

**YOUTH FEDERATION LIMITED**  
**TRUSTEES' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**Charity number 1143231**

**Company number 07604916**

**YOUTH FEDERATION LIMITED**  
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**FOR THE YEAR ENDED 31 MARCH 2021**

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**TRUSTEES**

The trustees who served during the year were as follows:

James Bisset MBE (Chairman)  
Glyn Carter (Secretary)  
Phil Spibey (Treasurer)  
Alastair Stoddart  
Peter Bibby  
Amanda Kiddle  
Martin Pearson

The trustees are also the directors of the charitable company for the purposes of company law.

**CHIEF EXECUTIVE AND SENIOR LEADERSHIP TEAM**

The chief executive and senior leadership team during the year were as follows:

Chris Hindley OBE	Chief Executive
Mervyn Harding	Director of Finance and the Cheshire and Warrington Pledge
Kevin Bradburne	Director of Direct Delivery
Lynsey Whitley	Head of Fundraising
Laura Hickling	Head of Operational Support
Caroline Turpin	Head of Operational Support (maternity cover)
Rozita Karami	Head of Digital and Cyber Development

**HEAD OFFICE / REGISTERED OFFICE**

20-21 Rossmore Business Village  
Ellesmere Port  
Cheshire  
CH65 3EY

**REGISTERED CHARITY NUMBER**

1143231

**COMPANY NUMBER**

07604916

**STATUTORY AUDITORS**

McLintocks (NW) Limited  
Chartered Accountants  
2 Hilliards Court  
Chester Business Park  
Chester  
CH4 9PX

**BANKERS**

The Royal Bank of Scotland plc  
15 Foregate Street  
Chester  
CH1 1HD

**SOLICITORS**

Brabners LLP  
Horton House  
Exchange Flags  
Liverpool  
L2 3YL

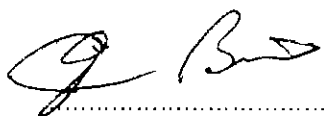
In an unprecedented year the Trustees and I were proud of the way staff and partners faced the challenges of the pandemic head on, moving quickly and seamlessly to digital and hybrid working models whilst continuing to provide uninterrupted services and programmes to the young people in our areas when they needed support the most. I am pleased to report that during the last 12 months, thanks to careful management, the Charity has been particularly successful in supporting and improving the lives of young people. During the pandemic Youth Fed focussed on key priority thematic areas where the needs of young people and our local communities was greatest,

- the important role of the National Citizens Service (NCS) programme in the recovery with young people directly supporting their communities through social action;
- the work of our flagship careers programme The Cheshire and Warrington Pledge becoming even more important to counteract youth unemployment as the programme brings employers, educators and young people
- our Mental Health Early Intervention programme being expanded to meet the upsurge in demand from those suffering escalating mental ill health exacerbated further by the pandemic;
- our mentoring and employability programmes providing a stabilising support network and setting young people on the path to employment;
- accelerating our digital service delivery plans to meet the urgent needs of those we were unable to meet face-to-face;
- commissioning research to support open access services including our uniformed and non-uniformed members.

Despite the challenges of the year the charity reached and supported a significant number of individuals, working directly with 3909 young people face-to-face and a further 50,000 engagements with our services digitally (predominantly through the Cheshire and Warrington Pledge programme).

Throughout the year the Trustees and I have been struck by how well the staff coped and adapted to the ever-changing rules and guidance whilst ensuring high quality youth provision is at the heart of everything we do. Whilst we are under no illusions that the challenging economic conditions will change in the short term, we are hopeful that the prudent investments we have put in place will mean Youth Fed is well placed to ensure the very best services for young people in the long term.

In a gloomy year there were reasons to celebrate, and nothing made me prouder than seeing our Chief Executive Chris Hindley receive an OBE for services to young people in the North West of England, in particular for his role in supporting young people during the pandemic. Whilst Chris would be the first to say that the award is in recognition of the amazing work Youth Fed does, this well-deserved accolade demonstrates Chris's endeavours in creating meaningful change for young people.



**James Bisset MBE  
Chairman**

6th December 2021

The Trustees present their annual report and the audited financial statements for the year ended 31st March 2021. The financial statements have been prepared in accordance with the accounting policies set out on pages 22 to 25 and comply with the Youth Federation Limited's constitution, the Charities Act 2011, Charities (Protection and Social Investment) Act 2016 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK (FRS 102).

### **BACKGROUND**

The charity was originally established in 1952 by Lord Leverhulme as the Cheshire Association of Boys Clubs. The charity was tasked with supporting youth organisations across Cheshire in order that volunteers and staff could deliver a quality service to young people. As the Borough Councils emerged, the Cheshire Federation of Youth Clubs as it became known increased its reach to include Halton, Warrington and Wirral and the organisation became fully constituted in 1976. The Cheshire Federation of Youth Clubs continued offering support to young people and youth organisations before evolving into the Youth Federation for Cheshire, Halton, Warrington and Wirral in 1999. In 2011, the charity Commission made the Order appointing Youth Federation Limited as the sole corporate trustee of the Youth Federation for Cheshire, Halton, Warrington and Wirral and The Fermain Club. Since that period the Youth Federation Limited and its subsidiaries have grown to reach over 5,000 young people with our programmes and provides support to over 500 youth organisations.

### **DIRECTORS/TRUSTEES**

The directors for the purpose of company law, who are the trustees for the purpose of charity law, who served during the year are set out on page 1.

### **OBJECTIVES AND ACTIVITIES**

The Objects of the Charity are specifically:

To advance in life and help young people through the provision of recreational and leisure time activities provided in the interest of social welfare, designed to improve their conditions of life and providing support and activities which develop their skills, capacities and capabilities to enable them to participate in society as mature and responsible individuals.

To act as a resource for young people by providing advice, assistance, services, training and organising programmes of physical, educational and other activities as a means of advancing education and relieving

#### Beneficiaries

Beneficiaries of the Charity's work include:

- children and young people
- volunteers (adults and young people)
- voluntary youth organisations
- local communities

To fulfil the Charity's objects a number of activities were undertaken through the charity's subsidiaries which have delivered wide ranging public benefits.

In shaping our objectives and planning our activities for the year, the Trustees confirm that they have given due regard to guidance published by the Charity Commission, including public benefit: running a charity (PB2)

## ACHIEVEMENTS AND PERFORMANCE

To fulfil the charity's aims a number of activities were undertaken which delivered wide ranging public benefit.

### *Delivering youth services during the COVID-19 pandemic*

Youth Federation Limited continued during the pandemic to deliver its programmes to help young people experiencing difficulties during the lockdowns. This proved very challenging for young people who normally engaged face to face, but through video communications and mobile phones, the work continued.

The Trustees carried out a full and extensive risk assessment to ensure the safety and welfare of staff and beneficiaries were not put at risk of greater exposure above government guidelines. The delivery was continually monitored and risk assessments updated as the government guidance changed.

The risk assessment process ensured that:

- where possible staff were asked to work from home and provide virtual support,
- all reasonable steps were taken to help and support staff to continue working from home.
- additional protections were introduced for staff in more front-line positions,
- enhanced cleaning schedule was introduced for high touch points in addition to regular cleaning of the main office,
- handwashing hygiene was encouraged in line with government guidance,
- a one-way system was instigated in our main office to avoid unnecessary contact, and signs posted in-line with current social distancing guidance,
- activities were continually monitored and any improvements were undertaken where possible.

In order to achieve the charity's outcomes, the charity promoted themed activities to benefit the young people in terms of developing new skills or gaining confidence in trying new activities. The charity also delivered projects directly that helped break down the barriers and obstacles that can stop young people achieving their full potential. These might be difficulties in remote learning, low self-confidence or self-esteem, offending, finding a job and increasingly coping with mental health problems.

An outline of the activities undertaken which delivered public benefit are listed below:

### *Youth Federation Limited's Work With Young People*

The Talent Match programme continued to be through the National Lottery Community Fund and the European Social Fund. In partnership with Merseyside Youth Association, the charity continued to deliver the programme during the pandemic through digital communications and by mobile phone. The intensive mentors working from home continued to provide support to those young people who are completely outside of the benefits, work and training system and facing severe barriers to gaining the skills they need to get into work. These young people have multiple disadvantages ranging from homelessness, disability, young parents, and being victims of abuse. The intensive mentors engage with participants to build their resilience and offer coping strategies that developed their skills and confidence to help them meet employment goals.

The team of intensive mentors worked with 171 young people during the period between April 2020 and March 2021 against a target of 185. Given that these young people had long term issues, these reflect a significant achievement by the mentoring team in transforming the lives of those individuals.

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## ACHIEVEMENTS AND PERFORMANCE (cont.)

### ***Youth Federation For Cheshire, Halton, Warrington And Wirral 's Work With Young People (linked charity)***

#### *Tackling youth employment issues*

Youth Federation continued during the pandemic to deliver its programmes to help young people experiencing barriers to learning and employment. The outcomes from the work were broad due to the personal challenges that each of the young people faced and included:

- progressing young people into education, employment or training,
- improving self-esteem and confidence in young people's own abilities
- reducing anti-social behavior,
- young people becoming more resilient to mental health problems,
- reducing the likelihood of young people becoming homeless,
- reducing chances of being a first time entrant into the Youth Justice System.

