

# **Youth United Foundation**

## **Annual Report and Financial Statements**

30 September 2020

Company Limited by Guarantee  
Registration Number  
07983862 (England and Wales)

Charity Registration Number  
1147952

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The period covered by this annual report has been unprecedented for the Youth United Foundation, for all uniformed youth organisations, and most importantly for the children and young people we exist to serve. As one Scout Leader put it recently 'It's been tough on us all, but it's been especially tough on young people, who've had their worlds turned upside down'. We all know a young person who has missed at least one important milestone: leaving one school and beginning another; celebrating big birthdays with friends and family; perhaps being unable to say goodbye to a much loved member of their families.

Getting young people back to school has restored some normality, but equally important is what they are able to do outside school hours. This is where the uniformed youth groups supported by YUF have such an important part to play. During the pandemic they have offered a huge range of on-line activities as well as face to face meetings whenever it was safe and practical to do so. This has taken an enormous amount of hard work, investment, and ingenuity. It has been rewarded by the retention of close links with their membership, a leap forward in their digital capability and, for many, increased demand from young people and their parents which has translated into longer waiting lists.

It has also come at a cost. Network members have lost important sources of income from adventure centres, shops, fundraising and grants. They have had to cut staffing, run down reserves, and make hard choices about their budgets. Almost all have lost volunteers. This is the biggest challenge of all: without volunteers there are no meetings, no activities, perhaps no trusted adult to turn to when things get tough at home or at school.

YUF has worked closely with the Network throughout the last 18 months to help tackle these challenges. I have been privileged to chair regular – sometimes weekly – meetings of the Network leads since March 2020 and have seen at first hand their willingness to share information and ideas, their openness to working together and their absolute determination to carry on supporting their members, no matter how challenging it sometimes felt. We worked with the Back Youth Alliance to ensure Government was fully aware of the challenges they were facing, and we welcomed the £16M DCMS Youth Covid Support Fund, which offered much needed support for running costs during the second lockdown.

YUF itself has been in a holding pattern in funding terms for the last 18 months. As these accounts show, we have maintained the income needed to cover our core costs thanks to the exceptionally generous support of the Prince of Wales Charitable Foundation and, more recently, the DCMS Youth Covid Support Fund. We completed the Stronger United project on integration and inclusion in the first part of the 2019-20 financial year, and have also worked with NHS England, the Royal British Legion, and the National Youth Agency.

As to the future, we will remain focused on the vision set for us by our Founder and Patron, HRH The Prince of Wales that every young person regardless of their background, should have the opportunity to join a uniformed youth group. We plan to evaluate and test our approach to raising funding for this mission in the post Covid world, and to build on the strong relationship we have with the Network organisations.

There will also be some changes in leadership. This is the last time I will have the pleasure and privilege of introducing the Annual Report, as I will be stepping down as Chair at the AGM in June 2021. I am, however, delighted to be remaining a part of the Youth United

family as – subject to approval at their AGM - I will become Chair of Trustees of the Scouts in September 2021.

I would like to thank the YUF Trustees for their unstinting support for the charity, for their generosity in offering their time and skills, and for their friendship and wise counsel to me during my six years as Chair. I would also like to thank our Operations consultant, Wendy Human, who has played a vital part of YUF since its earliest days, and whose commitment, collegiate approach and deep understanding of uniformed youth work are among our greatest assets.

I would also like to thank HRH The Prince of Wales, our Founder and Patron, whose vision and unstinting support continues to inspire us as a Foundation, and to unite the Network of uniformed youth organisations. It has never been needed more as the young people of the UK begin to find their way towards the future.

A handwritten signature in black ink that reads "Jennie Price". The signature is written in a cursive, flowing style.

Jennie Price CBE

Chair of Trustees

18 June 2021

The Trustees of the Youth United Foundation present their annual directors' report together with the financial statements of the charity for the year ended 30 September 2020. They have been prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Foundation's Articles of Association, 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).

### **Our vision and mission**

Youth United's vision is that every young person in the UK has the opportunity to join one of our member organisations. Our member organisations are:

- Army Cadet Force
- Fire Cadets
- Girlguiding
- Jewish Lads' and Girls' Brigade
- RAF Air Cadets
- Sea Cadets
- St John Ambulance
- The Boys' Brigade
- The Girls' Brigade England & Wales
- The Scout Association
- Volunteer Police Cadets

Membership of the Youth United Network is open to any UK-focused organisation that meets the following criteria:

- ◆ National governance, a trusted reputation and charitable objectives;
- ◆ Common, structured activities that are fun, engaging and inclusive;
- ◆ Progressive programmes where young people can advance into leadership;
- ◆ Focus on youth development (ranging from ages 4-25);
- ◆ Adult volunteering and social action as key parts of delivery; and
- ◆ A shared, required uniform.

**Our vision and mission** (continued)

These established, national voluntary youth organisations come together under the Youth United banner to grow their provision, especially in areas and communities where there is less tradition of uniformed youth activity. They form a powerful Network which increases their joint understanding on issues, realises the benefits of collaboration and then, through each of their internal structures, supports local activity. Each member of the Youth United Network remains an independent organisation, working to realise their individual aims and objectives.

