

Fledge Youth Support Charitable Incorporated Organisation

Co-founders: Mark and Lauren Cheshire

Annual Report of the Trustees'

Registered as a Charitable Incorporated Organisation in England and Wales; Charity Number: 1157207

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Bank:	The Co-operative Bank plc. 1 Balloon Street, Manchester M4 4BE.
Solicitor:	Warner and Richardson LLP, Solicitors, 29 Jewry Street, Winchester, Hampshire, SO23 8RR
Independent Examiner:	Mr. Chris. Goodhead FCA, Knight Goodhead Ltd. Chartered Accountants, 7 Bournemouth Road, Chandler's Ford, Eastleigh. Hants. SO53 3DA.



Fledge Youth Support

Charitable Incorporated Organisation

Aims and purposes:

Fledge Youth Support CIO (Fledge), also referred to in this document as “the Charity” and “the CIO”, exists to provide safe and homely accommodation and holistic support to otherwise homeless and vulnerable young adults. To achieve this, Fledge runs housing provision through shared houses, and self-contained flats, offering accommodation, with capacity for up to thirty-seven young adults by the end of FY 2023-24. These accommodation provisions are supplemented by a range of support services including advocacy, welfare and life-skills development, group, and one to one mentoring, and advice and support in access to statutory, welfare and benefits provisions.

Through these services Fledge strives to fulfil its vision:

“That [all local] young people live and develop in a safe and supported environment with the skills to achieve their potential.”

In support of its Vision, Fledge’s Mission Statement is:

“Fledge Youth Support provides accommodation, mentoring and support to equip and empower young people to reach their potential.”

Fledge also actively raises awareness of the housing and other needs of vulnerable young adults to the local community.

During the period covered by this report, Fledge continued to operate only within the Borough of Eastleigh, Hampshire. The Charity’s principal focus during the year was on younger adults in the 18 – 34 age range.

The Charity’s Aims and Purposes remained unchanged during the period covered by this report.

Strategic direction:

Delayed by the pandemic, and in order to take account of its impacts, a five-year Business Strategy and Strategic Plan intended to sustain Fledge’s aims and purpose, was published at the start of 2021-22. Fledge’s overall direction of travel as a business has remained broadly in line with this Five-year Business Strategy and Strategic Plan, and this document, together with Fledge’s Vision and Mission Statements continue to frame and guide strategic decision making. As Fledge has now entered the third year of this Plan, it will be fully revised by the Charity’s Trustees during 2024-25, with input from staff, service users, stakeholders and trustees.

Ethos and values:

Fledge was founded as a charitable organisation by Christians, and its operations reflect Christian principles:

“The ethos and values of Fledge build on the vision of our founders and are underpinned by Christian values of love and care for everyone, and actively responding to their needs.

Fledge respects and seeks to work with young adults who are vulnerable and/or in need of accommodation, regardless of background, gender, race, sexual orientation or creed.”

Public benefit:

Fledge provides public benefit through delivering its objectives, and by engaging in a range of activities to advance in life, and relieve the needs of, vulnerable and homeless young adults, including, but not restricted to:

- The provision of support, including housing, mentoring, befriending and hospitality - in the interests of social welfare, and designed to improve the conditions of life of the beneficiaries;
- Providing support and activities which develop the skills, capacities and capabilities of vulnerable and homeless young adults, to enable them to participate in society as mature and responsible individuals.

To this end, Fledge provides:

- Buildings and facilities;
- Mentoring and befriending services;
- Advocacy, advice and information.

This work continued throughout FY 2023-24, and forty-nine individual young adults were accommodated and supported during the year..

Structure and governance:

Legal form:

Fledge Youth Support is a Charitable Incorporated Organisation, registered in England and Wales: CIO Number 1157207.

Governance:

The CIO is governed by a Board of up to nine Trustees, who act as directors of the business, and all of whom are volunteers. Trustees are appointed by vote of the Board, on a twice-renewable three-year term of office, supported by another volunteer who acts as the Secretary to the Board, and by a Company Secretary, also a volunteer and former Founding Trustee.

During 2023-24, Board membership fluctuated between five and six Trustees. Founding Trustee Elizabeth Watts reaching the end of her third term of three years' Trusteeship and was required to stand down under the terms of the CIO's Constitution. Three other Trustees resigned during the year, but four trustees were appointed to the Board.

In the absence of a suitable alternative Trustee candidate to fill her role as Treasurer, Mrs Watts was appointed as a Volunteer Honorary Treasurer for a period twelve months from 11th September 2024, to ensure continuity of the role and duties.

The Board of Trustees typically meets in alternate months to deal with strategic and tactical management of the organisation, review finance and business performance, issues and risks, consider business opportunities, business cases and proposals, and to provide management direction to senior staff. The Chief Executive attends Board meetings and is accountable to the Board for the day-to-day conduct of the Charity, reporting to the Chair of Trustees between meetings.

Legal and Administrative Information

Board of Trustees: 2022-2023.

