



(A charitable company limited by guarantee)

**ANNUAL REPORT AND GROUP FINANCIAL STATEMENTS  
FOR THE TWELVE MONTHS ENDED 30<sup>TH</sup> SEPTEMBER 2021**

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

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## REFERENCE AND ADMINISTRATIVE DETAILS

<b>TRUSTEES:</b>	Paul Sherrill Sundeep Salins Liam McCormick Paul Woodman (Chairman) Brooke Johnston
<b>SECRETARY:</b>	Benedict Sutton
<b>EXECUTIVE TEAM:</b>	Sonia Mawhinney Benedict Sutton
<b>REGISTERED OFFICE:</b>	Kestin House 45 Crescent Road Luton LU2 0AH
<b>REGISTERED NUMBERS:</b>	Company: 4364093 Charity (England and Wales): 1090515 Charity (Scotland): SC043473
<b>AUDITOR:</b>	Mercer & Hole Chartered Accountants Batchworth House Batchworth Place Church Street Rickmansworth Hertfordshire WD3 1JE
<b>BANKERS:</b>	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ

## **TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 30<sup>TH</sup> SEPTEMBER 2021**

The trustees present their report and the audited financial statements of the group and charity for the year ended 30th September 2021, 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 31<sup>st</sup> January 2002 and registered as a charity in England and Wales on 11<sup>th</sup> February 2002. The organisation was also registered with the Office of the Scottish Charities Regulator on 8<sup>th</sup> 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

#### **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 ongoing effects of the Covid-19 pandemic and related economic impact, 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

We have continued to pivot between online, in-person and hybrid youthwork delivery, and our local field teams have relentlessly sought creative ways to engage with young people in a Covid compliant manner. As Government health restrictions have varied, our approach to enabling ministry has centred around careful risk assessment, clear communication, and creative solutions.

Although we had to cancel residential camps at our Cairn Brae site for the second year running, we ran a programme of 15 day camps across the UK and one residential camp on the Isle of Wight, resourced by 167 volunteer leaders. We reached a total of 527 young people, which is a 52% increase on last year, where more stringent Covid restrictions limited our hybrid summer camping programme to 346 young people. In addition, this summer we welcomed 174 family members to our Cairn Brae site for family days.

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. Although the rate of cases has dropped during the Covid-19 pandemic, we fully anticipate this meeting or exceeding historic levels of demand once in-person youth ministry is fully operational again. 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.

The strength of our ministry depends on the strength of our volunteers. In March, we ran a hugely successful online training evening for 429 of the adults who serve young people or are otherwise connected to the ministry of Young Life International throughout the UK. Through Biblical teaching, prayer sessions, and lots of fun, the event empowered the Charity's grassroots volunteer leaders and local committee members with purpose, vision, and encouragement. This is about treble the size of the in-person gatherings we have run in previous years.

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 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.

## Achievements and Performance (continued)

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 Government's Coronavirus Job Retention Scheme for eligible employees to keep youth ministry going through this turbulent period.

We welcome the report by Danny Kruger MP following the Government consultation in 2020 over post-lockdown recovery for the charitable sector; particularly, his call 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

Although we have continued to develop ministry across the UK, the longevity of the pandemic and its associated restrictions has affected the extent of ministry that we have been able to sustain. Whilst our core growth metrics show a dip this year compared to 2020 figures, this is a short-term, Covid-related issue that we anticipate being reversed once field ministry momentum picks back up and residential camps get reinstated across the board.

- The average number of young people attending club fell by 50% to 432.
- The average number of young people engaged in "Campaigners" Bible study groups fell by 35% to 204.
- 477 young people participated in some form of "camp" experience, compared to 860 pre-Covid-19.
- The number of young people who were impacted across all activities and outreach initiatives fell by 43% to 2,908.
- Our base of devoted volunteers fell by 24% to 213.

