25
Accruals	39	139
Deferred income	<u>19</u>	<u>26</u>
	<u>701</u>	<u>726</u>

Deferred income represents income from Young Enterprise regions for programme materials that will not be required until the academic year 2008/9. This also applies for 2007 together with income from the education foundation Edge where the activity for QuickStart pilots had been re-scheduled for autumn 2007.

9 ENDOWMENT FUNDS

	2008 £'000	2007 £'000
At 1 August 2007	29	28
Incoming resources	1	1
Resources expended	<u>(1)</u>	<u>-</u>
At 31 July 2008	<u>29</u>	<u>29</u>

The Endowment Fund comprises funding for the Sir John Moores Memorial Award.

10 RESTRICTED INCOME FUNDS

	2008 £'000	2007 £'000
At 1 August 2007	-	-
Incoming resources	-	440
Resources expended	<u>-</u>	<u>(440)</u>
At 31 July 2008	<u>-</u>	<u>-</u>

Restricted Income in 2007 is funding from the former government Department for Education and Skills, for the pathfinder project to introduce Enterprise Summer Schools, and the Small Business Service at the former government Department of Trade and Industry for the UK Innovation Awards.

YOUNG ENTERPRISE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2008

11 UNRESTRICTED INCOME FUNDS

	Development £'000	Unrestricted £'000	Total £'000
At 1 August 2007	150	717	867
Net incoming/(outgoing) resources	(50)	296	246
Transfer from Unrestricted Fund to Development Fund	<u>90</u>	<u>(90)</u>	<u>-</u>
At 31 July 2008	<u>190</u>	<u>923</u>	<u>1,113</u>

The Development Fund provides a resource which is called upon to fund National activity judged to be important to Young Enterprise development. The transfers relate to ongoing development of Company based programmes, use of PR Agency Geronimo and pilot programme roll out for QuickStart.

Our reserves policy is in the Report of the Trustees.

12 FINANCIAL COMMITMENTS

The annual commitments under operating leases are analysed according to the period in which each lease expires, as follows:

	2008		2007	
	Land & Buildings £'000	Other £'000	Land & Buildings £'000	Other £'000
Within in 1 year	-	-	-	-
In the second to fifth years inclusive	<u>39</u>	<u>8</u>	<u>38</u>	<u>9</u>
	<u>39</u>	<u>8</u>	<u>38</u>	<u>9</u>

13 NET CASH INFLOW FROM OPERATING ACTIVITIES

	2008 £'000	2007 £'000
Net incoming/(outgoing) resources	246	77
Depreciation charges	5	7
Gifts in kind	(17)	-
Decrease in stocks	14	16
Decrease in debtors	51	630
Decrease in creditors	(24)	(877)
Interest received	<u>(40)</u>	<u>(39)</u>
	<u>235</u>	<u>(186)</u>

YOUNG ENTERPRISE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2008

14 RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN CASH FUNDS LESS LOANS

	2008	2007
	£'000	£'000
Increase/(Decrease) in cash in the year	<u>270</u>	<u>(149)</u>
Movement in net funds	<u>270</u>	<u>(149)</u>
Net cash funds at 1 August 2007	<u>628</u>	<u>777</u>
Net cash funds at 31 July 2008	<u>898</u>	<u>628</u>

15 TAXATION

The company is registered as a charity for taxation purposes and is not VAT registered.

16 YOUNG ENTERPRISE ACROSS THE UK

The activities of Young Enterprise in the UK are now run through 12 separate autonomous regional organisations together with the National organisation.

The 12 regional organisations that are now incorporated as charitable companies are as follows:

Young Enterprise East Midlands
 Young Enterprise East of England
 Young Enterprise London Ltd
 Young Enterprise North East
 Young Enterprise North West
 Young Enterprise Northern Ireland
 Young Enterprise Scotland
 Young Enterprise South East
 Young Enterprise South West
 Young Enterprise Wales
 Young Enterprise West Midlands
 Young Enterprise Yorkshire and the Humber