

REACHOUT YOUTH
(A COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL)
REPORT AND ANNUAL ACCOUNTS
FOR THE YEAR ENDED 31ST AUGUST 2015



Company Registration Number 4604379
Registered In England

Registered Charity Number: 1096492

REACHOUT YOUTH
REPORT AND ANNUAL ACCOUNTS
FOR THE YEAR ENDED 31ST AUGUST 2015

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REACHOUT YOUTH

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31ST AUGUST 2015

The Directors/Trustees have pleasure in submitting their annual report together with the accounts for the year ended 31st August 2015.

Principal objects

The principal objects of the company are to promote educational opportunity, social responsibility and multicultural awareness amongst children and young people.

How our activities deliver public benefit

ReachOut is a mentoring charity working with children in disadvantaged communities to raise aspirations and help them grow in character and competence.

We improve self-confidence and develop Numeracy, Literacy, Communication and Memory Skills, whilst reinforcing our core values of Fairness, Self-Control, Good Judgement and Staying Power.

We do this through one-to-one mentoring with positive role models and team activities, to promote leadership, trust and responsibility.

The remainder of this report gives more specific detail of the nature of our activities and the public benefit delivered.

We review our aims, objectives and activities, which helps us ensure that we remain focused on our stated purposes. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the Directors/Trustees consider how planned activities will contribute to the aims and objectives we have set pursuant to our stated purposes.

In the opinion of the Directors/Trustees we have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charity Commission.

Policies to further the charity's objects

The income and property of the charity from whatever source derived are applied solely towards the promotion of its objects as set out above. No portion thereof is paid or transferred directly or indirectly by way of dividend, bonus or otherwise by way of profit to the members of the company.

Review of activities and future developments

During 2014-15 we continued to provide mentoring in London and Manchester. In line with our revised Business Plan for 2013 – 2018 we seek to continue to prioritise these two areas as there is great demand for our services.

Programmes

We continue to offer three term-time one-to-one mentoring programmes, each offering weekly two hour sessions to referred young people from a partner school :

ReachOut Club (ROC) – Primary schools, for Year 5/6 pupils (aged 9 – 11)

ReachOut Academy (ROA) – Secondary schools, for Year 7 – 11 pupils (aged 11 – 16)

ReachOut Junior Mentors (ROJM) – Secondary schools, for Year 10/11 pupils (aged 14 – 16)

We also continue to deliver ReachOut Summer Projects during the July and August at selected schools. All our programmes are delivered in schools in areas of economic and social disadvantage.

REACHOUT YOUTH

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31ST AUGUST 2015

CONT'D...

Our mentoring programmes use long term, one-to-one mentoring to support young people to develop character. Led by paid staff who support our volunteer mentors throughout, the weekly sessions are based around academic content and fun group activities, such as football and drama.

Character development is built into our sessions from start to finish – in the one-to-one conversations, the group work activities in a classroom to the warm ups in sports. We believe that developing the character of our young people is the key to helping them go on to lead good and happy lives. If we can develop their character then they will go on in turn to become successful students, employees or employers, parents etc.

ReachOut's four character strengths are Fairness, Self-Control, Staying Power and Good Judgement. Our academic work focuses on Numeracy, Literacy and Communication skills.

SCHOOLS

Primary London

Jubilee
Carlton
Rhyl
Netley
Shacklewell
Princess May
Cayley
Redlands
St Peter's London Docks

Primary Manchester

Crosslee
Heald Place
Divine Mercy
Peel Hall
St Chad's
St John Fisher & Thomas More

Secondary London

London Secondary Schools:
Petchey Academy
Heartlands High School
Bishop Challoner

Secondary Manchester

Manchester Secondary Schools:
Our Lady's
Barlow
St Monica's

Whilst we added a new secondary school in London, we stopped working at St Paul's, MCMA and Chorlton secondary schools in Manchester and some primary schools also. We have agreed to work with most of them again in 2015/16 as well.

We were running an informal project for young people aged 16+ in Manchester. This was closed in Feb 2015 due to lack of funding. We also made one member of staff in Manchester redundant at this time to reduce costs.

Attendance Data

We continue to record all attendance for all young people. We count young people attending 10+ sessions as 'full' mentees, and on use these young people in our data sets for attainment and progression to employment, education or training.

REACHOUT YOUTH

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31ST AUGUST 2015

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The table below provides an overview of numbers of young people we supported in 2014/15.