The role of the Foundation is to secure and administer funding in an efficient and effective way to enable the creation of new uniformed youth groups where they are most needed, and to deliver strategic support for the Network as a whole, for example through the collation of data, including its mapping tool.

**Charitable objects**

The Youth United Foundation's objects, as set out in its Articles of Association, are for the public benefit to promote the emotional, spiritual, physical, intellectual and social development of young people ("Beneficiaries"), by pursuing any lawful charitable purposes at the discretion of the Trustees and in particular:

- ◆ The advancement of citizenship or community development by promoting opportunities for the development, education and support of Beneficiaries in need to lead purposeful, stable and fulfilled lives;
- ◆ The advancement of education of Beneficiaries by the provision, encouragement and promotion of education, instruction, training, entrepreneurship or engaging in a profession, trade, craft or service;
- ◆ The prevention or relief of poverty of Beneficiaries through the provision of assistance (including financial assistance); and
- ◆ The advancement of health by promoting and protecting the health, morale, confidence, well-being, skills and abilities of Beneficiaries who are deemed vulnerable.

The Foundation aims to deliver these objects by it making so that every young person in the UK can take part in uniform youth activities through one of its member organisation.

### **Convening and supporting the Network**

The Foundation has a vital role to play in both convening and supporting the Network. Regular meetings are held with all the Network organisation Chief Executive Officers or their senior representatives. These meetings provide a forum to discuss strategy, policy and to share ideas and concerns. The strength which comes from sharing and discussing issues which are common to all our Network members is not to be underestimated. As explained below, the Foundation's role in convening and supporting these meetings has been particularly important during the pandemic, when meetings have been held fortnightly to facilitate knowledge sharing and joint problem solving. The Foundation also provides a platform for disseminating information to the Network on key issues such as safety, safeguarding, policy changes and key youth work developments.

The UNIT mapping tool maintained by the Foundation gives Network organisations an opportunity to access growth data and aids strategic planning and the Foundation has continued to maintain a focus on evaluating the impacts of our investment across the Network.

### **Impact of Covid -19**

The Covid-19 pandemic has had a major impact on the work of YUF, both in terms of how it supports the Network and on its own finance and operations.

In March 2020, the Foundation's small staff immediately relocated to working from home, and all its activities have moved online. Discussions on future funding with both Government and charitable foundations were immediately disrupted, and decision making on key funds which were likely to have been available to the Foundation have been put on hold. In response to this exceptional operating environment, the Foundation has reduced its operating costs to an absolute minimum and has kept in very regular contact with potential funders to ensure that the Foundation (and where appropriate the Network organisations) was as well placed as possible to bid for further funds to support their recovery and resilience as they become available. During the period ending September 2020 this included discussions with Government on what eventually became the Youth Covid Support Fund, from which several Network organisations and the Foundation itself benefitted in 2021.

The Foundation has been very active since the lockdown took effect in March 2020, for example by convening and supporting weekly, and subsequently fortnightly, meetings of the Network. These have been well attended by senior individuals and have proved very useful in terms of sharing learning and discussing common problems, as well as connecting members with wider Government thinking. The regular meetings have provided a space to coordinate a response to the challenges that the situation brings regarding young people and uniformed youth groups. The meetings have provided a space for the Network to share their successes and concerns with their peers. Topics of discussion have included insurance, membership fees/subs, the challenges of reaching young people in these difficult times and safeguarding for online activities. All the Network have responded very positively to the situation and are offering virtual or blended online and face to face programmes for their young people to keep them engaged.

Another important role for the Foundation has been in working with the National Youth Agency to provide up to date advice and guidance on youth activity during the pandemic.

### **Core Funding – Performance and delivery during 2019- 2020**

YUF has been extremely fortunate to receive funding from The Prince of Wales's Charitable Fund during this period. This funding has helped YUF to support the Youth United Network in delivering its aims that any young person can join a uniformed youth organisation and achieve their potential regardless of their background.

The Stronger United project was funded by the Prince of Wales's Charitable Foundation and co-ordinated by the Foundation from October 2019 through to March 2020. The overarching aim of the project was to significantly increase the understanding of integration and inclusion across the YUF Network, with a long-term goal of increasing the number of young people from harder to reach areas able to access the life changing benefits of Uniformed Youth Group membership.

The project ran for a period of six months providing a set of action learning based workshops centred on the theme of inclusion and integration. These included Mental Health and Gender issues. The workshops were open to all 11 YUF Network Organisations. The aim of the workshops was to promote discussion, provide information and resource and equip adult leaders with the skills to cascade this information across their own organisations to encourage greater cohesion and diversity of membership.

The project gave rise to several key findings. Developing the project with high Network involvement led to extremely high levels of engagement and traction. This in turn has resulted in greater integration and collaboration across the Network. YUF has provided a conduit for local knowledge, insight and practice from the Network and has been able to provide a route to then develop and share it.

Network members are a rich source of knowledge on integration, particularly when working with adult volunteers and young people. High levels of engagement and feedback from the evaluation have demonstrated that there is a desire from the Network for this work to continue and to develop. The delivery model used has proved to be both sustainable and very attractive to the Network. The increased use of UNIT has driven a desire from the Network to embed this mapping tool in their integration work, although additional funding will be required to do this effectively.

