

**YOUNG PEOPLE FIRST (MIDLANDS)
ANNUAL REPORT AND FINANCIAL STATEMENTS OF THE BOARD OF TRUSTEES
for the year ended 31 March 2018**

(A company limited by guarantee and not having a share capital)

Young People First (Midlands) formerly Warwickshire Association of Youth Clubs

Registered charity	1056035
Registered Company	3201917
Chief Officer	David Alan Skoppek
Registered address	Jubilee House Westlea Road Leamington Spa Warwickshire CV31 3JE
Bankers	Unity Bank plc Nine Brindley Place 4 Oozells Square Birmingham B1 2HB
Solicitors	Moore and Tibbits 34 High Street Warwick CV34 4BE
Independent Examiners	Burgis and Bullock 23–25 Waterloo Place Leamington Spa CV32 3LA



Chairman's Report

As we approach the end of my fourth year as Chair of Young People First (Midlands), I reflect on what is possibly the most important year in our charity's 64-year history. This year was a year of incredible success but also of learning, out of which brought about significant change for the better. 2017-18 saw us finally step away from the name and brand of Warwickshire Association of Youth Clubs and embrace a new identity as Young People First (Midlands), a specialist early intervention service engaging the most vulnerable young people in the county. This change was inspired from the ground up where dedicated members of staff understood the challenges our former name created particularly around developing strategic partnerships and securing funding. They worked tirelessly on top of their existing responsibilities to bring about this much needed change and I would specifically like to acknowledge Jane Puzey and David Skoppek from the fundraising team who drove this work.

We are fortunate to have a strong fundraising team and this past year saw some of the biggest funding successes in the charity's history arrive. Multi-year grants from high profile funders like BBC Children In Need and Big Lottery Fund amounting to well over £370,000 were secured and have given our local projects stability for the coming years. Their support has enabled us to bring in new workers and diversify the range of services we provide to targeted groups of young people.

Our talented youth workers continued to amaze us as they worked to bring about transformation in lives that sadly others had long since given up on. Through their interventions, young people who were previously not in education, employment or training went onto secure employment or returned to education. Young people who were socially isolated due to poor mental health have gone onto build lasting friendships, and relationships with family members that were once strained have now been restored. We have heard wonderful reports of young people who have grown considerably in confidence and self-esteem. At a time when local youth services continue to reduce, Young People First (Midlands) has time and again demonstrated the need for youth work in today's ever-changing world engaging well over 1100 young people through a combination of mentoring, workshops, youth clubs and schools work.

This was also a year of learning. Like many well established organisations complacency is all too common. Throughout this year we discovered specific areas where behaviours and practises had grown complacent and due diligence was not being carried out. This was especially true when in November when we had an issue with a key funder who had queries regarding a completed project. Eventually satisfied, they were to happy to continue to fund our work. However, this one act very nearly brought the organisation to its knees and the realisation of how dependent we had become on a small number of funders resulted in sustainability immediately coming to the forefront of the Trustees agenda. This complacency, we discovered had seeped into other areas and immediate change was required to ensure we were operating competently and compliantly especially with the introduction of GDPR. This period of uncertainty consequently meant several workers decided to seek employment elsewhere and we were sad to see them leave. It was at this time the Chief Executive, who had given over 24 years of service to the charity, submitted his resignation. Following this act, the trustees and staff members came together to begin a process which would continue into 2018/19 and would eventually bring forth a more agile organisation with both a clear vision and greater assurance for the future.

As we look forward there is a tangible sense of excitement and hope and this is the direct result of both staff and trustees' resilience, determination and passion for this work. Their efforts have paid off and I would like to thank them for all they have accomplished.

David Marr 
Chairperson 11 December 2018

The Year of Change

Over the years, the charity, formerly known as Warwickshire Association of Youth Clubs, has undergone many changes. However, none so significant as this past year.

New Name, New Identity

In July 2017, we said farewell to Warwickshire Association of Youth Clubs and announced to the world we would forevermore be known as Young People First (Midlands). This change came as a result of recognising we were no longer an infrastructure organisation supporting voluntary youth clubs but a specialist early intervention service supporting some of the most vulnerable young people living in Warwickshire and Coventry. Dignitaries, past employees, young people and supporters joined us for a celebration event at Leamington Town Hall where we celebrated the start of a new era.



A Local Charity for Local Young People

Our new name brought new focus. We wanted to be a local charity for local young people. This move resulted in us withdrawing from several areas of work which we felt no longer fitted with direction the organisation was heading. After over 20 years of organising international youth exchanges through Erasmus+ the time had come to draw this work to a close. The human resources invested in running that programme were now required elsewhere. Our goal was sustainability and several of our core programmes were struggling to continue.

Farewell to Friends

We have had to say goodbye to staff before but this year we had to say farewell to a number of close friends who had faithfully served the charity for a combined total exceeding well over 40 years. The most significant change was the unexpected departure of our Chief Executive William Clemmey who resigned at the turn of the year having served the charity for 24 years. His absence was managed in the intermediary by the leadership team consisting of the Finance Officer, Fundraising Manager and Senior Youth Worker.

Amidst the backdrop of these significant changes, the charity continued to reach and support the lives of hundreds of young people.

The Sharp Minds Project



Every person has felt anxiety at some point in life. We have all felt down. This is not an uncommon thing. There are however people whose mental health problems are so acute that it becomes life-limiting and the individual withdraws, becoming socially isolated and entering a downward spiral with no clear way out. Young people as young as 11 are able to relate to this and these are the young people the Sharp Minds project exists to serve.

Using a combination of group work and one-to-one support, the project seeks to reduce isolation by creating a protected but inclusive community where young people can interact with peers who are experiencing similar challenges. Young people have developed friendships, grown in confidence and are no longer

isolated. In 2017/18 over 60 young people engaged in the project which was run by two full-time and one part-time worker.

At the start of the year the team operated in four locations throughout the county (Warwick, Leamington, Stratford-upon-Avon and Rugby). However, as the complexity of the work increased we had neither the funding nor the resources to maintain four locations. Our workers were now regularly responding to safeguarding concerns and attending multi agency meetings to discuss an individual's welfare. It was taking a toll on the team. Despite securing multi-year funding from BBC Children In Need and a one-off grant from Stratford Town Trust there was still a substantial deficit and unfortunately this resulted in the closure of our Rugby group. This was a painful process that took a period of three months. This was done deliberately as a number of young people who had come to rely on this service would not be left without any support. During that time workers continued to offer one-to-one mentoring and signposted to other support services available.

