

The Youth Endowment Fund Charitable Trust

Annual Report and Financial Statements

For the 15 month period ending 31 March 2023

Charity Number: 1185413

Reference and Administrative Details

The Youth Endowment Fund Charitable Trust is a registered charity (number 1185413). It was established on 10 April 2019 and registered by the Charity Commission on 20 September 2019.

Impetus – The Private Equity Foundation ('Impetus') is the sole corporate trustee of the Youth Endowment Fund. Impetus is a company limited by guarantee (number 08460519) and a registered charity (number 1152262).

The Trustees of Impetus are:

Hanneke Smits	
Bill Benjamin	
Lisa Stone	
Simon Turner	Resigned 27 Sept 2022
Shani Zindel	
Charlie Edwards	
Filipo Cardini	
Natasha Porter	
Robert Ramsauer	Resigned 23 May 2023
Rohan Haldea	
Vanessa Maydon	Resigned 13 Jan 2023
Joe Schull	
Sat Singh	Appointed 10 Oct 2022
Andy Toms	Appointed 10 Oct 2022
Alex Walsh	Appointed 23 May 2023

The Senior Leadership team of the Youth Endowment Charitable Trust is:

Jon Yates	Executive Director
Andrea Ramsay	Chief Operating Officer
Emma Jenkins	Director of Change
Matt van Poortvliet	Director of Evidence and Understanding
Louise Schmidt	Interim Director of Evidence and Understanding
Dr Daniel Acquah	Assistant Director of Evaluation
Peter Babudu	Assistant Director of Research and Youth Understanding

Registered office:	1st Floor, 64 Great Eastern Street London, EC2A 3QR
Auditor:	Haysmacintyre LLP 10 Queen Street Place London, EC4R 1AG
Banker:	NatWest 127-128 High Holborn London, WC1V 6PQ
Solicitors:	Russell-Cooke 2 Putney Hill London, SW15 6AB
Investment managers:	Goldman Sachs International Plumtree Court 25 Shoe Lane London, EC4A 4AU

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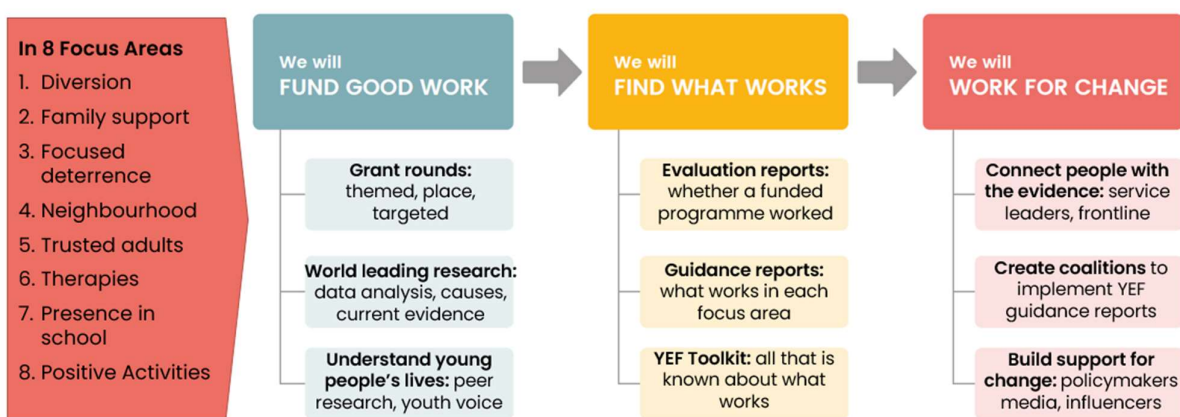
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The trustees are pleased to present their annual report on the work of The Youth Endowment Fund (YEF) in the 15 months ended 31 March 2023 and its plans for the year ending 31 March 2024, together with the financial statements for the 15 months to 31 March 2023.

Objectives and Activities

The Youth Endowment Fund exists to prevent children from becoming involved in violence. Our vision is 'A world where no child or young person becomes involved in violence'. Our mission is 'To find what works and build a movement to put this knowledge into practice.' Our strategy commits us to doing this by delivering on three highly interlinked tasks primarily across eight areas of focus: fund good work (in order to) find what works (in order to) work for change.



In 2022/23, we made progress across all these focus areas by funding – or preparing to fund – projects aimed at building evidence of what works. In total we set ourselves four core objectives:

- Be the lead expert on violence reduction
- Hold significant influence across key stakeholders who can push for change in policy or practice
- Deliver across our eight focus areas
- Be who we need to be by continuing to build strong organisational foundations

In our efforts to **be the lead expert on violence reduction**, we grew our online Toolkit, which is the most comprehensive overview of existing research on approaches to prevent serious youth violence in England and Wales, to 26 topics, adding six new topics in the period, completing five new systematic reviews of existing evidence and reaching more than 3,500 people online. In addition, we produced, launched and promoted the Children, Violence and Vulnerability Report, an annual authoritative report that surveyed more than 2,000 children and young people and combined that with national statistics to explore ways in which violence is shaping children's lives. Finally, we've

started to explore the underlying causes and correlations that exist in youth violence, through commissioning research reports on the role of poverty and racial disproportionality.

