



(A charitable company limited by guarantee)

**ANNUAL REPORT AND GROUP FINANCIAL STATEMENTS
FOR THE TWELVE MONTHS ENDED 30TH SEPTEMBER 2020**

Company Number:	4364093
Charity Number (England and Wales):	1090515
Charity Number (Scotland):	SC043473

Young Life International – Annual Report and Group Financial Statements
For the Year Ended 30th September 2020

REFERENCE AND ADMINISTRATIVE DETAILS

TRUSTEES: Paul Therrill
Sundara Salika
Clare McCormick
Paul Woodman
Brydhe Johnston (Chairman)
(Appointed 11 May 2020)

SECRETARY: Benedict Sutton

EXECUTIVE TEAM: Nicola Newberry
Benedict Sutton

CONTENTS

Reference and administrative details	2
Trustees' annual report	3 – 12
Auditor's report	13 - 15
Consolidated Statement of financial activities	16
Consolidated and Charity Balance sheet	17 -18
Consolidated Cash flow statement	19
Notes to the financial statements	20 - 36

AUDITOR: Mercer & Hole
Chartered Accountants
Batchworth House
Batchworth Place
Church Street
Tickenhamworth
Hertfordshire WD3 1LE

BANKERS: CAF Bank Ltd
25 Kings Hill Avenue
Fings Hall
West Malling
Kent ME19 4JL

United Trust Bank
One Roper Street E16 1JY
London
EC2Y 9AW

REFERENCE AND ADMINISTRATIVE DETAILS

FOR THE YEAR ENDED 30th SEPTEMBER 2020

TRUSTEES: Paul Sherrill
Sundeep Salins
Liam McCormick
Paul Woodman (Chairman)
Brooke Johnston (appointed 18 May 2020)

SECRETARY: Benedict Sutton

Structure, Governance and Management

EXECUTIVE TEAM: Sonia Mawhinney
Benedict Sutton

Governing Documents

The company is a charitable company limited by guarantee, incorporated in England and Wales on 11th February 2011. The organisation was incorporated under the Companies Act 2006 and the Companies (Guarantee Companies) Regulations 2008. The company was incorporated under a Memorandum of Association which established the objects and powers of the company, which are governed and controlled by the Articles of Association. In the event of there being a conflict between the provisions of the Memorandum and the Articles of Association, the provisions of the Articles of Association shall prevail.

REGISTERED NUMBERS: Company: 4364093
Charity (England and Wales): 1090515
Charity (Scotland): SC043473

AUDITOR: Mercer & Hole
Chartered Accountants
Batchworth House
Batchworth Place
Church Street
Rickmansworth
Hertfordshire WD3 1JE

BANKERS: CAF Bank Ltd
25 Kings Hill Avenue
Kings Hill
West Malling
Kent ME19 4JQ
United Trust Bank
One Ropemaker Street
London
EC2Y 9AW

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 30TH SEPTEMBER 2020

The trustees present their report and the audited financial statements of the group and charity for the year ended 30th September 2020, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) '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 (FRS102) (effective 1st January 2019).

Structure, Governance and Management

Governing Document

The organisation is a charitable company limited by guarantee, incorporated on 31st January 2002 and registered as a charity in England and Wales on 11th February 2002. The organisation was also registered with the Office of the Scottish Charities Regulator on 8th October 2012. The company was incorporated under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up, members are required to contribute an amount not exceeding £1.

Recruitment and Appointment of the Board of Trustees

Trustees are usually appointed for a period of three years. The number of trustees closest to one third retire by strict rotation and, being eligible, may offer themselves for re-election at the next meeting of the board of trustees. Care is taken to ensure that the board of trustees includes experience in financial, legal and other relevant fields.

The trustees who served during the year were as follows:

Paul Sherrill
Sundeep Salins
Liam McCormick
Paul Woodman (Chairman)
Brooke Johnston (Appointed 18/05/20)
Matthew Whittaker (Appointed 31/01/20; resigned 06/08/20)

Induction and Training of Trustees

New trustees are given an introduction to the work of the charity by the chairman of the trustees and the executive team. Trustees are kept informed through regular internal reports (including financial reports) and samples of printed material. All trustees are encouraged to visit the activities of the charity as well as attend events that the charity organises. On appointment trustees are informed of their obligations in law as a trustee of a charity, and are encouraged to acquaint themselves with the publications and guidance available from the Charity Commission.

Organisational Structure

The board of trustees meet at least twice a year and oversee finances, the present work and the future development of the charity. They have regard for the advice of the executive team, to whom the management of the work of the charity and the day-to-day operational decisions have been delegated. The remuneration of the executive team is approved by the trustees and is reviewed annually and normally increased in accordance with average earnings. The trustees benchmark the executive team pay against pay levels in other charities of a similar size and activity to ensure that the remuneration set is fair and appropriate. The remuneration of all other staff is approved by the executive team within annual parameters set by the trustees. The executive team withdraw from any discussion of their own terms of service.

The trustees have reviewed the Charity Governance Code, published in 2017 by the external Good Governance Steering Group body. The Code centres around the principles of organisational purpose; leadership; integrity; decision-making, risk and control; board effectiveness; diversity; openness and accountability. The trustees are encouraged that the Code affirms many governance principles that already underpin the way Young Life International operates, and the principles of the Code form the basis of ongoing governance development within Young Life International.

Risk Management

The Trustees recognise that they are ultimately responsible for risk management and the effectiveness of the internal control processes of Young Life International. The major risks to which Young Life International is exposed, as identified by the Trustees, are reviewed regularly, and we are continuously improving our systems and procedures to manage them. The Board of Trustees has considered and approved the risk appetite and risk management framework of Young Life International. It has charged the executive team with the task of ensuring that internal controls and the exposure to risk is reviewed on a regular basis, who are supported by professional advisers as appropriate.

The systems and procedures of Young Life International are designed to inform and manage risk and to provide reasonable assurance against material misstatement or loss. Senior management ensure that the culture and process of risk management are appropriately embedded across the organisation through the effective implementation of policies and processes. Risk registers have been developed at corporate and functional levels to inform the approaches of mitigating our strategic, operational, financial and compliance risks.

