

**Registered number: 04693699**  
**Charity number: 1097789**

**Young Enterprise South East**  
**(A company limited by guarantee)**

**Trustees' report and financial statements**  
**for the year ended 31 July 2010**



---

**Young Enterprise South East  
(A company limited by guarantee)**

**Contents**

	<b>Page</b>
<b>Reference and administrative details of the charity, its trustees and advisers</b>	<b>1</b>
<b>Trustees' report</b>	<b>2 - 8</b>
<b>Independent auditors' report</b>	<b>9 - 10</b>
<b>Statement of financial activities</b>	<b>11</b>
<b>Balance sheet</b>	<b>12</b>
<b>Notes to the financial statements</b>	<b>13 - 18</b>

**Young Enterprise South East**  
**(A company limited by guarantee)**

**Reference and administrative details of the company, its trustees and advisers**  
**for the year ended 31 July 2010**

**Trustees**

Geoffrey Bell  
Kenneth Henderson  
Eileen Lattimer  
David Rowland (retired 9 June 2010)  
Jeremy West  
Rodger Broad (appointed 9 December 2009)  
David Walter (appointed 9 June 2010)

**Company registered number**

04693699

**Charity registered number**

1097789

**Registered office**

Patteson Court  
Nutfield Road  
Redhill  
Surrey  
RH1 4ED

**Company secretary**

Jeremy West

**Chief executive officer**

Jan Sharman

**Auditors**

Reeves & Co LLP  
Chartered Accountants  
Dartel House  
39-41 High Street  
Horley  
Surrey  
RH6 7BN

**Young Enterprise South East**  
**(A company limited by guarantee)**

**Trustees' report**  
**for the year ended 31 July 2010**

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Young Enterprise South East (the company) for the year ended 31 July 2010. The Trustees confirm that the Annual report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

**Structure, governance and management**

• **Constitution and organisational structure**

Young Enterprise South East (YESE) is an educational charity serving South East England (registered number 1097789) and a company limited by guarantee (number 4693699) which is governed by a Memorandum and Articles of Association.

**OUR MISSION IS**

**TO BUILD A CONNECTED WORLD OF YOUNG PEOPLE, BUSINESS VOLUNTEERS AND EDUCATORS,  
INSPIRING EACH OTHER TO SUCCEED THROUGH ENTERPRISE**

We have a new call to action for *all* our stakeholders "Start something ."

To implement this vision YESE operates through a team of employed staff, many of which are part time and we actively engage volunteers from the world of work and entrepreneurs to deliver all of our programmes. In addition, around 150 volunteer business people and educationalists operate via 38 local Young Enterprise Area committees known as 'boards'. These boards elect their own Chairs and are organised into 7 County boards with a Chair chosen, in conjunction with the YESE CEO, from the business, education or local government community. Although it is the purpose of the Area and County boards to help promote and encourage the growth of Young Enterprise activity in all its forms, in practice their focus is mainly Company and Team programmes.

Strategic decisions are taken by the Board of Trustees and day to day operational decisions are delegated to the CEO. The Board Chair and the CEO are in regular contact between Quarterly Board meetings to monitor progress on the YESE yearly business plan.

The membership of Young Enterprise South East, who are entitled to attend the AGM, is drawn from the Trustees, the Area and County chairs and YE UK which is a corporate member.

• **Risk management**

The major financial and non-financial risks to the charity have been identified and reviewed. Systems have been established to mitigate those risks. The trustees actively review the major risks which the charity faces on a regular basis and believe that maintaining adequate reserves at current levels, combined with an annual review of the controls over key financial systems, will provide sufficient resources in the event of adverse conditions. The trustees have also examined other operational and business risks faced by the charity and confirm that they have established systems to mitigate the significant risks.