Sharp Minds has had approximately two-hundred and thirty three, since its inception, from varying organisations; schools, Child and Adult Mental Health Services (CAMHS), social work teams, family support workers, et cetera. Currently the referrals for each area stands at:

- Leamington Spa - 83
- Stratford Upon Avon - 69
- Warwick - 55
- Rugby - 26

Our largest source of referrals comes from CAMHS with fifty-four. Across all four projects their referrals would cover 23% of our overall referrals

Our youth workers worked with the Sharp Minds Steering Group to develop the outcomes and together we agreed on:

1. *We want to reduce social isolation for young people with mental health problems*
2. *We want young people with mental health issues to grow in confidence*
3. *We want young people with mental health issues to build new friendships*

Care-Leavers Programme

Before the start of the year we received the fantastic news that two major funders,

The Henry Smith Charity and the Lloyds Foundation, would be supporting the project with two, three-year grants amounting to £44,000 a year. For the first time we would have a team of dedicated workers who would develop our service to what was widely regarded as the most vulnerable group in the country. Care-Leavers are young people who are preparing to leave supported housing and enter independent living. Young people who have lived within the care system do



not have the support structures in place that many people take for granted. They have had a disrupted education and have left school with few qualifications and are disillusioned about the world. Lacking confidence and dealing with anger, resentment and anxiety daily means that many of these young people are not ready to live independently. Over the past year our programme has addressed this work. The team have delivered 87 sessions at several supported housing locations engaging over 66 young people. Our youth workers have delivered their course 'Transition to Independent Living' which was designed in consultation with the young people they would eventually support. Interwoven into the course was additional one-to-one support and group sessions that included visits to the Birmingham Christmas Market and a four-day residential for 12 young people at Beaudesert Outdoor Centre.

Brunswick Youth Project

The Brunswick ward of Leamington is one of the most deprived wards in Warwickshire and is ranked in the bottom 26% in the nation for deprivation. For over 14 years, the charity has consistently worked on the estate, but it was in 2017/18 that the project found its identity assuming the name the Brunswick Youth Project. BYP is now a localised youth service providing two weekly youth clubs, one-to-one support, crisis support and holiday provision for 230 local young people living in the ward. Over the course of the year, the team delivered a total of 192 one-to-one sessions and ran 96 youth club sessions providing positive activities like cooking, craft, paintballing, laser quest and ice skating. In 2016-17 the fundraising team were informed that they

would be the recipients of a Reaching Communities grant from the Big Lottery Fund of £271,522 for five years. The first installment of that grant arrived in the summer of 17-18. Coupled with funding from the Police Crime Commissioner Grant Scheme and the National Grid Community Grant Fund, Brunswick Youth



Project became the most stable project in the organisation, employing a team of four part time workers.

Building Better Opportunities

Not all young people thrive at school. Bullying, bereavement, undiagnosed dyslexia and chaotic family life can lead to disrupted schooling, few qualifications and disillusionment with formal education. There are at least 1,700 young people in Coventry and Warwickshire who are not in education, employment or training (NEET) and are struggling to find work. During the year we provided long-term mentoring and coaching to young people. We joined the Progress Partnership, led by Groundwork UK, providing tailored coaching and specialist support to NEET young people and those at risk of NEET to secure training, an apprenticeship or work. Progress is part of Building Better Opportunities, a programme funded by the European Social Fund and the Big Lottery Fund to tackle poverty and social exclusion faced by the most disadvantaged people in England.

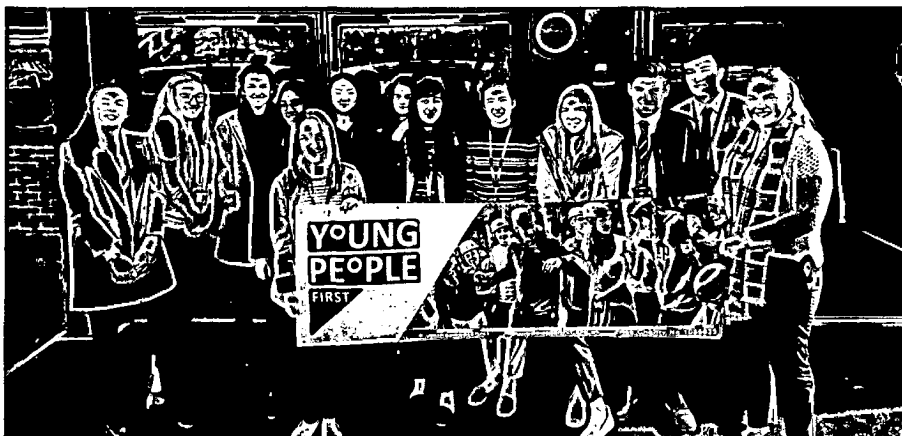


Working with Schools

In 2017-18, our work with local schools continued to grow. Youth workers were strengthening links with local schools whose students attended the Brunswick Youth Project. Each week two youth workers would visit Myton School and deliver mentoring sessions during the school timetable. This practise was supported by our funders who typically do not fund work carried out during school hours. However, they recognised the benefit and value for money as this practise saved both time and increased the likelihood of young people participating. Over the course of the year, we noticed a significant change in attitude to our workers. We were no longer being viewed as just a youth club provider. Schools understood that we had deeper insights into the lives of young people than previously thought. They also recognised our professionalism in reporting and handling safeguarding concerns involving vulnerable young people and as a result doors were opened.

We continued to build on our fundraising success of the previous year by working with new and

existing schools. In 2017/18 we recruited 52 volunteer fundraisers who would go onto take part in extraordinary challenges and raise in excess of £18,000 for our ongoing work. The schools included Higham Lane Sixth Form, Ash Green Sixth Form, Rugby High School, Stratford Girls Grammar School, Myton School,



Rugby College and Leamington College of the Warwickshire College group. We continued to add value to these schools by supporting their PSHE Curriculum delivering sessions and leading assemblies.

Getting Better

In an ever-changing environment training is essential. Over the course of the year staff took part in multiple training events including Designated Safeguarding Lead training and Mental Health First Aid. For our growing team of sessional youth workers we delivered an ABC Level 2 in Youth Work Qualification and an NCFE Qualification to all youth work staff in mentoring. We did not just focus on professional practise but also upskilled workers on how to monitor and record information. The Outcome Star Monitoring Tool is a new monitoring and evaluation tool which helps us track young people's progress. We also received assistance from the Lloyds Foundation who offered us support via a social media expert. Recognising the need for a stronger online presence this training was especially helpful in encouraging the fundraising team to think about how we best communicate with our supporters.

Fundraising

2017 - 18 saw the fundraising team succeed in multiple areas. From running our most successful fundraising event in the charity's history to securing five year funding for The Brunswick Youth Project.

Trusts and Foundations Fundraising

This continues to be the primary source of income for the organisation. Over the past year we were successful in attracting the support of multiple large donors. We would like to acknowledge all our funders who supported our projects. They are listed below.