Location	Programme	No. of Projects	Mentees attending at least 1 session	Mentees attending 10+ sessions
London	ROC	12	133	108
London	ROA	8	225	132
London	ROJM	4	46	33
Manchester	ROC	8	122	85
Manchester	ROA	7	127	23
Manchester	ROJM	2	22	8
Manchester	Post 16	1	18	0
LONDON		24	404	273
MANCHESTER		18	289	116
TOTAL		42	693	389

Project Leaders

In 2014/15 around half our projects were delivered by paid sessional staff, for the first time. We have moved to this model to enable us to grow as an organisation, reducing costs per project. This represents a new area for us, and whilst very successfully implemented, we recognise areas for improvement around recruitment and training of sessional staff. We are doing significant work to improve this going forwards.

Mentoring, character & volunteers

We invested significant resources in developing our understanding of character, how to develop it in young people, and our theory of change. This has been a major step forward for the organisation. As a result our mentors are better trained than ever before, and our staff are also better equipped to serve our young people. As always, university students made up the bulk of our volunteer mentors, but with more professionals volunteering than ever before, partly due to expansion of evening projects in London, we were able to recruit more, higher calibre mentors.

Impact

We published our Impact Report for 2013/14, with data for ReachOut 'graduates' over a three year period from 2011 – 2014. 72% of young people attending 10+ ReachOut sessions in Year 11 since 2011 achieved 5 A*-C grades at GCSE including English and Maths. The national average for all pupils has been below 61% throughout this period.

48% of ReachOut's mentees are entitled to and claim free school meals. Since 2011, 67% of young people eligible for free school meals that attended 10+ ReachOut sessions in Year 11 achieved 5 A*-C grades at GCSE including English and Maths. In 2014 just 34% of pupils eligible for free school meals in the UK achieved this benchmark standard for GCSE results.

Only 0.7% of young people attending 10+ ReachOut sessions in Year 11 since 2010 found themselves NEET six months after their GCSE exams. This compares with 13.1% nationwide for 16 - 17 year olds.

REACHOUT YOUTH

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31ST AUGUST 2015

CONT'D...

Awards

For the second year in a row a mentee from the ReachOut Junior Mentors projects at Bishop Challoner won a Jubilee Award for Service. The awards recognise and reward young people who participate in social action to inspire and help others, and Rhiana Dennis-Small was presented her award at the ceremony hosted by The Baroness Massey of Darwen in the House of Lords.

Funding

During the period we secured on maintained our main funding (over £10k) form the following institutions:

Four Acre Trust, Macquarie Group, UBS, BBC Children in Need, Peter Kershaw Trust, Jack Petchey Foundation, Lloyds TSB Foundation, Porticus Trust, Bloomberg LP, Garfield Weston Foundation and the Wates Foundation.

Other smaller grants (less than £10k) came from: Zurich in the Community, Camelia Trust, Trusthouse, West Hackney Parochial, The Ironmongers' Company, Souter Trust, Hackney Council, Cash for Kids, Tom Ap Rhys Memorial Trust and the Haberdashers' Livery Company,

We again increased revenue from schools, up to £56,650 in 2014/15, making up 11% of total funding.

We are very grateful to all our funders, large and small, for their decision to donate to ReachOut and help us pursue our objectives. Their confidence in us is very much appreciated.

Future plans

After appointing a new Chief Executive in May 2015, the Board approved a revised Business Plan for 2015 – 2018, focusing on improving quality and growth to meet demand.

Key points:

- To grow the charity to reach 1450 mentees by 2018. This would triple output in 2014/15.
- Increase turnover to £1m by 2018, doubling that of 2014/15.
- Continue focus on London and Manchester.
- Change secondary projects in Manchester from afternoons to evenings.
- Minimise number of projects where we transport volunteers via minibus in Manchester.
- Further develop sessional staff model.
- Be recognised as a leading UK mentoring charity with a national profile, especially in the field of character development.
- To further increase quality of delivery and impact for our beneficiaries.
- Establish long term financial stability to ensure continuous delivery of our work.

The Directors/Trustees continue to be mindful of the need to build up reserves to enable the charity to continue in operation in the event that a major source of funding is lost or unplanned expenditure should arise.

REACHOUT YOUTH

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31ST AUGUST 2015

CONT'D...

Risk Assessment

As a part of the aforementioned Business Plan, a full risk analysis of the business was conducted, and required mitigating strategies have been implemented to ensure best progress.

Directors/Trustees and their interests

The Directors/Trustees who served during the period are:

Edmund Lehmann

Ashley Stratford (resigned from the board in April 2015)

Joseph Haig

Sophia Corpas

The Senior Management Team

The Senior Management Team is made up of:

Mr Xavier Bosch, Chief Executive until resigning in April 2015.