The Stronger United project has been well received and has had some very positive outcomes. It has engendered a real desire to develop the project themes of integration and inclusion. Critical to the success of this project has been the support and active engagement from key colleagues within the Network.

The Foundation also worked with NHS England to deliver a small pilot to deliver an introduction to the NHS, to NHS careers and to promote self-care. The pilot was based in Birmingham and involved young people from SJA and Boys Brigade. The pilot took place in February and March 2020.

YUF have worked closely with the Royal British Legion to engage members of uniformed youth groups in remembrance. This has included Fire Cadets interviewing veterans to discover more about their experiences in World War 2, helping develop targeted resources and coordinating young people's presence at acts of remembrance.



**Core Funding – Performance and delivery during 2019- 2020** (continued)

An emerging strand of work has been that of training and development, working closely with the National Youth Agency we have started to map training programmes across the Network.

**Structure, governance and management**

***Stewardship and support during 2020-21***

The Board of Trustees met six times during the period covered by this report. Key issues discussed included:

- ◆ The oversight of the funded projects;
- ◆ The ongoing financial viability of the Foundation, including regular reviews of income and expenditure and contingency planning in the event of no further significant funding being received;
- ◆ Maintaining appropriate resources within the Foundation given the uncertainty of future funding; and
- ◆ Ensuring the Foundation was able to offer useful and appropriate support to Network members and maintaining positive relationships with its wider stakeholder groups.

***Appointment of Trustees***

As set out in the Articles of Association, the Youth United Foundation must have at least three and no more than 11 Trustees. Up to two of the Trustees may be appointed upon nomination of the Youth United Network and up to nine may be appointed by the Trustees. The Chair is also appointed by the Trustees. The Foundation's Trustees are also directors of the Youth United Foundation for the purposes of company law.

***Trustee induction and development***

One new Trustee was appointed during this period. The Foundation's practice is for new (and as required existing) Trustees to be briefed by co-Trustees, the Operations consultant and the Financial consultant on their legal obligations under charity and company law and on:

- ◆ Charity Commission guidance on public benefit;
- ◆ Contents of the Memorandum and Articles of Association;
- ◆ Decision-making processes and delegations; and
- ◆ Strategy plans and recent financial performance.

## **Structure, governance and management** (continued)

### ***Trustee induction and development*** (continued)

Reference documentation is provided to support briefings with updates being issued as required. Trustees are also encouraged to meet key employees, visit uniformed youth groups and undertake training or attend courses which are relevant to the development of their role and to maintain currency with legislative and regulatory requirements.

None of the Trustees receive remuneration or other financial benefit from their work with the Youth United Foundation.

### ***Organisation***

The Board of Trustees direct the strategy for the Foundation. It normally meets six times a year, and at least quarterly.

The Board is chaired by Jennie Price, who is independent of any connection with the members of the Youth United Network.

A Director was appointed by the Trustees to manage the day to day operations of the charity until they left the Foundation at the end of November 2019. An Operations consultant was used from December 2019 to manage operations as required and is responsible for overseeing projects, finance and Network engagement.

### ***Relationship with the Youth United Network***

The Youth United Foundation is closely entwined with and works to support the Youth United Network. The two work together co-operatively as Youth United. Network member organisations or their appointed representatives are members of the Foundation and nominate up to two of the Foundation's Trustees. The Chair of the Board of Trustees attends Network meetings. The Network also receives operational, secretariat and advisory support from the Foundation's staff.

## **Financial review**

### ***Report for the period***

During the year ended 30 September 2020, total income amounted to £123,253 (2019 – £5,170,430) and total expenditure amounted to £129,421 (2019 – £5,220,235) of which programme and support costs amounted to £123,421 (2019 – £5,202,761) and governance costs amounted to £6,000 (2019 – £17,474). The reduction in activity reflects the absence of significant government funding in 2019/2020.

Expenditure exceeded income for the year resulting in a deficit of £6,168 (2019 – net deficit of £49,805).

**Financial review** (continued)

***Pay policy for senior staff***

The Trustees, who are also directors of the company are responsible for directing, controlling and operating the Foundation on a day to day basis. All Trustees give of their time freely and no Trustee received remuneration in the year. No out of pocket travelling expenses were reimbursed to Trustees during the year (2019 – none).

Youth United Foundation is an equal opportunities employer and applies objective criteria to assess merit. It aims to ensure that no job applicant or employee receives less favourable treatment on the grounds of age, race, colour, nationality, religion, ethnic or national origin, gender, marital status, sexual orientation or disability.

Further details of staff costs, including key management personnel and Trustees' remuneration, appear in Note 4 to the Financial Statements.

**Risks**

The Trustees have assessed the major risks to which Youth United Foundation is exposed, in particular those relating to specific operations and finances and wider strategic risks. As with many charities and membership bodies, the organisation's major risks are around

- ◆ financial sustainability;
- ◆ adherence to Grant conditions;
- ◆ maintaining sufficient resources given funding uncertainties;
- ◆ maintenance of positive and productive relationships with its members; and
- ◆ changes in public policy towards the youth sector which could result in less alignment between our objectives and those of Government as a funder.