In our efforts to **hold significant influence**, we developed our first coalition for change around one of our eight focus areas: Diversion from the criminal justice system. Diversion refers to efforts to divert children, who come into contact with the police, away from the court and formal proceedings. The coalition includes key people and organisations that we need to work with to help us make sense of emerging research and find the right opportunities that can lead to actionable, lasting change. We have also deepened relationships with government departments, other policy makers and key stakeholders and maintained regular coverage of issues of youth violence in national and regional media outlets.

In our efforts to **deliver across our focus areas**, we have built upon prior year progress of regularly funding and evaluating projects that work to prevent young people from becoming involved in violence. One of the primary ways we do this is through identifying evidence gaps within one of our focus areas where, if filled, we could push for change in policy or practice. We then solicit proposals from organisations delivering promising activity in those gaps and pair them with an independent evaluator to conduct a rigorous evaluation of their work. By the end of 2022/23, we had launched eleven funding rounds to conduct these evaluations (funding more than 60 evaluations, 30 of which are impact trials), in addition to funding other types of research (data analysis and youth understanding) and committed more than £80m to building evidence of what works.

In our efforts to **build strong organisational foundations**, we grew our staff size from 44 to 51, while continuing to prioritise internal activity to embed our values of being transparent, brave, questioning, collaborative, responsible and empathetic across all we do. Our performance in bringing further investment into our mission remains strong, and by the end of 2022/23, we had secured more than £80m of supplementary funding for projects to prevent young people becoming involved in violence. We also launched our first annual Race Equity Action Plan, making commitments across five core areas of our work: funding, team, leadership, evidence and change, and partnerships.

Plans for Future Periods

We will build on the significant delivery achieved in 2022/23 in the year ahead by making sure that all our work is hyper focused in the areas where we believe we have the greatest opportunity for learning and change. Our work will therefore build on these existing four core objectives, ensuring we make more progress

within them to best support the children and young people who need it.

Across these four objectives, in 2023/24 we will:

Core objectives	Core activities for 2023/24
Be the lead expert on violence reduction	We will strengthen and deepen our knowledge on violence reduction including through expanding and segmenting the Toolkit. This will include expanding to 30 topics, publishing six new systematic reviews and driving greater engagement on evidence with our key audiences. We will also publish at least three authoritative research reports on levels of violence and causes of violence.
Hold significant influence	We will maintain our close relationships across government, influence the main party manifestos in advance of upcoming elections and build strong engagement with much wider audiences for our focus areas.
Deliver across our focus areas	We will continue to deliver our strategy across the eight focus areas by funding more research (evaluations, data analysis and youth understanding) and launching our first Guidance Report on Diversion from the criminal justice system. Guidance Reports will summarise evidence, practitioner experience and children's experience, alongside setting out a series of recommendations to improve diversion for children and families. We will have 50 impact evaluations under way, committing £125m of funds in total by the end of the year.
Continue to build strong organisational foundations	We will maintain strong foundations and deliver increased efficiency with excellent financial performance, high standards of risk management, high staff morale, a rigorous approach to race equity and long-term planning.

Financial Review

Financial results

YEF was established in April 2019 through a £200m grant from the Home Office, to be spent over a ten-year period of time. The full £200m grant value was included within income in 2019. Investments from the fund returned a net loss of £13.0m (Investment income less market value losses) in the 15 months to 31 March 2023.

Additional grant income received during the period totaled £9.6m.

Expenditure in the 15 months to 31 March 2023 totaled £30.7m, of which £25.3m was on grants to interventions with a further £5.4m spend on activities we undertook directly.

Of the grant, £155m remained invested with Goldman Sachs and remained the largest component of the balance sheet at the year end. The restricted fund at the year-end amounted to £161m (£157m for the Home Office grant, £3m for the Centre of Excellence grant and £1.6M from other grants received).

Reserves

The Impetus board, as sole trustee, agreed a policy of holding minimum restricted funds in respect of the Home Office funded work equal to six months operating expenditure. The receipt of the Home Office at the outset of our work means that this policy is comfortably met.

Going concern

We consider that we have adequate financial reserves to continue to deliver our plans and that we have a reasonable expectation that we will have adequate resources to continue in operational existence for the foreseeable future and that there are no material uncertainties that call into doubt the charity's ability to continue.

Investment policy, objectives and performance

The grant from the Home Office has been invested and is managed by Goldman Sachs, with oversight from the Endowment Investment Committee, a subcommittee of the Impetus Board. The investment objective is to achieve an average nominal return of 2%, net of management fees, over the life of the fund. To ensure that there are sufficient funds to cover planned spend to projects and the costs of managing the YEF, the equivalent of three to six months forecast spending is held in cash and cash equivalents.

The investment portfolio has been divided into three sub-portfolios, each invested in different types of asset:

- Liquidity sub-portfolio: cash and cash equivalent investments
- Mid-term sub-portfolio: investment grade government and corporate bonds
- Growth sub-portfolio: global equities.

The balance between the three portfolios will vary over time in line with the fund's planned cash flows and the need to limit the level of capital risk within the portfolio.

To limit currency risk in the portfolio, cash and cash equivalent investments are only invested in sterling instruments. Bond investments are in sterling or hedged back into sterling. Hedging of non-sterling currency exposure arising from overseas equity investments is permitted but not required.

The fund managers are required to integrate consideration of environmental, social and governance (ESG) issues into their investment process in a thoughtful manner and actively engage with companies to improve their ESG practices and policies.