Talent Match BBC Children in Need Adrian Swire Charitable Trust Leamington Town Council St James Place Foundation The Saintbury Trust Stratford Town Trust Stratford Lions Old Bank Partnership Trust Warwick Town Council Sir John Sumner's Trust	Middlemoor/ Newman Uni Warwick Court Leet Austin Edwards Charity One Stop - Carriers for Cause Sir Jules Thorn Charitable Trust Norton Foundation Warwick District Council Building Better Opportunities Lloyds Bank Foundation PCC Grant Scheme	Goodenough Charitable Trust Bravissimo Misses Barrie Charitable Trust Henry Smith Charity The Eveson Charitable Foundation Grantham Yorke Trust Big Lottery Fund Warwick Community Forum The Seccombe Trust The Joanies Trust Baron Davenport Charitable Trust
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Community Fundraising

Our Challenge events programme continued to gather momentum. Over 50 students from seven different colleges and sixth forms signed up to participate in our Skydive days, 38 of which went onto complete the challenge raising £18675. Our festive fundraiser, Santas Rock Snowdon surpassed all expectations when it smashed our fundraising target of £5000 and went on to raise over £17,000 for the charity.

Corporate Fundraising

Thanks to events like Santas Rock Snowdon and the Charity Golf Day, corporate engagement has been the highest it has ever been. We would particularly like to acknowledge the following businesses whose support has been deeply appreciated

A.C. Lloyd Homes
Deeley Group
Wright Hassall Solicitors
EHB Commercial
Bromwich Hardy

Jaguar Land Rover
Hawkesford Estate Agents
Playground Games
Marks & Spencer

YOUNG PEOPLE FIRST (MIDLANDS)

Our vision

Young People First (Midlands) delivers informal education opportunities to young people, especially those who are disadvantaged, to help them move from childhood to adulthood with the tools they need to become happy, healthy, valued members of society.

Our charitable purposes and activities are:

- (i) to help young people in the Warwickshire, Coventry and Solihull area to develop their physical and mental capacities so that they may grow to full maturity as caring individuals and responsible members of society;
- (ii) the provision or assistance in the provision of activities and facilities for recreation and leisure time occupation and of information concerning training recreation health and independent living with the object of improving the quality of life of young people in the area of benefit.

Public Benefit

The Trustees complied with their duty to have due regard to the Charity Commission's public benefit guidance (set out in section 40 of the Charities (Accounts and Reports) Regulations 2008) in deciding what activities the charity should undertake. The trustees consider that the charity's activities reflect our aims and objectives and that they are designed to provide accessible services and activities that benefit the appropriate sector of the public in accordance with our charitable activities. Public benefit is demonstrated through:

1. Young people up to the age of 25 in Warwickshire, Coventry and Solihull able to access age appropriate activities, recreation, support and training that builds self confidence, reinforces inclusion within social networks and promotes opportunities to engage in non-formal education.
2. Young people being personally empowered as individuals and groups so that they actively engage in and contribute to the planning process and future direction of the Charity and its activities. Achieving the Hear By Right Award demonstrates this.
3. Providing an alternative and productive means of self development for hitherto alienated, marginalised or disaffected young people therefore reducing the risk of them being drawn into antisocial and criminal behaviour or experience of social exclusion.
4. Inspiring young people by involving them in imaginative youth work initiatives delivered by qualified youth workers who present as positive adult role models.
5. Providing quality services to affiliated youth organisations and associate members by giving them access to worker support, training, practical resources and youth activity programmes therefore enabling them to deliver high quality youth work.
6. Helping to develop positive ideas within young people around the concept of belonging to peer groups, community involvement and citizenship via the delivery of programmes based upon team building, care for others, creativity and increased self-esteem.
7. Assisting in the appropriate preparation of young people for further education so increasing their potential to become responsible, usefully employed and productive members of society.

STRUCTURE, GOVERNANCE AND MANAGEMENT

PRESIDENTS AND VICE PRESIDENTS

PRESIDENT	Tim Cox, Lord Lieutenant of Warwickshire
VICE PRESIDENTS	Robert Aldenton, The Lady Butterworth, Chris Cox, Kenn Hitchman, Mervyn Kimberley, Tony Parsons, Ben Wesson, The Hon. Mrs Wheeler Bennett and Mrs B.E. Winstanley MBE, DL.

Board of Trustees

As part of our Hear By Right accreditation we have actively encouraged young people under the age of 25 to become trustees and now 33% of our Board are young people elected before their 25th birthday and we aim to increase this to 50%. Working alongside young people and our young trustees we put together a portfolio in order to achieve the National Youth Agency 'Hear By Right' Gold standard for youth participation. This is a clear indicator that Young People First (Midlands) is committed to listening and responding to the needs of young people. The Directors of the Charitable Company (the Charity) are its Trustees for the purpose of charitable law and throughout this report are collectively referred to as the Trustees.

The Trustees serving during the year and since the year-end were as follows:

BOARD OF TRUSTEES

Name of Trustee	Dates during which the named Trustees acted if not for the whole period
David Marr	Chair since November 2014, trustee since 6 April 2011
Jess Bishop	Vice Chair since November 2014, trustee since 3 December 2011. <i>Resigned 31 March 2018</i>
Hemashu Kotecha	Hon. Secretary since November 2014, trustee since 3 April 1998. <i>Resigned 21 June 2018</i>
Paul Dickins FCA	Trustee since 3 March 1998
Hannah Fletcher	Trustee since 8th January 2012. <i>Resigned 8 January 2018</i>
Carol Gibson	Trustee since 27 September 2017
Lucy Parker	Trustee since 9th July 2013. <i>Resigned 23 April 2018</i>
Marylin Dixon	Trustee since From 4 November 2015
Jade Spencer	Co-opted as trustee 5 April 2017. <i>Appointed Honorary Treasurer on 1 November 2017. Resigned 10 January 2018.</i>
Helen Whiter	Trustee since 21st March 2011. <i>Resigned as trustee 1 November 2017. Co-opted as trustee 20 February 2018</i>
Graham Elston	<i>Co-opted as trustee 20 February 2018.</i>

Recruitment of Trustees

We regularly review the skills of the trustee board and seek to recruit new trustees through using the REACH network <https://reachskills.org.uk/> as well as having an advertisement through the volunteering network through Warwickshire CAVA as well as via personal and organisational networks. Prospective candidates meet with the Chief Officer for an informal meeting and then if they apply they are interviewed by the Chair and Chief Officer and then formally approved by the whole Board of Trustees.

Appointment of Trustees

As set out in the Articles of the Association, the Trustees consist of the Honorary Officers: Chair of the Board of Trustees, the Treasurer and Secretary and Vice Chairs who are elected for a three year period at the Annual General Meeting. The ordinary members who serve for three year terms are as follows: at least six and no more than twelve members elected at the Annual General Meeting. Up to five other members elected by local clubs, of whom no more than three shall be over the age of 25. The trustees have the power to co-opt no more than six members to fill specialist roles. All members are circulated with invitations to nominate trustees prior to the AGM advising them of the retiring trustees and requesting nominations for the AGM. When considering co-opting trustees, the Board has regard to the requirement for any specialist skills needed.