## Financial Review

In the twentieth period of operation the charity received funds of £2,313,933 (2020: £1,821,640) of which £1,847,202 (2020: £1,522,607) was raised as voluntary income. Expenditure in the twelve-month period was £1,968,155 (2020: £1,730,289). The charity continues to be reliant on the generosity of its supporters.

During the period the charity employed sixty-five 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.



## **Financial Review (continued)**

The net result for the period was a surplus of £345,778 (2019: £91,351) resulting in a balance carried forward of £719,580 (2020: £373,802). This balance includes £210,875 (2020: £119,395) in restricted funds.

Young Life International made donations to Young Life US of £10,145 (2020: £23,500) during the period.

## **Key Management Personnel Remuneration**

The Key management personnel of the charity comprise the UK Director and the Operations Director. 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 fixed core costs. 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 £225,000 to £455,000. Note that the free reserves are £287,201 (2020: £159,904). We were successful in achieving a reserves level within our target range, which has helped strengthen the resilience of the Charity. 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.

### Fundraising Disclosures (continued)

We follow the principles of the Fundraising Code set out by the Fundraising Regulator. Most 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 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, and the sustained nature of youth sector restrictions has temporarily muted the extent of our impact, the Covid-19 season has stoked our hunger to serve even more young people as restrictions allow. We are mindful of the significant challenge in the current climate of rebuilding ministry momentum and 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 80 years ago by Young Life in the United States. The global Young Life organisation is drawing towards the conclusion of its 5-year strategic initiative called “FORWARD”, and the UK Charity is actively engaged with developing the successive strategic plan. We have therefore set our principal objectives around achieving strategic growth in the following areas:

- To go **deeper** in Christ, seeking the Lord first and helping young people grow in their faith. By 2022, we want to see 409 young people engaged in the Charity’s weekly Bible study groups (called “Campaigners”), which would represent 70% growth from our 2016 baseline figures.
- To go forward **together**, building and equipping teams that reflect the worldwide body of Christ. By 2022, we want to increase the number of volunteer leaders by 60%, from 198 to 321.
- 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.
- **Growth:** in response to the need witnessed by our workers on the ground, the Charity seeks to grow in key aspects. By 2022, we want to:
  - Double the number of ministries, from 35 to 70.
  - Increase the number of young people experiencing camp by a third, from 660 to 874.
  - Expand the number of young people in club each week by 15% from 791 to 913.
  - Continue to impact over 3,500 young people each year.

## Plans for Future Periods (continued)

These objectives will be enhanced by further, targeted initiatives:

- **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.
- **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.
- **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.
- **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.
- **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.
- **Enhanced infrastructure:** To identify, implement and augment IT systems to maximise effectiveness, efficiency, and compliance.
- **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.
- **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.

## The impact of uncertainties due to Britain exiting the European Union on the Charity

The Trustees have considered the impact of the withdrawal of the United Kingdom from the European Union (Brexit) and have undertaken a Brexit impact assessment. The Trustees are monitoring events and their potential impact on the Charity against their analysis, however at this stage Brexit is not expected to have a significant impact on the Charity.

## 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.

## 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 25 February 2022 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 2021 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 2021 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.

### **Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. These included, but were not limited to, the Companies Act 2006, Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 6 & 8 of the Charities Accounts (Scotland) Regulations 2006, and tax legislation.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements and the financial report (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate entries including journals to overstate income or understate expenditure and management bias in accounting estimates.

Audit procedures performed by the engagement team included:

- discussions with management, including considerations of known or suspected instances of non-compliance with laws and regulations and fraud;
- gaining an understanding of management's controls designed to prevent and detect irregularities; and
- identifying and testing journal entries.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [https:// www.frc.org.uk/auditorsresponsibilities](https://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.

