

Charity No: 1101799
Company No: 4838559 (England & Wales)

Youth Focus North East
(A company limited by guarantee)

Report and Financial Statements
For the Year Ended 31 March 2024

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Youth Focus North East

Legal and Administrative Information For the Year Ended 31 March 2024

Board of Trustees	Mr P Stout	(Chair, sadly died September 2023)
	Mr M Mason	(Treasurer)
	Mr M F Bagnall	
	Mr T Adams	(Appointed Chair October 2023)
	Mrs N Tullock	
	Mr D Hasselberth	
	Ms K M Marshall	
	Mr R Laycock	(Appointed December 2023)
	Mr N James	(Appointed December 2023)
	Ms J Franks	(Appointed December 2023)
	Ms M Atkinson	(Appointed December 2023)

Key management

Chief Executive Officer	Mr K Franks
Office Manager	Mrs C Garrity

Registered Office

21 Liddell Terrace
Bensham
Gateshead
Tyne and Wear
NE8 1YN

Auditors

CLA Evelyn Partners Limited
17 Queens Lane
Newcastle upon Tyne
NE1 1RN

Bankers

Co-operative Bank
PO Box 250
Delf House
Southway
Skelmersdale
WN8 6WT

Solicitors

Muckle LLP
32 Gallowgate
Newcastle upon Tyne
NE1 4BF

Youth Focus North East

Trustees' Report

For the Year Ended 31 March 2024

The trustees, who are also directors of the charitable company for the purposes of company law, submit their annual report and the financial statements of Youth Focus North East for the year ended 31 March 2024.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

OBJECTIVES AND ACTIVITIES

The main objective and vision of Youth Focus North East is to improve the lives of young people through high quality youth work. Youth Focus North East exist for the benefit of young people and the organisations which support them. Working together Youth Focus North East, invest in the lives of young people, to create lasting change in their own lives and the communities in which they live. Youth Focus North East is rooted in the values of good youth work.

- Honesty
- Respect
- Equality
- Inclusion

We achieve our vision by delivering a series of activities which include:

- Ensuring that young people in our region are actively involved in the development of policy, projects and practice
- Developing sustainable partnerships and enhancing our networks, to improve practice and share knowledge
- Supporting organisations which provide services to young people in the North East
- Developing and share best practice in youth work and services to young people
- Bringing influence to regional and national policy which affects the lives of young people and the professionals who support them.

Public Benefit

All activities undertaken by Youth Focus North East subscribe to our charitable aims and are carried out for the public benefit, particularly youth organisations, youth services and young people in the North East of England. The charitable aims have been developed and decisions relating to activities undertaken by Youth Focus North East have been informed with due regard to the guidance on public benefit published by the Charities Commission.

ACHIEVEMENTS AND PERFORMANCE

2023/2024 was a significant year for Youth Focus North East. Working with a greater number of young people than ever before, significantly grew the staff team, and achieved impact on a local, regional and national level. In this report, you will find a variety of work that we have completed in the last twelve months.

Impact Report

We work with young people to help them explore the challenges they face, to find new and different ways to articulate their emotions and to harness the qualities they already have and often overlook, as well as helping them to develop new skills. In terms of personal development, during 2023/24 we worked directly with 3093 young people and from our impact measurement processes we know that they overwhelmingly improved their confidence, developed their voice and social interaction skills, improved their knowledge of ways to make a positive change in their lives and how to inform and influence the world around them. We were able to work with young people from all 12 local authorities in the North East region across a wide range of ages.

Strategy

Through our infrastructure support we enable organisations across our sector to come together to collaborate, share and learn from best practice and have their views heard. We support them to be well informed on the policy, practice and strategy developments that affect young people.

Our direct support to young people and communities is mainly delivered from our two operating centres in Middlesbrough and Gateshead comprising youth centre, outreach work and community-based activities to increase wellbeing and improve community cohesion. Having our foundations firmly rooted in youth work practice via our direct delivery ensures we remain connected to the young people and organisations we serve through our role as an infrastructure support organisation. These dual roles are mutually beneficial and are equally important to us in our overall aim of 'improving the lives of young people through high quality youth work' and is a testament to the hard work and support of our staff, trustees, partners and funders.

Particular highlights and areas of work to note include:

The North East Youth Alliance (NEYA)

Jointly led by two core partners, Youth Focus NE and NE Youth. The NEYA has been created to support the development and sustainability of the people and the organisations working to improve the lives of young people across the North East region. Our ambition is to support a culture shift across the sector – to get people in the youth and community sector thinking and working differently. The overall outcomes for the NEYA are:

- Improved capacity, collaboration and coordination in the youth sector leading to improved youth provision in the region,
- Increased influence of young people's voices in shaping of services,
- Increased sustainability of services and support for and with young people.

Our Workforce Development Offer continues to be diverse and vibrant for the sector. It is based on providing what the sector has asked for and by taking advantage of partnership opportunities when they arise.

The development, sustainability and growth of Local Youth Partnerships continues to be high priority and we are now involved in facilitation of these models of localised collaborative working in 6 of the 12 Local Authority Areas within the North East.

The Youth Endowment Fund – Peer Action Collective (PAC)

The first Peer Action Collective (PAC) project ended successfully early in 2023. Youth Focus North East and our regional partners NE Youth were successful in securing an additional 2.5 years' funding to be the lead partners for the North East region for the PAC 2.