Trustee Induction and Training

New Trustees undergo an induction process to brief them on: their legal obligations under Charity and Company law, the Charity Commission guidance on public benefit, and inform them of the content of the Memorandum and Articles of Association, the committee and decision-making processes, the Strategic Plan and the Business Plan and recent financial performance of the charity. New trustees are expected to visit our offices, meet key employees and other trustees and discuss the work being undertaken. They sign a Trustee's agreement. They are encouraged to go out to see projects at first hand and to visit our affiliated clubs as well as attend and participate in activities and events organised by us. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role. All Trustees are expected to attend Board of Trustees meetings on a regular basis in order to exercise their "duty of care" as Directors of the Charity.

Organisation

The Board of Trustees, which can have up to 21 elected members and six co-options, governs the charity and meet at least five times a year. Sub-committees have been formed to deal with Policies, Compliance and Risk, and Personnel. A Chief Officer is appointed by the trustees to manage the day-to-day operations of the charity. The current Chief Officer is David Skoppek who was appointed on 17 July 2018. To facilitate effective operations, the Chief Officer has authority, within terms of delegation approved by the Trustees, for all operational matters including finance, employment and youth work related activities, related parties and cooperation with other organisations. None of our trustees receive remuneration or other benefit from their work with the charity. Trustees and senior staff complete a conflict of interest form outlining any potential conflicts.

Our trustees have various experiences including an accountant, solicitor, local government, the voluntary sector and human resources.

Governing Document

We were formed as a Charity in March 1954. Originally known as Warwickshire Association of Youth Clubs, we changed our name to Young People First (Midlands) in June 2017. From 1 April

1997 were incorporated as a Company Limited by Guarantee (no 3201917) and we are governed by its Memorandum and Articles of Association dated 21 May 1996. We are registered with the Charity Commission as a Charity (no 1056035). Organisations or individuals over 16 can apply to become a member of the Charity by applying in the form required by the Trustees who will consider their application. There are currently 33 members (34 in previous year) each of whom agrees to contribute £1 in the event of the charity winding up.

Pay policy for senior staff

The Directors consider that the Board of Directors, who are the charity's trustees, and the Chief Officer comprise the key management personnel of the directing and controlling, running and operating the charity on a day to day basis. All directors give of their time freely and no director received remuneration in the year. Details of directors' expenses and related party transactions are disclosed in note 10 to the accounts. The pay of the senior staff is reviewed annually. In view of the nature of the charity, the directors benchmark the Chief Executive remuneration as the midpoint of the range paid for the role in similar sized charities. All staff are entitled to join a pension scheme into which Young People First (Midlands) will pay 3% of salary and match staff contributions up to 8%. A stakeholder pension with Scottish Widows is offered to all new staff. Since Young People First (Midlands) joined the pensions auto enrollment scheme in July 2016 staff are expected to contribute at least 1% initially in order to obtain Young People First (Midlands)'s 3% contribution. Staff are entitled to apply for salary sacrifice for child care vouchers (one member of staff), training (two members of staff) and pension contributions (one member of staff). In addition Young People First (Midlands) has a work life balance policy which it implements including an enhanced maternity and paternity scheme.

Bankers

We bank with Unity Trust Bank, Nine Brindleyplace, 4 Oozells Square, Birmingham B1 2HB. We also have a trustee account and a Euro account with Natwest Bank.

Solicitors

Our solicitors are Moore and Tibbits, 34 High Street, Warwick CV34 4BE.

Risk Management

Working with disadvantaged young people involves taking risks. The trustees are ultimately responsible for risk management and they are satisfied that appropriate internal control systems and risk management processes are in place. They consider that the following framework provides the Young People First (Midlands) with adequate measures to reduce the impact of identified risks:

- The Policy Compliance and Risk committee reviews risk and internal controls, approves the risk register which is reviewed at each meeting and receives regular internal audit reports, regular progress reports and corporate risk updates. The group is chaired by an external appointment Mark Gwynne together with trustees. It reviews the Charity's annual statement on internal control and risk management and recommends it to the Board. It reviews reports from the internal auditors and monitors management actions to implement recommendations made in audit reports. It regularly reviews the organisations policies on a three year rolling cycle. It determines the frequency and process of tendering for external independent examination services and considers their appointment, fees and independence and objectivity. A tendering process was held in 2015 for the post of independent examiner. Six firms applied and Burgis and Bullock were selected to continue as our independent examiners at a reduced cost. The Policy Compliance and Risk Committee met four times during the year. Members of the Committee are identified in the Board of Trustees table by the letters PCR.

The Board of Trustees has a risk management strategy that comprises:

1. ongoing review of the risks the Charity may face
 2. establishment of policies, systems and procedures to mitigate those risks identified
 3. implementation of procedures designed to minimise any potential impact on the Charity should those risks materialise.
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4. Reviews of the monthly management accounts together with the independently examined accounts of the Charity

The Chief Officer and relevant staff review key strategic and operational risks on a regular basis. They consider progress on mitigating actions, new and emerging risks and opportunities.

Board action groups and the management team help identify, evaluate and manage risks relating to fundraising, investments, disaster recovery and business continuity, health and safety, remuneration, capital expenditure and operational needs.

Our most significant risks and mitigating actions are set out below:

a) Governance Issues

Risk - the ability to attract high calibre skilled trustees with the skills to run the organisation

Mitigation

- We will undertake a trustee's skills analysis. Then recruitment of new trustees will be undertaken. There is a need to encourage people with a marketing / fundraising and others backgrounds to become trustees
- We need to consider how to best market trustee opportunities to others and the best method of recruitment of trustees

b) Strategic Direction of Organisation

Risk - organisation failing to develop in the way that meets its Vision, direction and strategy

Mitigation

A Strategic Plan and Business Plan together with a fundraising strategy have been drawn up. Regular monitoring and evaluation is undertaken. The Chief Executive has a work plan as do members of staff. Regular supervisions and appraisals are held. Reports are given to Policy Compliance and Risk as well as to the Board of Trustees.

c) Server and Network Failure and loss of digital files and data

Risk - Computer crashes occur but complete loss of files rarely happens because there are usually backup facilities. There is a risk of the server crashing although moving over to Google docs has reduced the probability of occurrence. Whilst people would still have access to their own machines the use of the internet would be lost and so would access to stored files.