Risk reviews are conducted regularly, and the trustees consider that there are no major risks to the charity's continued operations in the foreseeable future. Camping and service projects are major costs, but the bulk of camping fees come from teenagers taking part which minimises the financial risk. Donations are a substantial part of the charity's income. These are primarily from a wide range of small donors making regular donations which minimises the risk of a sudden drop in income. The charity has completed a comprehensive review of its policies and procedures and will update them periodically.

Risk Management (continued)

Other principal risks to the Charity include:

- The effects of the Covid-19 pandemic and related recession, especially the risks of further financial decline, continued disruption to the provision of youth ministry services, mental health, and uncertainty fatigue.
- Data breaches & data regulatory compliance: the Charity has conducted a comprehensive internal data audit and is implementing a multi-year programme of technical, procedural and organisational upgrades to strengthen its GDPR compliance;
- Safeguarding allegations: the Child Protection & Safeguarding Policy has been comprehensively reviewed and republished in light of changing legislation and safeguarding risks;
- Staff retention: the Charity's HR policies are being revised to consider how we can best take care of staff and retain a deep pool of talent long term.

Objectives and Activities

The objects, for which the Charity is established, as stated in its Memorandum of Association, are the advancement of Christianity among children and young people by the promotion of an evangelistic Christian testimony in the United Kingdom. The Charity works with young people, typically aged between eleven and eighteen, across England, Wales, Scotland and Northern Ireland.

Young Life International engages with young people across the UK to provide hope, meaning and purpose. Through "contact work" (community detached work), regular youth clubs, summer camps and overseas mission trips, we draw alongside young people relationally, earn the right to be heard, and share the transforming message of Jesus with them. However they choose to respond, we walk alongside them through the ups and downs of teenage life in modern Britain, whether that's in paramilitary communities in Northern Ireland, working with teenage mums in Dundee or children of High Net Worth families in expat communities on the outskirts of London.

We provide stable pastoral and spiritual support for teenagers as they move through adolescence, and help them face issues such as mental health, bullying, the dangers of social media, challenging family situations, alcohol, drugs, teenage pregnancy, racism and youth crime. We find that all the young people we serve have a deep longing for caring adults who take a genuine interest in their needs. We work closely with local churches and help young people who find faith through our ministry to get plugged into local worshipping congregations that can help them develop along their Christian journey.

Trustees, along with the executive team, have referred to the Charity Commission's general guidance on public benefit when reviewing the charitable aims and objectives and in planning future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

Achievements and Performance

The strength of our ministry depends on the strength of our volunteers. In February, we ran a hugely successful training conference for 172 of the adults who serve young people through Young Life International throughout the UK. Through Biblical teaching, seminars and prayer sessions, the event empowered the Charity's grassroots volunteer leaders and local committee members with purpose, vision and encouragement.

We see every day how it is all too easy to search for fulfilment in the wrong places. Reports made to our child protection team of external safeguarding issues involving Young Life teenagers have grown 17% year-on-year over the last five years, with suicide, self-harm and social media related cases making up over one third of our child protection caseload. When young people have been at greatest risk of surrendering their life or their dignity, we have been there to help them survive, laugh and flourish throughout self-isolation.

When lockdown hit, we pivoted swiftly from in-person to online youth sessions and have relentlessly sought creative ways to engage with young people in a Covid compliant manner. As Government restrictions have varied, our approach to enabling ministry has centred around careful risk assessment, clear communication and creative solutions. We have much to celebrate:

- We have had zero outbreaks of Covid-19 at our activities to date.
- We were early adopters of online youth clubs, and within the first 6 weeks of lockdown we'd ramped up weekly youth gatherings to 25% above pre-lockdown levels by using digital platforms.
- Although we had to cancel residential camps for the first time in our history, our staff were hugely creative in devising a mix of online and online/in-person blended experiences for young people to engage with, including "camp in a bag" in Southampton, online day camps in Scotland and an online discipleship "camp" experience across the UK.
- We have found teenagers have craved community more than ever. "One of our more on the fringes kids who comes sporadically to club has joined us every day at lunch time for our lunch club."
- We have enjoyed huge support from parents. "Parents have said it was great to hear their kids laughing with friends again."

As we reflect on the upheaval that we have all faced across so many elements of our lives, we are particularly grateful for our staff. We are thankful that:

- Only a very small minority of staff have been diagnosed with Covid-19, and all those affected have recovered swiftly.
- Our line managers have cared well for our staff and supported their mental health throughout significant changes in personal and professional lifestyle. Not a single employee has left due to the impact of Covid-19.
- Our Operations Team have taken in their stride the challenges of increased regulatory compliance involved in Job Retention Scheme implementation and assessing health and safety measures, whilst keeping regular operational infrastructure running effectively. The team was already well practised in home working, which has been a huge benefit under lockdown.
- All staff had the core digital infrastructure necessary to work effectively from home throughout lockdown, as we reaped the benefits of our migration to cloud software in recent years.

- We had a smooth transition of leadership, despite the appointment of Sonia Mawhinney as our new UK Director coinciding with the outbreak of the Covid-19 pandemic. Brooke Johnston, her predecessor, has taken over leadership of Young Life across the Europe division as its Senior Vice President.

As part of our response to the Government's lockdown announcement in March, we conducted a scenario planning that projected losses of between 7% and 39% of budgeted income by the year-end. Our actual loss against budget was £225,281, representing 16% of budgeted income. We avoided the worst-case scenario due to a combination of:

- The sacrifice and commitment of our existing base of regular donors, who increased their giving by an average of 16%;
- Successful online fundraising events, which halved projected losses anticipated from cancelled in-person fundraising activities;
- Disciplined spending cuts; and,
- Application of the Government's Job Retention Scheme (JRS).

At the start of the pandemic, only 6% of the funds of the Charity were both unrestricted and undesignated. We focused on close area level financial management, and whilst this helped to localise and contain financial risk, our longstanding area driven fundraising approach has limited the extent to which trustees can repurpose funds to help areas in financial need.