		Expiry of Term of Office
Mrs. Stacey Brook	Appointed 31 January 2024	2027
Ms. Hannah Cheek	Until 31 October 2023	2024
Dr. Ian Clarke	Appointed 31 January 2024	2027
Mrs. Margaret Doores	Until 31 March 2024.	2026
Mr Michael Evans	Appointed 20 March 2024	2027
Ms. Elizabeth Frisby	Until 20 May 2024.	2026
Mr. Gavin Scott	Until 31 January 2024.	2024
Mr Adrian Smith	Appointed 20 March 2024	2027
Mrs. Elizabeth Watts FMAAT	Founding Trustee Until 11 September 2023.	2023
Mr. Philip Watts OBE	Re-appointed 22 November 2022.	2025
Ms. Susan Mansbridge	Secretary to the Board of Trustees	

Office holders appointed by the Trustees:

			Re-appointed
Chair of Trustees	Mr Philip Watts	Appointed: 23 May 2017.	28-11-22
Vice-chair of Trustees	Mr. Gavin Scott Vacant	Until 31 January 2024 From 1 February 2024.	
Treasurer	Mrs. Elizabeth Watts FMAAT	As a Trustee until 11 Sept. 2023; Re-appointed: 11 Sept. 2023.	
Trustee Health & Safety Lead	Ms. Hannah Cheek. Vacant	Until 31 October 2023. From 1 November 2023	
Company Secretary	Mr. Mark Cheshire	Re-appointed: 16 April 2018.	
Data Controller.	Vacant		
Data Protection Officer	Ms. Nerissa Dean	Appointed 22 Nov. 2021.	
Staff Safeguarding Officer	Ms. Nerissa Dean	Appointed: 23 May 2017.	
Trustee Safeguarding Lead	Mrs. Margaret Doores Mr Adrian Smith	Until 31 March 2023. Appointed 20 May 2023	
Webmaster	Mr. Mark Cheshire	Appointed 16 April 2018.	
Independent Examiner.	Mr. Chris Goodhead FCA	Appointed 1 January 2017.	
Solicitor	Warner and Richardson LLP.	Appointed 25 June 2024	

Working Groups appointed by the Trustees:

Individual trustees are appointed by the Board to a lead on a number of key areas of governance such as Safeguarding and Health and Safety. Following a Board decision in 2021-22, detailed policy and governance work is undertaken by a number of Working Groups, acting as subsidiaries of, and reporting to, the main Board. Presently there is one active Working Group: The Pay and Remuneration Working Group, which reviews staff pay and other remuneration and makes recommendations to the Board of Trustees, as necessary.

Pay and Remuneration Working Group (Established 23 May 2022)

			Re-appointed
Convenor (Treasurer)	Mrs. Elizabeth Watts FMAAT	Appointed: 23 May 2022.	11-09-23
	Mr. Gavin Scott	Until 31 January 2024.	
	Mrs Margaret Doores	Until 31 March 2024.	
	Dr Ian Clark	Appointed 31 January 2024	
Chair of Trustees (ex Officio)	Mr Philip Watts	Appointed: 23 May 2022.	

The Board in 2023-24:

The Board of Trustees met five times in full session, during 2023-24, at roughly bi-monthly intervals. All meetings during the year were held 'in person' with an on-line Zoom option available for those whose circumstances required that they needed to attend in this way. Trustees who are members of the Pay and Remuneration Working Group also met on one occasion, via Zoom, to discuss review staff pay in the light of the prevailing cost of living.

It remained the policy of the Board to allocate responsibility for leadership on specific aspects, such as Finance, Personnel, Safeguarding etc. to individual trustees. These responsibilities and their 'leads' are documented elsewhere in this Annual Report.

Work has continued through the year to progressively transfer executive functions undertaken by Trustees to the appropriate paid member(s) of staff within the Fledge team, with a particular focus on day-to-day financial book-keeping. This reflects the continued growth of the Charity and the consequent progressive shift from Trustees with 'quasi-executive' roles which typifies small start-up charities, to wholly non-executive Governance roles within the Board.

Trustees' Remuneration:

No Trustee received or waived any emoluments during the year. Out-of-pocket expenses incurred by Trustees on behalf of Fledge Youth Support were reimbursed as follows:

Expense:	Number of Trustees Reimbursed		Total Value of Reimbursements (£)	
	2023-24	(2022-23)	2023-24	(2022-23)
Travel:	0	0	0.00	0.00
Accommodation:	0	0	0.00	0.00
Other (including goods, materials and equipment purchases):	0	0	0.00	0.00

Management and staffing:

At the beginning of 2023-24 Fledge had a headcount of eleven staff including an office cleaner and one member of staff on maternity leave. Following a restructuring during the early part of the year reflecting the growing number demands on the business, an additional primarily management post was established, and two members of staff received consequential substantive promotions. Despite recruitment and resignations, at the end of the year the staff headcount was twelve, comprising three staff with managerial roles, one in a supervisory role, one providing administrative and financial support to the business and one serving as the office cleaner. The remainder were in Support Worker roles engaging directly with Fledge's Service Users.

Recruitment campaigns are run on a regular basis to cover occasional resignations and to ensure that Fledge has sufficient staff to cover the growing demands on its services.

In total fourteen individual members of staff were employed by Fledge at various times during 2023-24. Allowing for recruitment, maternity leave, and departures from the business, the average number of employees, calculated on a full-time equivalent (FTE) basis was 8.41 (2022-23 = 8.36).

These staff were deployed to:

Role	2023-24 (FTE)	(2022-23) (FTE)
Management & administration of the charity:	2.23	1.41
Support to service users:	5.48	6.10
Business development:	0.70	0.85
	8.41	8.36

The average staff headcount during the year was 11.06 (2022-23 = 11.09), the small reduction on the previous year being due to staff vacancies occurring at various times through the year.

Fledge's takes its duty of care as responsible employer and service provider very seriously. The emotional support of front-line staff remains a priority for the Charity, given their regular contact with vulnerable and challenged young people who have often experienced personal trauma or mental health issues and may face emotional challenges. Fledge has continued to retain the services of a specialist company who are available at any time for telephone consultations with staff and advice for those need to de-brief more widely than with other members of the staff team.