Mitigation:

- Documents and emails are stored in the cloud using Google docs
- Ensure that other computer data and files are backed up daily and are removed each night and that there is a system in place for daily and weekly back-ups going back over a month.
- Ensure that all software is fully licensed and installed from original CD copies and that they function properly.
- Ensure that staff are trained on how to use their computers and software.
- A firewall is installed on the Internet gateway.
- Ensure that staff keep their passwords secret for accessing the network from remote locations.
- Ensure that network cables and components are not left carelessly where they can be kicked or damaged.
- We have had a new dedicated broadband phone line installed.

d) Continuity of funding

There is a risk when ongoing funding ceases and such funding leads us to run programmes and create expectations that cannot be met in the long term. There is a risk that funders may also change their criteria. Many of the grants are dependent on us continuing to be innovative and so there is a difficulty maintaining what we currently do and paying for core costs.

Mitigation

- Develop good working relationships and an active dialogue with funders.
- Ensure fundraising department are operating at maximum efficiency and given training.
- Ensure that the charity meets the needs of the various funders.
- Ensure correct reporting of all grants received.
- Analyse the market and develop and implement a strategy for doing this.
- Be aware of the competition of both new and existing organisations.
- Statistics are to be supplied to the Board of Trustees meetings of the number of trusts and businesses applied to and the success rate.
- Watch out for signals that indicate changes in funding priorities.
- Package or remodel our services such that the changing needs of the funders will still be met from the charity's primary or secondary objectives.
- Funding and tendering websites and publications are regularly visited and read.
- The fundraising team have been trained in writing tender documents.
- We invest in the professional development of our fundraisers

e) Changes in the Trust Fundraising Environment

With a down turn in the economy or a reduction in share prices or returns from interest or dividends then the income received by funding trusts will be reduced and so the amounts they can give in grants will reduce. The effects of Brexit will be felt with a potential loss of 47% of our income.

Mitigation:

- Continue to increase the number of funders applied to and so widen our funding base.
- Make use of Gift Aid for sponsorship of events and for other donations.
- Check the criteria of all funders prior to making an application. This applies even if we have been successful before since funders can change their priorities from year to year.
- Carry out research on businesses prior to applying to them.
- Make each application as personal as possible rather than looking computer generated.
- We will meet with our main funders on a regular basis.
- Proactively discuss with commissioning and procurement officers in local government and the NHS
- We invest in the professional development of our fundraisers.

A key element in the management of financial risk is a regular review of available liquid funds to settle debts as they fall due, regular liaison with the bank, and active management of trade debtors and creditors balances to ensure sufficient working capital by the charity. Attention has also been focussed on non-financial risks arising from safeguarding, health and safety, fire, health and safety of staff and food hygiene. These risks are managed by ensuring accreditation is up to date, having robust policies and procedures in place, and regular awareness training for staff working in these operational areas. This work is supervised on a regular basis by the Policy Compliance and Risk Committee. This has enabled the charity to plan emergency procedures and make contingency plans where these are appropriate. A key element in the management of financial risk has been the setting of a reserves policy that is regularly reviewed by Trustees. The Trustees continually review the structure of the charity and its corporation tax and VAT requirements. It is our considered opinion that we currently have no liability for these. The Policy Compliance and Risk committee keep this regularly under review.

Trustees Responsibilities in relation to the financial statements

The charity trustees (who are also the Directors of Young People First (Midlands) for the purposes of Company law) are responsible for preparing a trustees annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each 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, for that period. In preparing the financial statements, the trustees are required to:

1. select suitable accounting policies and then apply them consistently
2. observe the methods and principles in the Charities SORP
3. make judgements and estimates that are reasonable and prudent
4. state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
5. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the requirements of the Companies Act 2006 and the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Quality Assurance, Standards and Planning

We have achieved the ISO9001:2008 quality certification for business. This internationally recognised management system standard acknowledges Young People First (Midlands)'s commitment to operating best practice. We have previously been awarded the National Youth Agency "Hear By Right" Award at Gold standard for youth participation. We gained the PQASSO Quality Mark at Level 2, a nationally recognised award endorsed by the Charity Commission that offers users as well as commissioners and funders external verification of the quality and credibility of an organisation. We have the REACH Award for Youth Participation awarded by the Youth Action Network. We also have the Warwickshire Awards For Involvement at Gold level awarded by Warwickshire County Council.

We reviewed the Charity Commission's document CC10 Hallmarks of an Effective Charity in and completed an internal assessment based on this. We are currently reviewing the Charity Commission's new Guidance on Charity Finance, Governance and Resilience and the 15 Questions to ask. We are registered with the Fundraising Regulator and adhere to the Code of Fundraising Practice. We have been accredited as a Positive About Disabled organisation since 1998.

Our Business plans are regularly reviewed, along with our fundraising strategy, which feed into the charity's Strategic Plan.

Diversity Policy

Young People First (Midlands) believes that diversity across our workforce and volunteers adds value to the Charity. The differences in culture and range of life experiences bring creativity, vitality and innovation. We take a positive attitude to encourage a workforce that reflects the diversity of those both in our services and wider society. It is our policy that everyone who uses our services, as well as all staff, volunteers and job applicants, shall receive equally favourable treatment, regardless of their disability, age, gender, marriage or civil partnership, pregnancy or maternity,

race, religion or belief, gender reassignment, sexual orientation, social class, employment status, political beliefs or trade union membership. Through our HR policies we aim to create a culture and working environment where all employees and volunteers receive equality of opportunity and discrimination is not tolerated.

Financial Review

The Financial Statements show total income of £814,085, a decrease of £179,264, primarily due to a decrease in income for the International Youth Exchange programme. Funding for our work falls into the following main categories:

- Our core areas of work of Sharp Minds, Brunswick Youth and Leaving Care are primarily funded by charitable trusts and foundations
- The International Youth Exchange project was funded by the EU through the ERASMUS+ programme
- The Building Better Opportunities (Progress) was funded by the Big Lottery Fund and the European Social Fund
- Our work with youth clubs and the local community is funded by a mixture of donations, income generated from service delivery and income from fundraising events.

Total expenditure of £1,036,409 included a write down of £161,741 in respect of the charity's property. On a like for like basis expenditure on normal activities was £874,668 which showed a decrease of £79,298 on 2017 which is consistent with the decrease in income. The deficit for the year was split between the general funds of the charity (£186,154) and the restricted funds (£38,538) which were deducted from reserves brought forward.

Investment Policy and Performance

The Charity's fixed asset investments are managed by the Charities Aid Foundation. Our investment objective is for a good income return together with investment growth. The investments generated £3,824 of dividend income which is automatically reinvested. Market conditions were relatively stable during the year and the Charity made a small loss on revaluing investments of £2,368.

Reserves Policy and Going Concern

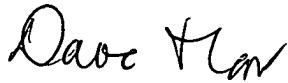
The Board of Trustees aims to maintain general reserves in unrestricted funds (that is those funds not tied up in designated and in restricted funds) at a level that considers the financial requirements of the charity. This would include anticipated income, future funding and expenditure to which the charity is committed. The charity does not have the security of long-term funding; cash flow and continuity of funding have been identified among the main risks facing the charity. Therefore it is the view of the trustees that a sufficient level of reserves are held to maintain the financial viability of the charity and this has been set at a prudent level which equates to approximately six months of expenditure not covered by restricted income.