Throughout our journey living amidst the realities of the Covid-19 pandemic, we have kept the needs of young people at the centre of our focus. Every decision to cut or postpone ministry provision was taken with a heavy heart, and driven by realities at a local level where we were either prevented from engaging with young people due to Government restrictions, or funding had dropped off. We utilised the JRS in such situations where the Scheme eligibility criteria applied, resulting in 23% of staff being put on furlough leave at least once within the financial year. Nevertheless, we are thrilled that in spite of significant challenges at a local level, we were able to maintain 86% staffing capacity throughout the six months from the beginning of the first lockdown.

We engaged with Government in a consultation over post-lockdown recovery for the charitable sector, and welcome recommendations from Danny Kruger MP for greater cooperation between faith communities and the public sector in addressing big social challenges, collaboration with technology companies to develop charities' digital infrastructure, and a new Community Recovery Fund to help revitalise the sector.

We continue to engage the services of a variety of professionals to assist in the development of legal and administrative policies and procedures. Over the course of the year, several key operational and IT systems and procedures have been improved.

Growth Performance

Despite the challenges posed by the Covid-19 pandemic, the Charity continued to grow its ministry across the UK:

- The average number of young people attending club each week pre-Covid grew by 20% to 861.
- The average number of young people engaged in "Campaigners" Bible study groups skyrocketed to 315, a 40% rise, reversing last year's 19% decline. Covid-19 related restrictions have helped this turnaround, with young people more eager than ever to discuss with their friends and leaders what matters most in life.
- 346 young people participated in some form of "camp" experience, including 262 young people who attended a creative alternative under Covid-19 restrictions. Although this represents a 60% drop compared to last year, we are mindful of the unprecedented circumstances and celebrate that each of these 346 young people took hold of the opportunity to engage in fun, supportive, uplifting experiences at a time when they were facing so much turmoil and uncertainty.
- The number of young people who were impacted across all activities and outreach initiatives grew by 20% on last year to 5,119.
- Our base of devoted volunteers grew by 19% to 281 across the UK.

Financial Review

In the twentieth period of operation the charity received funds of £1,821,640 (2019: £1,869,181) of which £1,406,464 (2019: £1,243,492) was raised as voluntary income. Expenditure in the twelve month period was £1,730,289 (2019: £1,878,817). The charity continues to be reliant on the generosity of its supporters.

During the period the charity employed fifty-seven full and part-time staff, enjoyed the services of seven Young Life (US) expatriate employees and utilised the services of financial, legal and IT consultants. The charity is also heavily reliant on the goodwill and the variety of skills demonstrated by its many volunteers.

The net result for the period was a *surplus* of £91,351 (2019: £9,636 *deficit*) resulting in a balance carried forward of £373,802 (2019: £282,451). This balance includes £119,395 (2019: £121,608) in restricted funds.

Young Life International made donations to Young Life US of £23,500 (2019: £41,719) during the period.

Key Management Personnel Remuneration

The Key management personnel of the charity comprise the UK Director and the Operations Manager. Their remuneration is set in line with remuneration for similar roles in other charitable organisations.

Fixed Assets

The trustees do not include funds held as fixed assets when calculating the level of reserves thus enabling the board of trustees to truly reflect the value of general free reserves in the accounts.

Reserves Policy

The Charity has a Reserves Policy to promote sound financial stewardship, build its resilience and enable it to thrive in the years ahead, in accordance with Charity Commission guidelines. The Policy seeks to guard against material income loss and to plan prudently for the worst-case scenario of a major income fall that would necessitate closure of the Charity. The approach focuses on local financial stewardship, with each area of the Charity charged with raising its own funds and encouraged to have in reserve an amount equivalent to between three and six months unrestricted expenditure. The sum of area level reserve requirements equate to the reserve requirements for the Charity as a whole. Based on this twelve-month period, the Charity's target reserves range would have been £350,000 to £700,000. Note that the free reserves are £193,690 (2019: £74,340). Note that, because of the localised reserves model, the actual free reserves figure includes funds designated at a local area level that are not immediately available to be repurposed. Despite this limitation, the trustees are satisfied that the Charity held a prudent level of actual reserves at the year-end, in view of the challenges and uncertainties that lie in the year ahead. The trustees regularly monitor reserves levels throughout each financial year.

Principal Funding Sources

The Charity is heavily reliant on donations from the general public. Many supporters of the Charity donate regularly via standing order. This provides a strong and stable base for future development. The remaining donated income comes from ad-hoc donations and other funding sources which includes grants from charitable trusts. The Charity seeks to maximise the potential of donated income by securing a gift aid declaration where possible, which increases the value of the donation by 25%. While there is significant fee income from the camp and service projects, these activities, along with the youth clubs, could not take place without the generosity of regular and ad-hoc donors. Fundraising is primarily carried out by field staff and local committees.

Fundraising Disclosures

Fundraising provides income so that we can resource and support our local area ministry activities, as well as subsidise camp places for those in financial need. The majority of donations are raised from private individuals, which is supplemented by grants from foundations.

We follow the principles of the Fundraising Code set out by the Fundraising Regulator. The majority of our fundraising activity is carried out by soliciting donations within highly trusted relationships between field staff and donors. Except for IT systems that retain donor records and manage email campaigns, we do not outsource any aspect of our fundraising activities to third parties. Only those staff and volunteers inside the organisation are permitted to fundraise on our behalf, and our conduct expectations upon those individuals are extremely high. Every employee and volunteer who fundraises for the Charity is accountable to their line manager for their actions. In addition, our internal Fundraising Coach champions best practice among our teams. We are proud to have had no reported complaints over any of our fundraising practices to date, but we are not complacent, and are poised to follow our complaints handling process should the need arise.

Everything possible is done to meet the needs of current and potential supporters, including protecting all vulnerable people, and handling donor data with care and in accordance with our data protection arrangements. In light of legislative changes to data privacy, we have taken comprehensive measures to inform every contact of our updated Privacy Notice, and to obtain applicable consent in order to continue fundraising communications with donors and supporters. We are always conscious of minimising the costs of fundraising and we continue to deliver value for money in all of our charitable activities.

Plans for Future Periods

We have found that Covid-19 has exacerbated the needs that young people already have - to belong, to be heard, to find hope. Although the effects of the pandemic have considerably eroded our finances, it has stoked our hunger to serve even more young people as restrictions allow. By 2022, we hope to transform the lives of nearly 10,000 young people each year, double our current reach. We are mindful of the significant challenge in the current climate of raising the level of funding to resource this vision, but remain cautiously optimistic for the year ahead.