The Trustees believe that by ensuring controls exist over key financial systems, and by examining the operational and business risks faced by the charity, they have established effective systems to mitigate these risks. Additionally, the Trustees have led the development of a new risk management system which involves regular review of identified risks and issues and assessment of effectiveness of risk mitigation.

The charity has purchased insurance to protect it from any loss arising from the neglect or defaults of its Trustees, employees and agents and to indemnify the Trustees or other officers against the consequences of any neglect or default on their part. The insurance premium paid by the charity during the period totalled £2,643 (2019 – £5,506) and provides cover of up to a maximum of £5 million.

**Financial review** (continued)

**Reserves**

Every charity is required to disclose its reserves policy. This is often phrased in terms of keeping sufficient unrestricted reserves to fund a number of months' normal operations. Historically, under the terms of Youth United grants from the Department of Communities and Local Government and the Cabinet Office, the charity did not generate surplus reserves as the monies were primarily for restricted purposes. As a result, Youth United does not operate with significant levels of unrestricted funds.

At 30 September 2020 Youth United has unrestricted funds of £122,118 available to support the Foundation's charitable objectives, and restricted reserves of £13,807 primarily related to grant funding from the Prince Of Wales Trust which will be spent in 2020/21.

The Trustees continue to review the Foundation's reserves policy and ways to consistently achieve our ambition of having a minimum reserves equivalent to 12 months' unrestricted expenditure which is sufficient to allow the Foundation to continue to seek funding commitments and meet future expenditure and liabilities as they fall due.

**Fund raising**

The Foundation does not fundraise directly with individuals and therefore is not registered with the Fundraising Regulator.

When donations from individuals be received the Foundation aims to protect personal data and never sells data or swaps data with other organisations. The charity manages its own fundraising activities. The Foundation undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service. During 2020/21, the Foundation received no complaints about its fundraising activities

### **Statement of Trustees' responsibilities**

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

Company law requires the Trustees to prepare financial statements for each period which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure, of the Youth United Foundation for that period.

In preparing financial statements, Trustees are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in 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);
- ◆ 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;
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the Trustees confirms that:

- ◆ so far as the Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- ◆ the Trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

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

### **Plans for the future**

In January 2020 the Government announced a major new investment in young people of £500m in a Youth Investment Fund. The Foundation played a key role in the Back Youth Alliance which worked closely with Government to develop this concept, and the Foundation continues to feed in to this. There are reasonable prospects for the uniformed youth sector to benefit from it when distribution arrangements are announced later in 2021.

The relationship between the Foundation and the Network has been strengthened in recent months through very regular meetings during the Covi-19 crisis; maintaining and developing this close collaboration will be a priority for YUF in 2021.

YUF continues to focus on shoring up its financial sustainability through a set of strategic planning activities. The Foundation will shortly begin a review and evaluation of its model and effectiveness, testing and refining its well established delivery model against potential changes in funders' priorities and approach. It is anticipated that this review will provide a range of scenarios to enable a robust fundraising plan to be developed, which will feed in to the overall business strategy for the Foundation.

YUF has been working closely with charitable trusts and foundations with a view to securing a medium term grant to cover its core funding. The focus on developing a new fundraising plan will support this work.

The above report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by and signed on behalf of the Trustees by:

A handwritten signature in black ink, reading "Jennie Price". The signature is written in a cursive style with a long horizontal line extending from the top of the first letter.

Trustee

Date: 18th June 2021

### **Trustees**

The Trustees serving in the year and to the date of this report were as follows:

<b>Appointed Trustees</b>	<b>Dates</b>	<b>Role</b>
Julian Barrell	Appointed 13 April 2016	Fundraising Trustee
Tina Hallett	Appointed 01 March 2016 and resigned 11 December 2019	Trustee
Shyama Perera	Re-appointed 23 January 2018	Communications Trustee
Jennie Price	Appointed 02 October 2015	Chair of the Board
Paul Stephen	Re-appointed 23 January 2018	Treasurer
Andrew Lison	Appointed 7 March 2020	Trustee

### **Network nominated Trustees**

Martin Coles (Sea Cadets)	Re-appointed 18 September 2016	Network Trustee
Alex Peace-Gadsby	Appointed 20 October 2016	Network Trustee

### **Charity employees**

Director: Adam Bonner from 1 May 2019 to 4 December 2019

### **Professional advisers**

Auditors: Buzzacott LLP, 130 Wood Street, London, EC2V 6DL

Bankers: NatWest Bank, Gredley House, 1-11 Broadway, Stratford, London, E5 4DX

Solicitors: Stone King LLP, 16 St John's Lane, London, EC1M 4BS

HR Adviser: Bradic Ltd, The Bell, Cottered, Herts, SG9 9PT

### **Reference Information**

Registered charity number: 1147952

Company number: 07983862 (England and Wales)

Registered address: 202 Lambeth Road, London SE1 7JW

Telephone: +44 (0)207 4017601

Website: [www.youthunited.org.uk](http://www.youthunited.org.uk)

Email: [youth.united@yuf.org.uk](mailto:youth.united@yuf.org.uk)

**Independent auditor's report to the members of the Youth United Foundation**

**Opinion**

We have audited the financial statements of Youth United Foundation (the 'charitable company') for the year ended 30 September 2020 which comprise the statement of financial activities, the balance sheet, statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at 30 September 2020 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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



### **Other information**

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

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

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

- ◆ the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the Trustees' report 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- ◆ adequate accounting records have not been kept; or
- ◆ 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 Trustees' responsibilities statement, the Trustees 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.