**Young Enterprise South East**  
**(A company limited by guarantee)**

**Trustees' report (continued)**  
**for the year ended 31 July 2010**

**Objectives and Activities**

• **Policies and objectives**

The Company carries out Young Enterprise activities in the South East under a Regional Service Agreement with Young Enterprise UK

The primary objective of the charity is

- the advancement of education and in particular commercial education - if and in so far as such purpose will 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 though our operations are generally limited to the seven counties comprising the South East Region and, perhaps surprisingly, the Channel Islands

In reviewing our aims and objectives, and in planning our future activities, we have borne in mind the guidance contained in the Charity Commission's general guidance on public benefit. The board of Trustees actively reviews how planned activities contribute to the aims and objectives they have set

• **Core purpose**

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

• **Core values**

- Belief in the boundless potential of young people;
- Respect for the talents, creativity, perspectives and backgrounds of all individuals;
- Commitment to the principles of market based economics and entrepreneurship;
- Passion for what we do and honesty, integrity and excellence in how we do it,
- Belief in the power of partnership and collaboration,
- Conviction in the educational and motivational impact of relevant, Learning By Doing

• **Principal activities**

The key objectives described above are met via a range of educational programmes designed to help young people develop a practical understanding of business and enterprise and gain new skills in preparation for their working lives. Young Enterprise programmes are delivered in over 500 schools and colleges across the South East through the direct support of volunteers from business and the local community, who work in partnership with teachers, sharing their own experiences with participating students. Many thousands of young people in the region benefit from a Young Enterprise experience each year and gain a practical understanding and valuable insight into business, enterprise and the world of work whilst developing their personal skills.

The current Young Enterprise programmes are

- 1 **Company Programme** - encourages students aged 15-19 to gain practical experience of business and enterprise by setting up and running their own genuine company over 1 academic year
- 2 **Team Programme** - similar to the Company Programme above, but with modifications which meet the special needs of students with learning difficulties
- 3 **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
- 4 **Primary Programme** - volunteers from business and the community deliver a variety of hands-on activities to enable children aged 4-11 yrs to understand the relationships between learning in school and their future role in the working community

**Young Enterprise South East**  
**(A company limited by guarantee)**

**Trustees' report (continued)**  
**for the year ended 31 July 2010**

5 **Sell for Success** - students aged 13 to 15 increase their enterprise capability by experiencing many of the aspects of running their own company in an intensive one day event

6 **Learn to Earn** - a one day event which encourages students aged 13 to 16 to explore lifestyle and career options, and to discover how getting better qualifications can lead to a more satisfying career and better quality of life

7 **Project Business.** - a one day event which provides students aged 14-15 with an insight into the economic and business life of the country and their local community.

8 **Personal Economics** - a one day event which helps pupils aged 12 to 15 to improve their financial capability, build their self-esteem, and prepare for employment

9 **Entrepreneurship Masterclass** - Students aged 13 to 17 are inspired and challenged to consider their career plans or business start-up through first hand accounts from entrepreneurs

10 **Industry Masterclass** - enables students to think about the options of employment within different industry sectors, including specific career paths and even self-employment.

All programme materials are developed by Young Enterprise UK, all programmes are developed in consultation with leading business organisations and professional bodies

**Achievements and performance**

• **Review of activities**

The trustees are extremely proud of the achievements of the organisation over the last few years, most specifically in moving away from a predominantly government funded organisation. Regrettably this meant introducing charging for schools and Achiever (student) numbers have inevitably decreased. It is our clear objective to reverse this trend by increasing schools and colleges uptake and securing funds from alternative sources. The trustees recognised that, as a charity, our achievements and performance are constrained only by the level of income we receive.

In 2009-10, a 7.7% reduction in incoming resources - from £537,779 in 2008-09 to £496,449 in 2009-10 - resulted in this being a particularly challenging year for programme delivery for YESE. However our staff responded by significantly increasing productivity and the total number of students taking part in our programmes was maintained at similar levels to previous years, reaching just under 20,000 young people.

Advanced programme bookings from schools and the forecast in the early part of the year was positive, but the financial climate, change of Government and uncertainty within schools and colleges of their budgets had a negative impact on incoming resources. A number of schools cancelled previously agreed programmes and we found corporate and public donations reduced to area and county boards. Interest income on our cash reserves continued to remain minimal. A small increase in donations at regional level was achieved thanks to hard endeavours in an otherwise difficult financial climate.