Despite all the change in society today, the core aims of the Charity remain unchanged and are consistent with the original principles for ministry established over 79 years ago by Young Life in the United States. The global Young Life organisation is mid-way through a 5-year strategic initiative called "FORWARD", and the UK Charity has therefore set its principal objectives around achieving strategic growth in the following areas:

1. To go **deeper** in Christ, seeking the Lord first and helping young people grow in their faith. By 2022, we want to see quadrupled the number of young people in the Charity's weekly Bible study groups (called "Campaigners"), from 238 to 940.
2. To go **forward together**, building and equipping teams that reflect the worldwide body of Christ. By 2022, we want to double the number of volunteer leaders, from 198 to 492.
3. To seek **innovation**, creating new ways today to reach young people tomorrow. The Developing Global Leaders programme will form a big part of this growth area.
4. **Growth**: in response to the need witnessed by our workers on the ground, the Charity has set bold growth targets. By 2022, we want to:
 - a. Triple the number of young people impacted, from 3,554 to 9,250
 - b. Double the number of young people in club each week from 791 to 1,580
 - c. Double the number of young people experiencing camp, from 660 to 1,325
 - d. Double the number of ministries, from 35 to 50.

(Note that these are growth targets for our global region, which includes the Republic of Ireland. Some metrics have had minor adjustments to reflect the region's share of the overall European divisional targets. The base figures for comparison were taken from May 2016 figures.)

These objectives will be enhanced by further, targeted initiatives:

1. **Leadership diversity**: To further understand, explore and promote the valuable role that diversity and inclusion plays in enabling the work of the Charity to be effective.
2. **Leadership development**: Continuing to recruit, train and equip leadership at every level of the Charity. This includes volunteer leadership, salaried staff, line managers and trustees.
3. **Prayer strategy**: To build on the mission-wide and divisional prayer initiatives to grow the level of prayer support for all aspects of the work of the Charity.
4. **Discipleship initiative**: To explore how we can develop our support to young people who have made a commitment to follow Christ, to empower them to grow into mature disciples of Jesus.
5. **Sustainable fundraising**: Solidifying the funding base which underpins all areas of ministry, by increasing the proportion of income that is raised in-country and enhancing sustainability.
6. **Enhanced infrastructure**: To identify, implement and augment IT systems to maximise effectiveness, efficiency and compliance.
7. **Public profile**: Develop a strategy across our channels and audiences to enable the mission, our people and the organisation to be represented authentically in public.

8. **Inter-agency collaboration:** To work closely with churches and other Christian ministry partners to develop collaborative relationships which enable greater extent of impact within the lives of young people. For those collaborative relationships to succeed the partners must share the basic strategic and theological ethos of Young Life International.

An important factor in achieving these objectives is to ensure that future developments are sustainable. To this end we have developed the rigour of our budgeting practices to help ensure that costs are fully weighed before committing charitable funds, and that spending operates within budgeted limits and financial controls.

Trustees Responsibilities

The trustees (who are also directors of Young Life International for the purpose of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice. Company law requires the trustees to prepare financial statements for each financial period 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 judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and which 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.

Appointment of Statutory Auditor

Mercer and Hole have been appointed as auditors and have signified their willingness to continue in office.

Statement of Disclosure to the Statutory Auditor

The trustees have taken all necessary steps to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information. As far as the trustees are aware, there is no relevant audit information of which the company's auditors are unaware.

Young Life International – Annual Report and Group Financial Statements
For the Year Ended 30th September 2020

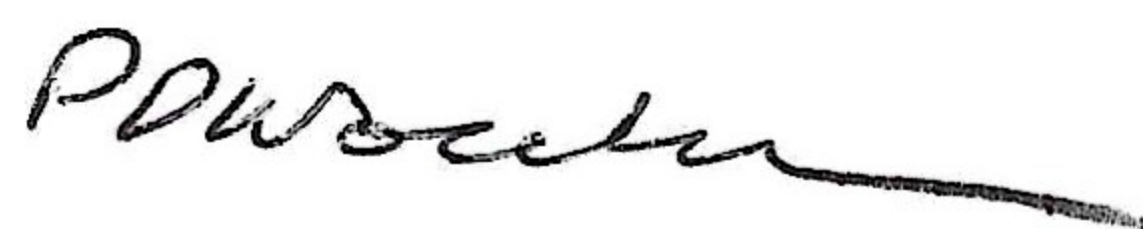
Small company provisions statement

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

The Annual Report was approved by the board of trustees on 5 March 2021 and signed on their behalf by:



Sundeep Salins
Trustee



Paul Woodman
Trustee

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF YOUNG LIFE INTERNATIONAL

Opinion

We have audited the financial statements of Young Life International (the 'parent charity') and its subsidiary (the 'group') for the year ended 30 September 2020 which comprise the Consolidated Statement of financial activities, the Consolidated and Charity Balance, the Consolidated Cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charity's affairs as at 30 September 2020 and of the group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 6 & 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees' have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Annual Report which includes the Directors' Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report included within the Trustees' Annual Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and the parent charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Trustees' Annual Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept by the parent charity, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charity financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specific by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement set out on page 11, the trustees (who are also the directors of the parent charity for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 44(1)(C) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of the audit report

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


Jolene Upshall (Senior Statutory Auditor)

for and on behalf of Mercer and Hole
Chartered Accountants and Statutory Auditor
Batchworth House, Batchworth Place
Church Street
Rickmansworth
Hertfordshire WD3 1JE

Date: 12/3/21.