Fledge maintains a comprehensive range of personnel and other policies and procedures, staff handbook content and related business processes. These are all regularly reviewed and updated with advice from Peninsula Group Ltd., a company specialising in business support of this type, whose services have again been retained by Fledge on a contractual basis, and who also support Fledge's personnel function.

Volunteers:

Fledge relies on the support of volunteers to assist in its work. During 2023-24, twenty-four volunteers contributed to its work. These comprised ten individuals who served as Trustees, two who supported the governance of the CIO: a Company Secretary and Secretary to the Board respectively, four who acted as Mentors and eight others supporting service users' group activities such as crafts, IT repairs, handyman tasks, acquisition, delivery and assembly of flat-pack and

other furniture for new residential units for service users.

Fledge's Board of Trustees wishes to place on record its grateful thanks and appreciation to all these individuals for their continuing contributions made by all its volunteers in all areas of Fledge's business.

The Year's Operations:

Overview

In our post-Covid world, 2023-24 proved to be a year largely focused on consolidation of the 'new-normal' for Fledge. That the CIO has achieved this, while facing the challenges of seeking a new office location, managing a number of arrivals and departures from both the staff and Trustee teams, and continuing to grow in scope and scale of operations, demonstrates again the sustained diligence, professionalism and dedication of Fledge's loyal and skilled staff, the continued generosity of the many individuals and organisations who support Fledge week by week and month by month, and the sustained energy and commitment Fledge Trustees. As a result, the Trustees are again able to make a positive report on the work of Fledge during the past year.

As with all other business and individuals Fledge has again had to wrestle with the ongoing burden of rising price and a cost-of-living crisis which has continued to impact on almost every area of the Charity's operations. Nevertheless, with the unstinting help of loyal financial donors and supporters, the Charity's principal role and focus: providing accommodation and support to otherwise homeless and vulnerable young adults in the 18—34 age range, has been sustained and fulfilled during the period covered by this report, with new and innovative approaches made by staff and Board of Trustees in response to the prevailing economic climate and matters outside their direct control. Once again the work of providing direct support and accommodation has been complemented by using available opportunities to raise awareness of the causes, consequences, and human impact of homelessness on those who experience it first-hand. Through the year Fledge's work has again been accomplished through a range of activities as described below.

Support for Service Users:

The provision of holistic, caring support, nurture and encouragement of our service users, together with the provision of safe, homely accommodation, is at the heart of Fledge's offering as a charity. However, this inevitably means that our work remains focused on some of the most vulnerable and challenged young adults in the Borough of Eastleigh.

While the challenges imposed by restrictions on social distancing have effectively been removed, Fledge staff have continued to find innovative ways to engage with, support, encourage, develop and be advocates for our service users. These include a number of individuals who are no longer accommodated by Fledge, but who value and benefit from the continuing support which the Charity offers.

After various programmes of staff training, a *Trauma Informed Care*-based approach is now embedded as the norm within the organisation and forms the basis for all engagement with service users. This has continued to be complemented by work to ensure that the ambiance of Fledge's residential properties (décor and furnishing of common areas etc.) encourages a positive outlook among residents, under the principles of *psychologically informed environments*.

Service Users' progress:

As a result of this work, and through the generous support of benefactors, there have been some notable success stories among Service Users. A number of them have shown marked

improvements in their social skills and general confidence, through the dedicated encouragement of the Fledge staff team, leading to individuals boosting their own self-worth by volunteering in various locations, or becoming more confident to attend medical and similar appointments on their own. Others have begun to show greater maturity, taking greater personal responsibility in personal relationships or, for example in helping to organise and run some of the life -skills development courses and entertainments offered by Fledge. Thanks to the support of Cycles 4 All, a number of service users participated in a workshop in which they were given a free bicycle and were trained in how to fix and service it.

A grant from another funder, the JD Foundation, has enabled Fledge to expand the development of its 'active lifestyles' programme. Under the banner of "*Fledge Active*" a range of sports and physical activities such as 'aquafit', badminton, basketball have been offered during two sessions per week. Much appreciated support from AFC Stoneham enabled a non-competitive football session focused on improving mental wellbeing through physical activities. This event generously included refreshments.

Improvements in mental health and wellbeing have been complemented by Fledge maintaining a strong relationship with local healthcare services. One of the practitioners from the local Sexual Health Clinic has visited Fledge bi-monthly during the year, offering the opportunity to speak to residents and to support them and answer any questions they may have. Meanwhile, with a growing focus on getting individuals into work appropriate to their capabilities, Fledge staff have provided a programme of regular 'Employment Workshops' enabling Service Users to drop in, work on their CV's, and look for employment and volunteering work. The Local Job Centre has been involved, and Job Centre staff now visit Fledge periodically, to speak with Service Users.

One of the biggest challenges which has faced Fledge and its Service Users in the eight years since Fledge began to offer accommodation, has been the availability and affordability of suitable "move-on" accommodation for Service Users who are ready to begin the sustainably live independently. More recently, with the assistance of *Hampshire Home Choice* a number of residents have had a positive experience of moving into their own home.

Residential Property:

For the bulk of 2023-24, Fledge leased and operated six residential properties comprising four "shared living" houses, accommodating variously:

- A property of six residential units (self-contained bedrooms), five with a shared kitchen and bathroom facilities, one with en-suite facilities;
- A property of eight residential units, three with en-suite and small self-contained catering facilities;
- A property of three residential rooms with shared catering and facilities—designated for longer term residency;
- A property of four residential rooms with shared catering and facilities intended as a "quieter property" for those who benefit from this sort of environment;

together with two properties containing self-contained 'bed-sit' flats, enabling semi-independent supported accommodation for those ready to move on in their journey to self-sustainable living, or

where their specific welfare needs make shared living a personal challenge. Of these, one property has five residential units and another six units (including one two bed roomed flat).