As at 31 March 2023, of the total portfolio of £154.6m, £89.1m was invested in fixed income bonds and £53m in equities. The value of the portfolio stood at £154.6m after withdrawing £54.4m from the portfolio to meet our working capital requirements since the inception of the fund. The trustee considers that the portfolio performed well, taking advantage of the equities markets during the period with a well-defined glide path to reduce equity risk post year-end, and the portfolio is on track to meet its investment objective.

Structure, Governance and Management

Structure and public benefit

YEF is a charitable trust and registered charity with Impetus as its sole corporate trustee. Impetus is a company limited by guarantee and a registered charity.

Impetus received a £200m grant from the Home Office under a grant agreement dated 21 March 2019. The Youth Endowment Fund Charitable Trust was established on 10 April 2019 and was registered by the Charity Commission on 20 September 2019 (with charity number 1185413). The grant transferred to the Trust on that date. The grant is to be spent over the ten years to March 2029.

On 1 April 2021, YEF transitioned from a partnership between Impetus and two Delivery Partners, the Early Intervention Foundation and the Social Investment Business Foundation, to a subsidiary of Impetus with all staff working within a single organisation. Social Investment Business remained a Delivery Partner with representation on the YEF Committee, a subcommittee of the Impetus Board with oversight responsibility of YEF activity, but no longer employed staff to work full time on the fund.

Its governing document is a Trust Deed made on 10 April 2019 which was amended and restated on 19 September 2019. The objects of the charity are to:

- promote safe and crime free communities;
- preserve and protect health and save lives including, without limitation by, providing facilities, counselling, support and advice;
- prevent or relieve poverty and hardship; and
- advance any other complementary charitable purpose the trustees think fit,

in each case with a focus on children and young people who are at risk of offending or who are offenders or ex-offenders, and those who are (or are at risk of) being adversely affected by violence or other harm as a result of crime in England and Wales, including by working together with their respective families, carers and communities.

The trustee has had regard to its duties under section 17 of the Charities Act 2011. Charity trustees have a duty to report in the trustees' annual report on their charity's public benefit. They should demonstrate that:

- **The benefits generated by the activities of the charity are clear.** This report sets out in the activities which the YEF has carried out in the period, supporting and evaluating activity, building the conditions for change and striving to achieve our core objectives for the year.
- **The benefits generated relate to the objectives of the charity.** All activities undertaken are intended to further YEF's charitable objectives, as noted above.
- **The people who receive support are entitled to do so according to criteria set out in the charities objectives.** The YEF exists to prevent children and young people from becoming involved in violence by finding what works and building a movement to put that into practice. This report sets out ways in which YEF is working to ensure that the beneficiaries are supported to achieve that aim.

Governance and management

Impetus acts as the sole corporate trustee through its board of trustees. Impetus established The Youth Endowment Fund Charitable Trust Committee (YEF Committee) as a committee of its board. The YEF Committee has delegated responsibility for the management of the Youth Endowment Fund in compliance with, and in implementation of, the Home Office Grant Agreement.

Impetus has the following matters reserved to it, receiving recommendations from the YEF Committee on each matter:

- the overall strategy for the charity and the grants strategy or any material changes thereto;
- a budget and business plan for the charity within the framework set by the Home Office Grant Agreement and Partnership Agreement;
- the appointment or termination of appointment of Committee members and the YEF

Executive Director;

- individual grants or material changes to existing grants with a value in excess of £10 million, including those made from Supplementary Funding;
- the terms of any partnerships with other funders, where their funding is in excess of £10 million;
- the Investment Policy and the appointment of investment managers.

The YEF Committee has two sub-committees. The Grants and Evaluation Committee provides oversight and scrutiny of grants to Project Implementation Partners and agreements with independent evaluators. It makes recommendations in respect of individual grants, monitors grants awarded and produces reports for Impetus and the YEF Committee. The Endowment Investment Committee has delegated responsibility for the investment management of the Youth Endowment Fund. Areas of organizational performance, risk and resourcing are also reported to Impetus's Resources and Audit Committee.

The trustees consider the YEF Committee and the senior management team to be the key management personnel for reporting purposes. Pay is set by reference to an upper quartile salary benchmark which is established using a salary survey for the sector.

Risks

The trustees are responsible for ensuring that the charity has an appropriate system of controls, financial and otherwise. It is also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention of fraud and other irregularities.

The YEF Committee regularly reviews and assesses the major risks to which the YEF is exposed. Movements against risks are reviewed at Committee meetings with mitigating actions and controls discussed. The risk register is also reported to Impetus' Resource and Audit Committee.

Significant risks identified and steps taken to mitigate them are set out in the table below.