Those programmes that required a target number of young people to be engaged were 100% achieved and those that required us to engage with young people on an outcome basis were oversubscribed. They include:

The New Futures programme funded by the European Social Fund, in partnership with the VOLA consortium. The charity continued to deliver online and by phone during the pandemic. The contractual target was 192 young people to progress into employment, self-employment, apprenticeships or further education by the end of March 2021. The delivery team achieved 179 young people. Given the challenges of engaging remotely with young people, this was quite an achievement.

The Westminster Foundation awarded funding for the September Promise programme. This one year programme enabled the charity to coordinate COVID responses that offered support to all young people and at whatever point they find themselves on the journey towards work during the pandemic. Promotion of September Promise was through all schools in Chester and Ellesmere Port. The programme identified those Year 13 students who were not progressing in education as well as using links and networks to target those at risk of falling into long term unemployment. The activities included:

- Intensive mentoring for those individuals who needed additional support which included support with housing or help accessing Universal Credit for example;
- Weekly employability and 'job club' style sessions online covering a range of topics including where to look for opportunities, CV development, preparation for interviews and approaching employers;
- Brokering opportunities whether that be Kickstart placements or other work experience;
- Cross referral to Youth Fed's Mental Health early intervention service if required;
- Signposting to other services depending on the needs of each individual.

The programme will run over two financial years.

#### **Improving Young People's Health and Wellbeing**

Youth Federation operated the Back on Track programme in Cheshire West and Chester, part funded by The Westminster Foundation. Referrals of young people aged 18 to 24 enter the programme. At the end of the second year, 38 positive outcomes for the young people had been achieved against the expectation of supporting 90 young people. With the majority of the target group being homeless or at risk of becoming homeless, this was a positive outcome given the difficulty of working with young people with limited access to phones or digital equipment.

Youth Federation received a grant from the BBC Children in Need to help young people in the area of Halton. Against a target of 180 young people to benefit from the programme in the second year, the charity actually reached 365 with one youth worker and support staff delivering through digital media channels and by mobile phone. Again it demonstrates how delivering programmes digital can achieve a greater reach.

A NHS funded programme provided early support for young people with mental health issues, the target for the programme was 1080, what was achieved through mobile calls and digital media was 849.

## **ACHIEVEMENTS AND PERFORMANCE (cont.)**

### **Improving Young People's Health and Wellbeing (cont.)**

The charity was awarded funding by Youth Endowment Fund to extend the charity's Trusted Relationship Mental Health service into the evenings and ensure that no young person is left on a waiting list. By mid June the charity was also able to offer Mental Health First Aid training to youth workers and parents/carers in a one day or half day session. This enabled more adults to be trained to assist young people directly prior to crisis point.

The programme also provided funding to support the development of a platform for the delivery of online content designed for young people. From July we offered 'virtual youth club' activities via a video conferencing platform and post a suite of online fun activities that can be undertaken by young people in their leisure time. A range of activities such as fitness sessions, skills sessions, craft sessions, arts, music and drama were offered.

The charity was awarded a grant from the Barclays 100x100 UK COVID-19 Community Relief Programme to support our Early Intervention Mental Health Support programme. The funds were used to recruit an additional Emotional Health Support Worker and to provide the following:

- Online learning, workshops and activities;
- Purchase of Learning Management System to host online content / courses;
- Production of online content / videos to enable learners to access content at any time;
- Offering virtual youth clubs to assist with positive mental health;
- Purchase of 50 laptops and data credit for those who are in digital poverty.

The programme ran over two financial years.

### **Improving young people's skills**

In partnership with the national charity, UK Youth, Youth Federation undertook a number of their structured delivery programmes. Some of the projects were adapted to digital delivery due to the pandemic and lockdown restrictions:

In partnership with Microsoft, Generation Code 2.0 was offered to young people aged 9-25 to address their lack of skills and interest in computer science; hopefully to empower them to become digital creators. Youth Federation provided non-formal coding opportunities to young people and engaged young people to become 'Code Champions' to deliver coding skills to their younger peers, regardless of their experience. In the financial year, the contract was extended to an additional 196, the charity achieved 224 on the programme.

Reach Up was a pilot programme offered by UK Youth and funded and supported by Cola-Cola European Partners. This was delivered by Youth Federation supporting the young people with personal and systemic barriers presented a new opportunity and challenge for the volunteers. Eleven completed the programme against the target

Be Internet Citizens was a programme provided by UK Youth. This was delivered by Youth Federation supporting the young people with personal and systemic barriers presented a new opportunity and challenge for the volunteers. 720 completed the programme against the target of 534.

Youth Federation received a grants to run a series of workshops starting with the Cyber Security Taster Session. During these workshops, participants have the chance to do some live threat hunting and cyber security simulations on real-time cyber-attacks, engaging in an exercise designed to get them thinking like cyber security professionals. Against an annual average target of 632 young people to benefit from the programme, the charity actually reached 421.

### **Youth Participation**

There have been several participation and consultation projects this year especially around delivering content to young people digitally.



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## ACHIEVEMENTS AND PERFORMANCE (cont.)

### **Working With Youth Organisations**

Prior to COVID the Youth Federation worked closely with Voluntary Youth Sector in delivering services that are needed. Affiliated youth organisations received support in terms of governance advice, safeguarding and health and safety training. In collaboration with Cheshire Youth United (CYU) the charity employed workers to support uniformed services and groups that provide young people with military and non-military based progressive activities. However due to the pandemic, youth organisations had to follow government guidelines published through the National Youth Agency (NYA the Professional Statutory and Regulatory Body for youth work in England). The guidance was aimed to support local providers, leaders, volunteers and young people to remain safe when engaging in youth sector activities. In the lockdown periods, youth organisations effectively stopped operating face to face and delivered activities digitally.

With funding from Cheshire West and Chester Council (CWAC), 4 youth clubs were meant to be operating on various evenings for young people aged 13 to 19. During the pandemic, the community centers were closed. However, in agreement with CWAC youth services the staff undertook a number of outreach activities over the year. The youth workers engaged with 197 young people over year against a target of 80.

### **The Fernain Club's Work With Young People (linked charity)**

The charity's development strategy is to establish a state of the art youth centre in Macclesfield. The Trustee Board has appointed a dedicated member of the fundraising staff to this project, who will work with Youth Federation Limited's Senior Leadership Team to identify potential supporters. Work is still ongoing with a number of interested

The aim of the development programme continues to be, to provide young people under 21 years of age in Macclesfield with a top quality, safe and affordable youth centre that will inspire, challenge and provide opportunities for them to lead healthier, more positive lives.

The facility will focus on three core areas:

Health and Recreation - providing structured activities that provide young people with the opportunity to meet and socialise with friends in a safe environment.

Education - providing specialised support to young people in Macclesfield, which will help them not only to thrive in their personal lives but in the world of work.

Personal Development - Using a combination of outdoor education, youth work and creative arts, young people will be offered access to the very best facilities in which to develop.

### **Lords' Tavernors Woodside Youth Centre (linked Charity)**

The work of the charity to find a suitable location in Runcom was postponed due the COVID-19 pandemic and the closure of a number of facilities.

### **Changing Young Lives Limited's Work With Young People (trading company)**

#### *National Citizen Service*

The National Citizen Service (NCS) is normally a four week programme combining residential and community based activities, predominantly for 16-17 year olds and is supported by staff employed in Changing Young Lives Limited. Delivery of the NCS programme takes place during the summer and autumn periods and groups of young people undertake social action projects, then come together at a celebration event to receive their NCS graduation certificates.

Following a retender of the NCS contract, the NCS Trust awarded the North West Region to the Manchester based Growth Company. They offered a sub contract to Changing Young Lives Limited which was of the size that restored the number of young people to 2018-19 levels.

## ACHIEVEMENTS AND PERFORMANCE (cont.)

The NCS delivery was planned to be a 4 week programme with two weeks based at residential centers, however, due to the pandemic it was restricted to a two week programme with no overnight residential activities. The new compressed programme named "Keep Doing Good" was delivered outdoors over the summer and autumn periods in social action bubbles of 15 young people. The engagement target of the NCS Summer programme was 420 young people; 305 turned up on the programme. For the Autumn NCS, 416 were assigned and following revisions, the charity recruited 625 young people.

### *The Cheshire and Warrington Pledge Partnership*

The Cheshire and Warrington Pledge Partnership puts employers at the heart of informing and inspiring young people through schools and youth groups about the career and progression opportunities locally and supporting them to know what skills and qualities employers are looking for.

The project is managed by Changing Young Lives Limited, in partnership with the Cheshire and Warrington LEP and other public and private sector partners. The delivery of the project is split into nine local sub regional Pledges. Each Pledge is led by a Pledge Facilitator working with the employers and has support from a Career and Enterprise Company's Enterprise Coordinator working with schools and colleges; Youth Engagement Coordinators working with youth groups and an NHS Trust funded Health & Social Care worker working to support local careers. The Pledges also work closely in providing learning opportunities on the National Citizens Service programme.