Overall, at the year-end Fledge was able to accommodate up to thirty-two individual young adults.

Under the terms of the lease agreements for each residential property, Fledge pays the relevant landlord a monthly rent for each residential unit in each property. Previously some of our landlords covered the costs of utility services and some of the white goods installed in their properties, but the economic situation has led landlords to expect Fledge to cover these types of cost going forward. By the end of 2023-24 all of our residential landlords had also either raised the monthly rents and in some cases had indicated an intention to do so again at the start of 2024-25. These increased lease and property maintenance costs are factored into the annual review of housing benefit rates which Fledge submits to the Local Authority ahead of the start of each financial year.

The care and nurture of service users has continued to be underpinned by work which Fledge sustained during 2023-24 to ensure that whenever possible Fledge's accommodation exceeds the baseline standards set out in the Government's Supported housing: national statement of expectations (NSE) 2020.

Office Accommodation:

Fledge continued as the primary tenant of a shared office premises in Leigh Road, Eastleigh throughout the year of this report, which also served as its registered office and administrative/operating base. These premises have again had to be used imaginatively to ensure wise working practices by Fledge staff, while benefitting from shared space which enables collaboration both as a team and mutually supporting one another. On the transfer of these premises to a new Landlord during the year, and with that Landlord's intention being to repurpose the premises, Fledge was given a formal twelve-months' notice of termination of its lease, under the terms of the lease document.

As a consequence, Fledge management and trustees have devoted significant time and effort to identify alternative office accommodation both as replacement offices and to sustain the business and the staff team as it continues to grow.

After some false starts and unsuccessful negotiations, at the year-end, Fledge had made arrangements with One Community Eastleigh to hire space in their town-centre office as a temporary measure to enable departure from the Leigh Road office during May 2024, and pending completion of negotiations to secure a long-term lease on suitable premises in High Street, Eastleigh. If successful would provide office accommodation with scope for expansion of staff over time, and act as a base and life-skills development hub to support Fledge Service Users and wider community needs. It is hoped that a move to these permanent offices will be completed during late Autumn 2024 as a long-term lease was signed during September 2024 ending an extended period of negotiations and Fledge has been advised that the Planning Permission for the required use of the premises has now been agreed by Eastleigh Borough Council.

Financial model:

Fledge's 'mixed income' financial model has remained unchanged from previous years. Revenue from statutory housing and support benefits, paid by the local authority (Eastleigh Borough Council) for each qualifying resident accommodated, has again been supplemented by charitable donations from organisations and individuals, grant aid from benefactors and charitable funders, and income from fundraising activities. Income from statutory sources has continued to be the principal source of funds towards the costs of the accommodation and that support which Fledge provides to each

service user, to facilitate them in maintaining their tenancy. These accommodation costs include the rent payable to Fledge's landlords, and property management-related costs, such as essential furnishings, linen, kitchen equipment, janitorial supplies, routine maintenance and redecoration, security and out of hours oversight.

It is of note that, as with all other aspects of society, Fledge has experienced, first-hand, the continued challenges of the cost-of-living crisis, and has been asked to accept more of the incidental costs previously incurred by our landlords in maintaining and sustaining the premises which it leases.

The additional staff costs necessary to enable the provision of holistic care and nurturing support, advocacy and life-skills development offered by Fledge, together with contributions towards office premises and equipment, and other business overheads, are funded largely through charitable donations, grant aid and fundraising activities. These sources are also key in providing a cushion of modest reserves to sustain cashflow, particularly when the flow of statutory benefits might be delayed or interrupted for whatever reason.

As demonstrated by the accounts and financial report elsewhere in the document, Fledge remains immensely grateful to its loyal financial supporters who have continued to diligently and generously provide financial resources to underpin its work.

Financial Management:

While oversight of the CIO's finances has continued to be led by the appointed Treasurer, as indicated above, there has been a progressive transfer of the day-to-day book-keeping from the Treasurer to the Administration and Finance Officer within the Fledge staff team. As a further indication of the growth of the business, for the first time, the final financial accounts for the year covered by this report will be prepared by our Independent Examiner from financial data provided by the CIO. This reflects the level of turnover and the size of the Charity and the need to move to a higher level of financial reporting under the terms of Charity law.

As a further step towards staff involvement in Financial management of the business, the preparation of the Annual Budget for 2024-25 has involved staff at all levels in preparing a "bottom-up" view of business activities and associated expenditure needs, moderated by a top-down view of priorities and affordability. The outcome has been to enable more junior staff to take greater responsibility for the budget provisions for their areas of responsibility and to broaden the understanding, prioritisation and accountability for the costs incurred by the organisation on a day-to-day basis.

Assets:

In addition to administrative office equipment, furniture and resources, Fledge provides furnished accommodation for the residents of its houses. Much of the furnishing is acquired through the generous donations of individual supporters and benevolent donor organisations, including local Churches, though inevitably some must be purchased. Fledge maintains an Asset Register of all items with an acquisition cost of £ 1,000 or more.

Safeguarding:

Mindful of the focus of its work with young and vulnerable people, Fledge maintains, reviews and pursues policies which reflect relevant safeguarding legislation. This includes appropriate regular background and DBS checks on all Trustees, Staff, and relevant Volunteers. Fledge remains committed to the safeguarding of all who may be vulnerable in any way.

Following the resignation on 31st March 2024, of the Trustee leading on Safeguarding issues for

the Board, a fresh appointment was made in May 2024 from among the Trustees, to ensure continuity of oversight in this regard on behalf of the Board.