Mercer & Hole

Jolene Upshall (Senior Statutory Auditor)

Date: 2 March 2022

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



**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR TO 30<sup>TH</sup> SEPTEMBER 2021**

	<b>Note</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>2021 Total £</b>	<b>2020 Total £</b>
<b>INCOME FROM:</b>					
Donations and legacies	6	1,166,137	681,065	1,847,202	1,522,607
Charitable activities	7	10,721	5,898	16,619	22,724
Activities for raising funds					
Trading activities	8	449,352	-	449,352	271,350
Fundraising events		725	-	725	2,466
Investments		35	-	35	2,493
<b>TOTAL INCOME</b>		<b>1,626,970</b>	<b>686,963</b>	<b>2,313,933</b>	<b>1,821,640</b>
<b>EXPENDITURE ON:</b>					
Raising Funds					
Operating costs of trading activities	8	418,660	14,343	433,003	387,127
Fundraising Costs	9	66,694	-	66,694	61,944
Charitable activities	10	888,396	580,062	1,468,458	1,281,218
<b>TOTAL EXPENDITURE</b>		<b>1,373,750</b>	<b>594,405</b>	<b>1,968,155</b>	<b>1,730,289</b>
 Net income/(expenditure)		 253,220	 92,558	 345,778	 91,351
Transfers between funds	19	1,078	(1,078)	-	-
<b>NET MOVEMENT IN FUNDS</b>		<b>254,298</b>	<b>91,480</b>	<b>345,778</b>	<b>91,351</b>
 <b>TOTAL FUNDS BROUGHT FORWARD</b>		 <b>254,407</b>	 <b>119,395</b>	 <b>373,802</b>	 <b>282,451</b>
 <b>TOTAL FUNDS CARRIED FORWARD</b>		 <b>508,705</b>	 <b>210,875</b>	 <b>719,580</b>	 <b>373,802</b>

There were no recognised gains and losses for 2021 or 2020 other than those included in the Consolidated Statement of Financial Activities

There was no other comprehensive income for 2021 (2020: £nil).

## CONSOLIDATED AND CHARITY BALANCE SHEET AS AT 30<sup>TH</sup> SEPTEMBER 2021

	Note	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
<b>FIXED ASSETS</b>					
Tangible assets	14	60,194	60,717	-	-
Investments	15	-	-	-	-
<b>CURRENT ASSETS</b>					
Stock	16	9,089	5,691	-	-
Debtors	17	37,417	22,395	21,031	21,893
Cash and cash equivalents		809,667	475,242	544,193	311,953
<b>TOTAL CURRENT ASSETS</b>		<u>856,173</u>	<u>503,328</u>	<u>565,224</u>	<u>333,846</u>
<b>CREDITORS: amounts falling due within one year</b>	18	196,787	190,243	67,148	68,890
<b>Net current assets</b>		<u>659,386</u>	<u>313,085</u>	<u>498,076</u>	<u>264,956</u>
<b>Total assets less current liabilities</b>		719,580	373,802	498,076	264,956
<b>Total net assets</b>		<u>719,580</u>	<u>373,802</u>	<u>498,076</u>	<u>264,956</u>
<b>FUNDS:</b>					
Unrestricted funds	19	508,705	254,407	287,201	159,904
Restricted income funds	19	210,875	119,395	210,875	105,052
<b>Total funds</b>		<u>719,580</u>	<u>373,802</u>	<u>498,076</u>	<u>264,956</u>

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

**CONSOLIDATED AND CHARITY BALANCE SHEET (Continued)**  
**AS AT 30<sup>TH</sup> SEPTEMBER 2021**

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 25 February 2022 and signed on its behalf by:



Sundeep Salins  
Trustee



Paul Woodman  
Trustee

## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30<sup>th</sup> SEPTEMBER 2021

	2021	2020
	£	£
<b>Cash flows from operating activities</b>		
Net income/(expenditure) for the financial year	345,778	91,351
Adjustments for:		
Depreciation of tangible assets	27,332	25,786
Interest received	(35)	(2,493)
Decrease in stock	(3,398)	3,294
(Increase) in trade and other debtors	(15,022)	(8,629)
(Decrease)/Increase in trade and other creditors	6,544	85,286
	<hr/>	<hr/>
<b>Cash from operations</b>	361,199	194,595
	<hr/>	<hr/>
<b>Cash flows from investing activities</b>		
Purchase of tangible assets	(26,809)	-
Interest received	35	2,493
	<hr/>	<hr/>
<b>Net cash from investing activities</b>	(26,774)	2,493
	<hr/>	<hr/>
<b>Net increase/(decrease) in cash and cash equivalents</b>	334,425	197,088
Cash and cash equivalents at start of year	475,242	278,154
	<hr/>	<hr/>
<b>Cash and cash equivalents at the end of the year</b>	809,667	475,242
	<hr/> <hr/>	<hr/> <hr/>