PAC is a peer research and social action project focusing on youth violence in educational settings and how violence can be reduced caused by, or within, the education system.

In September, we recruited 10 young people to work on PAC 2; eight as Peer Researchers and two as Social Action Leads. The team is split geographically with half being based at the Youth Focus North East Middlesbrough office and the other half working for our partner organisation NE Youth in Gateshead, coming together as a whole team as often as possible.

Youth Focus North East

Trustees' Report (*continued*)

For the Year Ended 31 March 2024

We kick-started PAC with a bang, getting together for a weekend of activities and training at Dukeshouse Wood in Hexham. The group connected while tackling outdoor challenges. There was a lot of fun and laughter, and the group bonded quickly.

They have spent time getting to grips with what research and social action are, and how their jobs could create positive and a lasting impact in their community.

The year ended on a high with plans for a pilot project in the New Year coming together, collating questions about all of the topics they were interested in and thought would be important to their peers. Based on the learning from the pilot the group will develop a main research project which will be taken to local schools and youth groups, allowing young people to get their voices heard– we can't wait to hear what they have to say!

The Spaces Programme:

Funded by the Co-op Foundation, the Spaces programme supported young people in improving the design and use of a community space in Middlesbrough. Young people have now delivered a range of social action projects across Middlesbrough that benefit not only themselves and their peers but also the local community. They took the lead in the planning and delivery of every stage of the projects they undertook, and delivered projects ranging from community gardens in residential homes, creating a new waiting area in a children's ward at James Cooke University Hospital and giving out hampers over Christmas to the community.

In December, we had what can only be described as the most humbling, fantastic and enjoyable night to celebrate the end of four amazing years of the Co-op Spaces projects.

Certificates of appreciation were presented to all projects and awards were handed out for 'Project of the Year'. There was a singing performance from one of the groups, 'Grassroots Music' who stole the show and had everyone up dancing.

Children in Need - Positive Pathways

Funded by Children in Need, Positive Pathways is a community project based in the Pallister Park Centre for young people of East Middlesbrough, of which is ranked 27th out of 7522 wards in level of deprivation. Positive Pathways provides weekly open access provision and one to one support. We offer a safe and fun space for young people aged 10 to 18 to develop friendships and life skills in an informal educational manner. Just by living in Pallister Park young people are immediately disadvantaged due to negative stereotypes held by many from outside this community. They are referred to as the 'Pally Mafia' due to the perceived associations with antisocial behaviour. Other terms we hear about these young people are 'Hard to reach', 'Disadvantaged', 'Lacking Aspiration'. These judgements are a deficit model about communities. They don't inspire any hope or belief in the young people. They feel trapped and ignored, and unfortunately are less likely to make a positive transition into adulthood.

This is why our provision is so successful and has such a positive impact on the young people that attend. Themed interventions are delivered around the personal challenges young people face, including; deprivation, employability, risk taking behaviour, and improving their mental wellbeing and physical activity. Young people have told us how hard this year has been and we want to create a space that is both educational and fun. Delivering a healthy mix of activities and workshops we aim to raise their aspirations to reach their full potential, allowing them to better themselves for their future. Examples of activities we have offered are; wheelchair basketball, skateboarding, STEM (Science, Technology, Engineering and Mathematics), graffiti, cooking workshops, which has enabled the young people to be themselves and enjoy their time with their peers.

The young people have also taken part in social action projects which have benefited the local community. This has allowed young people to make new positive relationships within the youth club setting, and also for community members and professionals to see young people in a positive light. Young people recognise our youth club as a safe space for them to enjoy on a weekly basis stating that when they come to us 'We feel like family' which is credit to the staff who run this project.

Youth Focus North East

Trustees' Report (*continued*)

For the Year Ended 31 March 2024

Positive Pathways - North Ormesby

Our North Ormesby youth provision provides a weekly safe and fun space for young people aged 10 to 18, to develop friendships and life skills. Our provision supports young people from getting involved in risk taking behaviours and giving them opportunities to raise their aspirations and hope for their futures. Having this safe space is important to the young people as they are all collated into an overall assumption that they are bad. However, a lot of young people are doing positive work within their community and show respect to their area. It is these young people that we are advocating for as well.

Our sessions include a range of activities chosen weekly by the young people; cooking is a huge part of their learning in North Ormesby, they spend time learning about each other's cultures through food and also through areas such as music and art.

Young people from the area also had the opportunity to speak with Channel 5 News about the cost of living, the impact it has on them and their families and why having a space to attend weekly has supported them and their families during this difficult time. Members of the public were blown away by their honesty and how well they spoke about such a difficult subject for many. Following their appearance, we received generous donations to go towards our youth provision, which allowed the young people to enjoy a well-deserved trip out.

Paul Hamlyn Foundation (PHF) – Gateshead

Our PHF work in Gateshead is designed to be a programme led by disadvantaged young people that enables them to have real influence, rather than just a voice. A programme that shifts the power dynamic between organisations towards a more collaborative approach to meeting the needs of young people with a focus on embedding young people as leaders of systemic change.