As a result of the COVID-19 pandemic, the project moved online which gave employers a new means to continue to inspire more young people about local careers advice with a wider audience. The digital delivery saw even more engagement from schools who were reliant on the project to deliver careers activities to their pupils remotely and enabled them to focus more on delivering their core curriculum. The project held multiple virtual events designed to support young people plan for their future in Cheshire and Warrington and allow local businesses to meet their potential future employees. The projects most successfully attended event was "Paving the Way Festival" held in June 2020 where employers, educational organisations, youth groups, charities and other partners engaged with thousands of young people, parents, and carers. By the end of March 2021, the programme involved over 450 partners including over 400 businesses and over 80 educational providers. In terms of young people engaging with the programme the number formally recorded was 7,776 against a contracted target of 4,950.

## FINANCIAL REVIEW

The results of Charity's performance for the year are set out in the Statement of Financial Activities (SOFA) for 2020/21 on page 17.

Based on project performance forecasts during the financial year, the charity maintained sufficient project resources to ensure the delivery of quality outputs and outcomes were achieved on service contracts and grant supported programmes. The charity also managed to keep its administrative overheads low in line with the income forecast, largely due to home working arrangements. The office facilities were closed during the lockdowns. As a result, total expenditure was below the level of total income. Furthermore, the effort to generate income through delivering more work with young people resulted in a final net income of £2,397,220. The Trustees will continue in the future to ensure that the charity is able to operate in a sustainable manner whilst recovery from the pandemic continues. A more blended approach to delivery of programmes to our beneficiaries is envisaged with less face to face and more through digital communications. It is hoped that a greater reach can be achieved.

A number of grants were recognised in full in the year to 31 March 2021, this includes; Cyber Safety Cheshire East (£17,398); Delivery of Careers & Enterprise Services - CWAC (£20,000); Northwest Cyber Protection Pilot - Philip Barker (£20,000); Westminster Foundation - Back on Track (£20,541); YEF COVID recovery (£37,872).

Total Income for the year ending 31st March 2021 from all funding sources amounted to £2,397,222 an increase of £51,842 on the previous year (2020: £2,345,380).

### **FINANCIAL REVIEW (cont.)**

Total Expenditure expended decreased by £278,344 to £2,071,094 (2020: £2,349,438). This was largely due to the smaller NCS contract for Summer and Autumn 2020 and the new contract for Summer 20 being reprofiled due to the COVID 19 pandemic.

Net Income/(Expenditure) for the year was £326,128, greater than the previous year net expenditure of (£4,058) by £330,186.

The actuarial losses the on defined benefit pension scheme were calculated to be £41,000, compared to a gain of £29,000 in 2019/20. Therefore, the Total Funds Carried Forward for 2020/21 were £1,307,702 (2020: £1,022,574). On the Balance Sheet for the period ended 31st March 2021, Group fixed assets were £14,278 higher than the previous year; whilst Group current assets of £1,126,471 for the year were £111,147 less than the year ended 2019/20 (£1,237,618). Creditors falling due in one year were £367,302, lower by £412,898 (2020: £780,200). These variances resulted in net current assets of £759,129 being £301,751 greater than the previous year's of

Long Term Creditors fell by £9,158 to £88,292, the mortgage on the office located in Ellesmere Port.

As the pension liability is such a long term one it has been shown as a separate item on the balance sheet. The pension contributions are determined by an independent qualified actuary and have been updated to reflect the results of the valuation. This year saw the deficit increase from £59,000 to £94,000. Each year a contribution of £7,000 is made to further reduce the liability.

At 31 March 2021, there was an increase in the Group Total Funds available of £285,128, which now stands at £1,307,702 (2020: £1,022,574). The restricted funds are disclosed on pages 38 to 40 of the accounts and these funds are the carried forward contracts that can only be used for the purposes set out by the funders. They also include the general funds of Youth Federation and The Fermain Club.

Regarding the statement of cash flows for the year ended 31st of March 2021, the total cash and cash equivalents at the end of the year fell by £95,320 to £896,151 from £991,471.

Bearing all this in mind, the Trustees are confident that the Youth Federation Limited has sufficient funds at the 31st March 2021 to continue to meet its objectives and to meet its financial and contractual commitments.

The company balance sheet on page 20, was in deficit by £69,098, but this has now been rectified (see note 1.3).

### **INVESTMENT POLICY**

The Youth Federation has a high interest account in the name of the Charity which holds funds above its working capital requirement to maximise interest earned.

### **RESERVES POLICY**

The Accumulated Fund receives the surplus arising from the main charitable activities. All assets held by the Charity are used for the furtherance of its objectives.

The Directors have set a reserves policy which requires that reserves be maintained at a level which ensures that the Youth Federation Limited's core purpose will continue during a period of unforeseen difficulties and that a proportion of reserves be maintained in readily available form.

The calculation of the required level of reserves is an integral part of the Youth Federation Limited's planning, budget and forecast cycle. The levels of reserve that are required for this year have been calculated at 3 months of operating costs £200,000. The unrestricted fund balance as at 31st March 2021 was £199,589 (2020: £81,685).

## **FUTURE PLANS**

The Trustees produce a strategic charity plan every year to guide its development in the future. The plan was developed in conjunction with Trustees, senior leaders, managers, staff, stakeholders and young people. The broad outline is to develop expertise in the provision of employability programmes to support young people who need mentoring support to help them gain employment or improve their emotional and mental resilience within the constituted area. The charity also supports affiliated youth groups whilst also undertaking projects to help both volunteers and young people achieve their full potential.

This future plan shows that the charity will continue to develop its work with young people and youth organisations and aims to be a significant provider of online and face to face (when possible) programmes to these beneficiaries in the constituent area during and after the COVID-19 pandemic. Many young people have difficulties at some stage in their lives and the need for additional support during the pandemic is what the charity aims to offer. The Trustee has worked hard to ensure that the charity's future online services meeting the regulatory requirement and that administrative costs are kept to a minimum. The Chief Executive and his fundraising team continually explore new funding streams and more effective and efficient ways to deliver face to face and on line services that benefits

More of the work with young people is support through European Social Funds that are performance based and also require organisations to be compensated through post activity payments. The trustees are confident that the charity has sufficient funds to cover the additional costs until the payment is received.

The Fermain club has produced a strategic plan to guide its development to build a youth centre that will provide the young people of Macclesfield a centre of excellence providing the standards in education, health recreation and personal development. The Trustees and senior leadership team are actively pursuing financial support from the local authority, businesses and the local community to create the new centre that will be used for its charitable purposes by young people and the local community. Alternative delivery options were still being considered for The Lords' Tavernors Woodside Youth Centre.

Based on the forward planning and on existing contracts, a budget of incoming resources and resources expended has been prepared for 2021-22. The budget forecasts that income will be in excess of £2,500,000 whilst maintaining operating expenses below this level.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

Historically, the original charity, Youth Federation for Cheshire, Halton, Warrington and Wirral was governed by a constitution drafted by I C Tomlinson, presented at the Annual General Meeting on 16 September 2004 and was approved by the Charity Commission. The trustees agreed that the constitution could be amended by a Special Resolution passed on 27 January 2011 to allow the charity to be managed by a sole corporate trustee.

On 6 October 2011 the charity Commission made the Order appointing Youth Federation Limited (a company limited by guarantee and registered charity; company no. 7604916; charity no. 1143231) as the sole corporate trustee of the Youth Federation for Cheshire, Halton, Warrington and Wirral (charity number 1143231-2). Youth Federation Limited is governed by its own articles of association and acts through its Directors (who are known as Trustees). At the end of the reporting year, there were 5 such Trustees. At least one third of the Trustees and the Treasurer are re-elected at the Annual General Meeting.

The Trustees of Youth Federation Limited (who are also the directors of the charitable company for purposes of company law) are responsible for overseeing the governance of the charitable company in accordance with its Memorandum and Articles of Association.

At the time of writing, there are currently five members, and these are appointed as set out in the Articles of Association. At least one third of the Directors and the Treasurer are re-elected at the Annual General Meeting.

On 31 October 2011, the trustees passed a resolution that the day to day management of the Charity, its associated charities, and business undertakings be undertaken by the Youth Federation's Chief Executive and Senior Leadership Team.

Monitoring of progress against an annual plan and key decisions around the strategic developments are made by the trustees on behalf of the Charity. A meeting of the trustees occurs every quarter and is chaired by the Chair.

### **APPOINTMENT, INDUCTION AND TRAINING OF TRUSTEES**

Organisations or individuals can apply to become a member of Youth Federation Limited by applying in the form required by the Directors who will consider their application. The Directors are normally appointed at the Annual General Meeting as outlined in the Youth Federation Limited's Articles of Association. All appointed Directors go through an induction process with the Chief Executive. The induction process includes a briefing on their legal responsibilities (under charity and Company law), the content of the governing documents, the committee and decision making processes, the work plan and recent financial performance of the charity. Directors are encouraged to attend and participate in activities and events being organised by the charity and attend appropriate training events where this will facilitate the undertaking of their role.

### **RELATED PARTIES AND CO-OPERATION WITH OTHER ORGANISATIONS**

None of the Trustees receive remuneration or other benefit from their work with the charity. Any connection between a Trustee or a senior manager of the charity with the delivery of contracted services must be disclosed to the full board of trustees in the same way as any other contractual relationship with a related party. In the current year, no such related party transactions were reported.