However our resources continued to be dispersed effectively and we sustained an excellent level of productivity without jeopardising the quality of our service. To sustain this level of participants we have developed and nurtured relationships with schools, we have invested funds into benefiting more students by introducing discount schemes. Our provision of quality programmes delivered to national standards has led schools to come back to us year after year and new schools to start working with us. YESE has a vibrant business volunteer network which is growing year on year as we work with more students and schools. We actively engage entrepreneurs and people from the world of work to deliver all of our programmes and over 150 volunteers give their time to run local Young Enterprise area boards. We currently have over 1,200 registered volunteers. Businesses increasingly understand and value the benefit that their employees get from volunteering, as well as the benefits for young students.

**Young Enterprise South East**  
**(A company limited by guarantee)**

**Trustees' report (continued)**  
**for the year ended 31 July 2010**

We believe we have been comparatively successful in the South East as a result of clear sighted direction of your Board of Trustees, coupled with the leadership of the executive team, the staff, volunteers and supporters. Without them, Young Enterprise South East would not have been able to deliver the range of programmes to such a high standard and to so many young people.

**Our staff team**

Our Chief Executive, Jan Sharman, has been highly effective in leading the organisation and the staff. 2009-10 has been an exceptionally challenging year and the staff team are to be congratulated in grasping these challenges and achieving such an excellent level of delivery without compromising on the quality of any programme.

**Our volunteers**

Young Enterprise is unique in that the enterprise experience is delivered to schools by volunteers from the business world. We currently estimate that we have approximately 1,200 active volunteers and the trustees would like to thank them for the invaluable time and care they have given to ensure Young Enterprise continues to inspire and enable young people in the South East to learn and succeed through enterprise.

The significant value of the time, given by the volunteer network, for the benefit of the young people in the region, does not appear in the accounts. If a monetary value was put on this, the figure would be considerable and therefore grateful thanks are due to the many volunteer Board Members, Link Teachers and Business Advisers, who give so freely of their time to support Young Enterprise and the Achievers across the South East.

**Our funders and supporters**

Financial support particularly from the private sector has been crucial in enabling us to deliver a full programme during 2009-10. Grateful thanks are also due to the many businesses across the region for their financial and in-kind support for Young Enterprise activities. We continue to work with our funders and supporters to ensure that the relationship we have is a mutually beneficial one.

**Finances**

Total income was £496,449. The trustee board, recognising that 2009-10 was likely to be a difficult year, accepted that it would be necessary to invest reserves to maintain delivery capability and programme capacity in the face of uncertain income projections. In the event, total expenditure was £555,558, resulting in an operating deficit of £59,109. This deficit was more than had been anticipated and the trustees and CEO are working to ensure that our financial planning and forecasting process are enhanced to predict performance more reliably. The board is confident that as the general economic situation eases, demand for our programmes will continue to rise. Nonetheless, we expect that 2010-11 may also be challenging and may need to commit more reserves as necessary. Ultimately, however, the trustees are conscious that YESE must normally generate some small surplus to maintain reserves at an appropriate level and allow for future growth and expansion. We do not anticipate the need to subsidise operational expenditure beyond 2010-11.

**Note:** Regional income consists of contributions from schools towards cost of programmes and corporate and public funding at the regional level. Area and County Board income is predominately from corporate donations or from community organisations within the local area.

● **Investment policy and performance**

Investment powers are governed by the Memorandum and Articles which permit the appointment of an investment manager and delegate investment management to the investment manager in accordance with the provisions of the Trustee Act 2000 as it applies to charity trustees. No such appointment has been made.

**Young Enterprise South East**  
**(A company limited by guarantee)**

**Trustees' report (continued)**  
**for the year ended 31 July 2010**

**Financial review**

• **Reserves policy**

YESE needs reserves to ensure it can fulfil and complete the charitable obligations and commitments it enters into

The Trustees believe that the level of reserves that are freely available for its general purposes should aim to be the equivalent of six-eight months total resources expended

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

In 2010 we have more than met the reserves policy and intend to invest the funds in the following year to increase the number of students ultimately participating in our programmes. The current financial climate, referred to above, may have an adverse effect on cash flow during 2010-11 and the higher reserves are therefore important.