The actual general reserves at 31 March 2018 were £199,413 which equates to five months of fixed costs based on our budget for the year to 31 March 2019. Although this is below our stated policy of six months fixed costs, the Board consider that this is an adequate level of reserves.

To this end we are continuing to diversify our fundraising strategy in particular through developing our events fundraising income by our Community Fundraiser. We have also been proactive in developing partnerships with other voluntary sector organisations in order to develop tender applications.

The Trustees have reviewed the circumstances and consider that adequate resources continue to be available to fund the activities of the Charity for the foreseeable future. The Trustees are of the view that the Charity is a going concern.

Approved by the Board of Trustees on 11 December 2018 and signed on its behalf by:



Dave Marr

Chair

Date: 11 December 2018



Paul Dickins

Trustee

INDEPENDENT EXAMINER'S' REPORT TO THE TRUSTEES OF YOUNG PEOPLE FIRST (MIDLANDS)
Registered charity no. 1056035 Company No 3201917

I report on the accounts of Young People First (Midlands) for the twelve months from 1 April 2017 to 31 March 2018, which are set out on pages 19-29.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Association of Chartered Certified Accountants

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

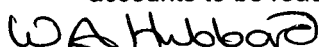
Basis of independent examiner's report

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 no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

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 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities 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.



Wende Ann Hubbard FCCA

Burgis and Bullock

Chartered Accountants

23-25 Waterloo Place

Leamington Spa CV32 5LA

Date: 18 December 2018

YOUNG PEOPLE FIRST (MIDLANDS)

STATEMENT OF FINANCIAL ACTIVITIES For the year ended 31 March 2018

	Note	Unrestricted funds £	Restricted funds £	2018 Total £	2017 Total £
Income:					
Donations and legacies	2	41,898	-	41,898	34,925
Charitable activities	3	61,981	663,825	725,806	905,679
Other trading activities	4	42,518	-	42,518	48,892
Investment income	5	2,324	1,539	3,863	3,853
Total		148,721	665,364	814,085	993,349
Expenditure:					
Raising funds	6	45,581	-	45,581	51,033
Charitable activities	7	122,789	706,298	829,087	902,933
Impairment of tangible fixed assets	12	161,741	-	161,741	-
Total		330,111	706,298	1,036,409	953,966
Net (losses)/gains on investments	13	(1,537)	(831)	(2,368)	17,232
Net income		(182,927)	(41,765)	(224,692)	56,615
Transfers between funds	11	(3,227)	3,227	-	-
Net movement on funds		(186,154)	(38,538)	(224,692)	56,615
Reconciliation of funds:					
Total funds brought forward		840,144	178,894	1,019,038	962,423
Total funds carried forward	16	653,990	140,356	794,346	1,019,038

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

YOUNG PEOPLE FIRST (MIDLANDS)

BALANCE SHEET as at 31 March 2018 (Company No: 03201917)

	Note	£	2018 £	£	2017 £
Fixed assets					
Tangible assets	12		454,577		640,618
Investments	13		158,121		156,665
			<hr/>		<hr/>
Total Fixed Assets			612,698		797,283
Current assets					
Debtors	14	115,806		154,994	
Cash at Bank and in hand		119,981		157,106	
			<hr/>	<hr/>	
Total Current Assets		235,787		312,100	
Liabilities:					
Creditors falling due within one year	15	54,139		90,345	
			<hr/>	<hr/>	
Net current assets			181,648		221,755
			<hr/>		<hr/>
Total assets less current liabilities			794,346		1,019,038
			<hr/>		<hr/>
The funds of the charity:					
Restricted Funds [Including revaluation reserve £17,441]	16		140,356		178,894
			<hr/>		<hr/>
Unrestricted Funds					
General Funds [Including revaluation reserve £37,155]	16		199,413		199,526
Designated funds	16		454,577		640,618
			<hr/>		<hr/>
Total unrestricted funds			653,990		840,144
			<hr/>		<hr/>
Total charity funds			794,346		1,019,038
			<hr/>		<hr/>

For the year ending 31 March 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

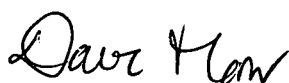
Directors' responsibilities:

The members have not required the Company to obtain an audit of its accounts for the year in question in accordance with Section 476;

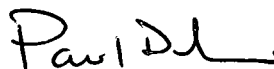
The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The notes on pages 22 to 29 form part of the accounts.

Approved by the trustees on 11 December 2018 and signed on their behalf:



David Marr
Chair



Paul Dickins
Trustee

YOUNG PEOPLE FIRST (MIDLANDS)

STATEMENT OF CASH FLOWS for year ending 31 March 2018

	Note	2018 £	2017 £
Cash provided by (used in) operating activities	20	(37,164)	52,793
Cash flows from investing activities			
Interest and dividend income		3,863	3,853
Purchase of tangible fixed assets		-	-
Purchase of investments		(3,824)	(3,796)
Proceeds from the sale of investments		-	-
Cash used in investing activities		39	57
Increase/(decrease) in cash and cash equivalents in the year		(37,125)	52,850
Cash and cash equivalents at the beginning of the year		157,106	104,256
Total cash and cash equivalents at the end of the year		119,981	157,106

Notes to the Accounts

1. Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of Preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Young People First (Midlands) meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Judgements and key sources of estimation uncertainty

In the application of the charities accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

No significant judgements have had to be made by management in preparing these financial statements.

Preparation of the accounts on a going concern basis

The Trustees have reviewed the circumstances and consider that adequate resources continue to be available to fund the activities of the charity for the foreseeable future and that there are no material uncertainties about the Charity's ability to continue as a going concern.

Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment provider Charities Aid Foundation.

Fund accounting

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

Designated Funds are 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.

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

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Costs of raising funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes and the cost of staff involved in the raising of funds and their associated support costs.

Expenditure on charitable activities includes the costs incurred by the charity in the delivery of its activities and services for its beneficiaries and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include administrative costs, finance, IT and governance costs which support the charity's activities. These costs have been allocated between the cost of raising funds and expenditure on charitable activities. The basis on which support costs have been allocated are set out in the notes to the accounts.

Tangible fixed assets and depreciation

Individual fixed assets costing £1,000 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

Asset Category	Economic life
Leasehold Land	Over the term of the lease
Leasehold Buildings	Over the shorter of 50 years or the lease term
Refurbishment of Sports Court	Over the term of the 10 year licence to occupy the land until 29 May 2024
Motor Vehicles	Over 5 years
Furniture and Equipment	Over 4 years
Computers	Over 3 years

YOUNG PEOPLE FIRST (MIDLANDS)

Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gain and losses arising on revaluation and disposals throughout the year stated at market value at the year end and the movement in market value is taken to the revaluation reserve.