Youth Federation Limited has a linked relationship with a charitable trading company, Changing Young Lives Limited. This company was incorporated on the 20th of December 2012 by the Youth Federation Limited. Changing Young Lives Limited can generate additional unrestricted funding for charities by gifting profits on an annual basis. Changing Young Lives Limited will be undertaking the delivery of the National Citizen Service programme for the foreseeable future.

On the 19th of June 2014, Youth Federation Limited became the sole corporate trustee of The Lords' Tavernors Woodside Youth Centre located in Runcorn, Cheshire.

The year end for Youth Federation, Youth Federation Limited, Changing Young Lives Limited and The Lords' Tavernors Woodside Youth Centre are co-terminus.

### **PAY POLICY FOR SENIOR STAFF**

The Trustees view the sole corporate trustee and the senior leadership team as the key management personnel of the charity in charge of directing and controlling, running and operating the charity. All Trustees give of their time freely and no Trustees received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in note 8 to the accounts.

The pay of the senior leadership team is reviewed annually and normally increased in accordance with average earnings. In view of the nature of the charity, the Directors benchmark against pay levels in other youth organisations of a similar size run on a voluntary basis.

### **RISK MANAGEMENT**

The Trustees have a risk management strategy which comprises of an annual review of the principal risks and uncertainties that the charity faces, coupled with ongoing measurement of risk factors by the Senior Leadership Team submitted quarterly in a risk register. The Trustees examined the major strategic, business and operational risks which the charity faces and is able to confirm that processes to enable regular monitoring are in place to ensure corrective action can be taken in a timely manner, if needed.

As part of the charity's ongoing commitment to developing robust management systems, regular monthly reports identify any area within the organisation that moves out of the acceptable range; i.e. cash flow, delivery targets against contract, project term length, funders' grant usage requirements etc., so that the necessary steps can immediately be taken to lessen these risks.

The Trustees also worked to identify the impact of the COVID-19 pandemic on the financial sustainability as this was a key risk for the charity due to the nature of the contracts that were in normal circumstances required face to face delivery. With staff being adaptive to working from home, the deliver of the support services to young people was undertaken through digital communications. The majority of the contracts therefore, continued to be delivered or were operated under the Government's COVID-19 restrictions at the time.

A fundamental element, therefore, in the management of financial risk during the pandemic was a regular review of available liquid funds to settle debts as they fall due and active management of trade debtors and creditors balances to ensure sufficient working capital. A number of operational programmes were being driven by payment by results agreements and therefore greater attention was focused on non-financial risks, particularly the measurement of work with young people during the pandemic. Processes and procedures to monitor performance were reviewed and updated to ensure more timely information was provided to managers. In this way, early intervention and corrective action was undertaken to address any underperformance at the earliest possible point.

Finally, the charity relies upon the skills and expertise of key staff who discharge key roles. Managing risks arising from illness or from staff ceasing to be employed by the Youth Federation Limited is therefore a priority. This is a particular important priority given the current pandemic. Work was undertaken to ensure that there was flexibility in staffing working to cover delivery roles should the Government guidelines on the pandemic change.

### **REFERENCE AND ADMINISTRATIVE DETAILS**

Day-to-day management of the charity is delegated to the Chief Executive, Chris Hindley, and the Senior Leadership Team. To ensure projects keep within budget and progress against youth work targets are monitored, monthly progress reports are submitted to the Senior Leadership Team meeting. The Chair attends the Senior Leadership Team meeting on a quarterly basis.

#### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees (who are also directors of Youth Federation Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and apply them consistently.
- Observe the methods and principles in the Charities SORP (FRS 102);
- 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 accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

#### **DISCLOSURE OF INFORMATION TO THE AUDITOR**

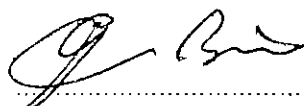
In so far as the trustees are aware at the time of approving the trustees' annual report:

- there is no relevant audit information of which the charitable group's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

#### **AUDITORS**

McLintocks (NW) Limited have expressed their willingness to remain in office as auditors.

Approved by the Board on 6th December 2021 and signed on its behalf by:

  
James Bisset MBE  
Chairman

## **OPINION**

We have audited the financial statements of Youth Federation Limited (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2021 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the 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 group's and of the parent charitable company's affairs as at 31 March 2021 and of the 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;
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

## **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 group 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 charity'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.

## **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 Report of the Trustees, which includes the directors' report for the purpose 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 Report of the Trustees has been prepared in accordance with applicable legal requirements.

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

In the light of the knowledge and understanding of the environment of the charitable company and the group obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Report of the Trustees.

We have nothing to report in respect of the following matters where 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 trustees' 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 trustees' report and from the requirement to prepare a strategic report.

**RESPONSIBILITIES OF TRUSTEES**

As explained more fully in the Statement of Trustees Responsibilities, 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.

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**AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)**

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

Enquiries of management and those charged with governance were held in order to identify any laws and regulations that could be expected to have a material impact on the financial statements. Throughout the audit, the team were updated with the outcomes of these enquiries including consideration as to where and how fraud may occur in the charitable company and the group.

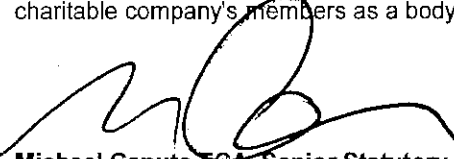
The audit procedures undertaken to address any potential risk in relation to irregularities (which include fraud and non-compliance with laws and regulations) included: enquiries of management and those charged with governance on how the charitable company and group comply with relevant laws, regulations and any cases actual or potential litigation or claims; examination of appropriate legal correspondence; review of board minutes; testing of journal entries for appropriateness; and analytical procedures on account balances to identify variances against expectation which may show indications of fraud.

No instances of material non-compliance were identified, although the prospect of detecting irregularities, including fraud, is inherently difficult. This is due to; difficulty in detecting irregularities; limits imposed by the effectiveness of the entity's controls; and the nature, timing and extent of the audit procedures performed. Irregularities as a result of fraud are inherently more difficult to detect than those that resulting from error. Despite the audit being planned and performed in accordance with ISAs (UK), there is an unavoidable risk that material misstatements may not be detected.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at <https://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 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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.



**Michael Caputo FCA, Senior Statutory Auditor  
For and on behalf of McLintocks (NW) Limited**

6th December 2021

**Chartered Accountants  
Statutory Auditors**

2 Hilliards Court  
Chester Business Park  
Chester  
CH4 9PX

McLintocks (NW) Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

**YOUTH FEDERATION LIMITED**  
**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND**  
**EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

17.

		Unrestricted Funds £	2021 Restricted Funds £	Total Funds £	2020 Total Funds £
<b>INCOME</b>					
Donations and legacies	2.	-	133,150	133,150	26,353
Income from investments	3.	-	385	385	864
Income from charitable activities	4.	1,516,219	677,380	2,193,599	2,280,822
Other income	5.	45,755	24,333	70,088	37,341
<b>TOTAL INCOME</b>		<u>1,561,974</u>	<u>835,248</u>	<u>2,397,222</u>	<u>2,345,380</u>
<b>EXPENDITURE</b>					
Expenditure on charitable activities	6.	1,440,712	626,024	2,066,736	2,347,438
Other expenditure					
Other finance costs	19./10.	3,358	1,000	4,358	2,000
<b>TOTAL EXPENDITURE</b>		<u>1,444,070</u>	<u>627,024</u>	<u>2,071,094</u>	<u>2,349,438</u>
<b>NET INCOME/(EXPENDITURE)</b>		117,904	208,224	326,128	(4,058)
<b>OTHER RECOGNISED GAINS AND LOSSES</b>					
Actuarial gains or (losses) on defined benefit pension schemes	10.	-	(41,000)	(41,000)	29,000
<b>NET MOVEMENT IN FUNDS</b>		117,904	167,224	285,128	24,942
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		81,685	940,889	1,022,574	997,632
<b>TOTAL FUNDS CARRIED FORWARD</b>	22.	<u>199,589</u>	<u>1,108,113</u>	<u>1,307,702</u>	<u>1,022,574</u>

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

All income and expenditure derive from continuing activities.

**YOUTH FEDERATION LIMITED**  
**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND**  
**EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

18.

		<b>Unrestricted Funds £</b>	<b>2020 Restricted Funds £</b>	<b>Total Funds £</b>
<b>INCOME</b>				
Donations and legacies	2.	500	25,853	26,353
Income from investments	3.	-	864	864
Income from charitable activities	4.	771,146	1,509,676	2,280,822
Other income	5.	18,699	18,642	37,341
<b>TOTAL INCOME</b>		<u>790,345</u>	<u>1,555,035</u>	<u>2,345,380</u>
<b>EXPENDITURE</b>				
Expenditure on charitable activities	6.	810,642	1,536,796	2,347,438
Other expenditure				
Other finance costs	19./10.	-	2,000	2,000
<b>TOTAL EXPENDITURE</b>		<u>810,642</u>	<u>1,538,796</u>	<u>2,349,438</u>
<b>NET INCOME/(EXPENDITURE)</b>		(20,297)	16,239	(4,058)
<b>OTHER RECOGNISED GAINS AND LOSSES</b>				
Actuarial gains or (losses) on defined benefit pension schemes	10.	-	29,000	29,000
<b>NET MOVEMENT IN FUNDS</b>		(20,297)	45,239	24,942
<b>RECONCILIATION OF FUNDS</b>				
Total funds brought forward		101,982	895,650	997,632
<b>TOTAL FUNDS CARRIED FORWARD</b>	22.	<u>81,685</u>	<u>940,889</u>	<u>1,022,574</u>

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

All income and expenditure derive from continuing activities.