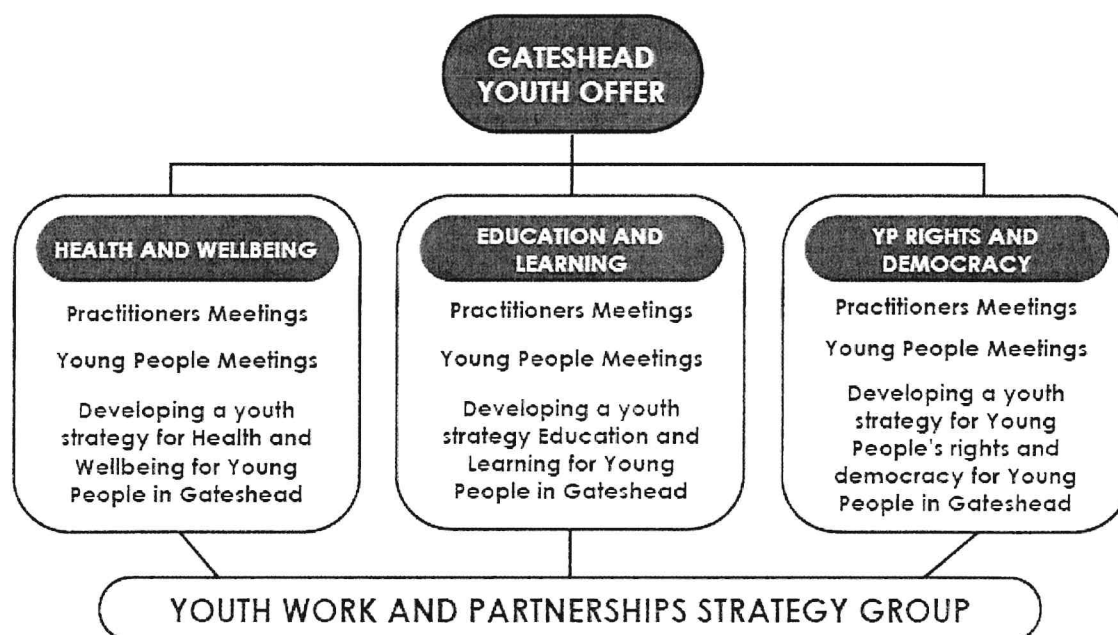
Traditionally, attempts to link organisations and support collaboration are led by professionals – while some young people have a voice, they are rarely allowed to make and enact decisions that result in meaningful structural change. With PHF support we are working with local organisations to develop a new way of working alongside young people that takes them from being “service users” to become meaningful partners in affecting systemic local change.

This year, the priority was to develop the three main themes within the “Gateshead Youth Offer”. These were the following: health and wellbeing; education and learning; and, young people's rights and democracy.

Within each of the three main themes the priorities included developing practitioner's meetings and young people's meetings with the focus of developing a youth strategy for each theme for young people in Gateshead. Underpinning all of this is the development of the Gateshead – Youth Work Partnership Strategic Group.

Free Space

Free Space is a safe and open space where young people can explore topics which they identify as important to them without facing prejudice or judgment. During the last year we have explored topics such as healthy relationships, sexual health, gender stereotypes and isolation & loneliness, as well as contributing to research work on child poverty, and identifying gaps and areas for improvement in mental health services of which were presented as part of a visionary panel to over 200 health professionals. The group also contributed to a local environmental project 'Bees of Bensham' where they explored bee habitats through art work, and took part in a first aid workshop delivered by the British Red Cross. This group also operates as a safe space where young people are able to access support, referrals, and signposting for a vast array of issues linking to their mental health and wellbeing.



Great North Children's Hospital (GNCH)

Youth Focus North East expanded our local youth offer by appointing a new lead youth worker, at the Great North Children's Hospital (GNCH). Their role is to work with and support patients within the GNCH, promoting the social development of young patients, providing emotional and practical support to young people.

Working in the hospital our youth worker promotes the advocacy for groups of patients who may be currently under represented, assists in the transition to adult care, accompanies young people to hospital appointments and undertakes advocacy work on the wards. Bringing youth work to this setting means working with young people not only within the hospital but also support in accessing community services and activities, examples of this so far are supporting patients transitioning to college and supporting the families of transplant patients to halfway houses.

Arts Council England - Youth Advisory Board.

2023 saw the final funded year of working as a Youth Advisory Board with Youth Focus North West and Youth Work Unit - Yorkshire and Humber. The board supported 23 board meetings, across the life of the project, with four of these being overnights. 25 young people have been involved as board members during the journey of the programme, with an average of 42 hours per young person. The young people were involved in advising staff at Arts Council England and stakeholders on key policy area making recommendations by speaking at National Council meetings and presenting thoughts on key policy areas; the opportunity to engage in arts and culture across the country whilst developing their skills, knowledge and network.

Youth Focus North East

Trustees' Report (*continued*)

For the Year Ended 31 March 2024

The Belong Collective

UK Youth has been collaboratively working with Youth Focus North East to build on learnings of how to tackle youth loneliness and isolation. Support from Astra Foundation and Co-op Foundation has helped us to further develop the work of the Belong Collective; a cross-sector network of youth groups and other stakeholders working together to develop vital resources, share learnings, challenges, and good practice to tackle youth loneliness and isolation. Summary of activities throughout the year include; attending and supporting events, delivering "Train the Trainers" sessions locally and nationally, and producing resources with partners and young people. Youth Focus North East have partnered with City Year UK to deliver training sessions for their volunteer mentors and staff members. City Year UK is an education charity which places young full time volunteers in schools for a year, where they then act as mentors to students providing pastoral and educational support.