Insurance:

Fledge holds appropriate comprehensive insurance cover, including public and employers' liability, and professional indemnity cover for Trustees, Staff and Volunteers involved in providing support and/or mentoring to service users, as well as covering risks to leased properties. Cover is reviewed when a significant new asset/liability is acquired.

Risk management:

Throughout the year Fledge has maintained close attention to business risks. Each Trustee Board meeting receives a 'Business Health Check' which includes a 'red/amber/green dashboard' showing a broad overview of the state of over sixty different elements of Fledge's business across six categories of business activity. These are supplemented by a Corporate Risk Register identifying and reporting on the status and risk liability of some twenty risks over five business areas and a Corporate Issues Log detailing the management of some thirteen different Strategic business issues within four separate aspects of the Charity's operations.

Donors and Supporters:

As with any charity, Fledge could not function, and certainly could not deliver the breadth of holistic support to our service users which sets us apart from other providers, without the financial, in kind and prayer support of our donors and supporters. During 2023-24, our community of private individual donors has remained loyal and generous, despite the pressures on their own finances. We have also benefitted from the support of several local community organisations and trusts who have either made Fledge their charity of the year or have made one-off benevolent donations in support of our work. Whether the gift has been large or small in size, we have appreciated and valued them all, and we extend our deepest thanks and appreciation to all who have supported us during the year.

This Annual Report was approved by the Board of Trustees of Fledge Youth Support CIO on 24th November 2024 and signed on their behalf by:


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Philip A G Watts OBE MRICS – Chair of Trustees

Financial Statements and Accounts for the year ending 31st March 2024.

General financial situation:

Income: Operational income, (revenue generated from accommodating Fledge's service users), rose to £ 676,122 at the end of the year, an increase of 47.5% over 2022-23, principally due to Fledge accommodating an increased number of Service Users during the year and maintaining a very high level of occupancy of its residential units throughout the year. This resulted in increased levels of Housing Benefit received.

Donations, gifts and other income at £ 36,055 (2023: £35,324) was 2.1% higher than in 2022-23. Within this overall sum, Tax reclaimed under Gift Aid at £ 794 (2023: £ 987) was 19.6% lower than in the previous year. Fledge continues to be enormously grateful to all who make donations under Gift Aid them for their continued generosity. Grants totalling £7,200 of grants were received in 2023-24. No grants were received during 2022-23.

Overall, income stood at £ 712,177 for the year, an increase of 44.3% overall on the figure for 2022-23 (£ 493,643), again, principally due to the increased number of service users being accommodated.

Expenditure: Total operational people-related costs amounted to £ 267,209 compared to £ 251,243 in 2022-23; an increase of 6.4% in 2022-23, reflecting a cost-of-living increase in staff remuneration and the employment of additional staff during part of the year. Central administrative costs, at £ 31,866 were 9.4% lower than in 2022-23 when these costs amounted to £ 35,186. Property related costs were £233,218 an increase of 32.4% on the previous year (£ 173,780 in 2022-23). This increase reflected the operation of additional properties in 2023-24 and increases in rents on other residential premises consequent upon landlords facing higher costs of ownership, as a result of the ongoing cost of living challenges.

As noted above, grant income of £ 7,200 was received in the year into the general fund, but no restricted funds were involved in any aspect of the year's expenditure.

Overall, total expenditure from the General Fund during 2023-24 stood at £ 534,493, which was an increase of 15.9% on 2022-23 when expenditure from the fund was £ 461,208. This outcome was a consequence of increased people costs, and particularly increases in the costs of operating residential properties (rents etc.)

Out-turn: Fledge achieved a surplus of £ 177,684 in the year to 31st March 2024, compared with a surplus of £ 32,435 at the end of 2022-23. This represented an increase of 447.8% on the previous year. This large increase was due principally to careful management of expenditure with an eye to future increased office costs and through the accommodation of significantly higher numbers of service users, generating additional Housing Benefit.

Overall, and taking account of monies allocated from the General Fund into Funds designated by the Trustees during the year, the accumulated surplus in the General Fund rose to £ 353,816 (2023: £ 251,132) at the year end. This accumulated surplus represents just under eight months' running costs. Fledge's aim is to maintain sufficient reserves in hand to cover six months' running costs, in line with recommended best practice. However, with the likelihood of a significant increase in annual operating costs with a much higher rental for the planned new office accommodation than for the previous offices, this extra surplus is seen as a prudent additional reserve to enable the transition to be managed without stressing day to day cash-flow.

Designated and Restricted Funds:

Designated Funds are those which the Trustees have determined shall be set aside with the aim of using them for particular purposes, either now or in the future.

During 2023-24, the Board determined that three Designated Funds should be established to meet anticipated short-, and longer-term costs associated with acquiring, equipping and developing the

new office accommodation being sought, following the termination of Fledge's lease on its office for the previous five years.

With the intention that the new office premises would provide for both administrative and operational functions, enable longer term growth in staff numbers and services, and provide the venue for the establishment of a Life Skills Training Hub, to facilitate the offer of a wider range of support services to Service Users, the Designated Funds established are:

- Office Layout, Furnishings and Development Fund;
- Office IT Resources Fund;
- Life-skills Training Hub Development and Maintenance Fund.

The Board of Trustees determined that a sum of £ 25,000 should be allocated initially from the General Fund to each of these Designated Funds – making a total of £ 75,000 of Designated Funds. These Funds will be drawn upon once Fledge has secured a lease and initiated occupation of these premises.

Restricted Funds are those whose application and use have been determined by the source or donor.

No restricted funds were held or received in 2023-24, so the balance remained at Zero.