Mr Peter Blackwell, London Director Sept 2014 – April 2015, Acting Chief Executive from May 2015

Mrs Heidi Exell, Manchester Director

Mrs Frances Ellis, Operations Director

Ms Maxine Rawlings, acting Manchester Manager, HR until January 2015

This report was approved by the Board on 2nd March 2016 and signed on its behalf by:

X Bosch

Company Secretary



INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF REACHOUT YOUTH

I report on the accounts of Reachout Youth for the year ended 31st August 2015, which are set out on pages 1 to 10.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year (under section 43(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts (under section 43(3)(a) of the 2011 Act);
- to follow the procedures laid down in the General Directions given by the Charity Commission (under section 43(7)(b) of the 2011 Act); and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

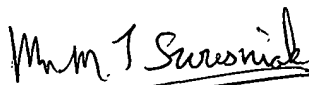
1) Which gives me reasonable cause to believe that in any material respect the requirements

- to keep accounting records in accordance with section 41 of the 2011 Act; and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act.

have not been met; or

2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Name:



(Marek Tadeusz Szczesniak)

Professional Body: Institute of Chartered Accountants in England & Wales

Marek & Co
Chartered Accountants
Kensington House
7 Roe Lane
Southport
PR9 9DT

Dated: 14th March 2016

REACHOUT YOUTH**INCOME & EXPENDITURE ACCOUNT****FOR THE YEAR ENDED 31ST AUGUST 2015**

	<u>2015</u> <u>£</u>	<u>2014</u> <u>£</u>
<u>INCOMING RESOURCES</u>		
Voluntary Income: Grants	340,010	302,843
Donations & Other Income	<u>181,847</u>	<u>180,194</u>
<u>TOTAL INCOMING RESOURCES</u>	<u>521,857</u>	<u>483,037</u>
<u>RESOURCES EXPENDED</u>		
Costs of generating funds		
Costs of generating voluntary income:		
Wages and Salaries	22,236	22,524
General Administrative	<u>2,557</u>	<u>3,173</u>
	<u>24,793</u>	<u>25,697</u>
Charitable activities:		
Sports Equipment	843	1,386
Wages & Salaries	322,066	323,694
Training	1,404	22,529
Activity Materials	5,209	14,559
Trips	34,235	18,627
Volunteers Expenses	38,789	34,257
Rent, Light & Heat	30,334	38,276
Insurance	6,016	3,209
Printing, Postage & Stationery	5,744	9,095
Telephone	4,543	3,561
Computer Costs	2,127	9,270
Motor Expenses	9,920	16,405
Subscriptions	2,748	83
Bank Charges	758	814
General	1,720	2,111
Depreciation	<u>990</u>	<u>162</u>
	<u>467,446</u>	<u>500,490</u>
Governance: Legal & Professional	<u>3,550</u>	<u>6,673</u>
<u>TOTAL RESOURCES EXPENDED</u>	<u>495,789</u>	<u>532,860</u>
Net Surplus/(Deficit) for the year before transfers	26,068	(49,823)
Add: Total funds brought forward	<u>119,344</u>	<u>169,167</u>
<u>TOTAL FUNDS CARRIED FORWARD</u>	<u>145,142</u>	<u>119,344</u>

All the companies activities in the above financial period is derived from continuing operations.

The company has no other recognised gains or losses other than the profit or loss shown in the statement of financial activities.

REACHOUT YOUTH

BALANCE SHEET

AS AT 31ST AUGUST 2015

	<u>Notes</u>	<u>2015</u>	<u>2014</u>
		<u>£</u>	<u>£</u>
<u>FIXED ASSETS</u>			
Tangible Assets	1 & 3	4,340	5,263
<u>CURRENT ASSETS</u>			
Debtors	4	43,584	100,732
Cash in Hand and at Bank		<u>137,099</u>	<u>30,359</u>
		180,683	131,091
<u>CREDITORS</u>			
Amounts falling due within one year	5	<u>39,611</u>	<u>17,010</u>
<u>NET CURRENT ASSETS</u>		<u>141,072</u>	<u>114,081</u>
		<u>145,412</u>	<u>119,344</u>
<u>RESERVES</u>			
Restricted		26,350	49,583
Unrestricted		<u>119,062</u>	<u>69,761</u>
<u>Total Charity Funds</u>		<u>145,412</u>	<u>119,344</u>

The Directors' statement

- The company is entitled to take advantage of the audit exemption given by Section 477 of the Companies Act 2006 for the year ended 31st August 2015 because the Directors have caused a compilation report in respect of the accounts for the financial year to be made to the members.
- No notice has been deposited by holders of 10% or more of the company's voting rights requiring the company to obtain an audit of its accounts for the financial year in question in accordance with Section 476 of the Companies Act 2006.
- The Directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to the small companies regime