FINANCIAL REVIEW

Principal Funding Sources

Youth Focus North East is funded from a variety of sources including charitable trusts and foundations, public sector funding and earned income. Over a number of years, we have built up a very strong relationship with the Co-op Foundation, who are supporting a number of our programmes on youth loneliness. The National Lottery Community Fund are a very significant funding partner for our organisation who are funding the five year programme to develop the North East Youth Alliance. Youth Endowment Fund, Paul Hamlyn Foundation, Children in Need, Astra Foundation and Royal Society Blind Children are a substantial supporter of our work. Successful fundraising applications has secured money from new funders for 2023/24 from Great North Children's Hospital, KFC Foundation, Middlesbrough and Stockton Mind, NCS Enrichment Fund, PCC Serious Violence Fund, Culture Bridge and Young People Foundations Trust.

Investment Policy

As at the 31 March 2024 Youth Focus North East held £85,730 in their Virgin Money instant access account. Two long term investment bonds have been maintained. However, to ensure appropriate liquidity, money is held in the Virgin Money Instant access account, to cover potential short falls in the cash flow. Youth Focus North East currently has investment accounts with Cambridge and Counties and Secure Trust totalling £84,965.

Reserves Policy

Youth Focus North East believes it is important to maintain a reserves policy to ensure effective resource management, and to enable financial viability and longer-term sustainability. The Board of Trustees uses a continual process of careful financial management, and will aim to review, establish and maintain adequate reserves to enable the organisation to function effectively. A cautious approach to investment is adopted, maximising income by using interest-earning, short-term, accessible bank accounts.

The Board of Trustees has established a reserves policy considering the financial position of the charity, the performance in recent years, and the expectations of future years, being realistic about the difficulties of the current economic climate. The goal is to ensure Youth Focus North East have the working capital required to enable financial viability and longer-term sustainability to achieve their overall charity mission.

Unrestricted funds of the charity have been divided into two funds – Designated and Free Reserves.

Designated Reserves will cover:

- Organisational liabilities covering core costs which include rent, insurances, utility charges, professional services – payroll, accountancy.
- Costs to cover redundancy.
- Worst case scenario - managing the closure of the charity in the event of any sudden decline in funding:
 - normal staffing and operating activities for two-month period.
 - wrap up costs (Senior Management at reduced hours) for a two-month period.

Free Reserves include:

- the need to cover any cash flow shortfalls in income;

Youth Focus North East

Trustees' Report (*continued*)

For the Year Ended 31 March 2024

- the possibility of long-term sickness or maternity;
- support the development of new activities which requires a period of time prior to seeking external funding;
- investment in organisational improvement (e.g. staff training);
- the ability to raise funding to strengthen infrastructure to boost long-term stability and sustainability.

The current total amount for 31 March 2024 for reserves are:

Restricted: £391,902 (2023 - £319,341)

Unrestricted: £237,595 (2023 - £227,182)

The breakdown of unrestricted reserves being:

Designated Reserves: £101,709 (2023 - £85,406)

Free Reserves: £133,866 (2023 - £129,814)

Youth Focus North East's ambition for overall unrestricted reserves is to hold between 6 – 12 months of operating costs with free reserves to continue to achieve our charitable mission. The Board of Trustees will review the amount of designated and free reserves annually to ensure they are within the thresholds mentioned above.

PLANS FOR THE FUTURE

The death of our Chair of Trustees, Pete Stout so tragically in September was devastating. Pete had been involved with our organisation since its establishment in 1989. Over the years his contribution was immense, not only across the North East region, but also nationally and internationally. His life touched the lives of thousands of young people, workers and organisations; his memory will continue to live on in what he stood for, campaigned for, and believed in. He was a huge support to our organisation, youth work and young people. He was a man of the utmost integrity and commitment, and a great colleague and friend. We will miss him greatly.

Looking forward to 2025 sees us in a healthy position to sustain our achievements. With the recruitment of four new Trustees, in December 2023, our Board is in an excellent position to support the organisation moving forward. We will be producing our new Business Strategy over the coming months, which will give us a firm foundation to build on over the next five years. A key area we will be developing is our training offer via the Engage Training & Consultancy service we launched last year.

We know there are many challenges currently facing young people. Over the last few years, they have been faced with the impact of Covid, the Ukraine War, the risk of online harm, the dangers of exploitation, and the cost of living crisis. The youth work sector also faces many challenges. The funding environment continues to be a complex, demanding and time-consuming environment and the recruitment and retention of staff is a major issue. However; we do not see these challenges as being insurmountable and working together we believe we can meet them head on and help provide effective solutions.

As Chief Executive, I'd like to take the opportunity to thank all our staff, partners and supporters for their contribution to everything we achieved in 2024. I look forward to working with you all in 2025, on our shared aim of 'improving the lives of young people through high quality youth work'.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing documents

The company was established under a Memorandum of Association on 19 July 2003, which sets out the objects and powers of the charitable company, it is governed under its Articles of Association. The company registered as a charity on 28 January 2004. Members of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up.