Reserves policy:

Taking account of annual variations in overall financial performance, the prevailing economic climate and fluctuations in year-on-year income and expenditure, it remains the aim of the Trustees to accumulate and hold accessible, sufficient reserves over time to cover at least six month's operating costs, together with capacity to invest in equipping and resourcing new properties as and when there is a viable need to expand residential accommodation capacity or develop new office premises.

As noted above, the additional surplus held at the end of 2023-24 will form the source of funds for the establishment of Designated Funds to meet the costs of equipping and maintaining the permanent new office accommodation, and for establishing and equipping a 'life-skills training hub'.

If additional reserves remain after these Designated Funds are established and operational, investigations will continue, to identify suitable financial instruments in which such funds can be invested and earn interest until they are required, but with flexibility to be able to access these monies as and when needed.

Staff salaries, pensions and national insurance:

Allowing for recruitment and resignations, fourteen separate staff members (both part-time and full time) received salaries and allowances at some point during 2023-2024. Overall expenditure on salaries, allowances, employers pension contributions and Employers' National Insurance contributions, (including payroll administration costs) amounted to £ 258,648 in total for the year compared with £ 243,044 in the previous year. This was 6.4% more than in 2022-23 when twelve individual staff members were employed.

All staff are paid at rates above the National Living Wage and Fledge uses the pay scales of the national Joint Council (NJC) for Local Government Services as the basis for remunerating staff. As at 31st March 2023, the pay of all staff was linked to designated points on these pay scales. Annual cost-of-living increases in rates of pay, and any incremental increases are determined by the Board of Trustees on the recommendation of the Trustees' Pay and Remuneration Working Group.

Staff are enrolled in the Government-backed NEST workplace pension scheme, to which both staff members and Fledge as employer, make contributions. Following a change in contracted Payroll Service Provider at the end of 2023, possible anomalies in the way in which the former service provider had applied income tax charges to staff pension contributions, were identified by the new

provider. Fledge is actively investigating this matter with NEST, HMRC and other relevant parties, in order to make any remedies which may prove necessary.

Future financial commitments:

Due to the necessity to commit to formal property leases covering a number of forward years, for each residential and office property used by Fledge, the CIO has forward commitments to lease rental costs for future years. These costs are expected to be offset by future income generated in respect to the occupation of the residential premises by Fledge Service Users.

At the Balance Sheet date, (31st March 2024), the charity had known future financial commitments of £ 430,272 in respect of these property lease costs, up to the earliest practical break point in each lease, rising to £ 568,872 if no breaks in the property leases held on the Balance Sheet date are invoked, and that those leases expiring within twelve months of the Balance Sheet date which are renewable, are renewed for a full term.

A further lease on an additional residential property was due to be signed soon after the Balance Sheet date, with a charge of £43,800 p.a. for a five-year lease period.

Statement of responsibilities of the trustees

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and the United Kingdom Generally Accepted Accounting Practice (UK GAAP).

The Charities Act 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 charity at the end of the year and of the surplus or deficiency for the year then ended.

In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- observe the methods and principles in the charities SORP;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011. The Trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF FLEDGE YOUTH SUPPORT

I report to the trustees on my examination of the accounts of Fledge Youth Support, for the year ended 31 March 2024, which are set out on pages 16 to 26.

RESPONSIBILITIES AND BASIS OF REPORT

As the charity's trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the Trustee's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

INDEPENDENT EXAMINER'S STATEMENT

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination by being a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that:

- (1) the accounting records were not kept in accordance with section 130 of the Charities Act; or
- (2) the accounts do not accord with the accounting records; or
- (3) the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Chris Goodhead FCA
Knight Goodhead Limited
Chartered Accountants

27 November 2024

7 Bournemouth Road
Chandler's Ford, Eastleigh
Hampshire, SO53 3DA

Statement of Financial Activities for the year ended 31st March 2024. (including Income & Expenditure Account)

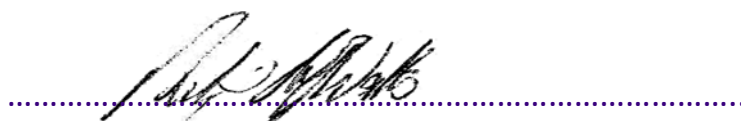
	Notes	Unrestricted funds £	Restricted funds £	Total funds 2024 £	Total funds 2023 £
INCOME					
Donations and legacies	3	36,055	-	36,055	35,324
Charitable activities	4	676,122	-	676,122	458,319
TOTAL INCOME		712,177	-	712,177	493,643
EXPENDITURE					
Charitable activities	5	534,493	-	534,493	461,208
TOTAL EXPENDITURE		534,493	-	534,493	461,208
NET INCOME/(EXPENDITURE) BEFORE TRANSFERS		177,684	-	177,684	32,435
Transfers between funds		-	-	-	-
NET MOVEMENT IN FUNDS		177,684	-	177,684	32,435
FUND BALANCES BROUGHT FORWARD		251,132	-	251,132	218,697
FUND BALANCES CARRIED FORWARD		428,816	-	428,816	251,132

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derives from continuing activities.

Balance Sheet for the year ending 31st March 2024 [CIO Number: 1157207]

	Notes	£	2024 £	2023 £
FIXED ASSETS				
Tangible assets	7		18,952	21,739
CURRENT ASSETS				
Debtors	8	49,596	5,991	
Cash at bank and in hand		364,935	225,072	
		<u>414,531</u>	<u>231,063</u>	
CREDITORS: amounts falling due within one year	9	<u>(4,667)</u>	<u>(1,670)</u>	
NET CURRENT ASSETS			409,864	229,393
NET ASSETS			<u>428,816</u>	<u>251,132</u>
FUNDS				
Restricted funds	10		-	-
Designated funds	10		75,000	-
General funds	10		353,816	251,132
TOTAL FUNDS			<u>428,816</u>	<u>251,132</u>

Accounts approved by the Board of Trustees on 24th November 2024,
and signed on their behalf by:



Philip A G Watts OBE MRICS – Chair of Trustees.