**Plans for the future**

• **Future developments**

The current economic environment places considerable pressure on our staff team, our volunteers and our funders and supporters. YESE is not including any public sector funding in its plans for future years. In addition the potential pressure on school budgets makes it increasingly important for us to obtain the funds needed for us to support young people from corporate and philanthropic sources.

Despite increasing pressures on schools' budgets we are firmly committed to increase the level of Achievers during 2011 by broadening income generation through a variety of initiatives with the private sector.

The Trustees recognise the significant achievements of the staff and volunteers who have enabled the organisation to become one of the most successful YE charities in the UK by sustaining the level of delivery despite the apparent burden of direct charging. However we recognise that school budgets are challenged, therefore match funding opportunities with local organisations in the private and public sectors is being developed. Engagement with volunteers is increasing, with income opportunities as we develop the 'Team Challenge' options as a new source of corporate income across the South East and work collegiately with other Young Enterprise charities to secure funding and partnerships with the larger cross regional corporate organisations.

New developments in programmes expected in 2011 will be promoted to schools, such as In Business With The Games which is directly linked to the Olympics London 2012.

The trustees strongly believe that Young Enterprise South East is the leading provider of enterprise education in schools within the region and remains committed to growing the number of Achievers who participate in our programmes each year. No other organisation – be they private or public sector – currently offers the wide range of programmes Young Enterprise does at every stage of a child's education. Collectively, our programmes meet virtually all the statutory requirements at each key stage within the National Curriculum for Enterprise, Work Related Learning and Citizenship. It is because of this confidence that Young Enterprise continues to develop and refine its programme offerings.



**Young Enterprise South East**  
**(A company limited by guarantee)**

**Trustees' report (continued)**  
**for the year ended 31 July 2010**

**Young Enterprise UK**

Young Enterprise South East has been working closely with Young Enterprise UK (a registered charity, number 313697, and a company limited by guarantee registered in England as number 712260) and other Young Enterprise regional charities across the UK to carry out a comprehensive strategic review of Young Enterprise activities across the UK. We have sought to create a strategy which builds on our strengths whilst recognising the need for Young Enterprise to adapt to the rapidly changing business, political and educational landscape in which we find ourselves.

We consider it highly desirable to reposition Young Enterprise over the coming five years to become the country's foremost business-led educational charity. We have agreed that we will achieve our mission over the next five years by developing seven key areas:

- 1 Enhancing our programmes and offers
- 2 Developing our volunteer base
- 3 Reforming our financial arrangements
- 4 Renewing our organization and governance
- 5 Focusing on our staff and their value add
- 6 Improving our marketing and communications
- 7 Engaging effectively with business

We have worked closely with our Young Enterprise UK colleagues in determining the long-term vision and mission for Young Enterprise across the UK. This includes the consideration of a merger, during 2010/11, of the English Young Enterprise charities and Young Enterprise Wales into one organisation under Young Enterprise.

At the time of writing this Annual Report there has been no decision made on the proposed merger and nothing has yet been formally agreed. There will be no discontinuation of the activities of the charity and there is no impact on the figures reported within these financial statements. There is no intention to discontinue Young Enterprise activities in the South East nor to effect any material changes other than would normally arise.

**Going concern**

The accounts reported here were prepared on the basis that YESE is a going concern. Regardless of any possible future merger, it is expected that YESE will complete its financial year 2010-11 as normal. There is no intention to discontinue activities within the region and the trustees believe that reporting should continue to be made on the assumption that YESE is a going concern.

**Trustees' liability**

The Trustees of the company (as shown on page 1) guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up.

**Young Enterprise South East**  
**(A company limited by guarantee)**

**Trustees' report (continued)**  
**for the year ended 31 July 2010**

**Statement of Trustees' responsibilities**

The Trustees (who are also directors of Young Enterprise South East 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 and charity 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation

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.

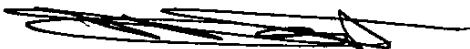
**Provision of information to auditors**

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charitable company's auditors in connection with preparing their report and to establish that the charitable company's auditors are aware of that information.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006

This report was approved by the Trustees on 25 February 2011 and signed on their behalf, by



**Jeremy West**  
Company Secretary

**Young Enterprise South East**  
**(A company limited by guarantee)**

**Independent auditors' report to the members of Young Enterprise South East**

We have audited the financial statements of Young Enterprise South East for the year ended 31 July 2010 set out on pages 11 to 18. These financial statements have been prepared under the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective April 2008).