Risk	Rationale for rating	Mitigation/Update
Staff within organisation are overburdened/overstretched	While we have had success in recruitment in the evaluation team, the pace of work continues to be high, with capacity a constraint for the Comms, Change and Evidence teams in	We are watching the impact of new hires into the evaluation team. We proposed new staff investments in the 2023/24 budget proposal for our

	particular.	Comms, Change and Evidence teams, which were approved by the trustees.
Difficulty in achieving investment income target	High market volatility has impacted returns. Despite this volatility, the Investment Committee believes the portfolio as a whole as performed well since the inception of the fund, taking advantage of strong equity performance during the pandemic.	The Investment Committee meets quarterly to review performance of the portfolio and balance of investments. It will continue to review the strategy to ensure we remain confident in meeting our original expenditure assumptions.
Smaller Black, Asian or Minority Ethnic-led organisations are accessing themed grant round funds in each round but it remains challenging to prepare them for an intensive ongoing evaluation.	We have successfully funded a Black, Asian or Minority Ethnic -led organisation in each funding round. The challenge that remains is that – as Black, Asian or Minority Ethnic -led organisations tend to be smaller – they have less resource to engage in robust evaluations.	We have commissioned ongoing support from Impetus to build capacity. We are also considering new approaches including multi-site trials.
Unable to conduct impact evaluation across all five Focused Deterrence sites.	This evaluation is complex – requiring a very specific set of conditions for rigorous evaluation. The programme also needs to be set up excellently.	We have appointed high quality evaluation partners and are close to finalising an evaluation design to detect impact.
Unable to develop the type or strength of evidence we need to drive change in hyper local spaces	The evaluators have identified a number of options for Neighbourhood Fund impact evaluation. These options are reliant on timely access to administrative data.	We will focus effort to support timely data access with expectations around this built into performance milestones.

Statement of Trustee's Responsibilities


The trustee is responsible for preparing the Trustee's Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice ('UK GAAP').

The law applicable to charities in England & Wales requires the Trustee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustee is required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable 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 charity will continue in operation.

The Trustee is responsible for keeping proper accounting records that disclose with reasonable accuracy at any one time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed. They 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.

The Trustee confirms that to the best of its knowledge there is no information relevant to the audit of which the auditors are unaware. The Trustee also confirms that it has taken all necessary steps to ensure that they are themselves aware of all relevant audit information and that this information has been communicated to the auditors. The Trustee's Report was approved by the Trustee on 28 September 2023 and signed on their behalf by the Chair of the Impetus Board as representative of the Trustee.



Hanneke Smits

Chair of the Impetus Board

Representative of the
Trustee

Independent auditor's report to the trustee of The Youth Endowment Fund Charitable Trust

Opinion

We have audited the financial statements of The Youth Endowment Fund Charitable Trust for the period ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2023 and of the charity's net movement in funds for the period 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 Charities Act 2011.

Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The trustee is responsible for the other information. The other information comprises the information included in the Trustee's Report. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charity; or
- sufficient accounting records have not been kept; or
- the charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the trustee for the financial statements

As explained more fully in the trustee's responsibilities statement set out on page 13, the trustee is 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 trustee determines 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 trustee is responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustee either intends to liquidate the charity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material

misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to charity law, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011 and payroll tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to recognition of voluntary income. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities; and
- Identifying and testing journals, in particular journal entries posted with unusual descriptions and entries posted at unusual times.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the charity's trustee, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustee 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 charity's trustee as a body for our audit work, for this report, or for the opinions we have formed.

Handwritten signature of Haysmacintyre LLP in black ink.

Haysmacintyre LLP
Statutory Auditors

22 December 2023

10 Queen Street Place
London
EC4R 1AG

Haysmacintyre LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

The Youth Endowment Fund Charitable Trust

Statement of financial activities

For the 15 months to 31 March 2023

				15 months to 31 March 2023 Total £	Restricted grants £	Unrestricted Other £	Year to 31 December 2023 Total £
	Note	Restricted grants £	Unrestricted Other £				
Income:							
Donations and grants	2a	8,630,722	944,155	9,574,877	5,878,500	-	5,878,500
Investments	2b	5,688,699	-	5,688,699	4,940,903	-	4,940,903
Total income		14,319,422	944,155	15,263,577	10,819,403	-	10,819,403
Expenditure:							
Charitable activities	3a	29,814,522	931,680	30,746,202	20,189,083	-	20,189,083
Total expenditure		29,814,522	931,680	30,746,202	20,189,083	-	20,189,083
Net (losses)/gains on investments		(18,641,701)	-	(18,641,701)	9,190,475	-	9,190,475
Net movement in funds		(34,136,801)	12,475	(34,124,326)	(179,205)	-	(179,205)
Reconciliation of funds:							
Funds at the start of the period		195,574,901	(12,475)	195,562,426	195,754,106	(12,475)	195,741,631
Funds at the end of the period		161,438,100	-	161,438,100	195,574,901	(12,475)	195,562,426

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 12 to the financial statements.

The notes that follow form an integral part of these financial statements.

The Youth Endowment Fund Charitable Trust

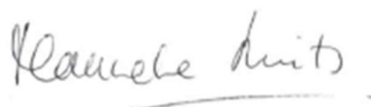
Balance sheet

As at 31 March 2023

	Note	As at 31 March 2023 £	As at 31 December 2021 £
Fixed assets			
Intangible assets	8a	130,080	142,393
Investments	8b	154,643,332	192,170,308
		<u>154,773,412</u>	<u>192,312,701</u>
Current assets			
Debtors	9	1,109,582	51,161
Cash at bank and in hand		<u>6,601,432</u>	<u>3,739,941</u>
		7,711,014	3,791,102
Creditors: amounts due within one year	10	<u>(1,046,327)</u>	<u>(541,377)</u>
Net current assets		<u>6,664,687</u>	<u>3,249,725</u>
Net assets	11	<u>161,438,100</u>	<u>195,562,426</u>
Funds			
Restricted funds	12	161,438,100	195,574,901
Unrestricted funds	12	-	(12,475)
Total funds		<u>161,438,100</u>	<u>195,562,426</u>

The financial statements for The Youth Endowment Fund Charitable Trust, (charity registration number 1185413), for the period ended 31 March 2023 were approved and authorised for issue by the Trustee on 28 September 2023.