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

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> SEPTEMBER 2021

### 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 30<sup>th</sup> September 2021 was £233,120 income (2020: £80,106 income).

#### 2.4 Going concern

The financial statements are drawn up on the going concern basis which assumes that the charity will continue in operational existence for the foreseeable future. The trustees have given due consideration to the working capital and cash flow requirements of the charity. The trustees consider the charity's current and forecast cash resources to be sufficient to cover the working capital requirements of the charity for at least 12 months from the date of signing the financial statements.

## **2.4 Going concern (continued)**

The trustees have separately considered the uncertainty as to the future impact of COVID-19 on the going concern assessment. To date, there has been no significant adverse overall impact on the charity's income and expenditure, however the trustees cannot predict the longer-term impact of the crisis. The trustees do not consider there to be a material uncertainty arising from the specific downside scenario impact of the crisis on the charity's income, expenditure and cashflows.

## **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 Grants**

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

## **2.9 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.

## **2.10 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:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Equipment	Straight line over 5 years

## **2.11 Investments**

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

## **2.12 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.

## **2.13 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.

## **2.14 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.

## **2.15 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.

## **2.16 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.

## **2.17 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.

## **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 £5,880 (2020: £5,700). Fees payable to the Company's auditor for non-audit services totalled £1,340 (2020: £nil).

**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:

	2021 £	2020 £
Income	1,751,890	1,434,147
Gifts from subsidiary company	-	-
	<u>1,751,890</u>	<u>1,434,147</u>
Costs of raising funds	66,694	61,944
Expenditure on charitable activities	<u>1,452,076</u>	<u>1,292,097</u>
Net income/(expenditure)	233,120	80,106
Total funds brought forward	264,956	184,850
Total funds carried forward	<u><u>498,076</u></u>	<u><u>264,956</u></u>
Represented by:		
Unrestricted funds	287,201	159,904
Restricted funds	<u>210,875</u>	<u>105,052</u>
	<u><u>498,076</u></u>	<u><u>264,956</u></u>

## 6 DONATIONS, GRANTS AND LEGACIES

	Unrestricted Funds £	Restricted Funds £	2021 Total £	2020 Total £
<b>Donations</b>				
General donations	651,127	455,705	1,106,832	931,082
Gift Aid donations	111,515	94,575	206,090	187,523
Income tax recoverable	28,330	24,435	52,765	50,303
Donated services	239,522	-	239,522	217,709
Donated software	4,200	-	4,200	4,200
	<u>1,034,694</u>	<u>574,715</u>	<u>1,609,409</u>	<u>1,390,817</u>
<b>Government grants</b>				
Scottish government grants	73,780	-	73,780	36,720
Coronavirus Job Retention Scheme	57,663	106,350	164,013	95,070
	<u>1,166,137</u>	<u>681,065</u>	<u>1,847,202</u>	<u>1,522,607</u>

During the year the charity benefited from the services of seven (2020: seven) staff seconded from Young Life US (see note 21). The trustees estimate that the value of these staff to the charity was £249,667 (2020: £241,209) 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 £10,145 (2020: £23,500). The trustees therefore estimate that the charity is receiving donated services of £239,522 (2020: £217,709).