The Charity does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or

Realised gains or losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

Financial instruments

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price. Young People First (Midlands) only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Creditors and provisions are recognised where Young People First (Midlands) has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due. Investments are valued at fair value.

Pension costs

Employees of the charity are entitled to join a defined contribution 'money purchase' scheme operated by Scottish Widows. The charity will contribute 3% and will match employee contributions up to 8% of salary to this pension scheme and acts as agent in collecting and paying over employee pension contributions. The contributions made for the accounting period are treated as an expense and are disclosed in note 9.

Foreign currencies

Foreign currency balances have been translated at the balance sheet date. Income and expenditure transactions incurred in foreign currencies have been translated during the course of the year at the rate of exchange ruling at the time of the transaction.

Impairment of fixed assets

At each reporting period end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the charity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

2. Income from donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total 2018 £	Total 2017 £
Donations	41,898	-	41,898	34,925

3. Income from charitable activities

	Unrestricted Funds £	Restricted Funds £	Total 2018 £	Total 2017 £
Youth Work Development	1,833	-	1,833	914
Youth Work	60,148	-	60,148	56,343
Talent Match	-	16,892	16,892	31,010
Sharp Minds	-	93,861	93,861	21,520
Active South Leamington	-	154	154	35,719
Mentoring	-	180	180	9,800
International Youth Exchange	-	340,580	340,580	589,176
Building Better Opportunities (Progress)	-	67,111	67,111	103,341
Leaving Care	-	48,150	48,150	37,161
Brunswick Youth Project	-	96,897	96,897	20,695
	61,981	663,825	725,806	905,679

YOUNG PEOPLE FIRST (MIDLANDS)

4. Income from other trading activities

	Unrestricted Funds	Restricted Funds	Total 2018	Total 2017
	£	£	£	£
Rent received	-	-	-	2,500
Fundraising events	32,287	-	32,287	29,549
Fundraising income	10,231	-	10,231	16,843
	42,518	-	42,518	48,892

5. Investment income

	Unrestricted Funds	Restricted Funds	Total 2018	Total 2017
	£	£	£	£
Interest receivable	39	-	39	57
Dividends receivable	2,285	1,539	3,824	3,796
	2,324	1,539	3,863	3,853

6. Expenditure on raising funds

	Direct Costs	Support Costs	Total 2018	Total 2017
	£	£	£	£
Unrestricted Funds				
Fundraising events	15,114	17,794	32,908	32,675
Fundraising costs	5,820	6,853	12,673	18,358
	20,934	24,647	45,581	51,033

Unrestricted funds' support costs are allocated in proportion to total direct costs.

7. Expenditure on charitable activities

	Direct Costs	Support Costs	Total 2018	Total 2017
	£	£	£	£
Unrestricted Funds				
Youth Work Development	24,327	28,641	52,968	50,439
Youth Work	11,653	50,587	62,240	37,198
Depreciation of Sports Court	7,581	-	7,581	7,581
	43,561	79,228	122,789	95,218

Unrestricted funds' support costs are allocated in proportion to total direct costs.

Restricted Funds

Talent Match	22,765	-	22,765	29,959
Sharp Minds	70,604	-	70,604	47,986
Active South Leamington	1,194	-	1,194	32,972
Power of the Wheels	-	-	-	3,155
Mentoring	1,437	-	1,437	8,543
International Youth Exchange	340,580	-	340,580	589,176
Building Better Opportunities (Progress)	122,722	-	122,722	38,593
Argyle-Robinson	4,627	-	4,627	-
Coventry and Warks Infrastructure Consortium (CWIC)	250	-	250	250
Leaving Care	59,148	-	59,148	21,628
Brunswick Youth Project	82,971	-	82,971	35,453
	706,298	-	706,298	807,715

Total cost of charitable activities

749,859 79,228 829,087 902,933

Restricted funds' support costs are allocated directly to each relevant fund.

YOUNG PEOPLE FIRST (MIDLANDS)

8. Allocation of governance and support costs

The breakdown of support costs and how these were allocated between governance and other support costs is shown in the table below:

	Governance related £	Other support costs £	Total allocated £
Cost type:			
Staff costs	8,606	37,971	46,577
Office costs	72	37,987	38,059
Independent examiner's remuneration	2,520	-	2,520
Depreciation	-	16,719	16,719
	11,198	92,677	103,875

	Direct Costs £	Support Costs £	Total 2018 £	Total 2017 £
Costs of governance:				
Independent examiner's remuneration	2,520	-	2,520	2,400
Trustees meetings and expenses	72	-	72	120
Support activities by Young People First (Midlands) staff	8,606	-	8,606	11,432
Total cost of governance	11,198	-	11,198	13,952

9. Staff Costs

	2018 £	2017 £
Salaries and wages	416,843	291,519
Social security costs	28,881	18,335
Other pension costs	20,784	15,015
	466,508	324,869

Wages and salaries includes redundancy costs of £nil (2017: £nil)

No employees received emoluments in the year exceeding £60,000 (2017: One)

The charity trustees were not paid or received any other benefits from employment with the charity (2017: £nil) neither were they reimbursed expenses during the year (2017: £nil). No charity trustee received payment for professional or other services supplied to the charity (2017: £nil).

The charity considers its key management personnel comprise the trustees and the Chief Executive. the total employment benefits including employer pension contributions of the key management personnel were £56,331 (2017: £66,532). No other employee had employee benefits in excess of £60,000 (2017: nil)

The average number of employees during the year was 27 (2017: 22) and the average number of full-time equivalent employees (including casual and part-time staff) during the year was 16 (2017: 11)

10. Related Party Transactions

No transactions were undertaken with organisations having a relationship with Trustees or Key Staff of the charity.

YOUNG PEOPLE FIRST (MIDLANDS)

11. Transfers between Funds

	Unrestricted General funds	Designated funds	Restricted funds	2018 Total
	£	£	£	£
Fixed Assets fund	186,041	(186,041)	-	-
Talent Match	-	-	1,457	1,457
Sharp Minds	-	-	2,059	2,059
Brunswick Youth Project	-	-	2,490	2,490
Restricted Fixed Assets	-	-	(2,779)	(2,779)
	186,041	(186,041)	3,227	3,227

The transfer in respect of the Fixed Assets Fund is required to match the value of Tangible Fixed Assets.

The transfers in respect of the Talent Match, Sharp Minds and Brunswick Youth Project represent the shortfall in funding which have been met by Unrestricted funds.

The transfer in respect of Restricted Fixed Assets represents the depreciation of capital assets used by restricted funds.