**YOUTH FEDERATION LIMITED (COMPANY NUMBER: 07604916)**  
**CONSOLIDATED BALANCE SHEET**  
**FOR THE YEAR ENDED 31 MARCH 2021**

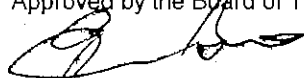
19.

	Notes	Group		Charity	
		2021 £	2020 £	2021 £	2020 £
<b>FIXED ASSETS</b>					
Intangible assets	12.	12,165	-	12,165	-
Tangible assets	13.	290,909	288,796	50,803	47,389
Investments	14.	-	-	1	1
Investment property	15.	432,810	432,810	432,810	432,810
		735,884	721,606	495,779	480,200
<b>CURRENT ASSETS</b>					
Debtors	16.	230,320	246,147	128,146	311,438
Bank and cash	25.	896,151	991,471	712,268	315,754
		1,126,471	1,237,618	840,414	627,192
<b>CREDITORS: Amounts falling due within one year</b>	17.	(367,302)	(780,200)	(212,874)	(76,502)
<b>NET CURRENT ASSETS</b>		759,169	457,418	627,540	550,690
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		1,495,053	1,179,024	1,123,319	1,030,890
<b>CREDITORS: Amounts falling due after more than one year</b>	18.	(88,292)	(97,450)	-	-
<b>DEFINED BENEFIT PENSION SCHEME LIABILITY</b>	10.	(94,000)	(59,000)	(94,000)	(59,000)
<b>PROVISIONS FOR LIABILITIES</b>		(5,059)	-	-	-
<b>NET ASSETS</b>		1,307,702	1,022,574	1,029,319	971,890
<b>FUNDS:</b>					
Unrestricted funds	22.	199,589	81,685	1,039,094	902,864
Restricted funds		1,202,113	999,889	84,225	69,026
<b>TOTAL FUNDS EXCLUDING PENSION RESERVE</b>		1,401,702	1,081,574	1,123,319	1,030,890
Pension reserve - restricted		(94,000)	(59,000)	(94,000)	(59,000)
<b>TOTAL FUNDS</b>		1,307,702	1,022,574	1,029,319	971,890

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 for circulation to members of the company.

The notes on pages 22 to 41 form part of these accounts.

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



James Bisset MBE  
Chairman

6th December 2021

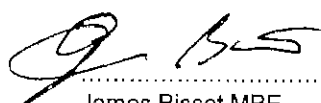
YOUTH FEDERATION LIMITED (COMPANY NUMBER: 07604916)  
 COMPANY BALANCE SHEET  
 FOR THE YEAR ENDED 31 MARCH 2021

20.

	2021		2020	
	£	£	£	£
<b>FIXED ASSETS</b>				
Tangible assets		23,815		26,385
Investments		<u>1</u>		<u>1</u>
		23,816		26,386
<b>CURRENT ASSETS</b>				
Debtors	57,558		115,937	
Cash at bank	<u>15,201</u>		<u>4,285</u>	
	72,759		120,222	
<b>CREDITORS:</b> Amounts falling due within one year		<u>(156,673)</u>		<u>(91,873)</u>
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		(83,914)		28,349
<b>NET ASSETS/(LIABILITIES)</b>		<u>(60,098)</u>		<u>54,735</u>
<b>FUNDS:</b>				
Unrestricted funds		(70,098)		31,001
Restricted funds		10,000		23,734
<b>TOTAL FUNDS</b>		<u>(60,098)</u>		<u>54,735</u>

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

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



James Bisset MBE  
 Director

6th December 2021

**YOUTH FEDERATION LIMITED**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

21.

		Group		Charity	
	Notes	2021 £	2020 £	2021 £	2020 £
<b>NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES</b>	<b>25.</b>	<b>(37,397)</b>	<b>362,768</b>	<b>431,345</b>	<b>(212,548)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Interest income		385	864	385	864
Purchase of tangible fixed assets		(49,150)	(57,324)	(35,216)	(48,936)
Sale of tangible fixed assets		-	1,005	-	-
<b>CASH PROVIDED BY/(USED IN) INVESTING ACTIVITIES</b>		<b>(48,765)</b>	<b>(55,455)</b>	<b>(34,831)</b>	<b>(48,072)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Repayment of borrowings		(9,158)	(8,711)	-	-
<b>CASH PROVIDED BY FINANCING ACTIVITIES</b>		<b>(9,158)</b>	<b>(8,711)</b>	<b>-</b>	<b>-</b>
<b>INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS IN THE YEAR</b>		<b>(95,320)</b>	<b>298,602</b>	<b>396,514</b>	<b>(260,620)</b>
Cash and cash equivalents at the beginning of the year		991,471	692,869	315,754	576,374
<b>TOTAL CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>		<b>896,151</b>	<b>991,471</b>	<b>712,268</b>	<b>315,754</b>

## 1. ACCOUNTING POLICIES

### Charity information

The Youth Federation Limited is a registered charity (1143231) and private company (07604916) limited by guarantee incorporated in England and Wales. The principle address is 20-21 Rossmore Business Village, Ellesmere Port, Cheshire, CH65 3EY.

The Charitable Company's financial statements have been prepared in compliance with the Charities SORP (FRS 102) issued 1 January 2015 (update bulletin 2, effective 1 January 2019).

On 6 October 2011, the Youth Federation for Cheshire, Halton, Warrington and Wirral (charity number 1143231-2) and The Fermain Club (charity number 1143231-1) became constituent charities of Youth Federation Limited by a uniting order under section 96(5) of the Charities Act 1993. On 19 June 2014, the Lord's Taverners Woodside Youth Centre became a constituent charity of Youth Federation Limited by a uniting order under section 96(5) of the Charities Act 1993. In accordance with the Charities SORP, the constituent charities have been accounted for as branches of Youth Federation Limited and as such their individual transactions and balances have been aggregated with those of Youth Federation Limited as if they have always formed a single charity.

In order to comply with the reporting requirements of the Companies Act 2006, a separate 'Company' balance sheet for Youth Federation Limited only has been included in the accounts.

In the SOFA, statement of cash flows, balance sheets and related notes reference to the 'Charity' means Youth Federation Limited and its constituent charities as described above. Reference to 'Group' or 'Consolidated' means 'Charity' and the subsidiary undertaking, Changing Young Lives Limited.

No separate SOFA has been presented for the Charity alone as permitted by Section 408 of the Companies Act 2006. The net expenditure for the Charity for the year before other recognised gains and losses was £98,428 (2020: £114,831).

### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2019). The charitable company is a Public Benefit Entity as defined by FRS 102. The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain financial instruments at fair value. The principal accounting policies adopted are set out below.

### 1.2 Basis of consolidation

The consolidated financial statements include the results of the charity's wholly owned subsidiary undertaking, Changing Young Lives Limited and are consolidated on a line-by-line basis.

All financial statements are made up to 31 March 2021.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.



## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

### 1.3 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Although the company's individual balance sheet showed a net asset deficit of £60,098, this was a snapshot in time before accrued income was credited, and so the position has been reversed since the balance sheet date and the net assets are now positive. The trustees are confident that the individual parent company also remains a going concern.

### 1.4 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in the furtherance of the general objectives of the charity.

Restricted funds are subject to restrictions on their expenditure imposed by the donor or through the stipulated terms of the contract or appeal.

Details of the nature and purpose of each restricted fund are set out in note 22 of the accounts.

### 1.5 Income

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

Income from charitable activities is deferred until entitlement to the income has passed when received in advance.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received, and the amount can be measured reliably and is not

Investment income arises from the monies held in the charity's bank deposit account and has been recognised on a receivable basis.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

### 1.6 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. 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.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

### 1.6 Expenditure (continued)

Expenditure is categorised under the following headings:

- Expenditure on charitable activities includes costs associated with the delivery of the charity's youth work projects undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

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

#### **Allocation of support costs**

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the Charity's activities. Where support costs cannot be directly attributed to particular headings they have been allocated on a pro-rata basis consistent with use of the resources.

### 1.7 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Software	25% straight line once complete
----------	---------------------------------

### 1.7 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Office equipment and computers	15% reducing balance/3 years straight line
Motor vehicles	25% reducing balance/8 years straight line
Tenants' improvements	Over the lease term
Long leasehold	Over the lease term

### 1.8 Investments

Investments in subsidiaries are valued at cost less provision for impairment.

### 1.9 Investment property

Investment property is included at fair value. Gains and losses are recognised in the Statement of Financial Activities.

### 1.10 Debtors

Trade and other debtors are recognised at the settlement amount due. Any losses arising from impairment are recognised in expenditure.

### 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 amount.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

### 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 Operating leases

Rentals payable under operating leases are charged in the SOFA on a straight line basis over the term of the lease.

### 1.14 Pensions

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

The charity used to offer a defined benefit final salary scheme for the benefit of certain employees. This scheme is no longer offered to employees.