The notes that follow form an integral part of these financial statements.



Hanneke Smits
Representative of the Trustee



Lisa Stone
Representative of the Trustee

The Youth Endowment Fund Charitable Trust

Cash flow statement

For the 15 months to 31 March 2023

	15 months to 31 March 2023	Year to 31 December 2021
	£	£
Net cash used in operating activities	(a) (21,704,471)	(13,540,369)
Cash flows from investing activities:		
Purchase of intangible assets	(8,012)	(152,581)
Dividends and interest from investments	5,688,699	4,940,903
Proceeds from sale of investments	24,556,611	16,181,529
Purchase of investments	(5,671,337)	(4,940,659)
Net cash provided by investing activities	24,565,962	16,029,192
Change in cash and cash equivalents in the year	2,861,491	2,488,823
Cash and cash equivalents at the beginning of the year	3,739,941	1,251,118
Cash and cash equivalents at the end of the year	6,601,432	3,739,941

(a) Reconciliation of net expenditure to net cash flow from

	15 months to 31 March 2023	Year to 31 December 2021
	£	£
operating activities		
Net movement in funds	(34,124,326)	(179,205)
Depreciation and amortisation charges	20,325	10,188
Net losses/(gains) on investments	18,641,701	(9,190,475)
Dividends and interest from investments	(5,688,699)	(4,940,903)
(Increase)/decrease in debtors	(1,058,421)	910,191
Increase/(decrease) in creditors	504,950	(150,165)
Net cash (outflow) from operating activities	(21,704,471)	(13,540,369)

The charity has no debt, so no analysis of net debt is presented.

The notes that follow form an integral part of these financial statements.

The Youth Endowment Fund Charitable Trust

Notes to the financial statements

For the 15 months to 31 March 2023

1. Accounting policies

- a) The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (Second Edition, effective 1 January 2019), and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

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

Going concern

The accounts are prepared on the going concern basis as the Trustee expects that the activities will continue for the foreseeable future and the Charity has healthy reserves and a strong cash position at the balance sheet date. There are no material uncertainties that call into doubt the Charity's ability to continue in operational existence.

- b) Income is included in full in the Statement of Financial Activities once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants to the Charity are recognised in full in the Statement of Financial Activities in the year in which they are receivable, or in the case of grants with associated eligibility criteria, in the year in which those criteria are satisfied.

Where entitlement to grants receivable is dependent upon fulfilment of conditions within the Charity's control, the income is recognised when there is sufficient evidence that conditions will be met. Where there is uncertainty as to whether the Charity can meet such conditions, recognition of income is deferred.

- c) Donated services and facilities are recognised as income and expenditure in the financial statements when companies or individuals offer their professional expertise on a pro bono basis. The value of these donated services and facilities is an estimated figure based upon the valuation the professional individual or organisation places upon the time, services and facilities they have provided to the Charity. Individuals offering their time to work in areas where they are not undertaking their profession are classified as volunteers and their time is not quantified in the accounts, but is disclosed in the Trustee's Report. All of these amounts are treated as unrestricted donations.
- d) Expenditure is recognised on an accruals basis, inclusive of any VAT which cannot be recovered. Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is allocated to the particular activity where the cost relates exclusively and directly to that activity. In addition, an allocation of salary and overhead costs of the central function is made and is apportioned based upon staff estimates of time spent on each activity (including the time of the executives who offer their services on a pro bono basis).

- e) Grants payable to interventions by the YEF are charged in the year in which they are disbursed to the intervention. Continued funding is conditional on the interventions meeting specified milestones. Conditional grants are recognised as expenditure when the conditions are fulfilled. If the conditions have not been met at the year end, the grants are disclosed as a future commitment but are not shown as expenditure.
- f) The charity's financial instruments all qualify as basic financial instruments in accordance with section 11 of FRS102 and are recognised on the following bases:
- Investments are measured at market value at the balance sheet date.
 - Cash and cash equivalents represent bank balances and deposits held in sterling.
 - Debtors are measured at the transaction price less any provision for doubtful debts.
 - Trade creditors are measured at the transaction price.
 - Intangible assets are capitalised at costs and amortised accordingly

1. Accounting policies (continued)

- g) Amortisation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The amortisation rates in use are as follows:

Computer software - Ten years

- h) Short term deposits represent cash on deposit.

- i) Unrestricted funds are donations and other income receivable or generated for the objects of the charity.

- j) Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is matched to the restricted funds, together with a fair allocation of overheads and support costs, if appropriate.

- k) Impetus, the sole corporate trustee of the Charity, operates a defined contribution pension scheme which staff employed by Impetus (as sole trustee) to work on the charity's activities are auto-enrolled in. The assets of the scheme are held separately from those of Impetus and the Charity in an independently administered fund. The pension cost charge represents contributions payable under the scheme. Impetus (as sole trustee) has no liability under the scheme other than for the payment of those contributions.