Recruitment and appointment of trustees

Trustees of the charity are drawn from youth and community, voluntary, public and private sectors. Each trustee is officially appointed at the Annual General Meeting. Our trustees are reappointed on a three-year rotational basis. Two trustees resign each year and have the opportunity to be reappointed for another fixed period. The Chair of the Board is nominated from existing members and their appointment to the position takes place at the AGM.

Trustee Induction and Training

Each trustee receives an induction pack on joining the organisation, outlining key structures, policies, procedures and responsibilities. The trustees each have a job description and personal specification, outlining their role as a trustee of the charity. Trustees also attend the Board/staff development day where training and planning is included in the programme.

Risk Management

The trustees have examined the major strategic business and operational risks which the charity faces and review these risks on a regular basis. Some of the risks reviewed include:

- Damage to the building, property and equipment resulting in costs or loss of services
- Sudden loss of funding due to claw back or poor work performance
- Injury to staff and young people engaged in projects
- Significant dispute with staff or staff members leading to legal action
- Not preparing adequately for end of current projects leading to subsequent loss of work or staff
- Not responding effectively to serious safeguarding issues resulting in harm to individuals or others
- Cyber-attack into our IT systems accessing or losing data, particularly sensitive information
- We will look at emergencies that affect the running of our organisation

Organisational structure

Youth Focus North East is governed by the Board of Trustees, consisting of professionals from the public and voluntary sector. The interface between strategic and operational management is through regular board meetings, attended by Chief Executive and Office Manager, and separate meetings between the Chair and the Chief Executive. The operational management is overseen by the Chief Executive and the staff team consists of: a Programmes Manager, seven Development Officers, one Youth Support Worker, an Office Manager and three part-time Administration Officers. Youth Focus North East also employs consultants on a contractual basis.

Approved by the board of trustees on 23/4/24 and signed on its behalf by:



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Marc Mason - Trustee

Independent Auditors' Report to the members of Youth Focus North East
For the year ended 31 March 2024

Opinion

We have audited the financial statements of Youth Focus North East (the 'charitable company') for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the 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 Financial Reporting Standard 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 charitable company's affairs as at 31 March 2024, and of its incoming resources and application of resources, including its 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.

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 charitable company 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Independent Auditors' Report to the members of Youth Focus North East (*continued*)
For the year ended 31 March 2024

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' 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' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Independent Auditors' Report to the members of Youth Focus North East (*continued*)
For the year ended 31 March 2024

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 12, the trustees (who are also the directors of the charitable company 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We obtained an understanding of the legal and regulatory framework applicable to both the charitable company itself and the industry in which it operates. We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with the directors and other management. The most significant were identified as the Charities Act 2011, the Companies Act 2006, UK GAAP (FRS102) and relevant tax legislation. We considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statements. Our audit procedures included:

- making enquires of trustees and management as to where they consider there to be a susceptibility to fraud and whether they have any knowledge or suspicion of fraud;
- obtaining an understanding of the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;
- reviewing the minutes of meetings of those charged with governance;
- assessing the risk of management override including identifying and testing journal entries;
- confirmation received directly from the banks to verify the balance at 31 March 2024.

Youth Focus North East

Independent Auditors' Report to the members of Youth Focus North East (*continued*) For the year ended 31 March 2024

Our audit did not identify any key audit matters relating to the detection of irregularities including fraud. However, despite the audit being planned and conducted in accordance with ISAs (UK) there remains an unavoidable risk that material misstatements in the financial statements may not be detected owing to inherent limitations of the audit, and that by their very nature, any such instances of fraud or irregularity likely involve collusion, forgery, intentional misrepresentations, or the override of internal controls.

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 Our Report

This report is made solely to the charitable 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 charitable 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Craig Henderson (Senior Statutory Auditor)
For and on behalf of CLA Evelyn Partners Limited

28 October 2024
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Statutory Auditors & Chartered Accountants

17 Queens Lane
Newcastle upon Tyne
NE1 1RN

Youth Focus North East

Statement of Financial Activities *(including Income and Expenditure Account)* For the Year Ended 31 March 2024

	Notes	General Unrestricted Funds £	Designated Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £	Total Funds 2023 £
Income from:						
Charitable activities	4	52,512	-	1,025,471	1,077,983	1,092,005
Other trading activities	6	3,388	-	-	3,388	1,924
Investments	5	7,160	-	-	7,160	3,234
		<u>63,060</u>	<u>-</u>	<u>1,025,471</u>	<u>1,088,531</u>	<u>1,097,163</u>
Expenditure on:						
Charitable activities	7	45,268	-	960,289	1,005,557	1,061,480
		<u>45,268</u>	<u>-</u>	<u>960,289</u>	<u>1,005,557</u>	<u>1,061,480</u>
Net income/(expenditure)		17,792	-	65,182	82,974	35,683
Transfers between funds	17	(23,682)	16,303	7,379	-	-
Net movement in funds		<u>(5,890)</u>	<u>16,303</u>	<u>72,561</u>	<u>82,974</u>	<u>35,683</u>
Reconciliation of fund						
Total funds brought forward		141,776	85,406	319,341	546,523	510,480
Total funds carried forward		<u>135,886</u>	<u>101,709</u>	<u>391,902</u>	<u>629,497</u>	<u>546,523</u>

All income and expenditure derive from continuing activities.