Cashflow Statement for the year ending 31st March 2024

	Notes	2024 £	2023 £
NET CASH FLOW PROVIDED BY OPERATING ACTIVITIES	2	141,999	44,570
CASH FLOWS FROM FINANCING ACTIVITIES			
Fixed asset additions		(2,136)	(22,827)
NET CASH FLOW FOR THE YEAR	1	<u>139,863</u>	<u>21,743</u>

NOTES TO THE CASHFLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2024

1 NET CASH FLOW FOR THE YEAR		2024 £	2023 £
Change in cash and cash equivalents in the year		139,863	21,743
Cash and cash equivalent at start of the year		225,072	203,329
Cash and cash equivalents at the end of the year	3	<u>364,935</u>	<u>225,072</u>

2 NET CASH FLOW PROVIDED BY OPERATING ACTIVITIES		2024 £	2023 £
Net movement in funds for the year		177,684	32,435
Depreciation		4,923	1,592
Decrease/(increase) in debtors		(43,605)	19,503
Increase/(decrease) in creditors		2,997	(8,960)
Net cash flow from operating activities		<u>141,999</u>	<u>44,570</u>

3 ANALYSIS OF CASH AND CASH EQUIVALENTS		2024 £	2023 £
Cash at bank and in hand		<u>364,935</u>	<u>225,072</u>

4 ANALYSIS OF CHANGE IN NET DEBT	At 1 April 2023 £	Cash flows £	At 31 March 2024 £
Cash at bank and in hand	225,072	139,863	364,935
	<u>225,072</u>	<u>139,863</u>	<u>364,935</u>

Notes to the accounts for the year ended 31 March 2024

1. ACCOUNTING POLICIES

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

Fledge Youth Support meets the definition of the public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

The accounts have been prepared on the going concern basis. There are no material uncertainties about the charity's ability to continue.

- (b) Fund accounting: Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor.

- (c) Income: All income is included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Donations, legacies and charitable activities are received by way of grants, donations, legacies and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, when entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Resources are deferred when, at the end of an accounting period, they have been received but the charity has yet to become unconditionally entitled to them.

- (d) Expenditure: Expenditure is recognised on an accrual basis as a liability is incurred. It includes any VAT which cannot be fully recovered and is reported as part of the expenditure to which it relates.

Costs are apportioned in line with the income received from that source during the year.

Charitable activities expenditure comprises of those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly.

- e) Fixed assets: Fixed assets are capitalised for ongoing use within the company, where the individual cost of the asset exceeds:

Property improvements: £5,000;

Fixtures & Fittings: £1,000.

Depreciation is provided on fixed assets to spread the cost over the estimated useful lives of the relevant assets at the following rates:

Property improvements: 20% straight line;

Fixtures & Fittings 33% straight line.

- (f) Pension costs: Contributions in respect of the company's defined contribution scheme are charged to the Statement of Financial Activities for the year in which they are payable to the scheme. Differences between contributions payable and contributions actually paid in the year are shown as either accruals or prepayments at the year end.

- (g) Basic financial instruments: The charity only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors, cash at bank and creditors. These basic financial instruments are measured at transaction price. Financial assets and liabilities classified as due within one year are not amortised.

2 LEGAL STATUS

The charity is a charitable incorporated organisation registered with the Charity Commission in England and Wales on 28 May 2014. The charity is a public benefit entity.

The registered office of the charitable company is 12 Romsey Road, Eastleigh, Hampshire. SO50 9AL.

3 INCOME FROM DONATIONS AND LEGACIES

	Unrestricted	Restricted	2024	2023
	£	£	£	£
Fundraising income:				
General donations	18,043	-	18,043	33,609
Gift aid recoverable	794	-	794	987
Other income / fundraising	10,018	-	10,018	728
Grants	7,200	-	7,200	-
	<u>36,055</u>	<u>-</u>	<u>36,055</u>	<u>35,324</u>

4 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted	Restricted	2024	2023
	£	£	£	£
Operational and grant income:				
EBC housing benefit	654,553	-	654,553	436,838
Residents' contributions/deposit	20,089	-	20,089	18,460
Council tax refund from landlord	1,480	-	1,480	3,021
	<u>676,122</u>	<u>-</u>	<u>676,122</u>	<u>458,319</u>

5 STAFF COSTS

	2024	2023
	£	£
Wages and salaries	232,616	218,620
Social security costs	14,562	13,518
Pension	11,470	10,906
	<u>258,648</u>	<u>243,044</u>

The average number of staff employed during the year was 12 (2023: 11). No employee received emoluments of £60,000 or more during this year or the prior year.

Key management personnel were paid a total of £95,758 (2023: £71,952) to three employees (2023: 2), of which £12,101 is made up of employers NI and pension contributions (2023: £9,467).

Included in Wages and salaries above are out of hours staff costs amounting to £2,388 which are allocated to Out of hours security in note 6.

During the year or the prior year no trustees received any emolument, were paid any expenses nor were reimbursed for expenditure incurred on behalf of the charity.

Total pension contributions of £11,470 (2023: £10,906) were paid by the charity and are included in the SOFA.