## 7 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	2021 Total £	2020 Total £
Camps and service project	7,241	5,898	13,139	13,123
Local youth work	3,480	-	3,480	1,566
Volunteer training	-	-	-	8,035
Office rental	-	-	-	-
	<u>10,721</u>	<u>5,898</u>	<u>16,619</u>	<u>22,724</u>

## 8 INCOME FROM COMMERCIAL TRADING OPERATIONS

The wholly owned trading subsidiary YLIM Ltd is incorporated in the United Kingdom. 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:

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Turnover</b>	451,508	282,229
Cost of sales	<u>(25,757)</u>	<u>(20,221)</u>
<b>Net Profit</b>	425,751	262,008
Administrative expenses	(408,109)	(366,906)
Other operating income	<u>112,691</u>	<u>116,143</u>
<b>Profit/(Loss) for the year before tax</b>	130,333	11,245
Tax on profit	<u>(17,675)</u>	<u>-</u>
<b>Net Profit/(Loss) retained in subsidiary</b>	112,658	11,245
Accumulated profits brought forward	<u>108,848</u>	<u>97,603</u>
<b>Non-charitable trading reserves</b>	<u>221,506</u>	<u>108,848</u>
The assets and liabilities of the subsidiary were:		
Fixed assets	60,194	60,717
Current assets	290,951	169,484
Current liabilities	<u>(129,639)</u>	<u>(121,353)</u>
Total net assets	<u>221,506</u>	<u>108,848</u>
Aggregate share capital and reserves	<u>221,506</u>	<u>108,848</u>

**8 INCOME FROM COMMERCIAL TRADING OPERATIONS (Continued)**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>SOFA Disclosure:</b>		
Turnover	451,508	282,229
Less: Inter Company transactions	<u>(2,156)</u>	<u>(10,879)</u>
	<u>449,352</u>	<u>271,350</u>
 Split:		
Unrestricted	449,352	271,350
Restricted	<u>-</u>	<u>-</u>
	<u>449,352</u>	<u>271,350</u>
 Scottish government grants	73,780	36,720
Coronavirus Job Retention Scheme	<u>31,167</u>	<u>24,452</u>
	104,947	61,172
Other donations	<u>7,744</u>	<u>54,971</u>
Other operating income	<u>112,691</u>	<u>116,143</u>
 Split:		
Unrestricted	112,691	116,143
Restricted	<u>-</u>	<u>-</u>
	<u>112,691</u>	<u>116,143</u>
 Cost of Sales	25,757	20,221
Administration	408,109	366,906
Tax on profit	<u>17,675</u>	<u>-</u>
	451,541	387,127
Less: Inter Company Transactions	<u>(18,538)</u>	<u>-</u>
	<u>433,003</u>	<u>387,127</u>
 Split:		
Unrestricted	418,660	381,367
Restricted	<u>14,343</u>	<u>5,760</u>
	<u>433,003</u>	<u>387,127</u>

## 9 FUNDRAISING COSTS

	Unrestricted Funds £	Restricted Funds £	2021 Total £	2020 Total £
Fundraising costs	66,694	-	66,694	61,944
	<u>66,694</u>	<u>-</u>	<u>66,694</u>	<u>61,944</u>

Included in Fundraising costs are staff costs of £50,676 (2020: £44,280)

## 10 CHARITABLE ACTIVITIES

	Staff Costs £	Other Costs £	Total Direct Costs £	Support Costs £	2021 Total Costs £	2020 Total Costs £
Camps and service project	125,840	94,199	220,039	28,908	248,947	202,737
Youth clubs and other activities	706,760	370,580	1,077,340	142,171	1,219,511	1,078,481
	<u>832,600</u>	<u>464,779</u>	<u>1,297,379</u>	<u>171,079</u>	<u>1,468,458</u>	<u>1,281,218</u>