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

Youth Focus North East

Balance Sheet As at 31 March 2024

	Notes	2024 £	2023 £
Fixed assets			
Tangible assets	12	10,164	11,962
Current assets			
Investments	13	84,965	128,625
Debtors	14	150,916	104,789
Cash at bank in hand		417,051	330,165
		<u>652,932</u>	<u>563,579</u>
Liabilities			
Creditors: amounts falling due within one year	15	(33,599)	(29,018)
Net current assets		<u>619,333</u>	<u>534,561</u>
Net assets		<u>629,497</u>	<u>546,523</u>
Charity Funds			
Unrestricted funds			
- General fund		135,886	141,776
- Designated funds		101,709	85,406
Restricted funds		391,902	319,341
	17	<u>629,497</u>	<u>546,523</u>

The financial statements were approved by the trustees on 23 September 2024 and signed on their behalf by:



M Mason - Treasurer

Company Number: 4838559

The notes on pages 17 to 28 form part of these financial statements

Youth Focus North East

Statement of Cash Flows
For the Year Ended 31 March 2024

	Notes	2024 £	2023 £
Net cash flow from operating activities:			
<i>Net cash provided by operating activities</i>	21	41,271	25,147
Cash flow from investing activities			
Interest received		7,160	3,234
Payments to acquire tangible fixed assets		(5,205)	(3,009)
<i>Net cash flow from investing activities</i>		1,955	225
Net increase and cash equivalents		43,226	25,372
Cash and cash equivalents at the beginning of the year		458,790	433,418
Cash and cash equivalents at the end of the year		502,016	458,790
Cash and cash equivalents consist of:			
Cash at bank and in hand		417,051	330,165
Short term investments		84,965	128,625
		502,016	458,790

**Notes to the Financial Statements
For the Year Ended 31 March 2024**

1. Accounting policies

1.1 Basis of preparation of accounts

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements are prepared under the historical cost convention or transaction value unless otherwise stated in the relevant accounting policy note(s). The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

1.2 Going concern

The financial statements have been prepared on a going concern basis. The trustees have reviewed and considered relevant information, including the annual budget and future cash flows in making their assessment. Based on these assessments, given the measures that could be undertaken to mitigate the current adverse conditions, and the current resources available, the trustees have concluded that they can continue to adopt the going concern basis in preparing the annual report and accounts.

1.3 Funds

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

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

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

Notes to the Financial Statements (continued)
For the Year Ended 31 March 2024

1.4 Income recognition

All income is recognised in the Statement of Financial Activities (SoFA) when the charity has entitlement to the funds, any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions and is recognised as earned. Grant income included in this category provides funding to support performance activities and is recognised where there is entitlement, certainty of receipt and the amount can be measured with reasonable certainty. Income received to deliver services over a specific period covering more than one financial year is accounted for over the specific period; related expenditure is accounted when incurred.

Investment income relates to interest earned through holding assets on deposit.

1.5 Expenditure recognition and irrecoverable VAT

All expenditure is accounted for on an accruals basis. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. Expenditure on charitable activities includes all direct and support costs incurred in the management of the charity.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

1.6 Support cost allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

1.7 Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Leasehold improvements	over the term of lease
Fixtures and fittings	15% reducing balance
Computer equipment	33.3% straight line

Notes to the Financial Statements (*continued*)
For the Year Ended 31 March 2024

1.8 Current asset investments

Current asset investments are short term highly liquid investments and are held at fair value. These include cash on deposit and cash equivalents with a maturity of less than one year.

1.9 Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.10 Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with instant access from the date of opening of the deposit or similar account.

1.11 Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement after allowing for any trade discounts due.

1.12 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.13 Leases

Rentals payable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

1.14 Pensions

The charitable company contributes to a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the charitable company. The annual contributions payable are charged to the SoFA.

2. Legal status

Youth Focus North East is a Company Limited by Guarantee in England and Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charitable company. The address of the registered office is given in the charity information in the reference and administration pages of these financial statements.

Youth Focus North East

Notes to the Financial Statements *(continued)* For the Year Ended 31 March 2024

3. Comparatives for the Statement of Financial Activities as restated

	Notes	General Unrestricted Funds £	Designated Unrestricted Funds £	Restricted Funds £	As restated Total Funds 2023 £	Total Funds 2022 £
Income from:						
Donations and legacies		-	-	-	-	1,352
Charitable activities	4	66,142	-	1,025,863	1,092,005	857,168
Other trading activities	6	1,924	-	-	1,924	1,899
Investments	5	3,234	-	-	3,234	1,578
		<u>71,300</u>	<u>-</u>	<u>1,025,863</u>	<u>1,097,163</u>	<u>861,997</u>
Expenditure on:						
Charitable activities	7	119,831	-	941,649	1,061,480	768,006
		<u>119,831</u>	<u>-</u>	<u>941,649</u>	<u>1,061,480</u>	<u>768,006</u>
Net income/(expenditure)		(48,531)	-	84,214	35,683	93,991
Transfers between funds	17	(55,932)	19,305	36,627	-	-
Net movement in funds		<u>(104,463)</u>	<u>19,305</u>	<u>120,841</u>	<u>35,683</u>	<u>93,991</u>
Reconciliation of funds						
Total funds brought forward		246,239	66,101	198,500	510,840	416,849
Total funds carried forward		<u>141,776</u>	<u>85,406</u>	<u>319,341</u>	<u>546,523</u>	<u>510,840</u>