6 EXPENDITURE

	Unrestricted £	Restricted £	2024 £	2023 £
Staff and people costs allocated to activities				
Salaries	256,260	-	256,260	239,867
Admin costs	940	-	940	916
Wellbeing/trauma informed care development	424	-	424	696
HR and policy development support	5,160	-	5,160	5,160
Training, travel and expenses	4,186	-	4,186	4,332
Trustee travel and expenses	-	-	-	103
Mentoring costs	239	-	239	169
	<u>267,209</u>	<u>-</u>	<u>267,209</u>	<u>251,243</u>
Administrative costs allocated to activities				
Office rental/utilities	15,313	-	15,313	20,756
Office costs	13,382	-	13,382	11,099
Insurances/legal fees and DBS	2,165	-	2,165	2,322
Fundraising costs	180	-	180	359
Publicity	826	-	826	650
	<u>31,866</u>	<u>-</u>	<u>31,866</u>	<u>35,186</u>
Property related costs allocated to activities				
Property rental	167,410	-	167,410	109,841
Residential house operating costs	24,052	-	24,052	20,953
House utilities	8,665	-	8,665	16,634
Depreciation	4,923	-	4,923	1,592
Out of hours security	19,399	-	19,399	16,606
Council tax	3,909	-	3,909	3,538
Residents support costs	4,860	-	4,860	4,615
	<u>233,218</u>	<u>-</u>	<u>233,218</u>	<u>173,779</u>
Governance costs				
Accountancy and examination fees	2,200	-	2,200	1,000
	<u>2,200</u>	<u>-</u>	<u>2,200</u>	<u>1,000</u>
	<u>534,493</u>	<u>-</u>	<u>534,493</u>	<u>461,208</u>

Included within accountancy and examinations fees above are amounts due to the independent examiners in relation to accounts and independent examination of £2,200 (independent examination 2023: £1,000).

7 TANGIBLE ASSETS

	Property improvements £	Fixtures & fittings £	Total £
COST			
At beginning of year	17,331	13,500	30,831
Additions	-	2,136	2,136
At end of year	17,331	15,636	32,967
DEPRECIATION			
At beginning of year	-	9,092	9,092
Charge for year	3,467	1,456	4,923
At end of year	3,467	10,548	14,015
NET BOOK VALUE			
At end of year	13,864	5,088	18,952
At beginning of year	17,331	4,408	21,739

8 DEBTORS

	2024 £	2023 £
Income tax recoverable	83	-
Prepayments	3,714	-
Other debtors	45,799	5,991
	49,596	5,991

9 CREDITORS: amounts falling due within one year

	2024 £	2023 £
Creditors	381	-
Pension	1,862	-
Accruals and deferred income	2,424	1,670
	4,667	1,670

10 MOVEMENT IN FUNDS

	Funds b/fwd £	Income £	Expenditure £	Transfers £	Funds c/fwd £
Designated funds					
Life-skills training hub development and maintenance fund	-	-	-	25,000	25,000
Office layout, furnishings and development fund	-	-	-	25,000	25,000
Office IT resources fund	-	-	-	25,000	25,000
	-	-	-	75,000	75,000
Unrestricted funds					
General fund	251,132	712,177	(534,493)	(75,000)	353,816
Total funds	251,132	712,177	(534,493)	-	428,816

The designated funds are established for the following purposes:

- **Office layout, furnishings and development fund:** Established to meet anticipated short-, and longer-term costs associated with acquiring, equipping and developing the new office accommodation being sought following the termination of Fledge's lease on its previous office;
- **Office IT resources fund:** Established to meet anticipated IT costs associated with developing the new office accommodation;
- **Life-skills training hub development and maintenance fund:** To facilitate the offer of a wider range of support services to Service Users.

11 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted £	Restricted £	2023 £
<i>Year ended 31 March 2024</i>			
Tangible fixed assets	18,952	-	18,952
Debtors	49,596	-	49,596
Bank and cash	364,935	-	364,935
Creditors	(4,667)	-	(4,667)
	428,816	-	428,816
	Unrestricted £	Restricted £	2022 £
<i>Year ended 31 March 2023</i>			
Tangible fixed assets	21,739	-	21,739
Debtors	5,991	-	5,991
Bank and cash	225,072	-	225,072
Creditors	(1,670)	-	(1,670)
	251,132	-	251,132

12 RELATED PARTY TRANSACTIONS

There were no related party transactions during this year or the prior year.

13 OPERATING LEASES

Due to the necessity to commit to formal property leases covering a number of forward years, for each residential and office property used by Fledge, the CIO has forward commitments to lease rental costs for future years. These costs are expected to be offset by future income generated in respect to the occupation of these premises by Fledge Service Users.

At the 31 March 2024, the charity had future financial commitments of £ 430,272 (2023: £254,062) in respect of these property lease costs, up to the earliest practical break point in each lease, rising to £ 568,872 (2023: £596,662) if no breaks in the property leases held on the Balance Sheet date are invoked, and that those leases expiring within twelve months of the Balance Sheet date which are renewable are renewed for a full term.

A further lease on an additional residential property was due to be signed soon after the Balance Sheet date, with a charge of £43,800 p.a. for a five-year lease period.

14 PRIOR YEAR STATEMENT OF FINANCIAL ACTIVITIES YEAR ENDED 31 MARCH 2023

(Including Income and Expenditure account)

	Notes	Unrestricted funds £	Restricted funds £	Total funds 2023 £
INCOME				
Donations and legacies		35,324	-	35,324
Charitable activities		458,319	-	458,319
Investment income		-	-	-
TOTAL INCOME		493,643	-	493,643
EXPENDITURE				
Charitable activities		461,208	-	461,208
TOTAL EXPENDITURE		461,208	-	461,208
NET MOVEMENT IN FUNDS		32,435	-	32,435
FUND BALANCES BROUGHT FORWARD		218,697	-	218,697
FUND BALANCES CARRIED FORWARD		251,132	-	251,132



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