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR TO 30TH SEPTEMBER 2020**

	Note	Unrestricted Funds £	Restricted Funds £	2020 Total £	2019 Total £
INCOME FROM:					
Donations and legacies	6	938,881	467,583	1,406,464	1,243,492
Charitable activities	7	22,724	-	22,724	162,648
Activities for raising funds					
Trading activities	8	387,493	-	387,493	455,539
Fundraising events	9	2,466	-	2,466	5,950
Investments	10	2,493	-	2,493	1,552
TOTAL INCOME		1,354,057	467,583	1,821,640	1,869,181
EXPENDITURE ON:					
Raising Funds					
Operating costs of trading activities	8	381,367	5,760	387,127	526,116
Fundraising Costs	11	61,944	-	61,944	74,117
Charitable activities	13	824,327	456,891	1,281,218	1,278,584
TOTAL EXPENDITURE		1,267,638	462,651	1,730,289	1,878,817
Net income/(expenditure)		86,419	4,932	91,351	(9,636)
Transfers between funds	20	7,145	(7,145)	-	-
NET MOVEMENT IN FUNDS		93,564	(2,213)	91,351	(9,636)
TOTAL FUNDS BROUGHT FORWARD		160,843	121,608	282,451	292,087
TOTAL FUNDS CARRIED FORWARD		254,407	119,395	373,802	282,451

There were no recognised gains and losses for 2020 or 2019 other than those included in the Consolidated Statement of Financial Activities

There was no other comprehensive income for 2020 (2019: £nil).

The notes on pages 20 to 36 form an integral part of these financial statements.

CONSOLIDATED AND CHARITY BALANCE SHEET AS AT 30TH SEPTEMBER 2020

	Note	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
FIXED ASSETS					
Tangible assets	15	60,717	86,503	-	375
Investments	16	-	-	-	-
CURRENT ASSETS					
Stock	17	5,691	8,985	-	-
Debtors	18	22,395	13,766	21,893	13,766
Cash and cash equivalents		475,242	278,154	311,953	202,690
TOTAL CURRENT ASSETS		503,328	300,905	333,846	216,456
CREDITORS: amounts falling due within one year					
	19	190,243	104,957	68,890	31,981
Net current assets		313,085	195,948	264,956	184,475
Total assets less current liabilities		373,802	282,451	264,956	184,850
Total net assets		373,802	282,451	264,956	184,850
FUNDS:					
Unrestricted funds	20	254,407	160,843	159,904	83,345
Restricted income funds	20	119,395	121,608	105,052	101,505
Total funds		373,802	282,451	264,956	184,850

The notes on pages 20 to 36 form an integral part of these financial statements.

CONSOLIDATED BALANCE SHEET (Continued)
AS AT 30TH SEPTEMBER 2020

The trustees have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

Young Life International is a charitable company limited by guarantee registered in England and Wales. Company number 4364093. Charity number (England and Wales) 1090515. Charity number (Scotland) SC043473.

The financial statements were approved by the board of trustees on 5 March 2021 and signed on its behalf by:



Sundeep Salins
Trustee



Paul Woodman
Trustee

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30th SEPTEMBER 2020**

	2020	2019
	£	£
Cash flows from operating activities		
Net income/(expenditure) for the financial year	91,351	(9,636)
Adjustments for:		
Depreciation of tangible assets	25,786	45,439
Interest received	(2,493)	(1,552)
Decrease in stock	3,294	9,549
(Increase)/ in trade and other debtors	(8,629)	4,811
Increase in trade and other creditors	85,286	8,624
Cash from operations	194,595	57,235
Cash flows from investing activities		
Purchase of tangible assets	-	(94,918)
Interest received	2,493	1,552
Net cash from investing activities	2,493	(93,366)
Net increase/(decrease) in cash and cash equivalents	197,088	(36,131)
Cash and cash equivalents at start of year	278,154	314,285
Cash and cash equivalents at the end of the year	475,242	278,154

"Cash and cash equivalents" consist entirely of "Cash at bank and in hand".

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH SEPTEMBER 2020

1 GENERAL INFORMATION

Young Life International (YLI) is a company limited by guarantee, incorporated in England and Wales. The address of its registered office and principal place of business is disclosed on page 2.

The principal activity of the charity is the advancement of Christianity among children and young people by the promotion of an evangelistic Christian testimony in the United Kingdom.

The financial statements are presented in Sterling and this is the functional currency of the Group and Charity.

2 ACCOUNTING POLICIES

2.1 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 (FRS102) (effective January 2019) – (Charities SORP (FRS102)), and the Companies Act 2006.

YLI meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

2.2 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding-up is limited to £1.

2.3 Basis of consolidation

The statement of financial activities and balance sheet consolidate the financial statements of the charity and its wholly owned subsidiary, YLIM Ltd (YLIM). YLI exercises control over YLIM by being its sole member and by a YLI trustee also sitting as a director on the YLIM board.

No separate Statement of Financial Activities is presented for the charity as permitted by Section 408 of the Companies Act 2006. The net movement in funds dealt with in the charity's Statement of Financial Activities for the year ended 30th September 2020 was £80,106 income (2019: £46,998 expenditure).

2.4 Going concern

The trustees continue to pursue strategies to increase the number of supporters making a regular donation to the charity, and hence these accounts have been prepared on a Going Concern basis.

2.5 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objects of the charity and which have not been designated for other purposes. The charity's general fund may be used by the charity at its discretion to further its stated charitable objectives.

Restricted funds are funds which are to be used in accordance with specific instructions imposed by donors or which have been raised by the charity for specific purposes. The cost of raising and administering said funds are charged against that specific fund. The movements on each of the individual restricted funds are set out in the notes to the financial statements.

2.6 Income

Income is recognised in the Statement of Financial Activities (SoFA) when:

- the charity becomes entitled to the resources,
- the trustees are virtually certain they will receive the resources, and
- the monetary value can be measured with sufficient reliability.

2.7 Expenditure

All costs including support costs are allocated between the expenditure categories of the SoFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on the basis of an estimate of the proportion of time spent by staff on the activity.

All expenditure and liabilities are included on an accruals basis and recognised when there is a legal or constructive obligation to pay out resources.

2.8 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange gains and losses are recognised in the Statement of Financial Activities.

2.9 Tangible fixed assets and depreciation

Tangible fixed assets for use by the group are capitalised if they can be used for more than one year and cost at least £1,000. They are valued at cost or a reasonable value on receipt.

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Equipment	Straight line over 5 years

2.10 Investments

Investments in subsidiary undertakings are included at cost less any provision for impairment.

2.11 Stock

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs.

2.12 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.13 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.14 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.15 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an outright short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

2.16 Current taxation

The charity's activities fall within the exemptions afforded by the provisions of the Income and Corporation Taxes Act 1988. Accordingly, there is no taxation charge in these accounts.