Youth Focus North East

Notes to the Financial Statements *(continued)* For the Year Ended 31 March 2024

4. Charitable Activities

	2024	2023
	£	£
Performance related grants	1,077,983	1,092,005
Analysis by fund		
Unrestricted funds-general	63,060	71,300
Restricted funds	1,014,923	1,020,705
Performance related grants:		
National Lottery Community Fund - NE Youth Alliance	225,011	199,164
Youth Endowment Fund	147,334	238,143
North Ormesby Development Fund	12,000	10,680
Co-op Foundation -Community Spaces Fund	2,617	35,396
National Youth Agency	32,266	33,309
Centre for Youth Impact	-	5,220
Tess Valley Community	5,386	12,569
Holiday Activity Fund	45,509	21,944
Kickstart reimbursement	-	-
Virgin Money Foundation	-	13,740
Astra Foundation	92,344	107,111
Children in Need	40,377	47,457
Community Renewal Fund	-	31,396
Paul Hamlyn	-	30,000
Garfield Weston	-	30,000
Arts Council	-	7,400
Sage Gateshead	-	7,900
County Durham Community Foundation	-	10,000
YFNE Training Centre	30,407	-
Dulverton Trust	-	34,790
Great North Children's Hospital	28,800	19,200
British Youth Council	-	3,750
Northumbria VRU	-	9,666
Police and Crime Commissioner Cleveland	30,893	47,007
You've Got This	7,886	-
Great North Children's Hospital – Diabetes	79,824	30,233
Awards 4 All	19,951	-
Million Hours (National Lottery Community Fund)	38,365	-
Other	239,013	105,930
	<hr/>	<hr/>
	1,077,983	1,092,005
	<hr/>	<hr/>

Youth Focus North East

Notes to the Financial Statements (Continued) For the Year Ended 31 March 2024

5. Investment income

	2024	2023
	£	£
Interest receivable	7,160	3,234
	<u>7,160</u>	<u>3,234</u>

6. Other trading activities

	2024	2023
	£	£
Fundraising income	3,388	1,924
	<u>3,388</u>	<u>1,924</u>

7. Expenditure on charitable activities

	Activities Undertaken Directly	Support Costs	Total 2024	Total 2023
	£	£	£	£
Staff costs	575,662	31,626	607,288	517,265
Direct project costs	283,112	-	283,112	411,654
Travel	23,729	-	23,729	29,98
Training	5,973	-	5,973	48
Communications	17	-	17	78
Premises costs	64,965	-	64,965	53,704
Depreciation	7,003	-	7,003	5,283
Audit and accountancy fees	-	6,300	6,300	6,000
Other costs	7,170		7,170	37,467
	<u>967,631</u>	<u>37,926</u>	<u>1,005,557</u>	<u>1,061,480</u>

8. Allocation of support costs

	Basis of allocation	2024	2023
		£	£
Staff costs	Allocation of time	31,626	29,034
Governance costs (note 9)	Invoiced	6,300	6,000
		<u>37,926</u>	<u>35,034</u>

9. Governance costs

	2024	2023
	£	£
Independent auditor's fee	6,300	6,000
Non-audit fees	-	3,240
	<u>-</u>	<u>3,240</u>

Youth Focus North East

Notes to the Financial Statements (Continued) For the Year Ended 31 March 2024

10. Net income/(expenditure)

This is stated after charging:

	2024	2023
	£	£
Depreciation	7,003	5,283
	<hr/>	<hr/>

11. Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

The total staff costs and employee's benefits was as follows:

	2024	2023
	£	£
Salaries and wages	576,599	469,553
Social security costs	12,044	32,117
Pension costs	18,645	15,585
	<hr/>	<hr/>
	607,288	517,255
	<hr/>	<hr/>

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

	2024	2023
	No.	No.
Direct	29	31
Support	4	3
	<hr/>	<hr/>
	33	34
	<hr/>	<hr/>

No employee received total employee benefits (excluding employer pension costs) of more than £60,000 (2023 - none).

The charity trustees neither were paid nor received any other benefits from employment in the year (2023 - £nil) neither were they reimbursed expenses during the year (2023 - nil). No charity trustee received payment for professional services or other services supplied to the charity (2023- nil).

The key management personnel of the charity comprise the trustees, Chief Executive Officer and the Office Manager. The total amount of employee benefits received by key management personnel of the charity is £94,056 (2023 - £85,526).

Youth Focus North East

Notes to the Financial Statements *(continued)* For the Year Ended 31 March 2024

12. Tangible fixed assets

	Leasehold Improvements £	Fixtures, Fittings & Equipment £	Total £
Cost			
At 1 April 2023	29,303	56,396	85,699
Additions	-	5,205	5,205
At 31 March 2024	29,303	61,601	90,904
Depreciation			
At 1 April 2023	29,303	44,434	73,737
Charge for the year	-	7,003	7,003
At 31 March 2024	29,303	51,437	80,740
Net book value			
At 31 March 2024	-	10,164	10,164
At 31 March 2023	-	11,962	11,962

13. Investments

	2024 £	2023 £
Short term deposits	84,965	128,625

14. Debtors

	2024 £	2023 £
Trade debtors	60,711	71,977
Other debtors	-	1,699
Prepayments and accrued income	90,205	31,113
	150,916	104,789

Youth Focus North East

Notes to the Financial Statements (*continued*)
For the Year Ended 31 March 2024

15. Creditors: amounts falling due within one year

	2024	2023
	£	£
Trade creditors	1,535	12,363
Other creditors	11,813	6,872
Accruals and deferred income	9,783	9,783
PAYE	10,468	-
	<hr/>	<hr/>
	33,599	29,018
	<hr/>	<hr/>

16. Pension costs

The scheme is a defined contribution scheme and the pension charge represents the amount payable by the charity to the fund in respect of the year.