- l) Transactions in foreign currencies are translated into sterling at the rates of exchange current at the date of the transaction. Foreign currency monetary assets and liabilities in the balance sheet are translated into sterling at the rates of exchange ruling at the end of the year. Resulting exchange gains and losses are taken to the Statement of Financial Activities.

- m) The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues, grants payable and expenses during the period. The Trustees consider that there are no key judgements or estimates of estimation uncertainty.

2. Income

2 (a) Donations and grants

	Restricted 15 months to 31 Mar'23 £	Unrestricted 15 months to 31 Mar'23 £	Total 15 months to 31 Mar'23 £	Restricted Year to 31 Dec'21 £	Total Year to 31 Dec'21 £
Grants	8,630,722	12,475	8,643,197	5,422,500	5,422,500
Donated services	-	931,680	931,680	456,000	456,000
Donations and grants	<u>8,630,722</u>	<u>944,155</u>	<u>9,574,877</u>	<u>5,878,500</u>	<u>5,878,500</u>

Donated services represent pro bono services received by the Charity.

2 (b) Investment

	Restricted 15 months to 31 Mar'23 £	Unrestricted 15 months to 31 Mar'23 £	Total 15 months to 31 Mar'23 £	Restricted Year to 31 Dec'21 £	Total Year to 31 Dec'21 £
Bank interest receivable	17,363	-	17,363	244	244
Fixed income bonds	4,873,555	-	4,873,555	4,326,504	4,326,504
Global equities	797,782	-	797,782	614,155	614,155
	<u>5,688,699</u>	<u>-</u>	<u>5,688,699</u>	<u>4,940,903</u>	<u>4,940,903</u>

The Youth Endowment Fund Charitable Trust

Notes to the financial statements

For the 15 months to 31 March 2023

3. Expenditure

3 (a). Total expenditure

Note for the current Period	Funding for Projects £	Activities undertaken directly £ Note 3b	Support costs £ Note 3c	15 months to 31 Mar'23 Total £
Charitable activities				
Supporting charities	-	3,216,697	2,199,325	5,416,023
Evaluation and research	5,897,952	-	-	5,897,952
Grants payable (Note 4)	18,500,547	-	-	18,500,547
Donated services	931,680	-	-	931,680
Total charitable activities	25,330,179	3,216,697	2,199,325	30,746,202
Total expenditure	25,330,179	3,216,697	2,199,325	30,746,202

Note for the prior year	Funding for Projects £	Activities undertaken directly £	Support costs £	Year to 31 Dec'21 Total £
Charitable activities				
Supporting charities	-	2,176,842	1,709,668	3,886,510
Evaluation and research	1,895,581	-	-	1,895,581
Grants payable (note 4)	13,950,992	-	-	13,950,992
Donated services	456,000	-	-	456,000
Total charitable activities	16,302,573	2,176,842	1,709,668	20,189,083
Total expenditure	16,302,573	2,176,842	1,709,668	20,189,083

3 (b). Activities undertaken directly

	15 months to 31 Mar'23 £	Year to 31 Dec'21 £
Staff costs	2,790,059	1,885,476
Programme costs incurred in partners	-	18,994
Consultancy costs	426,639	272,372
	3,216,697	2,176,842

3 (c). Support costs

	15 months to 31 Mar'23 £	Year to 31 Dec'21 £
Staff costs	639,854	377,814
Office costs	312,904	63,921
Investment management fees	576,148	594,134
Other costs	670,419	673,799
	2,199,325	1,709,668

The Youth Endowment Fund Charitable Trust

Notes to the financial statements

For the 15 months to 31 March 2023

4. Grants payable

Grants paid to interventions in the year were as follows:

	15 months to 31 Mar'23 £	Year to 31 Dec'21 £
The Global Fund for Children UK Trust	3,762,140	-
London VRU	2,332,153	-
South London and Maudsley NHS Foundation Trust (SLaM)	359,942	1,908,482
Centre for Youth Impact (Part of YMCA-WC)	1,064,723	-
Mental Health Foundation	622,553	539,809
Lives Not Knives	27,088	575,000
The Nottinghamshire Office of the Police and Crime	519,820	-
Violence Reduction Network for Leicester (OPCC)	498,541	-
West Midlands Police and Crime Commissioner	476,506	-
Achieving for Children	464,609	220,835
Redthread Youth Limited	454,547	-
Family Psychology Mutual	-	440,585
REMEDI- Restorative Services	432,109	-
Wakefield Council Youth Work Team	50,078	418,158
The Tavistock and Portman NHS Foundation Trust	(49,493)	383,156
Imperial College London	367,658	287,772
Empire Fighting Chance	152,780	355,264
High Trees Community Development Trust	319,305	102,653
London Borough of Lambeth	125,198	318,962
ASSIST Trauma Care	70,431	318,089
Media Academy Cymru	313,519	159,749
Blackburn with Darwen Borough Council	69,013	301,238
United Borders	299,438	-
The Rugby Football League Limited	-	294,395
LifeLine Community Projects	108,066	294,160
WE ARE WITH YOU	292,200	59,360
Artsworld Ltd.	278,473	127,422
StreetGames UK	273,821	179,151
Life Skills Education Charity	-	271,650
Youth Focus North East	270,664	122,634
The Titan Partnership	262,247	268,635
Birmingham City Council	262,202	72,209
Young Devon	252,309	131,934
Family Psychology Mutual CIC	121,257	251,336
Volunteering Matters	250,090	92,760
YES Outdoors	248,058	34,966
Young Persons Advisory Service	244,090	159,377
St Christopher's Fellowship	(62,000)	230,000
Lancashire & South Cumbria NHS FT	227,734	-
The English Football League Trust (FL Community Ltd)	224,466	-
Salford Foundation Ltd	222,793	26,505
Behavioural Insights Ltd.	213,784	-
South Wales VRU	206,288	-
Other grants paid below £200,000	1,871,347	5,004,747
Total	18,500,547	13,950,992