The defined benefit scheme is the Cheshire Pension Fund, which is a multi-employer final salary scheme where the share of the assets and liabilities applicable to the charity have been identified by an actuarial valuation. The assets of the scheme are held separately from those of each employer in a fund administered for the benefit of Local Authority employees and those other scheduled bodies and is administered in accordance with the Local Government Pension Scheme Regulations 2013.

## 2. DONATIONS AND LEGACIES

	2021		2020	
	Unrestricted Funds	Restricted Funds	Unrestricted Funds	Restricted Funds
	£	£	£	£
Donations from individuals and corporates:				
Youth Federation for Cheshire, Halton, Warrington & Wirral	-	-	-	25,853
Youth Federation Limited	-	133,150	500	-
	<u>-</u>	<u>133,150</u>	<u>500</u>	<u>25,853</u>

## 3. INCOME FROM INVESTMENTS

	2021		2020	
	Unrestricted Funds	Restricted Funds	Unrestricted Funds	Restricted Funds
	£	£	£	£
Bank interest receivable	-	385	-	864
	<u>-</u>	<u>385</u>	<u>-</u>	<u>864</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	2021		2020	
	Unrestricted Funds £	Restricted Funds £	Unrestricted Funds £	Restricted Funds £
<b>Youth Federation Limited</b>				
Merseyside Youth Assoc - Talent Match	213,911	224,360	-	406,319
Big Lottery Fund - Youth Investment Fund	-	-	-	278,647
World Merit	-	-	-	4,441
Nesta	-	10,000	-	-
	<u>213,911</u>	<u>234,360</u>	<u>-</u>	<u>689,407</u>
<b>Youth Federation for Cheshire, Halton, Warrington and Wirral</b>				
Bank of America	-	36,101	-	-
Cheshire Community Foundation	-	8,956	-	-
Cheshire East Council				
Community Learning				4,666
Cyber Safety	-	17,398	-	-
Cheshire West & Chester Council				
COVID-19 grant		5,000	-	-
Other Projects	-	20,000	-	-
Targeted Support And Intervention	-	21,858	-	42,630
Children in Need	-	9,706	-	35,867
Coca Cola - Employment Days	-	-	-	2,000
CRH Charitable Trust	-	10,000	-	-
Dame Kelly Holmes Legacy Trust	-	-	-	1,700
Dept For Digital, Culture, Media & Sport	-	-	-	35,436
Earl of Chester's Fund	-	-	-	2,000
Healthy Stadia	-	-	-	20,000
Miscellaneous support	-	572	-	-
New Leaf/Golden Gates Housing Trust	-	-	-	80,289
NHS - Mental Health & Wellbeing	-	10,140	-	20,000
Philip Barker Charity	-	-	-	32,000
RFCA North West	-	-	-	5,000
Sir Jules & Princes	-	4,500	-	-
Steele Charitable Trust	-	9,500	-	-
Thomas Wall Trust	-	5,000	-	-
UK Youth				
Active Youth	-	12,043	-	-
Generation Code	-	3,750	-	2,050
Reach Up	-	15,680	-	-
Bespoke NCS	-	5,000	-	16,857
Be Internet Citizens	-	13,200	-	8,400
VOLA New Futures	-	50,048	-	-
VOLA Sefton CVS	-	-	-	47,246
Westminster Foundation				
Back On Track	-	20,541	-	20,541
September Promise	-	124,555	-	-
Wirral Learning Contract	-	1,600	-	-
Youth Endowment Fund	-	37,872	-	-
	<u>-</u>	<u>443,020</u>	<u>-</u>	<u>376,682</u>

4. INCOME FROM CHARITABLE ACTIVITIES (cont.)

	2021		2020	
	Unrestricted Funds £	Restricted Funds £	Unrestricted Funds £	Restricted Funds £
<b>Changing Young Lives Limited</b>				
National Citizen Service	987,343		771,146	-
DWP - Cheshire & Warrington Pledge	314,965		-	443,587
	<u>1,302,308</u>	<u>-</u>	<u>771,146</u>	<u>443,587</u>
<b>TOTAL</b>	<u>1,516,219</u>	<u>677,380</u>	<u>771,146</u>	<u>1,509,676</u>

5. OTHER INCOME

	2021		2020	
	Unrestricted Funds £	Restricted Funds £	Unrestricted Funds £	Restricted Funds £
Income from training	-	-	3,412	930
Miscellaneous income	5,095	3,321	15,287	503
Exceptional item - Insurance proceeds	-	-	-	17,209
Coronavirus job retention scheme grants	40,660	21,012		
	<u>45,755</u>	<u>24,333</u>	<u>18,699</u>	<u>18,642</u>

**Exceptional Items**

Insurance Proceeds

On 4 July 2018, the building operated by The Lords' Tavernors Woodside Youth Centre was subject to an arson attack which destroyed one wing of the building and fire damaged the remainder of the roof. The Lords' Tavernors Woodside Youth Centre received a payment of £17,209 in 2020 from the insurance claim for the loss of the building.

6. EXPENDITURE ON CHARITABLE ACTIVITIES

	Notes	2021		2020	
		Unrestricted Funds	Restricted Funds	Unrestricted Funds	Restricted Funds
		£	£	£	£
<b>Youth Federation Limited</b>					
Staff costs		437,863	224,360	47,715	527,593
Other costs		32,403	23,734	16,201	160,022
Governance costs	7.	8,734	-	2,336	-
		<u>479,000</u>	<u>248,094</u>	<u>66,252</u>	<u>687,615</u>
<b>Youth Federation for Cheshire, Halton, Warrington and Wirral</b>					
Staff costs		-	288,495	-	260,675
Other costs		-	60,547	-	114,599
Grant making		-	20,000	-	-
Governance costs	7.	-	6,689	-	6,335
		-	<u>375,731</u>	-	<u>381,609</u>
<b>The Fermain Club</b>					
Staff costs		-	1,200	-	5,635
Other costs		-	180	-	6,005
Governance costs	7.	-	819	-	883
		-	<u>2,199</u>	-	<u>12,523</u>
<b>Changing Young Lives Limited</b>					
Staff costs		406,481	-	411,854	168,589
Other costs		550,218	-	326,378	274,998
Governance costs	7.	5,013	-	6,158	-
		<u>961,712</u>	-	<u>744,390</u>	<u>443,587</u>
<b>Woodside Youth Centre</b>					
Staff costs		-	-	-	6,351
Other costs		-	-	-	5,111
		-	-	-	<u>11,462</u>
		<u>1,440,712</u>	<u>626,024</u>	<u>810,642</u>	<u>1,536,796</u>

During the year the Group awarded a grant to schools across Cheshire and Warrington for the purchase of laptops for pupils to carry out school work at home during the pandemic.

## 7. GOVERNANCE COSTS

	2021		2020	
	Unrestricted Funds	Restricted Funds	Unrestricted Funds	Restricted Funds
	£	£	£	£
<b>Youth Federation Limited</b>				
Meetings and conferences	173	-	836	-
Auditor's remuneration	1,680	-	1,500	-
Professional and legal fees	6,881	-	-	-
	<u>8,734</u>	<u>-</u>	<u>2,336</u>	<u>-</u>
<b>Youth Federation for Cheshire, Halton, Warrington and Wirral</b>				
Meetings and conferences	-	-	-	335
Auditor's remuneration	-	6,600	-	6,000
Professional and legal fees	-	89	-	-
	<u>-</u>	<u>6,689</u>	<u>-</u>	<u>6,335</u>
<b>The Fermain Club</b>				
Auditor's remuneration	-	600	-	600
Bank charges	-	219	-	283
	<u>-</u>	<u>819</u>	<u>-</u>	<u>883</u>
<b>Changing Young Lives Limited</b>				
Meetings and conferences	93	-	1,658	-
Auditor's remuneration	4,920	-	4,500	-
	<u>5,013</u>	<u>-</u>	<u>6,158</u>	<u>-</u>
<b>TOTAL</b>	<u><b>13,747</b></u>	<u><b>7,508</b></u>	<u><b>8,494</b></u>	<u><b>7,218</b></u>

## 8. TRUSTEES' AND KEY MANAGEMENT PERSONNEL REMUNERATION AND EXPENSES

The trustees neither received nor waived any remuneration during the year (2020: £nil).

The trustees did not have any expenses reimbursed during the year (2020: £nil).

The key management personnel of the Charity during the year comprised the trustees of Youth Federation Limited and the senior leadership team i.e. the Chief Executive, Director of Finance and Cheshire and Warrington Pledge, Director of Direct Delivery, Head of Fundraising Head of Operational Support and the Head of Digital and Cyber Development.

The total amount of employee benefits (including employer's National Insurance contributions and employer pension contributions) received by the senior leadership team (including benefits provided by Youth Federation Limited, Youth Federation for Cheshire, Halton, Warrington and Wirral, and Changing Young Lives Limited) was £336,803 (2020: £271,855). This total relates to the management of the larger Youth Federation organisation, which includes Youth Federation Limited, its linked charities and Changing Young Lives Limited.

The emoluments of one member of the key management personnel, are within the range of £80,001 - £90,000 (2020: one in the range £70,001 - £80,000). Contributions paid to money purchase pension schemes in respect of such employees amounted to £4,361 (2020: £9,389) for the year.