## 11 SUPPORT COSTS

	Management & Finance £	Office & IT £	Human Resources £	Governance £	2021 Total Costs £	2020 Total Costs £
Charitable activities						
Camps and service project	10,799	8,656	6,276	3,177	28,908	25,229
Youth clubs and other activities	53,107	42,571	30,868	15,625	142,171	133,912
Total charitable activities	<u>63,906</u>	<u>51,227</u>	<u>37,144</u>	<u>18,802</u>	<u>171,079</u>	<u>159,141</u>
Cost of raising funds	2,915	2,338	1,695	858	7,806	7,786
Total costs 2021	<u>66,821</u>	<u>53,565</u>	<u>38,839</u>	<u>19,660</u>	<u>178,885</u>	
Total costs 2020	<u>61,432</u>	<u>48,669</u>	<u>37,407</u>	<u>19,419</u>		<u>166,927</u>

## 12 OPERATING LEASES

At 30th September 2021, the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	<b>2021</b>	<b>2020</b>
	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
Within one year	1	1
Between two and five years	4	4
More than five years	3	4
	<u>8</u>	<u>9</u>

## 13 EMPLOYEES

<b>Employment costs</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Gross wages, salaries and benefits in kind	1,093,967	927,345
Employer's national insurance costs	84,170	67,404
Pensions	20,923	17,336
	<u>1,199,060</u>	<u>1,012,085</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:

	<b>2021</b>	<b>2020</b>
Trading staff	15	11
Ministry staff	40	38
Administrative staff	9	7
Fundraising Staff	1	1
	<u>65</u>	<u>57</u>

No employee received emoluments in excess of £60,000 during the period (2020: None). No trustee (2020: No trustee) received remuneration during the period. No trustees (2020: Three trustees) received expenses totalling £nil (2020: £2,105) 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 Director. The total employment benefits, including employer pension contributions, of the key management personnel of the charity were £106,534 (2020: £93,482) – in 2020 not all of the UK Director's costs were directly incurred by the charity but some were part of the seconded staff costs (see note 21).

**14 FIXED ASSETS: CHARITY**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Equipment</b>		
<b>Cost</b>		
Brought forward	1,500	1,500
Additions in the period	-	-
Disposals in the period	-	-
Carried forward	<u>1,500</u>	<u>1,500</u>
<b>Depreciation</b>		
Brought forward	1,500	1,125
Depreciation charge for the period	-	375
Disposals in the period	-	-
Carried forward	<u>1,500</u>	<u>1,500</u>
<b>Net book value</b>	<u>-</u>	<u>-</u>

**FIXED ASSETS: GROUP**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Equipment</b>		
<b>Cost</b>		
Brought forward	226,821	226,821
Additions in the period	26,809	-
Disposals in the period	-	-
Carried forward	<u>253,630</u>	<u>226,821</u>
<b>Depreciation</b>		
Brought forward	166,104	140,318
Depreciation charge for the period	27,332	25,786
Disposals in the period	-	-
Carried forward	<u>193,436</u>	<u>166,104</u>
<b>Net book value</b>	<u>60,194</u>	<u>60,717</u>

## 15 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.

## 16 STOCK: GROUP ONLY

	Group 2021 £	Group 2020 £
Stock for resale	9,089	5,691
	<u>9,089</u>	<u>5,691</u>

## 17 DEBTORS

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Gift Aid recoverable	13,317	13,728	13,317	13,728
Prepayments and accrued income	12,888	8,165	7,714	8,165
Sundry debtors	11,212	502	-	-
	<u>37,417</u>	<u>22,395</u>	<u>21,031</u>	<u>21,893</u>

## 18 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Trade creditors	9,193	9,529	9,193	9,529
Other taxes and social security	38,888	30,516	19,342	17,386
Other creditors	30,770	22,332	30,174	15,000
Accruals and deferred income	117,936	127,866	8,439	26,975
	<u>196,787</u>	<u>190,243</u>	<u>67,148</u>	<u>68,890</u>