These financial statements were approved by the Director/Trustee:


.....
Edmund Lehmann
Director/Trustee

Dated: 14th March 2016

The Notes on pages 9 to 11 form part of these Accounts

REACHOUT YOUTH

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST AUGUST 2015

1. ACCOUNTING POLICIES

a) Basis of Preparation

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 - Accounting and Reporting by Charities (SORP 2005), applicable UK Accounting Standards and the Companies Act 1985. The principal accounting policies adopted in the preparation of the financial statements are as set out below.

b) Company Status

The charity is a company limited by guarantee. The members of the company are drawn from various walks of life, all with experiences valuable to the work of the company. In the event of the company being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

c) Incoming Resources

All incoming resources are included in the SOFA when the charity is legally entitled to the income, there is certainty of receipt and the amount can be quantified with reasonable accuracy.

Grants are receivable and local authority fees are credited to the SOFA in the period for which they are received. *Deferred income* represents amounts received for future periods and is released to incoming Investment income is recognised on a receivable basis.

d) Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources.

e) Irrecoverable VAT

All resources expended are classified under activity headings that aggregate all costs related to the category. Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

f) Operating leases

Rentals applicable to operating leases are charged to the SOFA over the period in which the cost is incurred.

g) Tangible fixed assets and depreciation

Depreciation has been provided on all tangible fixed assets at rates calculated to write off the cost of each asset over its expected useful life as follows:

Fixtures & Equipment	5% straight line.
Motor Vehicles	20% straight line.

h) Fund accounting

- Unrestricted funds comprise accumulated surpluses and deficits on general funds that are available for use at the discretion of the trustees/directors in furtherance of the general objectives of the Charity and that have not been designated for other purposes.
- Restricted funds are funds subject to restrictions imposed by the donor or by the specific terms of the appeal under which the funds are raised.
- Designated funds comprise unrestricted funds that have been put aside at the discretion of the trustees/directors for particular purposes.

REACHOUT YOUTH

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST AUGUST 2015

2. TAXATION

(a) No provision for taxation is considered necessary as the company is a registered charity and exempt from taxation under Section 360[i](c) of the Income and Corporation Taxes Act 1970.

(b) No provision is considered necessary for deferred taxation.

3. TANGIBLE ASSETS

	<u>Furniture & Fittings</u>	<u>Motor Vehicles</u>	<u>Total</u>
<u>COST</u>	<u>£</u>	<u>£</u>	<u>£</u>
As at 1st September 2014	18,108	25,828	43,936
Additions	<u>67</u>	<u>-</u>	<u>67</u>
<u>As at 31st August 2015</u>	<u>18,175</u>	<u>25,828</u>	<u>44,003</u>

DEPRECIATION

As at 1st September 2014	16,645	22,028	38,673
Charge for the Year	<u>230</u>	<u>760</u>	<u>990</u>
<u>As at 31st August 2015</u>	<u>16,875</u>	<u>22,788</u>	<u>39,663</u>

NET BOOK VALUE

<u>As at 31st August 2015</u>	<u>1,300</u>	<u>3,040</u>	<u>4,340</u>
<u>As at 31st August 2014</u>	<u>1,463</u>	<u>3,800</u>	<u>5,263</u>

4. DEBTORS

	<u>2015</u>	<u>2014</u>
	<u>£</u>	<u>£</u>
Debtors	43,584	79,981
Other Debtors	<u>-</u>	<u>20,751</u>
	<u>43,584</u>	<u>100,732</u>

5. CREDITORS:

	<u>2015</u>	<u>2014</u>
	<u>£</u>	<u>£</u>
Trade Creditors	29,218	11,811
Taxation & Social Security	8,071	3,693
Accruals	<u>2,322</u>	<u>1,506</u>
	<u>39,611</u>	<u>17,010</u>

REACHOUT YOUTH

NOTES TO THE MANAGEMENT ACCOUNTS

FOR THE YEAR ENDED 31ST AUGUST 2015

6. SHARE CAPITAL

The Company is Limited by Guarantee and does not have a Share Capital.

7. <u>MOVEMENT OF FUNDS</u>	<u>2015</u>	<u>2014</u>
	<u>£</u>	<u>£</u>
Balance at 1st September	119,344	169,167
Surplus/(Deficit) for Financial Year After Taxation	<u>26,068</u>	<u>(49,823)</u>
<u>Balance at 31st August</u>	<u>145,412</u>	<u>119,344</u>

8. CAPITAL COMMITMENTS

There were no capital commitments as at the date of the Balance Sheet.

9. CONTINGENT LIABILITIES

The Directors are not aware of any contingent liabilities which existed at the date of the Balance Sheet.