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

### **Use of our report**

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



Date: 25 June 2021

Katharine Patel, Senior Statutory Auditor  
for and on behalf of Buzzacott LLP, Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL

# Statement of financial activities Year ended 30 September 2020

	Notes	Unrestricted funds £	Restricted funds £	Total funds 2020 £	Unrestricted funds £	Restricted funds £	Total funds 2019 £
<b>Income from:</b>							
Donations		—	—	—	437	—	437
Charitable activities	1	100,000	22,550	<b>122,550</b>	2,500	5,167,342	5,169,842
Other income		600	—	<b>600</b>	—	—	—
Investment income		103	—	<b>103</b>	151	—	151
<b>Total income</b>		<u>100,703</u>	<u>22,550</u>	<u><b>123,253</b></u>	<u>3,088</u>	<u>5,167,342</u>	<u>5,170,430</u>
<b>Expenditure on:</b>							
Charitable activities	2	81,333	48,088	<b>129,421</b>	374,097	4,846,138	5,220,235
<b>Total expenditure</b>		<u>81,333</u>	<u>48,088</u>	<u><b>129,421</b></u>	<u>374,097</u>	<u>4,846,138</u>	<u>5,220,235</u>
<b>Net (expenditure) income for the year</b>		19,370	(25,538)	<b>(6,168)</b>	(371,009)	321,204	(49,805)
<b>Transfers between funds</b>	7	5,740	(5,740)	—	406,269	(406,269)	—
<b>Net movement in funds</b>		<u>25,110</u>	<u>(31,278)</u>	<u><b>(6,168)</b></u>	<u>35,260</u>	<u>(85,065)</u>	<u>(49,805)</u>
<b>Reconciliation of funds:</b>							
Balances brought forward at 1 October 2019	7/8	<u>97,008</u>	<u>45,085</u>	<u><b>142,093</b></u>	<u>61,748</u>	<u>130,150</u>	<u>191,898</u>
<b>Balances carried forward at 30 September 2020</b>	7/8	<u>122,118</u>	<u>13,807</u>	<u><b>135,925</b></u>	<u>97,008</u>	<u>45,085</u>	<u>142,093</u>

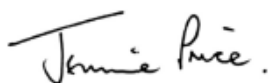
All income and expenditure derived from continuing activities in the above two financial periods.

The statement of financial activities includes all gains and losses.

**Balance sheet** 30 September 2020

	Notes	2020 £	2019 £
<b>Current assets</b>			
Cash at bank and in hand		<b>151,116</b>	206,591
<b>Total current assets</b>		<b>151,116</b>	206,591
<b>Creditors:</b> amounts falling due within one year	6	<b>(15,191)</b>	(64,498)
<b>Total net assets</b>		<b>135,925</b>	142,093
<b>The funds of the charity:</b>			
Income funds:			
Restricted funds	7	<b>13,807</b>	45,085
Unrestricted funds		<b>122,118</b>	97,008
	8	<b>135,925</b>	142,093

Approved by the Trustees on 18 June 2021  
and signed on their behalf by:



Chair & Trustee



Trustee

Company registration number: 07983862 (England and Wales)

## Statement of cash flows Year ended 30 September 2020

	Notes	2020 £	2019 £
<b>Cash flows from operating activities:</b>			
Net cash used in operating activities	A	<b>(55,578)</b>	(40,810)
<b>Cash flows from investing activities:</b>			
Interest received		<b>103</b>	151
<b>Net cash provided from investing activities</b>		<b>103</b>	151
<b>Change in cash and cash equivalents in the year</b>		<b>(55,475)</b>	(40,659)
<b>Cash and cash equivalents at 1 October 2019</b>	B	<b>206,591</b>	247,250
<b>Cash and cash equivalents at 30 September 2020</b>	B	<b>151,116</b>	206,591

Notes to the statement of cash flows for the year to 30 September 2020.

### A Reconciliation of net movement in funds to net cash used in operating activities

	2020 £	2019 £
<b>Net movement in funds (as per the statement of financial activities)</b>	<b>(6,168)</b>	(49,805)
<b>Adjustments for:</b>		
Interest received	<b>(103)</b>	(151)
Decrease in debtors	-	7,000
(Decrease) increase in creditors	<b>(49,307)</b>	2,146
<b>Net cash used in operating activities</b>	<b>(55,578)</b>	(40,810)

### B Analysis of cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	<b>151,116</b>	206,591
<b>Total cash and cash equivalents</b>	<b>151,116</b>	206,591

## **Principal accounting policies** 30 September 2020

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

### **Basis of preparation**

These financial statements have been prepared for the year ended 30 September 2020.

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

The financial statements have been prepared under the historical cost convention except for the modification to a fair value basis as specified in the accounting policies below.

The charity constitutes a public benefit entity as defined by FRS 102.

All financial information is presented in British Pounds Sterling (£), the charity's functional currency, and has been rounded to the nearest pound (£).