This report is made solely to the charitable company's members, as a body, in accordance with Section 43 of the Charities Act 1993 and regulations made under section 44 of that Act. 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 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

**Respective responsibilities of Trustees and auditors**

The Trustees' (who are also the directors of the company for the purposes of company law) responsibilities 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), and for being satisfied that the financial statements give a true and fair view, are set out in the Statement of Trustees' responsibilities.

The Trustees have elected for the financial statements to be audited in accordance with the Charities Act 1993 rather than the Companies Act 2006. Accordingly we have been appointed as auditors under section 43 of the Charities Act 1993 and report to you in accordance with regulations made under section 44 of that Act. Our responsibility is to audit the financial statements 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 financial statements give a true and fair view and are prepared in accordance with the Companies Act 2006. We also report to you if, in our opinion, the information given in the Trustees' report is not consistent with those financial statements, the company has not kept adequate accounting records, if the company's financial statements are not in agreement with the accounting records and returns, or if we have not received all the information and explanations we require for our audit.

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

**Basis of audit 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 financial statements. It also includes an assessment of the significant estimates and judgments made by the Trustees in the preparation of the financial statements 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 financial statements 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 financial statements.

**Young Enterprise South East**  
**(A company limited by guarantee)**

**Independent auditors' report to the members of Young Enterprise South East**

**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 charitable company's affairs as at 31 July 2010 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended, and
- have been prepared in accordance with the Companies Act 2006



**Reeves & Co LLP**

Chartered Accountants  
Registered Auditors

Dartel House  
39-41 High Street  
Horley  
Surrey  
RH6 7BN  
25 February 2011

**Young Enterprise South East**  
**(A company limited by guarantee)**

**Statement of financial activities**  
**(Incorporating income and expenditure account)**  
**for the year ended 31 July 2010**

	<b>Note</b>	<b>Unrestricted funds 2010 £</b>	<b>Total funds 2009 £</b>
<b>Incoming resources</b>			
Incoming resources from generated funds			
Voluntary income	2	78,126	101,487
Investment income	3	2,589	7,910
Incoming resources from charitable activities	4	410,601	424,513
Other incoming resources	5	5,133	3,869
<b>Total incoming resources</b>		<b>496,449</b>	<b>537,779</b>
<b>Resources expended</b>			
Charitable activities	9	542,138	562,487
Governance costs	6	13,420	14,124
<b>Total resources expended</b>	8	<b>555,558</b>	<b>576,611</b>
<b>Movement in total funds for the year - Net income/(expenditure) for the year</b>		<b>(59,109)</b>	<b>(38,832)</b>
<b>Total funds at 1 August 2009</b>		<b>589,359</b>	<b>628,191</b>
<b>Total funds at 31 July 2010</b>		<b>530,250</b>	<b>589,359</b>

The notes on pages 13 to 18 form part of these financial statements.

**Young Enterprise South East**  
**(A company limited by guarantee)**  
**Registered number: 04693699**


**Balance sheet**  
**as at 31 July 2010**

	Note	£	2010 £	£	2009 £
<b>Fixed assets</b>					
Tangible assets	12		7,849		8,762
<b>Current assets</b>					
Debtors	13	65,159		68,978	
Cash at bank and in hand		468,896		528,293	
		<u>534,055</u>		<u>597,271</u>	
<b>Creditors: amounts falling due within one year</b>	14	(11,654)		(16,674)	
<b>Net current assets</b>			<u>522,401</u>		<u>580,597</u>
<b>Total assets less current liabilities</b>			<u>530,250</u>		<u>589,359</u>
<b>Charity Funds</b>					
Unrestricted funds	15		<u>530,250</u>		<u>589,359</u>
			<u>530,250</u>		<u>589,359</u>

The Trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act. However, an audit is required in accordance with section 43 of the Charities Act 1993. The Trustees acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 July 2010 and of its net resources expended for the year then ended in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Act relating to the financial statements so far as applicable to the company

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved by the Trustees on 25 February 2011 and signed on their behalf, by



**Jeremy West**

The notes on pages 13 to 18 form part of these financial statements

**Young Enterprise South East**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**for the year ended 31 July 2010**

**1. Accounting policies**

**1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008). The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" published in March 2005, applicable accounting standards and the Companies Act 2006.