## 9. STAFF COSTS

	2021 £	2020 £
Wages and salaries	1,198,993	1,243,624
Social security costs	90,743	91,983
Pension costs	68,663	92,805
	<u>1,358,399</u>	<u>1,428,412</u>

### Number of employees

The average monthly number of employees and full-time equivalents during the year was as follows:

	2021	2020
Youth Education	9	9
Youth Club Support	2	1
National Citizen Service	40	36
Youth Investment Fund	5	4
Talent Match	14	11
General Fund	2	7
	<u>72</u>	<u>68</u>

In addition, a great amount of time, the value of which it is impossible to reflect in these financial statements, is donated by a number of volunteers throughout Cheshire, Halton, Warrington, Wirral and Macclesfield.

## 10. PENSION COSTS

The Youth Federation for Cheshire, Halton, Warrington and Wirral has an obligation to fund any shortfall in pension benefits payable to ex-employees in the Cheshire Pension Fund, part of the local government scheme, a multi-employer defined benefit final salary scheme, where the share of the assets and liabilities applicable to the charity have been identified by an actuarial valuation.

In accordance with the local government pension scheme regulations, Cheshire West and Chester Council administers the fund.

Contributions are determined by an independent qualified actuary on the basis of triennial valuations using the projected unit method. The last formal valuation of the Fund was carried out as at 31 March 2019 which has been updated to reflect conditions at the balance sheet date.

There are no employee members of the scheme and the scheme is now closed to new entrants.



10. PENSION COSTS (cont.)

	2021 £	2020 £
Net interest (expense)/income	(1,000)	(2,000)
Recognised in net income/(expenditure)	(1,000)	(2,000)
Recognised in other gains/(losses)	(41,000)	29,000
Total net income/gains recognised	(42,000)	27,000

Amounts recognised in the balance sheet were as follows:

	2021 £	2020 £
Present value of funded obligations	(449,000)	(378,000)
Fair value of plan assets	355,000	319,000
Net pension scheme asset/(liability)	(94,000)	(59,000)

Changes in the present value of the defined benefit obligations were as follows:

	2021 £	2020 £
Opening defined benefit obligation	(378,000)	(414,000)
Benefits paid	17,000	17,000
Interest expense	(8,000)	(10,000)
Actuarial gain/(loss)	(80,000)	29,000
Closing defined benefit obligation	(449,000)	(378,000)

# 10. PENSION COSTS (CONTINUED)

Changes in the fair value of the pension plan assets were as follows:

	2021 £	2020 £
Opening plan assets	319,000	321,000
Benefits paid	(17,000)	(17,000)
Interest income	7,000	8,000
Contributions by charity	7,000	7,000
Actuarial gain/(loss)	39,000	-
	<u>355,000</u>	<u>319,000</u>
Closing plan assets	<u>355,000</u>	<u>319,000</u>

The amount that each major class of pension plan assets constitutes of the fair value of the total plan assets was as follows:

	2021 £	2020 £
Equities	124,250	146,740
Bonds	166,850	133,980
Property	28,400	25,520
Cash	35,500	12,760
	<u>355,000</u>	<u>319,000</u>

The return on plan assets was as follows:

	2021 £	2020 £
Interest income	<u>7,000</u>	<u>8,000</u>
Total return on plan assets	<u>7,000</u>	<u>8,000</u>

The principal actuarial assumptions used were as follows:

	2021	2020
Discount rate	2.9%	2.3%
Expected rates of salary increases	3.6%	2.6%
Pension increases	2.9%	1.9%

The mortality assumptions used for longevity (in years) on retirement age at 65 are:

Retiring at the balance sheet date		
- Males	21.4	21.2
- Females	24.0	23.6
Retiring in 20 years		
- Males	22.4	21.9
- Females	25.7	25.0

# 10. PENSION COSTS (cont.)

The Charity also operates a Stakeholder scheme managed by Aegon as a defined contribution scheme. Contributions payable for the year are charged in the Statement of Financial Activities under the heading 'Charitable activities'.

# 11. NET INCOME/(EXPENDITURE) FOR THE YEAR

This is stated after charging:

	2021 £	2020 £
<b>Group</b>		
Depreciation	34,805	26,990
Auditors' remuneration		
- Audit	13,800	9,150
- Non audit	-	4,200
	<u>          </u>	<u>          </u>
<b>Charity</b>		
Depreciation	19,570	15,140
Auditors' remuneration		
- Audit	8,880	5,400
- Non audit	-	2,700
	<u>          </u>	<u>          </u>

# 12. INTANGIBLE ASSETS

Group and Charity	Software £	Total £
<b>Cost</b>		
At 1 April 2020	-	-
Additions	12,165	12,165
Disposals	-	-
	<u>          </u>	<u>          </u>
At 31 March 2021	12,165	12,165
<b>Depreciation</b>		
At 1 April 2020	-	-
Charge for year	-	-
Disposals	-	-
	<u>          </u>	<u>          </u>
At 31 March 2021	-	-
<b>Net Book Value</b>		
At 31 March 2021	12,165	12,165
	<u>          </u>	<u>          </u>
At 31 March 2020	-	-
	<u>          </u>	<u>          </u>

### 13. TANGIBLE ASSETS

Group	Land & Buildings £	Tenants Improvements £	Office Equipment £	Total £
<b>Cost</b>				
At 1 April 2020	216,470	41,918	204,472	462,860
Additions	-	-	36,985	36,985
Disposals	-	9,360	(108,063)	(108,063)
At 31 March 2021	<u>216,470</u>	<u>32,558</u>	<u>133,394</u>	<u>391,782</u>
<b>Depreciation</b>				
At 1 April 2020	10,000	25,843	138,221	174,064
Charge for year	1,999	4,070	28,736	34,805
Disposals	-	(9,360)	(107,996)	(9,360)
At 31 March 2021	<u>11,999</u>	<u>20,553</u>	<u>58,961</u>	<u>199,509</u>
<b>Net Book Value</b>				
At 31 March 2021	<u>204,471</u>	<u>12,005</u>	<u>74,433</u>	<u>290,909</u>
At 31 March 2020	<u>206,470</u>	<u>16,075</u>	<u>66,251</u>	<u>288,796</u>
<b>Charity</b>		<b>Tenants Improvements £</b>	<b>Office Equipment £</b>	<b>Total £</b>
<b>Cost</b>				
At 1 April 2020		9,360	151,999	161,359
Additions		-	23,051	23,051
Disposals		(9,360)	(86,983)	(9,360)
At 31 March 2021		<u>-</u>	<u>88,067</u>	<u>88,067</u>
<b>Depreciation</b>				
At 1 April 2020		9,360	104,610	113,970
Charge for year		-	19,570	19,570
Disposals		(9,360)	(86,916)	(9,360)
At 31 March 2021		<u>-</u>	<u>37,264</u>	<u>124,180</u>
<b>Net Book Value</b>				
At 31 March 2021		<u>-</u>	<u>50,803</u>	<u>50,803</u>
At 31 March 2020		<u>-</u>	<u>47,389</u>	<u>47,389</u>

All fixed assets are used in the direct furtherance of the charity's objects.

#### 14. FIXED ASSET INVESTMENTS

Youth Federation Limited owns 100% of the issued share capital of Changing Young Lives Limited (being one ordinary £1 share). This company was incorporated on 20 December 2012 and its principal activity is the delivery of the NCS programme. The profit and loss account of the subsidiary for the year ended 31 March 2021 is as follows:

	2021 £	2020 £
<b>Turnover</b>	1,302,308	1,216,284
Cost of sales	(885,530)	(665,754)
<b>Gross profit</b>	416,778	550,530
Administrative expenses	(168,372)	(556,677)
	248,406	(6,147)
Other operating income	63,828	52,052
<b>Operating (loss)/profit</b>	312,234	45,905
Interest payable and similar charges	(3,360)	(3,543)
<b>Profit before taxation</b>	308,874	42,362
Tax on (loss)/profit on ordinary activities	(364)	482
<b>Loss/(profit) after taxation</b>	308,510	42,844

The aggregate capital and reserves of Changing Young Lives Limited at 31 March 2021 was £278,379 (2020: £50,684). This included a distribution to Youth Federation Limited of £80,545 (2020:£nil).

#### 15. INVESTMENT PROPERTY

Group and Charity	Total £
<b>VALUATION</b>	
At 1 April 2020	432,810
At 31 March 2021	432,810

Investment property comprises freehold land which was excluded from the granting of a 125 lease on the Fermain land and buildings.

The valuation of the remaining land is based on a professional valuation of the land and buildings over which the 125 year leasehold was granted.