The subsidiary current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income. The whole of the taxable profit of the subsidiary is transferred as a charitable donation to YLI.

3 JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In applying the company's accounting policies, the directors are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The directors' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

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.

The key estimates and assumptions made in these accounts are:

- An estimate of US Donated Services which are estimated using UK market staff salary rates for equivalent roles (see note 6).
- Depreciation which is calculated as to write off the cost of an asset over the useful economic life of the asset, currently considered to be four years for computer equipment.

4 AUDITOR'S REMUNERATION

Fees payable to the company's auditor for the audit of the groups' annual financial statements totalled £5,700 (2019: £5,800). Fees payable to the Company's auditor for non-audit services totalled £nil (2019: £1,650).

5 FINANCIAL PERFORMANCE OF THE CHARITY

The consolidated statement of financial activities includes the results of the charity's wholly owned subsidiary, YLIM Ltd which operated the Loch Monzievaird site.

The summary financial performance of the charity alone is:

	2020	2019
	£	£
Income	1,434,147	1,413,642
Gifts from subsidiary company	-	-
	<u>1,434,147</u>	<u>1,413,642</u>
Costs of raising funds	61,944	74,117
Expenditure on charitable activities	<u>1,292,097</u>	<u>1,386,523</u>
Net income/(expenditure)	80,106	(46,998)
Total funds brought forward	184,850	231,848
Total funds carried forward	<u>264,956</u>	<u>184,850</u>
Represented by:		
Unrestricted funds	159,904	83,345
Restricted funds	<u>105,052</u>	<u>101,505</u>
	<u>264,956</u>	<u>184,850</u>

Young Life International – Annual Report and Group Financial Statements
For the Year Ended 30th September 2020

6 DONATIONS, GRANTS AND LEGACIES

	Unrestricted Funds £	Restricted Funds £	2020 Total £	2019 Total £
Donations				
General donations	573,411	302,700	876,111	843,520
Gift Aid donations	101,010	86,513	187,523	189,845
Income tax recoverable	29,185	21,118	50,303	47,797
Donated services	217,709	-	217,709	158,130
Donated software	4,200	-	4,200	4,200
	<u>925,515</u>	<u>410,331</u>	<u>1,355,846</u>	<u>1,243,492</u>
Government grants				
Coronavirus Job Retention Scheme	13,366	57,252	70,618	-
	<u>938,881</u>	<u>467,583</u>	<u>1,406,464</u>	<u>1,243,492</u>

During the year the charity benefited from the services of seven (2019: six) staff seconded from Young Life US (see note 23). The trustees estimate that the value of these staff to the charity was £241,209 (2019: £183,542) based on UK open market rates. The UK charity has made voluntary payments during the period towards the US costs of these staff amounting to £23,500 (2019: £25,412). The trustees therefore estimate that the charity is receiving donated services of £217,709 (2019: £158,130).

7 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	2020 Total £	2019 Total £
Camps and service project	13,123	-	13,123	147,891
Local youth work	1,566	-	1,566	4,057
Volunteer training	8,035	-	8,035	9,600
Office rental	-	-	-	1,100
	<u>22,724</u>	<u>-</u>	<u>22,724</u>	<u>162,648</u>

8 INCOME FROM COMMERCIAL TRADING OPERATIONS (As reported)

The wholly owned trading subsidiary YLIM Ltd is incorporated in the United Kingdom and plans to pay all its taxable profits to the charity by gift aid. YLIM Ltd operates a self-catering and camping holiday site near Crieff, Scotland and the charity uses the facility for the majority of its camping programme. The company is limited by guarantee.

The summary financial performance of the subsidiary alone is:

	2020	2019
	£	£
Turnover	282,229	403,673
Cost of sales	<u>(20,221)</u>	<u>(145,800)</u>
Net Profit	262,008	257,873
Administrative expenses	(366,906)	(380,316)
Other operating income	<u>116,143</u>	<u>159,805</u>
Net Profit/(Loss) retained in subsidiary	11,245	37,362
Accumulated profits brought forward	<u>97,603</u>	<u>60,241</u>
Non-charitable trading reserves	<u>108,848</u>	<u>97,603</u>
The assets and liabilities of the subsidiary were:		
Fixed assets	60,717	86,128
Current assets	169,484	84,451
Current liabilities	<u>(121,353)</u>	<u>(72,976)</u>
Total net assets	<u>108,848</u>	<u>97,603</u>
Aggregate share capital and reserves	<u>108,848</u>	<u>97,603</u>

Young Life International – Annual Report and Group Financial Statements
For the Year Ended 30th September 2020

8 INCOME FROM COMMERCIAL TRADING OPERATIONS (Continued)

	Unrestricted Funds	Restricted Funds	2020 £	2019 £
SOFA Disclosure:				
Turnover			282,229	403,673
Other operating income	1,466		116,143	159,805
	<u>2,466</u>		<u>398,372</u>	<u>563,478</u>
Less: Inter Company transactions			(10,879)	(107,939)
			<u>387,493</u>	<u>455,539</u>

10 INCOME FROM INVESTMENTS

	Unrestricted Funds	Restricted Funds	2020 £	2019 £
Split:				
Unrestricted			387,493	346,766
Restricted			-	108,773
			<u>387,493</u>	<u>455,539</u>

Bank interest	2,493		2,493	1,537
	<u>2,493</u>		<u>2,493</u>	<u>1,537</u>

Cost of Sales			20,221	145,800
Administration			366,906	380,316
			<u>387,127</u>	<u>526,116</u>

11 FUNDRAISING COSTS

	Unrestricted Funds	Restricted Funds	2020 £	2019 £
Split:				
Unrestricted			381,367	489,189
Restricted costs	11,944		5,760	36,927
	<u>11,944</u>		<u>387,127</u>	<u>526,116</u>

Included in Fundraising costs are staff costs of £44,280 (2019: £48,000)

12 OPERATING LEASES

At 30th September 2020, the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2020 Total £	2019 Total £
Within one year	5	5
Between two and five years	5	5
	<u>10</u>	<u>10</u>

Young Life International – Annual Report and Group Financial Statements
For the Year Ended 30th September 2020