**1.2 Company status**

The company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

**1.3 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 company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

**1.4 Incoming resources**

All incoming resources are included in the Statement of financial activities when the company is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the company where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

Donated services or facilities, which comprise donated services, are included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. No income is recognised where there is no financial cost borne by a third party.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

**Young Enterprise South East**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**for the year ended 31 July 2010**

**1. Accounting policies (continued)**

**1.5 Resources expended**

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

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

**1.6 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Office equipment	-	25% straight line
Computer equipment	-	33 33% straight line

**2. Voluntary income**

	<b>Unrestricted funds 2010 £</b>	<b>Total funds 2009 £</b>
Donations	<b>78,126</b>	<b>101,487</b>

**3. Investment income**

	<b>Unrestricted funds 2010 £</b>	<b>Total funds 2009 £</b>
Investment income	<b>2,589</b>	<b>7,910</b>

**4. Incoming resources from charitable activities**

	<b>Unrestricted funds 2010 £</b>	<b>Total funds 2009 £</b>
Charity incoming resources	<b>410,601</b>	<b>424,513</b>



**Young Enterprise South East**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**for the year ended 31 July 2010**

**5. Other incoming resources**

	<b>Unrestricted funds 2010 £</b>	<b>Total funds 2009 £</b>
Other incoming resources	<b>5,133</b>	<b>3,869</b>

**6. Governance costs**

	<b>Unrestricted funds 2010 £</b>	<b>Total funds 2009 £</b>
Auditors' remuneration	<b>4,320</b>	<b>5,067</b>
CRB expenditure	<b>9,100</b>	<b>9,057</b>
	<b>13,420</b>	<b>14,124</b>

**7. Direct costs**

	<b>Activities £</b>	<b>Total 2010 £</b>	<b>Total 2009 £</b>
Programme materials	<b>49,346</b>	<b>49,346</b>	<b>53,657</b>
Competitions & awards	<b>54,443</b>	<b>54,443</b>	<b>53,641</b>
Conferences, training & meetings	<b>7,770</b>	<b>7,770</b>	<b>12,647</b>
Recruitment	<b>2,757</b>	<b>2,757</b>	<b>2,958</b>
Travel & subsistence	<b>40,749</b>	<b>40,749</b>	<b>43,599</b>
Postage & stationery	<b>6,192</b>	<b>6,192</b>	<b>8,644</b>
Printing	<b>1,133</b>	<b>1,133</b>	<b>2,331</b>
Telephone	<b>7,468</b>	<b>7,468</b>	<b>8,984</b>
Miscellaneous	<b>2,817</b>	<b>2,817</b>	<b>3,924</b>
Rent	<b>7,618</b>	<b>7,618</b>	<b>7,221</b>
Insurance	<b>2,645</b>	<b>2,645</b>	<b>2,645</b>
IT costs	<b>643</b>	<b>643</b>	<b>1,279</b>
Subscriptions	<b>2,511</b>	<b>2,511</b>	<b>450</b>
Storage	<b>-</b>	<b>-</b>	<b>113</b>
Wages and salaries	<b>319,853</b>	<b>319,853</b>	<b>321,719</b>
National insurance	<b>28,497</b>	<b>28,497</b>	<b>29,339</b>
Pension cost	<b>3,796</b>	<b>3,796</b>	<b>3,780</b>
Depreciation	<b>3,900</b>	<b>3,900</b>	<b>5,556</b>
	<b>542,138</b>	<b>542,138</b>	<b>562,487</b>