### **Critical accounting estimates and judgements**

The preparation of financial statements requires the use of certain critical accounting estimates and judgements. It also requires the Trustees to exercise judgement in the process of applying accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including an expectation of future events that are believed to be reasonable under the circumstances. Although these estimates are based on the Trustees' best knowledge of the amount, event or actions, actual results may differ from those estimates.

The Trustees do not consider that there are any significant areas of estimation or judgment that affect the financial statements.

### **Assessment of going concern**

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

The final full impact of the global coronavirus pandemic is still unknown and it is therefore not currently possible to evaluate all the future implications for the charity's activities, network members and beneficiaries. An immediate impact has been the reduced availability of funding streams and the postponement of discussions with both existing and prospective funding bodies regarding additional future grant funding awards. The Trustees believe these funding discussions will re-commence in 2021. The cash reserves and level of unrestricted funds is sufficient to allow the charity to continue to seek funding commitments and meet future expenditure and liabilities as they fall due.

**Assessment of going concern** (continued)

The Trustees having considered the future impact of the pandemic on the charity's future funding commitments, have concluded that although there may be some negative consequences, it is appropriate for the charity to continue to prepare its accounts on the going concern.

**Income**

Income from grants is recognised when the charity has entitlement to the funds, any performance conditions attached to the grant have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

**Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. It includes VAT which cannot be recovered.

***Expenditure on charitable activities***

The costs of charitable activities comprise expenditure on the charitable company's primary charitable purposes as described in the Trustees' report. Such costs include:

- ◆ Grant payments
- ◆ Salaries and other staff related costs
- ◆ Office and property related costs
- ◆ Publicity and dissemination costs
- ◆ Support costs
- ◆ Governance costs

***Support and governance costs***

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include administration, personnel and governance costs and also include support in the form of personnel development, financial procedures, the provision of office services and equipment and a suitable working environment.

Governance costs are the costs associated with the governance of the charitable company and its assets. Included within this category are costs associated with the strategic, as opposed to the day to day, management of the charitable company's activities.

### **Financial instruments**

The charity only holds basic financial instruments as defined in FRS102. The financial assets and financial liabilities and their measurement basis is as follows:

*Cash at bank* – is classified as a basic financial instrument and is measured at face value.

*Financial liabilities* – accounts payable, other creditors and accruals are financial instruments and are measured at amortised cost as detailed in note 8. Taxation and social security are not included in the financial instrument disclosure definition. Deferred income is not deemed to be a financial liability, as cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

### **Cash at bank and in hand**

Cash at bank and in hand represents cash that is available on demand or has a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year are disclosed as short term deposits.

### **Creditors and provisions**

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be measured or estimated reliably.

Creditors and provisions are initially recognised at fair value, being the amount the charity anticipates it will pay to settle the debt, and subsequently at amortised cost.

### **Fund accounting**

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donors. The aim and use of each restricted fund is set out in the notes to the financial statements. Expenditure incurred in fulfilling the objective of each restricted fund is charged against the fund balance and shown in the relevant expenditure category in the charity's statement of financial activities.



## Notes to the financial statements Year ended 30 September 2020

### 1 Income from charitable activities

	Unrestricted funds £	Restricted funds £	2020 £
Grants receivable:			
. The Prince of Wales Charitable Foundation	75,000	12,550	87,550
. NHS England	—	10,000	10,000
	75,000	25,550	97,550
Network contributions from members	25,000	—	25,000
<b>2020 Total income from charitable activities</b>	<b>100,000</b>	<b>22,550</b>	<b>122,550</b>

	Unrestricted funds £	Restricted funds £	2019 £
Grants receivable:			
. DCMS	—	4,987,074	4,737,074
. DCR Allen	—	6,600	6,600
. Armed Forces Covenant	—	14,158	14,158
. Experian	2,500	—	2,500
. The Prince of Wales Charitable Foundation	—	97,010	97,010
. MHCLG	—	62,500	62,500
<b>2019 Total income from charitable activities</b>	<b>2,500</b>	<b>5,167,342</b>	<b>5,169,842</b>

### 2 Expenditure

	Direct charitable expenditure £	Support costs £	2020 £
Charitable activities			
. Programme costs (see below)	48,088	75,333	123,421
. Governance (see note 3)	—	6,000	6,000
<b>2020 Total expenditure</b>	<b>48,088</b>	<b>81,333</b>	<b>129,421</b>

	Direct charitable expenditure £	Support costs £	2019 £
Charitable activities			
. Grants payable (see below)	4,494,500	—	4,494,500
. Programme costs (see below)	340,764	367,497	708,261
	4,835,264	367,497	5,202,761
. Governance (see note 3)	10,874	6,600	17,474
<b>2019 Total expenditure</b>	<b>4,846,138</b>	<b>374,097</b>	<b>5,220,235</b>

## Notes to the financial statements Year ended 30 September 2020

### 2 Expenditure (continued)

The direct charitable expenditure, known as programme costs, consist of the following principal expenditure:

	Direct charitable expenditure £	Support costs £	2020 £
<b>Programme costs:</b>			
Staff costs (note 4)	45,146	53,584	<b>98,730</b>
<i>Other expenses</i>			
. Professional fees	—	306	<b>306</b>
. Premises and office costs	120	15,733	<b>15,853</b>
. Staff related costs	678	777	<b>1,455</b>
. Travel	2,144	1,660	<b>3,804</b>
. Insurance	—	2,643	<b>2,643</b>
. Other costs	—	630	<b>630</b>
<b>2020 Total programme expenditure</b>	<b>48,088</b>	<b>75,333</b>	<b>123,421</b>

	Direct charitable expenditure £	Support costs £	2019 £
<i>Programme costs:</i>			
Staff costs (note 4)	326,120	261,423	<b>587,543</b>
<i>Other expenses</i>			
. Professional fees	—	2,232	<b>2,232</b>
. Marketing	12,058	173	<b>12,231</b>
. Premises and office costs	722	44,362	<b>45,084</b>
. Staff related costs	—	40,724	<b>40,724</b>
. Travel	1,791	9,363	<b>11,154</b>
. Insurance	—	5,506	<b>5,506</b>
. Other costs	73	3,714	<b>3,787</b>
<b>2019 Total programme expenditure</b>	<b>340,764</b>	<b>367,497</b>	<b>708,261</b>

No grants were made in the year ended 30 September 2020.

In the year ended 30 September 2019, grants payable were made to the following Youth United organisations: including Fire Cadets, St John Ambulance, Voluntary Police Cadets, Sea Cadets, The Scout Association, Girl Guides, Scouts, The Girls' Brigade and The Boys' Brigade. Grants were also made to The Jewish Lads' and Girls' Brigade. Further information on grants paid is available from the charity's registered office. The following types of grant were made to these organisations:

*Reach grants:* Immediate support to organisations to get their organisational structures and systems further developed to provide the core for recruiting new staff, developing new activity, project managing the activity etc.

*Stronger Foundation grants:* to support strategic capacity building including the provision of learning and development activities and co-ordinated work across the Youth United network to develop shared systems and data infrastructure.

## Notes to the financial statements Year ended 30 September 2020

### 3 Governance

	Unrestricted funds £	Restricted funds £	2020 £
Auditor's remuneration			
. Statutory audit services (including VAT)	6,000	—	6,000
<b>2020 Total governance expenditure</b>	<b>6,000</b>	<b>—</b>	<b>6,000</b>

	Unrestricted funds £	Restricted funds £	2019 £
Legal and professional fees	1,214	6,600	7,814
Auditor's remuneration			
. Statutory audit services (including VAT)	9,660	—	9,660
<b>2019 Total governance expenditure</b>	<b>10,874</b>	<b>6,600</b>	<b>17,474</b>

### 4 Staff costs including key management personnel and trustees' remuneration

	2020 £	2019 £
Staff costs for employees during the year were as follows:		
Wages and salaries	3,692	172,401
Social security costs	510	14,293
Pension costs	80	16,725
	<b>4,282</b>	203,419
Consultants' fees	94,448	384,124
	<b>98,730</b>	<b>587,543</b>

In the year ended 30 September 2020, no employee earned above £60,000 per annum (including taxable benefits but excluding employer's pension contributions) (2019 – none).

The charity had one employee, the Director, for two months of the financial year giving an average monthly number of employees (excluding Trustees) of nil (2019 – four).

Key management consisted of the Trustees, who received no remuneration in respect of their services as a Trustees during the year and the Director. The total emoluments of key management was £4,282 (2019 – £89,944).

No Trustees were reimbursed for expenses (2019 – £nil).

## Notes to the financial statements Year ended 30 September 2020

### 5 Taxation

Youth United Foundation is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

### 6 Creditors: amounts falling due within one year

	2020 £	2019 £
Accounts payable	5,039	55,585
Other creditors and accruals	10,152	8,913
	<b>15,191</b>	<b>64,498</b>

### 7 Funds

#### Restricted funds:

The charity's restricted funds comprise the following unexpended balances of grants held on trust to be applied for specific purposes:

	At 30 September 2019 £	Income £	Expenditure £	Transfers £	At 30 September 2020 £
DCMS	3,363	—	—	(3,363)	—
Prince of Wales Fund	40,722	12,550	(38,345)	(2,377)	12,550
DCR Allen	1,000	—	—	—	1,000
NHS England	—	10,000	(9,743)	—	257
	<b>45,085</b>	<b>22,550</b>	<b>(48,088)</b>	<b>(5,740)</b>	<b>13,807</b>

Transfers represent the allocation of support costs.

	At 30 September 2018 £	Income £	Expenditure £	Transfers £	At 30 September 2019 £
<i>Cabinet Office (Uniformed Youth Social Action Fund)</i>	5,150	—	—	(5,150)	—
<i>MHCLG</i>	125,000	62,500	(87,500)	(100,000)	—
<i>Armed Forces Covenant</i>	—	14,158	(14,158)	—	—
<i>DCMS</i>	—	4,987,074	(4,730,202)	(253,509)	3,363
<i>Prince of Wales Fund</i>	—	97,010	(9,278)	(47,010)	40,722
<i>DCR Allen</i>	—	6,600	(5,000)	(600)	1,000
	<b>130,150</b>	<b>5,167,342</b>	<b>(4,846,138)</b>	<b>(406,269)</b>	<b>45,085</b>

**7. Funds (continued)**

The specific purposes for which the funds are to be applied are as follows:

◆ **Cabinet Office (UYSAF)**

This project was awarded from the Cabinet Office to provide young people with social action opportunities and was completed in 2019.