#### 16. DEBTORS

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Trade debtors	9,994	75,574	9,994	85,399
Accrued income	164,046	151,519	76,032	60,673
Prepayments	56,280	17,066	42,120	11,378
Other debtors	-	1,988	-	153,988
	230,320	246,147	128,146	311,438

**17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Bank loans	9,487	9,538	-	-
Trade creditors	51,672	25,197	28,187	13,224
Other creditors	96,645	156,341	148,463	19,983
Income received in advance	178,543	564,320	16,715	25,227
Other taxes and social security	30,955	24,804	19,509	18,068
	<u>367,302</u>	<u>780,200</u>	<u>212,874</u>	<u>76,502</u>

**18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Bank loans	88,292	97,450	-	-
	<u>88,292</u>	<u>97,450</u>	<u>-</u>	<u>-</u>
Bank loan maturity analysis:				
1-2 years	9,773	9,487	-	-
2-5 years	31,452	30,211	-	-
> 5 years by instalments	47,067	57,752	-	-
	<u>88,292</u>	<u>97,450</u>	<u>-</u>	<u>-</u>

**19. SECURED DEBTS**

The following secured debts are included within creditors:

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Bank loans	97,779	106,988	-	-
	<u>97,779</u>	<u>106,988</u>	<u>-</u>	<u>-</u>

The bank loan is repayable by 180 monthly instalments ending in April 2030. The rate of interest payable on the loan is fixed at the Bank of England Base Rate plus 2.4% per annum. Interest is payable monthly.

During the year interest of £3,358 (2020: £3,543) was charged on the loan.

20. INCOME RECEIVED IN ADVANCE

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
NCS Programme	121,379	539,093	-	-
Talent Match	16,715	20,227	16,715	20,227
UK Youth - Reach Up	-	5,000	-	5,000
Children in Need	18,229	-	18,229	-
CWAC	6,720	-	6,720	-
Back on track	10,000	-	10,000	-
Cheshire Fire and Rescue	5,500	-	5,500	-
	<u>178,543</u>	<u>564,320</u>	<u>57,164</u>	<u>25,227</u>

21. OPERATING LEASE COMMITMENTS

Group and Charity

2021  
£

2020  
£

*Minimum lease payments fall due as follows:*

Net obligations repayable:

Within one year

Between one and five years

7,406	7,174
9,988	-
<u>17,394</u>	<u>7,174</u>

## 22. MOVEMENTS ON FUNDS

The Restricted and Unrestricted Funding balances shown on the Statement of Financial Activities as at 31 March 2021 are made up of the following balances:

Group	At 1 April 2020 £	Income £	Expenditure £	Other Movements/ Transfers £	At 31 March 2021 £
<b>RESTRICTED FUNDS</b>					
<b>Youth Federation Limited</b>					
Talent Match	-	224,360	(224,360)	-	-
Big Lottery Fund - YIF	23,734	-	(23,734)	-	-
Nesta	-	10,000	-	-	10,000
	<u>23,734</u>	<u>234,360</u>	<u>(248,094)</u>	<u>-</u>	<u>10,000</u>
<b>Youth Federation for Cheshire, Halton, Warrington and Wirral</b>					
Youth Education	25,601	435,789	(166,358)	(228,942)	66,090
Youth Club Support	19,691	33,959	(21,478)	(24,037)	8,135
General Fund	209,935	131,127	(188,895)	245,979	398,146
Pension Reserve	(59,000)	-	-	(34,000)	(93,000)
	<u>196,227</u>	<u>600,875</u>	<u>(376,731)</u>	<u>- 41,000</u>	<u>379,371</u>
<b>The Fernain Club</b>					
General Fund	498,784	13	(2,199)	-	496,598
Revaluation Reserve	86,000	-	-	-	86,000
	<u>584,784</u>	<u>13</u>	<u>(2,199)</u>	<u>-</u>	<u>582,598</u>
<b>Woodside Youth Centre</b>					
General Fund	136,144	-	-	-	136,144
	<u>136,144</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>136,144</u>
	<u>940,889</u>	<u>835,248</u>	<u>(627,024)</u>	<u>(41,000)</u>	<u>1,108,113</u>
<b>UNRESTRICTED FUNDS</b>					
YFL General Fund	31,001	225,849	(475,642)	-	(218,792)
Changing Young Lives Ltd	50,684	1,336,125	(968,428)	-	418,381
	<u>81,685</u>	<u>1,561,974</u>	<u>(1,444,070)</u>	<u>-</u>	<u>199,589</u>
<b>TOTAL FUNDS</b>	<u>1,022,574</u>	<u>2,397,222</u>	<u>(2,071,094)</u>	<u>-</u>	<u>1,307,702</u>



22. MOVEMENTS ON FUNDS (CONTINUED)

Charity	At 1 April 2020 £	Income £	Expenditure £	Movements/ Transfers £	At 31 March 2021 £
<b>RESTRICTED FUNDS</b>					
<b>Youth Federation Limited</b>					
Talent Match	-	224,360	(224,360)	-	-
Big Lottery Fund - YIF	23,734	-	(23,734)	-	-
Nesta	-	10,000	-	-	10,000
	<u>23,734</u>	<u>234,360</u>	<u>(248,094)</u>	<u>-</u>	<u>10,000</u>
<b>Youth Federation for Cheshire, Halton, Warrington and Wirral</b>					
Youth Education	25,601	435,789	(166,358)	(228,942)	66,090
Youth Club Support	19,691	33,959	(21,478)	(24,037)	8,135
	<u>45,292</u>	<u>469,748</u>	<u>(187,836)</u>	<u>(252,979)</u>	<u>74,225</u>
	<u>69,026</u>	<u>704,108</u>	<u>(435,930)</u>	<u>(252,979)</u>	<u>84,225</u>
<b>UNRESTRICTED FUNDS</b>					
<b>YFL General Fund</b>	31,001	382,166	(491,146)	-	(77,979)
<b>Youth Federation for Cheshire, Halton, Warrington and Wirral</b>					
General Fund	209,935	148,178	(206,761)	245,979	397,331
Pension Reserve	(59,000)	-	-	(34,000)	(93,000)
	<u>150,935</u>	<u>148,178</u>	<u>(206,761)</u>	<u>211,979</u>	<u>304,331</u>
<b>The Fermain Club</b>					
General Fund	498,784	13	(2,199)	-	496,598
Revaluation Reserve	86,000	-	-	-	86,000
	<u>584,784</u>	<u>13</u>	<u>(2,199)</u>	<u>-</u>	<u>582,598</u>
<b>Woodside Youth Centre</b>					
General Fund	136,144	-	-	-	136,144
	<u>136,144</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>136,144</u>
	<u>902,864</u>	<u>530,357</u>	<u>(700,106)</u>	<u>211,979</u>	<u>945,094</u>
<b>TOTAL FUNDS</b>	<u>971,890</u>	<u>1,234,465</u>	<u>(1,136,036)</u>	<u>(41,000)</u>	<u>1,029,319</u>

## 22. MOVEMENTS ON FUNDS (CONTINUED)

Summary of restricted funds:

The **Talent Match** fund relates to a partnership with Merseyside Youth Association to deliver an intensive mentoring and confidence building service offering one to one support for vulnerable young people and create opportunities to build positive futures.

The aim of the **Big Lottery Fund - Youth Investment Fund** is to support voluntary, community youth organisations to deliver, expand and create high quality local youth provision in targeted communities.

Youth Federation worked in partnership with **World Merit** to encourage social action by young people in Cheshire, Warrington, Halton and Wirral.

The **Youth Education** fund relates to the work the Youth Federation carries out directly with young people on various activities.

The **Youth Club Support** fund is used to develop and build capacity within smaller local organisations.

Changing Young Lives worked in partnership with the Cheshire & Warrington Local Enterprise Partnership to promote **The Cheshire and Warrington Pledge**. The Pledge brings employers together with schools and youth groups, aiming to inspire young people about new technologies and job opportunities available in Cheshire and Warrington and to encourage them to obtain the skills needed to work within our exciting and enterprising local companies.

The **General Funds** of the Youth Federation for Cheshire, Halton, Warrington and Wirral, The Fermain Club, and Woodside Youth Centre are available for use only in the furtherance of the general objectives of those organisations.

## 23. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Group	Unrestricted Fund £	Restricted Fund £	2021 Total £
Fixed assets	263,922	471,962	735,884
Current assets	332,015	794,456	1,126,471
Current liabilities	(295,498)	(71,804)	(367,302)
Long-term liabilities	(88,292)	-	(88,292)
Pension scheme liability	-	(94,000)	(94,000)
Provisions for liabilities	(5,059)	-	(5,059)
Net assets at 31 March 2021	207,088	1,100,614	1,307,702

Charity	£	£	£
Fixed assets	495,779	-	495,779
Current assets	756,189	84,225	840,414
Current liabilities	(212,874)	-	(212,874)
Long-term liabilities	-	-	-
Pension scheme liability	(94,000)	-	(94,000)
Provisions for liabilities	-	-	-
Net assets at 31 March 2021	945,094	84,225	1,029,319

## 24. SHARE CAPITAL

The charitable company is limited by guarantee and therefore has no share capital. In the event of the company being wound up, the maximum amount which each member is liable to contribute is £1.

## 25. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Net movement in funds	285,128	24,942	57,428	(17,902)
Interest income	(385)	(864)	(385)	(864)
Depreciation	34,804	26,990	19,570	15,140
Loss on disposal of fixed assets	68	-	68	0
Decrease/(increase) in debtors	15,827	(50,139)	183,292	(149,414)
(Decrease)/increase in creditors	(407,839)	395,839	136,372	(25,508)
Increase/(decrease) in pension scheme liability	35,000	(34,000)	35,000	(34,000)
Net cash inflow/(outflow) from operating activities	<u>(37,397)</u>	<u>362,768</u>	<u>431,345</u>	<u>(212,548)</u>



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