**Young Enterprise South East**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**for the year ended 31 July 2010**

**8. Analysis of resources expended by expenditure type**

	<b>Staff costs</b> <b>2010</b> <b>£</b>	<b>Depreciation</b> <b>2010</b> <b>£</b>	<b>Other costs</b> <b>2010</b> <b>£</b>	<b>Total</b> <b>2010</b> <b>£</b>	<b>Total</b> <b>2009</b> <b>£</b>
Direct costs	352,146	3,900	186,092	542,138	562,487
Governance	-	-	13,420	13,420	14,124
	<u>352,146</u>	<u>3,900</u>	<u>199,512</u>	<u>555,558</u>	<u>576,611</u>

**9. Analysis of resources expended by activities**

	<b>Activities</b> <b>undertaken</b> <b>directly</b> <b>2010</b> <b>£</b>	<b>Support</b> <b>costs</b> <b>2010</b> <b>£</b>	<b>Total</b> <b>2010</b> <b>£</b>	<b>Total</b> <b>2009</b> <b>£</b>
Direct costs	542,138	-	542,138	562,487

**10. Net expenditure**

This is stated after charging

	<b>2010</b> <b>£</b>	<b>2009</b> <b>£</b>
Depreciation of tangible fixed assets.		
- owned by the charity	3,900	5,556
Auditors' remuneration	4,320	5,067
Pension costs	3,796	3,780

During the year, no Trustees received any remuneration (2009 - £NIL)

During the year, no Trustees received any benefits in kind (2009 - £NIL).

During the year, no Trustees received any reimbursement of expenses (2009 - £NIL)

**Young Enterprise South East**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**for the year ended 31 July 2010**

**11. Staff costs**

Staff costs were as follows

	2010 £	2009 £
Wages and salaries	322,646	321,719
Social security costs	28,497	29,339
Other pension costs	3,796	3,780
	<u>354,939</u>	<u>354,838</u>

The average monthly number of employees during the year was as follows

	2010 No.	2009 No
	<u>13.6</u>	<u>14.0</u>

No employee received remuneration amounting to more than £60,000 in either year

**12. Tangible fixed assets**

	Office equipment £	Computer equipment £	Total £
<b>Cost</b>			
At 1 August 2009	9,954	29,169	39,123
Additions	177	2,810	2,987
At 31 July 2010	<u>10,131</u>	<u>31,979</u>	<u>42,110</u>
<b>Depreciation</b>			
At 1 August 2009	8,944	21,417	30,361
Charge for the year	1,128	2,772	3,900
At 31 July 2010	<u>10,072</u>	<u>24,189</u>	<u>34,261</u>
<b>Net book value</b>			
At 31 July 2010	<u>59</u>	<u>7,790</u>	<u>7,849</u>
At 31 July 2009	<u>1,010</u>	<u>7,752</u>	<u>8,762</u>

**13. Debtors**

	2010 £	2009 £
Trade debtors	44,144	33,372
Other debtors	19,853	34,146
Prepayments and accrued income	1,162	1,460
	<u>65,159</u>	<u>68,978</u>

**Young Enterprise South East**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**for the year ended 31 July 2010**

**13. Debtors (continued)**

**14. Creditors:**  
**Amounts falling due within one year**

	2010 £	2009 £
Trade creditors	2,933	4,845
Accruals and deferred income	8,721	11,829
	<u>11,654</u>	<u>16,674</u>

**15. Statement of funds**

	Brought Forward £	Incoming resources £	Resources Expended £	Carried Forward £
<b>Unrestricted funds</b>				
General Funds - all funds	<u>589,359</u>	<u>496,449</u>	<u>(555,558)</u>	<u>530,250</u>

**Summary of funds**

	Brought Forward £	Incoming resources £	Resources Expended £	Carried Forward £
General funds	<u>589,359</u>	<u>496,449</u>	<u>(555,558)</u>	<u>530,250</u>

**16. Pension commitments**

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £2,531 (2009 - £3,780). Contributions totalling £317 (2009 - £315) were payable to the fund at the balance sheet date and are included in creditors.

**17. Related party transactions**

Young Enterprise UK pays certain expenses for Young Enterprise South East which are then recharged. These expenses amounted to £420,517 during the year (2009 - £431,456). Income received from Young Enterprise UK amounted to £47,779 (2009 - £63,567). All transactions were carried out at arms length.

An amount of £18,182 (2009 - £Nil) is due to Young Enterprise South East at the balance sheet date.