4. Grants payable (continued)

The Youth Endowment Fund aims to prevent children and young people from getting caught up in crime and violence by making sure that those at most risk get the best possible support, as early as possible, to get on a positive path and succeed. Its grant making exists to support this objective and it seeks to fund activities that YEF can evaluate and grow.

Continued funding of interventions is conditional upon the organisations meeting specified milestones. Conditional grants are recognised as expenditure when the conditions are fulfilled. If the conditions have not been met at the year end, the grants are noted as a future commitment but not shown as expenditure.

The total amount of grants authorised but not accrued as expenditure at 31 March 2023 was £33,031,000 (2021: £27,917,000). This amount relates to the organisations listed above. If all current interventions progress as envisaged, the phasing of future commitments is estimated as follows:

	Year to 31 March	Year to 31 December
	£	£
2023	-	12,376,000
2024	17,447,000	10,188,000
2025	11,926,000	5,353,000
2026	3,658,000	-
	<u>33,031,000</u>	<u>27,917,000</u>

5. Net expenditure for the period

This is stated after charging:

	15 months to 31 Mar'23	Year to 31 Dec'21
	£	£
Trustee remuneration	-	-
Trustee expenses	-	-
Amortisation	20,325	10,188
Auditors' remuneration for audit services	18,000	17,448

6. Staff costs

	15 months to 31 Mar'23	Year to 31 Dec'21
	£	£
Staff costs were as follows:		
Salaries and wages	2,936,457	1,944,104
Social security costs	343,553	219,211
Pension contributions	149,903	99,976
	<u>3,429,913</u>	<u>2,263,290</u>

The salary breakdown by employee is shown in the table below (where applicable).

	Number of employees	
	15 months to 31 Mar'23	Year to 31 Dec'21
Salary band		
£60,000 - £70,000	4	4
£70,000 - £80,000	6	-
£80,000 - £90,000	5	3
£90,000 - £100,000	2	-
£100,000 - £110,000	1	-
£110,000 - £120,000	1	1
£150,000 - £160,000	1	-

The employer's pension contributions for staff earning more than £60,000 per annum amounted to £62,659 (2021: £30,792).

Remuneration and benefits (salary, bonus, employer NI and employer pension contributions), paid for key management personnel totalled £1,025,709 for the 15 month period (year to 31 Dec'21: £615,848).

Staff numbers

The average weekly number of employees is shown below on a full-time equivalent and headcount basis:

	15 months to 31 Mar'23	Year to 31 Dec'21
Full-time equivalents	48.3	37.8
Headcount	51	38

7. Taxation

There are no taxable profits arising within the charity for the 15 months to 31 March 2023. Consequently the charity has no liability to tax and no deferred tax.

8. Fixed assets

8 (a). Intangible assets

	As of 31 Mar'23 £
Cost	
At the start of the period	152,581
Additions in period	<u>8,012</u>
At the end of the period	<u>160,593</u>
Amortisation	
At the start of the period	10,188
Charge for the period	<u>20,325</u>
At the end of the period	<u>30,513</u>
Net book value	
At the end of the period	<u>130,080</u>
At the start of the year	<u>142,393</u>

8(b). Investments

	As of 31 Mar'23 £	As of 31 Dec'21 £
Market value at at 1 January 2021	192,170,308	194,220,703
Disposals in period	(23,946,419)	(15,579,512)
Investment management fees (cash basis)	(610,192)	(602,017)
Dividends and interest reinvested	5,671,337	4,940,659
Realised (losses)	(9,533,746)	(1,858,965)
Net (losses)/gains on revaluation	<u>(9,107,955)</u>	<u>11,049,440</u>
Market value as at 31 March 2023	<u>154,643,332</u>	<u>192,170,308</u>
	£	£
Cash and cash equivalents	12,537,093	6,325,207
Fixed income bonds	89,100,396	118,717,262
Global equities	<u>53,005,843</u>	<u>67,127,840</u>
	<u>154,643,332</u>	<u>192,170,308</u>

9. Debtors

	As of 31 Mar'23 £	As of 31 Dec'21 £
Grants Receivable	1,036,682	-
Prepayments	<u>72,900</u>	<u>51,161</u>
	<u>1,109,582</u>	<u>51,161</u>

10. Creditors: amounts due within one year

	As of 31 Mar'23 £	As of 31 Dec'21 £
Trade creditors	579,919	107,607
Other creditors	2,631	-
Amount due to parent charity	253,442	249,858
Accruals	<u>210,335</u>	<u>183,912</u>
	<u>1,046,327</u>	<u>541,377</u>