Pension contributions payable for the year ended 31 March 2023 amount £18,645 (2023 - £15,585).

At the balance sheet date £4,192 (2023 - £3,648) contributions were payable.

Youth Focus North East

Notes to the Financial Statements (continued) For the Year Ended 31 March 2024

17. Movement in funds

For the year ended 31 March 2024

	At 1 April 2023 £	Incoming Resources £	Outgoing Resources £	Transfers £	At 31 March 2024 £
Unrestricted funds:					
General funds	141,785	63,060	(45,268)	(23,682)	135,886
Designated funds:					
Redundancy fund	85,406	-	-	16,303	101,709
Total unrestricted funds	227,191	63,060	(45,268)	(7,379)	237,595
Restricted fund					
Infrastructure Support	48,665	272,205	(261,359)	-	59,511
Direct Delivery - Gateshead	69,283	181,060	(166,287)	-	84,056
Direct Delivery – Middlesbrough	183,034	322,325	(323,159)	364	182,564
Direct Delivery – Regional	18,359	249,881	(209,484)	7,015	65,771
Total restricted funds	319,341	1,025,471	(960,289)	7,379	391,902
Total funds	546,523	1,088,531	(1,005,557)	-	629,497

For the year ended 31 March 2023 as restated

	At 1 April 2022 £	Incoming Resources £	Outgoing Resources £	Transfers £	At 31 March 2023 £
Unrestricted funds:					
General funds	246,248	71,300	(119,831)	(55,932)	141,785
Designated funds:					
Redundancy fund	66,101	-	-	19,305	85,406
Total unrestricted funds	312,349	71,300	(119,831)	(36,627)	227,191
Restricted fund					
Infrastructure Support	56,532	240,783	(251,866)	3,207	48,65
Direct Delivery - Gateshead	15,772	202,742	(150,650)	1,419	69,283
Direct Delivery – Middlesbrough	92,072	326,779	(253,488)	17,671	183,034
Direct Delivery – Regional	34,115	255,559	(285,645)	14,330	18,359
Total restricted funds	198,491	1,025,863	(941,649)	36,627	319,341
Total funds	510,840	1,097,163	(1,061,480)	-	546,523

Restricted funds

Infrastructure Support

- Policy and Influencing (influencing policy and practice on behalf of young people and the sector)
- Inform and Support Service Design and Improvement (supporting and delivering workforce development. Collect and disseminate data and research to inform, develop and support the sector)
- Championing (embedding youth voice and leadership across organizations and the sector)
- Capacity Building (enabling and supporting collaboration at a local and regional level)

Direct Delivery - Gateshead

Providing direct delivery work to support young people and communities in Gateshead and the immediate surrounding areas of Tyne and Wear.

- Social Action
- Open Access/Detached Provision
- Health & Well-Being
- Youth Voice
- Skills Development

Direct Delivery – Middlesbrough

Providing direct delivery work to support young people and communities in Middlesbrough and the immediate surrounding areas of Tees Valley.

- Social Action
- Open Access/Detached Provision
- Health & Well-Being
- Youth Voice
- Skills Development

Direct Delivery – Regional

Providing support to young people and communities across the North East.

- Social Action
- Health & Well-Being
- Youth Voice
- Skills Development

Redundancy Fund

This is a designated fund created by the trustees to set aside funds for potential redundancy liabilities should projects cease.

Notes to the Financial Statements (Continued)
For the Year Ended 31 March 2024

18. Analysis of net assets between funds

For the year ended 31 March 2024

	General Funds	Designated Funds	Restricted Funds	Total Funds
	£	£	£	£
Tangible fixed assets	10,164	-	-	10,164
Net current assets/(liabilities)	125,722	101,709	391,902	619,333
	<u>135,886</u>	<u>101,709</u>	<u>391,902</u>	<u>629,497</u>

For the year ended 31 March 2023 as restated

	General Funds	Designated Funds	Restricted Funds	Total Funds
	£	£	£	£
Tangible fixed assets	11,962	-	-	11,962
Net current assets/(liabilities)	129,814	85,406	319,341	534,561
	<u>141,776</u>	<u>85,406</u>	<u>319,341</u>	<u>546,523</u>

19. Related party transactions

There have been no related party transactions in the current or prior year.

20. Operating lease commitments

	2024	2023
	£	£
Within one year	23,729	15,960
Interest receivable	-	-
	<u>23,729</u>	<u>15,960</u>

21. Reconciliation of net income/(expenditure) to net cash inflow from operating activities

	2024	2023
	£	£
Net income for the period	82,974	35,683
Adjustments for:		
Interest receivable	(7,160)	(3,234)
Depreciation of tangible fixed assets	7,003	5,283
(Increase) in debtors	(46,127)	(19,057)
increase in creditors	4,581	6,472
Net cash flow from operating activities	<u>41,271</u>	<u>25,147</u>