9 INCOME FROM FUNDRAISING

	Unrestricted Funds £	Restricted Funds £	2020 Total £	2019 Total £
Fundraising events	2,466	-	2,466	5,950
	<u>2,466</u>	<u>-</u>	<u>2,466</u>	<u>5,950</u>

10 INCOME FROM INVESTMENTS

	Unrestricted Funds £	Restricted Funds £	2020 Total £	2019 Total £
Bank interest	2,493	-	2,493	1,552
	<u>2,493</u>	<u>-</u>	<u>2,493</u>	<u>1,552</u>

11 FUNDRAISING COSTS

	Unrestricted Funds £	Restricted Funds £	2020 Total £	2019 Total £
Fundraising costs	61,944	-	61,944	74,117
	<u>61,944</u>	<u>-</u>	<u>61,944</u>	<u>74,117</u>

Included in Fundraising costs are staff costs of £44,280 (2019: £48,000)

12 OPERATING LEASES

At 30th September 2020, the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2020 Total £	2019 Total £
Within one year	1	1
Between two and five years	8	9
	<u>9</u>	<u>10</u>

Young Life International – Annual Report and Group Financial Statements
For the Year Ended 30th September 2020

13 CHARITABLE ACTIVITIES

	Staff Costs £	Other Costs £	Total Direct Costs £	Support Costs £	2020 Total Costs £	2019 Total Costs £
Camps and service project	109,306	68,202	177,508	25,229	202,737	306,191
Youth clubs and other activities	621,070	323,499	944,569	133,912	1,078,481	972,393
	<u>730,376</u>	<u>391,701</u>	<u>1,122,077</u>	<u>159,141</u>	<u>1,281,218</u>	<u>1,278,584</u>

14 SUPPORT COSTS

	Management & Finance £	Office & IT £	Human Resources £	Governance £	2020 Total Costs £	2019 Total Costs £
Charitable activities						
Camps and service project	9,285	7,356	5,653	2,935	25,229	34,522
Youth clubs and other activities	49,282	39,043	30,009	15,578	133,912	111,410
Total charitable activities	<u>58,567</u>	<u>46,399</u>	<u>35,662</u>	<u>18,513</u>	<u>159,141</u>	<u>145,932</u>
Cost of raising funds	2,865	2,270	1,745	906	7,786	8,725
Total costs 2020	<u>61,432</u>	<u>48,669</u>	<u>37,407</u>	<u>19,419</u>	<u>166,927</u>	
Total costs 2019	<u>56,711</u>	<u>40,249</u>	<u>38,325</u>	<u>19,372</u>		<u>154,657</u>

Young Life International – Annual Report and Group Financial Statements
For the Year Ended 30th September 2020

15 FIXED ASSETS: CHARITY

	2020	2019
	£	£
Equipment		
Cost		
Brought forward	1,500	1,500
Additions in the period	-	-
Disposals in the period	-	-
Carried forward	<u>1,500</u>	<u>1,500</u>
Depreciation		
Brought forward	1,125	750
Depreciation charge for the period	375	375
Disposals in the period	-	-
Carried forward	<u>1,500</u>	<u>1,125</u>
Net book value	<u>-</u>	<u>375</u>

16 DEBTORS

FIXED ASSETS: GROUP

	Group 2020	Group 2019	2020	2019
	£	£	£	£
Equipment				
Cost				
Brought forward	8,169	5,167	226,821	131,903
Additions in the period	3,000	-	-	94,918
Disposals in the period	22,895	13,796	-	-
Carried forward	<u>226,821</u>	<u>226,821</u>		
Depreciation				
Brought forward			140,318	94,879
Depreciation charge for the period			25,786	45,439
Disposals in the period			-	-
Carried forward			<u>166,104</u>	<u>140,318</u>
Net book value			<u>60,717</u>	<u>86,503</u>

17 CURRENT ASSETS: ACCOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2020	Group 2019	2020	2019
	£	£		
Trade creditors	9,528	14,720		
Other taxes and social security	30,136	5,740		
Other creditors	10,435	10,000		
Accruals and deferred income	129,816	14,539		
	<u>159,915</u>	<u>45,000</u>		

Included within creditors is an amount of £100,000 relating to the year ended 30.09.2019. £nil.

16 INVESTMENTS: SUBSIDIARY UNDERTAKINGS

In September 2014, the charity set up a subsidiary trading company called YLIM Limited in order to run an activity centre at Loch Monzievaird in Scotland. This is a company limited by guarantee (Company Number: 09229874) incorporated in England and Wales which began trading in January 2015 and its results are shown in note 8.

A separate Statement of Financial Activities and Income and Expenditure Account for the charity have not been presented because the Trust has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

17 STOCK: GROUP ONLY

	Group 2020 £	Group 2019 £
Stock for resale	5,691	8,985
	<u>5,691</u>	<u>8,985</u>

18 DEBTORS

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Gift Aid recoverable	13,728	8,609	13,728	8,609
Prepayments and accrued income	8,165	5,157	8,165	5,157
Sundry debtors	502	-	-	-
	<u>22,395</u>	<u>13,766</u>	<u>21,893</u>	<u>13,766</u>

19 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Trade creditors	9,529	12,753	9,529	12,753
Other taxes and social security	30,516	43,984	17,386	12,868
Other creditors	22,332	186	15,000	-
Accruals and deferred income	127,866	48,034	26,975	6,360
	<u>190,243</u>	<u>104,957</u>	<u>68,890</u>	<u>31,981</u>

Included within creditors is an amount of £nil relating to pension payments outstanding at the year end (2019: £nil).

Young Life International – Annual Report and Group Financial Statements
For the Year Ended 30th September 2020

20 FUNDS - CHARITY

	Balance b/fwd £	Income £	Expenditure £	Transfers £	Balance c/fwd £
Unrestricted	83,345	966,564	(897,150)	7,145	159,904
Restricted:					
Individual staff	101,505	467,583	(456,891)	(7,145)	105,052
	<u>101,505</u>	<u>467,583</u>	<u>(456,891)</u>	<u>(7,145)</u>	<u>105,052</u>
Total funds	<u>184,850</u>	<u>1,434,147</u>	<u>(1,354,041)</u>	<u>-</u>	<u>264,956</u>

ANALYSIS OF NET ASSETS - GROUP

FUNDS - GROUP

	Balance b/fwd £	Income £	Expenditure £	Transfers £	Balance c/fwd £
Unrestricted	160,843	1,354,057	(1,267,638)	7,145	254,407
Restricted:					
Individual staff	101,505	467,583	(456,891)	(7,145)	105,052
Development project	20,103	-	(5,760)	-	14,343
	<u>121,608</u>	<u>467,583</u>	<u>(462,651)</u>	<u>(7,145)</u>	<u>119,395</u>
Total funds	<u>282,451</u>	<u>1,821,640</u>	<u>(1,730,289)</u>	<u>-</u>	<u>373,802</u>

Individual staff funds are monies received towards the salaries of specific staff or roles within the organisation.