11. Analysis of net assets between funds

	Restricted £	Unrestricted £	Total Mar'23 £
Fixed assets	130,080	-	130,080
Investments	154,643,332	-	154,643,332
Net current assets	<u>6,664,687</u>	<u>-</u>	<u>6,664,687</u>
	<u>161,438,100</u>	<u>-</u>	<u>161,438,100</u>

Note for the prior year

	Restricted £	Unrestricted £	Total 2021 £
Fixed assets	142,393	-	142,393
Investments	192,170,308	-	192,170,308
Net current assets	<u>3,262,200</u>	<u>(12,475)</u>	<u>3,249,725</u>
	<u>195,574,901</u>	<u>(12,475)</u>	<u>195,562,426</u>

12. Movements in funds

	At the start of the period £	Income £	Expenditure £	Net losses on investments £	At the end of the period £
Restricted Funds					
Endowed Funds: Home Office	191,086,915	5,688,699	(21,194,557)	(18,641,701)	156,939,356
Centre of Excellence	4,041,098	-	(1,140,009)	-	2,901,090
#iwill	248,371	722,500	(970,871)	-	-
Co-operative	198,517	940,000	(1,076,168)	-	62,349
Comic Relief	-	5,687,525	(4,214,380)	-	1,473,145
Focused Deterrence	-	500,000	(500,000)	-	-
Trauma Informed	-	139,590	(139,590)	-	-
Violence Against Women and Girls	-	407,446	(407,446)	-	-
Department for Culture, Media and Sports	-	161,493	(161,493)	-	-
National Police Chiefs' Council	-	10,008	(10,008)	-	-
Arts Council England	-	37,500	-	-	37,500
Youth Futures Foundation	-	24,660	-	-	24,660
Total restricted funds	195,574,901	14,319,422	(29,814,522)	(18,641,701)	161,438,100
Unrestricted Funds					
Supplementary funding	(12,475)	944,155	(931,680)	-	-
Total unrestricted funds	(12,475)	944,155	(931,680)	-	-
Total funds	195,562,426	15,263,577	(30,746,202)	(18,641,701)	161,438,100
Note for the prior year					
	At the start of the period £	Income £	Expenditure £	Net gains on investments £	At the end of the period £
Restricted Funds					
Home Office	194,942,330	5,396,903	(18,442,793)	9,190,475	191,086,915
Centre of Excellence	811,776	4,000,000	(770,678)	-	4,041,098
#iwill	-	777,500	(529,129)	-	248,371
Co-operative	-	645,000	(446,483)	-	198,517
Total restricted funds	195,754,106	10,819,403	(20,189,083)	9,190,475	195,574,901
Unrestricted Funds					
Supplementary funding	(12,475)	-	-	-	(12,475)
Total unrestricted funds	(12,475)	-	-	-	(12,475)
Total funds	195,741,631	10,819,403	(20,189,083)	9,190,475	195,562,426

12. Movements in funds (continued)

Funds from the Home Office grant and investment income earned from it will be used to fund interventions to prevent children and young people from getting caught up in crime and violence by making sure that those at most risk get the best possible support, as early as possible, to get on a positive path and succeed. Independent evaluations of the interventions, research and the costs of the three partners delivering the Fund's work will also be met from the grant and from supplementary funding which is secured in addition to the grant and investment income.

The Centre of Excellence (CoE) grant was additional funding received to enable YEF to act as a centre of expertise, generating, disseminating and promoting new knowledge, practice and academic research that will transform local and national responses to tackling serious violence affecting children and young people.

Along with the Endowed Funds and CoE grants, the Home Office has funded three additional programmes. The first is a grant to evaluate the tried-and-tested approach known as 'Focused Deterrence'. The second is a new programme of activities to find out whether 'Trauma-Informed' practice is effective at keeping children safe from violence. The third is a grant which aims at reducing 'Violence Against Women and Girls' by undertaking well developed projects targeted to breaking cycles of violence.

Supplementing grant income from the Home Office, are two significant partnerships, and several smaller grants. The Peer Action Collective is a joint partnership with #iwill and Co-op funds. Together, the partners are investing £5.2 million to build a network of peer researchers to study the experience of youth violence. YEF has also partnered with Comic Relief to launch a new £6m joint funding programme to support organizations working to prevent youth offending. The Department for Culture, Media and Sports fund is part of the Reach Schools Project offering mentoring and group support to young people at risk of school suspension with the aim to prevent future offending. The National Police Chiefs' Council, Arts Council England, and Youth Futures Foundation grants are aimed at providing systematic reviews and advice on specific interventions.

13. Operating lease commitments

At 31 March 2023, the charity had commitments under operating leases of:

	Buildings	Mar'23	Dec'21
	£	Total	Total
		£	£
Due within one year	171,000	171,000	228,000
Two to five years	-	-	228,000
	<u>171,000</u>	<u>171,000</u>	<u>456,000</u>

14. Related party transactions

Impetus - The Private Equity Foundation is the sole corporate trustee of The Youth Endowment Fund Charitable Trust which is a restricted fund in Impetus. Impetus pays salary and other costs on behalf of the Youth Endowment Fund which it recharges to the charity. Amounts totalling £3,457,931 (Year to 31 December, 2021: £2,399,948) were recharged by Impetus to the Youth Endowment Fund during the 15 months to 31 March 2023. As of 31 March 2023 the Youth Endowment Fund owed amounts totalling £253,442 (31 December 2021: £249,858) to Impetus.