◆ **MHCLG**

A grant for a Social Integration project which aims to recruit hard to reach young people into uniformed youth groups. This grant builds on the work completed in 2017-18 to deliver on key strategic objectives for MHCLG on increasing integration and social mixing amongst young people in the UK. The core objectives of the project were as follows:

- To make social integration a key strategic value across the network by ensuring units are a welcome and safe space for children and young people of all nationalities and faiths;
- To strengthen the evidence that uniformed youth have a positive experience of social mixing; and
- Funds used for YUF leadership support.

The project completed in 2019.

◆ **Armed Forces Covenant**

YUF partnered with the charity *Remembered* on their *There But Not There* (TBNT) commemoration programme over the remembrance period. Supported by a grant, arranged through Remembered, from the Armed Forces Covenant Fund, over 640 units across the country received Tommy Silhouettes which they used for local, youth-led remembrance activities. We estimate that over 31,000 uniformed youth were involved with the project and the events were attended by over 130,000 other members of the local community. This project not only encouraged young people to engage in remembrance and find out about those in their community who have given their lives, but it also created an opportunity to bring communities together. The project completed in 2019.

◆ **DCMS**

The Uniformed Youth Fund (UYF) saw up to £4,490,000 of grant funding directed to uniformed youth organisations, to engage thousands of young people living in areas of deprivation, or experiencing other forms of disadvantage, within England. Delivery focussed on areas of high deprivation or in reaching young people experiencing challenges relating to priorities identified by Government, namely mental health, wellbeing, loneliness.

The objectives of the Project were to:

- Create a minimum of 5,500 new places for young people from disadvantaged backgrounds (by the end of 2019-20);
- Recruit a minimum of 750 new adult volunteers (by the end of 2019-20);
- Create and foster units, sections and volunteers which are self-sustaining;
- Support the Network to build the infrastructure and tools to continue to scale up and tackle the waiting lists beyond the current financial year e.g. developing and testing resources to help new volunteers set up units in areas of deprivation;

**7. Funds (continued)**

◆ **DCMS (continued)**

- Develop YUF's UNIT mapping tool to drive a more data-driven approach and insight for the sector;
- Research to understand better the link between membership of uniformed youth organisations and addressing youth loneliness; and
- Evaluate the effectiveness of grant funding in reaching young people from disadvantaged backgrounds and deliver a set of learning and development activities based on this evaluation, as well as the UNIT development and loneliness research.

The project completed in 2019.

◆ **Prince of Wales Fund**

The grant from The Prince of Wales Charitable Fund was to support YUF operational costs for one year, to enable the organisation to build resource and develop strategically to secure growth for the uniformed youth sector. In doing so, this supported YUF to further our aims that every young person has the opportunity to engage in uniformed youth activities.

The grant was used primarily to support the core operational costs of YUF including key staffing positions. In addition to supporting running costs and significantly contributing to the role of Director, it allowed YUF to introduce a Head of Development role. Supporting the Director in facilitating partnerships, developing new relationships and active engagement with governmental policy agenda (such as the Civil Society Strategy and the Integration Green Paper), this role has significantly contributed to building organisational profile.

◆ **DCR Allen**

A grant to set up a new unit in a disadvantaged area of the UK, ensuring that young people who would not otherwise have the opportunity to be part of such a group are given that opportunity.

◆ **NHS England**

A grant to fund a health awareness badge for uniformed youth organisations.

**Unrestricted funds**

As at 30 September 2020, Youth United Foundation had unrestricted funds of £122,118 (2019 – £97,008).

**8 Analysis of net assets between funds**

	Unrestricted funds £	Restricted funds £	Total 2020 £
<b>Fund balances at 30 September 2020 are represented by:</b>			
Current assets	137,309	13,807	<b>151,116</b>
Creditors: amounts falling due within one year	(15,191)	—	<b>(15,191)</b>
	<b>122,118</b>	<b>13,807</b>	<b>135,925</b>

## Notes to the financial statements Year ended 30 September 2020

### 9 Related party transactions

During the period ended 30 September 2020, £7,027 (2019 – £25,332) was paid to Marine Society & Sea Cadets (MSSC) for the rental of the Foundation's offices. This organisation is one of the Network members of Youth United Foundation and a Trustee of the charity, Martin Coles, is the Chief Executive of MSSC. The charity moved to the MSSC offices in July 2013 and pays market rates. Since July 2014 the charity has also had use of MSSC's telephone system which the charity is invoiced for on an arm's length basis. During the period ended 30 September 2020 £34 (2019 – £222) was paid to MSSC in relation to these charges.

### 10 Lease commitments

At 30 September 2020, the charity's future minimum payments under non-cancellable operating leases were as follows:

	2020 £	2019 £
Land and buildings		
Amounts payable:		
Within one year	—	6,100

### 11 Controlling party

The Trustees are members of the charitable company together with representatives from Network organisations. There is no overall controlling party.

### 12 Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member or within one year after he/she ceases to be a member, an amount not exceeding £1.