Development project funds are monies received for the development of the activity centre at Loch Monzievairst in Scotland.

21 ANALYSIS OF NET ASSETS – CHARITY

	Unrestricted Funds £	Restricted Funds £	Total £
Employment costs			
Cash at bank and in hand	206,901	105,052	311,953
Other liabilities	(46,997)	-	(46,997)
	<u>159,904</u>	<u>105,052</u>	<u>264,956</u>

Number of employees

ANALYSIS OF NET ASSETS - GROUP

The average number of employees during the year period, calculated on the basis of average monthly head count, excluding ex-patriot American staff, was as follows:

	Unrestricted Funds £	Restricted Funds £	Total £
Tangible fixed assets	60,717	-	60,717
Cash at bank and in hand	355,847	119,395	475,242
Other net assets / (liabilities)	(162,157)	-	(162,157)
	<u>254,407</u>	<u>119,395</u>	<u>373,802</u>

No employee received emoluments in excess of £60,000 during the period (2019: £60,000).

No trustee (2019: No trustee) received remuneration during the period. Trustees (2019: One trustee) received expenses totalling £2,105 (2019: £194) during the period, which covered the cost of travel, subsistence and meeting costs.

The key management personnel of the charity comprise the UK Director and HR / Finance Manager. The total employment benefits, including employer pension contributions, for all management personnel of the charity were £92,950 (2019: £93,126). The UK Director's benefits were not directly incurred by the charity but are part of the seconded staff costs.

22 EMPLOYEES

Employment costs	2020 £	2019 £
Gross wages, salaries and benefits in kind	927,345	828,614
Employer's national insurance costs	67,404	61,704
Pensions	17,336	15,199
	<u>1,012,085</u>	<u>905,517</u>

Number of employees

The average monthly numbers of employees during the year period, calculated on the basis of average monthly head count, excluding ex-patriot American staff, was as follows:

	2020	2019
Trading staff	11	11
Ministry staff	38	35
Administrative staff	7	6
Fundraising Staff	1	1
	<u>57</u>	<u>53</u>

No employee received emoluments in excess of £60,000 during the period (2019: None).

No trustee (2019: No trustee) received remuneration during the period. Three trustees (2019: One trustee) received expenses totalling £2,105 (2019: £198) during the period. These expenses covered the cost of travel, subsistence and meeting costs.

The key management personnel of the charity comprise the UK Director and the Operations Manager. The total employment benefits, including employer pension contributions, of the key management personnel of the charity were £92,950 (2019: £88,136) – the UK Director's costs were not directly incurred by the charity but are part of the seconded staff costs (see note 23).

23 RELATED PARTIES

The charity has taken advantage of the exemption available according to Section 22 'Related party disclosures' not to disclose transactions entered into between two or more members of a group.

The charity recognises the value of the support it receives from Young Life in the United States of America (Young Life US). Since 1941, Young Life has been making a difference in the lives of teenagers, and now operates in more than 100 countries around the world, offering hope with spiritual values to over two million teenagers each year. Young Life is for every teenager; regardless of ability, race, religious tradition or culture.

Young Life US is considered to be Young Life International's 'parent' charity. As such it has invested heavily in the development of Young Life International through training in time-tested methods of relating with teenagers and with both financial and administrative support. The two charities hold similar values and objectives in their respective countries and the relationship between the two entities is governed by an Affiliation Agreement. During the twelve month financial period Young Life US have made donations to Young Life International of £374,347 (2019: £366,580).

During the period Young Life US have also seconded seven of their staff to Young Life International to support the charity in the furtherance of its objectives in the UK. Young Life International made payments to Young Life US amounting, to £23,500 (2019: £25,412) towards the salary costs of these Young Life US staff. The trustees of Young Life International carefully consider the value received by the charity in return for the donations made (see note 6).

During the year the total donations received from trustees was £6,990 (2019: £20,595). Amounts outstanding at the year end relating to these donations were £nil (2019: £nil).

24 FINANCIAL COMMITMENTS

At 30 September 2020, the subsidiary company, YLIM Limited, was committed to a lease at a peppercorn rent on an activity centre for 10 years to 14 January 2030.

25 CONTROL

The Group is deemed to be controlled by the parent charity, Young Life, a charity based in the United States of America.

The registered office is: 420 N Cascade Avenue, Colorado Springs, Colorado 80903, USA. The registration number is 8104801.

**26 CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE TWELVE MONTHS
ENDED 30TH SEPTEMBER 2019**

	Unrestricted Funds £	Restricted Funds £	2019 Total £
INCOME FROM:			
Donations and legacies	730,467	513,025	1,243,492
Charitable activities	162,648	-	162,648
Activities for raising funds			
Trading activities	346,766	108,773	455,539
Fundraising events	5,950	-	5,950
Investments	1,552	-	1,552
TOTAL INCOME	1,247,383	621,798	1,869,181
EXPENDITURE ON:			
Raising Funds			
Operating costs of trading activities	489,189	36,927	526,116
Fundraising Costs	74,117	-	74,117
Charitable activities	846,412	432,172	1,278,584
TOTAL EXPENDITURE	1,409,718	469,099	1,878,817
Net income/(expenditure)	(162,335)	152,699	(9,636)
Transfers between funds	146,034	(146,034)	-
NET MOVEMENT IN FUNDS	(16,301)	6,665	(9,636)
TOTAL FUNDS BROUGHT FORWARD	177,144	114,943	292,087
TOTAL FUNDS CARRIED FORWARD	160,843	121,608	282,451