**19 FUNDS - CHARITY**

	Balance b/fwd £	Income £	Expenditure £	Transfers £	Balance c/fwd £
Unrestricted:					
General	159,904	1,064,927	(938,708)	(36,948)	249,175
Designated	-	-	-	38,026	38,026
	<u>159,904</u>	<u>1,064,927</u>	<u>(938,708)</u>	<u>1,078</u>	<u>287,201</u>
Restricted:					
Individual staff	105,052	654,713	(572,680)	-	187,085
International	-	32,250	(7,382)	(1,078)	23,790
	<u>105,052</u>	<u>686,963</u>	<u>(580,062)</u>	<u>(1,078)</u>	<u>210,875</u>
Total funds	<u>264,956</u>	<u>1,751,890</u>	<u>(1,518,770)</u>	<u>-</u>	<u>498,076</u>

**FUNDS - GROUP**

	Balance b/fwd £	Income £	Expenditure £	Transfers £	Balance c/fwd £
Unrestricted:					
General	254,407	1,626,970	(1,373,750)	(36,948)	470,679
Designated	-	-	-	38,026	38,026
	<u>254,407</u>	<u>1,626,970</u>	<u>(1,373,750)</u>	<u>1,078</u>	<u>508,705</u>
Restricted:					
Individual staff	105,052	654,713	(572,680)	-	187,085
International	-	32,250	(7,382)	(1,078)	23,790
Development project	14,343	-	(14,343)	-	-
	<u>119,395</u>	<u>686,963</u>	<u>(594,405)</u>	<u>(1,078)</u>	<u>210,875</u>
Total funds	<u>373,802</u>	<u>2,313,933</u>	<u>(1,968,155)</u>	<u>-</u>	<u>719,580</u>

**Designated funds** are represents monies transferred from the General Fund towards the costs of staff attending European conferences.

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

**International funds** are monies received towards the work in areas overseas.

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

**20 ANALYSIS OF NET ASSETS – CHARITY**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total £</b>
Cash at bank and in hand	340,376	203,817	544,193
Other net assets / (liabilities)	<u>(53,175)</u>	<u>7,058</u>	<u>(46,117)</u>
	<u>287,201</u>	<u>210,875</u>	<u>498,076</u>

**ANALYSIS OF NET ASSETS - GROUP**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total £</b>
Tangible fixed assets	60,194	-	60,194
Cash at bank and in hand	605,850	203,817	809,667
Other net assets / (liabilities)	<u>(157,339)</u>	<u>7,058</u>	<u>(150,281)</u>
	<u>508,705</u>	<u>210,875</u>	<u>719,580</u>

## **21 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 £692,112 (2020: £374,347).

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 £10,145 (2020: £23,500) 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 £7,610 (2020: £6,990). Amounts outstanding at the year end relating to these donations were £nil (2020: £nil).

## **22 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.

**23 CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE TWELVE MONTHS  
ENDED 30<sup>TH</sup> SEPTEMBER 2020**

	Unrestricted Funds £	Restricted Funds £	2020 Total £
INCOME FROM:			
Donations and legacies	1,055,024	467,583	1,522,607
Charitable activities	22,724	-	22,724
Activities for raising funds			
Trading activities	271,350	-	271,350
Fundraising events	2,466	-	2,466
Investments	2,493	-	2,493
TOTAL INCOME	<u>1,354,057</u>	<u>467,583</u>	<u>1,821,640</u>
EXPENDITURE ON:			
Raising Funds			
Operating costs of trading activities	381,367	5,760	387,127
Fundraising Costs	61,944	-	61,944
Charitable activities	824,327	456,891	1,281,218
TOTAL EXPENDITURE	<u>1,267,638</u>	<u>462,651</u>	<u>1,730,289</u>
Net income/(expenditure)	86,419	4,932	91,351
Transfers between funds	7,145	(7,145)	-
NET MOVEMENT IN FUNDS	<u>93,564</u>	<u>(2,213)</u>	<u>91,351</u>
TOTAL FUNDS BROUGHT FORWARD	160,843	121,608	282,451
TOTAL FUNDS CARRIED FORWARD	<u><u>254,407</u></u>	<u><u>119,395</u></u>	<u><u>373,802</u></u>

**24 FUNDS FOR THE YEAR ENDING 30<sup>TH</sup> SEPTEMBER 2020**

**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>

**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 Monzievaird in Scotland.