12. Fixed Assets

	Land and Buildings £	Motor Vehicles £	Furniture and Equipment £	Total £
Cost				
At 1 April 2017	849,915	7,546	88,914	946,375
Additions	-	-	-	-
Disposals	-	-	-	-
At 31 March 2018	849,915	7,546	88,914	946,375
Depreciation				
At 1 April 2017	212,316	4,527	88,914	305,757
Disposals	-	-	-	-
Charge for year	22,791	1,509	-	24,300
Impairment	161,741	-	-	161,741
At 31 March 2018	396,848	6,036	88,914	491,798
Net book value				
At 31 March 2018	453,067	1,510	-	454,577
At 31 March 2017	637,599	3,019	-	640,618

Land and Buildings consists of Jubilee House, Westlea Road, Leamington Spa and the costs of refurbishing the Sports Court at Westlea Road, Leamington Spa. The carrying value of Jubilee House was reviewed by the trustees at the year end and following advice the carrying value was considered to be impaired and a provision was made.

The Trustees have authorised capital expenditure in the financial year 2018 £nil (2017:£nil) of which £nil (2017:£nil) was contractually committed at the year end.

YOUNG PEOPLE FIRST (MIDLANDS)

13. Fixed Asset Investments (held at fair value)

	2018 £	2017 £
Fixed asset investments (all with Charities Aid Foundation "CAF")		
Market value at 31-March-2017	156,665	135,637
Additions to investments at cost	3,824	3,796
Disposals	-	-
Net (loss)/gain on revaluation	(2,368)	17,232
Market value at 31 March 2018	158,121	156,665

Dividends for CAF Equity B Account and CAF Fixed Interest B Account are automatically re-invested.

	Cost £	Fair Value Adjustment £	2018 £	2017 £
Comprising:				
CAF Equity B Account	85,863	52,886	138,749	137,227
CAF Fixed Interest B Account	17,663	1,709	19,372	19,438
Total	103,526	54,595	158,121	156,665

14. Debtors: Amounts falling due within one year

	2018 £	2017 £
Trade Debtors	111,131	145,520
Prepayments and Accrued Income	1,854	5,594
Other Debtors	2,821	3,880
	115,806	154,994

15. Creditors: Amounts falling due within one year

	2018 £	2017 £
Trade Creditors	3,696	20,609
Accruals and Deferred Income	41,426	43,542
Social Security and other taxes	6,704	6,338
Other Creditors	2,313	19,856
	54,139	90,345

16. Net movement in funds

	At 1 April 2017 £	Income £	Expenditure £	Recognised Gains/ Transfers £	At 31 March 2018 £
General Funds	199,526	148,721	144,070	(4,764)	199,413
Designated Funds:					
Unrestricted Fixed Assets	640,618	-	186,041	-	454,577
Total Unrestricted Funds	840,144	148,721	330,111	(4,764)	653,990
Restricted Funds					
Talent Match	4,416	16,892	22,765	1,457	-
Sharp Minds	1,625	93,861	70,604	2,059	26,941
Active South Leamington	1,680	154	1,194	-	640
Mentoring	1,257	180	1,437	-	-
International Youth Exchange	-	340,580	340,580	-	-
Building Better Opportunities (Progress)	64,748	67,111	122,722	-	9,137
Argyle-Robinson	69,035	1,539	4,627	(831)	65,116
Restricted Fixed Assets	2,779	-	-	(2,779)	-
Coventry & Works Infrastructure Consortium (CWIC)	3,955	-	250	-	3,705
Leaving Care	29,399	48,150	59,148	-	18,401
Brunswick Youth Project	-	96,897	82,971	2,490	16,416
Total Restricted Funds	178,894	665,364	706,298	2,396	140,356
Total Funds	1,019,038	814,085	1,036,409	(2,368)	794,346

YOUNG PEOPLE FIRST (MIDLANDS)

Analysis of net assets between Funds

	Restricted Funds £	Designated Funds £	Unrestricted Funds £	Total £
Fund balances are represented by:				
Tangible fixed assets	-	454,577	-	454,577
Investments	69,743	-	88,378	158,121
Debtors	58,374	-	57,432	115,806
Cash at Bank and on Deposit	12,239	-	107,742	119,981
Creditors falling due within one year	-	-	(54,139)	(54,139)
Total Assets	140,356	454,577	199,413	794,346

17. Deferred Income

	2018 £	2017 £
Balance at 1 April 2017	16,470	39,705
Amount released to incoming resources	(16,470)	(36,405)
Amount deferred in the year	12,837	13,170
Balance at 31 March 2018	12,837	16,470

Deferred Income includes advance income for training and other activities in the coming year.

18. Statement of Funds

Designated Funds

Unrestricted Fixed Assets (2003) identifies unrestricted resources that are not available for general use and represents the net book value of unrestricted tangible fixed assets.

Restricted Funds

Talent Match is a project supporting NEET (Not in Education, Employment or Training) young people in Coventry and Warwickshire.

Sharp Minds uses group activities and one-to-one support to promote mental well-being among young people with emotional difficulties.

Active South Leamington is a partnership project to engage South Leamington residents in sport and physical activity.

Mentoring is a programme of work whereby we support young people through a series of one to one mentoring sessions.

International Youth Exchange is used to fund international youth exchanges by young people.

Building Better Opportunities (Progress) is a Lottery and European Social Fund programme supporting young people aged 15 - 19 who are NEET.

Argyle-Robinson was given in memory of Ronald Geoffrey Argyle-Robinson to support our work with young people and youth groups in Leamington, Radford Semele, Whitnash and Bishops Tachbrook.

Restricted Fixed Assets funds the cost of certain capital assets over their estimated useful working lives.

Coventry & Warks Infrastructure Consortium (CWIC) is a partnership funded by Capacity Builders.

Leaving Care uses group activities and one-to-one mentoring across Coventry and Warwickshire to support young people leaving care.

Brunswick Youth Project is an open-access youth provision for young people on the Brunswick Estate.

YOUNG PEOPLE FIRST (MIDLANDS)

19. Financial Instruments

2018
£

2017
£

The carrying amount of the charity's financial instruments are as follows:

Carrying amount of financial assets

Fixed asset investments	158,121	156,665
Trade debtors	79,817	145,520
Other debtors	4,675	9,474
Cash at bank and in hand	119,981	157,106

362,594

468,765

Carrying amounts of financial liabilities

Trade creditors	3,696	20,609
Accruals and deferred income	41,426	43,542
Other creditors	9,017	26,194

54,139

90,345

The income, expenses, net gains and net losses attributable to the charity's financial instruments are summarised as follows:

Income and expense

Financial assets measured at fair value through net income/expenditure	(2,368)	17,232
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20. Reconciliation of net movement in funds to net cash flow from operating activities

2018
£

2017
£

Net movement in funds	(224,692)	56,615
Add back depreciation charge and impairment loss	186,041	24,300
Investment income	(3,863)	(3,853)
Loss/(gain) on investments	2,368	(17,232)
Decrease/(increase) in debtors	39,188	(14,022)
(Decrease)/increase in creditors	(36,206)	6,985

Net cash used in operating activities

(37,164)

52,793