

Company number: 4604379
Charity number: 1096492

ReachOut Youth

Report and financial statements
For the year ended 31 August 2019

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For the year ended 31 August 2019

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Reference and administrative information

For the year ended 31 August 2019

Company number 4604379

Charity number 1096492

Registered office & operational address Ground Floor
26–28 Ramsgate Street
LONDON
E8 2NA

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Marion Baker	
Shardaé Carr	
Sophia Corpas	resigned 26 th June 2019
David Fass	
Edmund Lehmann	
Mark Wakefield	
Nimesh Patel	appointed 28 th August 2019
Zeynab Yusuf	appointed 28 th August 2019
James Browne	appointed 28 th August 2019

Company Secretary Frances Ellis resigned 24/03/2019
Kevin McCarthy

Key management personnel	Peter Blackwell	Chief Executive	
	Frances Ellis	Operations Director	resigned 24/03/2019
	Chloe Spencer	Manchester Manager	resigned 01/02/2019
	Bejal Shah	London Manager	Programme Director as of 01/02/2019

Grusche Michelsen also joined as Director of People on 03/09/2019

Bankers RBS
Drummond House, Redheughs Ave
Edinburgh
EH12 9RH

The Co-operative Bank
PO Box 250
Skelmersdale
WN8 6WT

Reference and administrative information

For the year ended 31 August 2019

Solicitors

Mishcon de Reya
Africa House
70 Kingsway
London
WC2B 6AH

Morgan, Lewis & Bockius
Condor House
5–10 St. Paul's Churchyard
London
EC4M 8AL

**Independent
Examiner**

Joanna Pittman
Sayer Vincent LLP
Chartered Accountants and Statutory Auditors
Invicta House
108–114 Golden Lane
LONDON
EC1Y 0TL

The Trustees present their report and financial statements for the year ended 31 August 2019.

Reference and administrative information set out on pages 1 and 2 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

This report should be read alongside our 2018/19 Impact Report which summarises the achievements and performance of the charity.

Objectives and activities

Our Mission

ReachOut is a mentoring charity working with children in disadvantaged communities to raise aspirations and help them grow in character and attainment.

We improve self-confidence and develop Numeracy, Literacy and Communication, whilst reinforcing our core character strengths of Fairness, Self-Control, Good Judgement and Staying Power.

We do this through one-to-one mentoring with positive role models and team activities, to promote leadership, trust and responsibility.

How our activities deliver public benefit

The Trustees review the aims, objectives and activities of the charity each year. The Impact Report together with this report summarise the achievements of the charity and the outcomes of its work during the reporting period. The Trustees are pleased to report the success of the key activities of the charity with benefits delivered to those groups of people that the charity has been set-up to help, in line with its stated purpose.

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives that have been set.

In the opinion of the Trustees we have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charity Commission.

Policies to further the charity's objects

The income and property of the charity from whatever source derived are applied solely towards the promotion of its objects as set out above. No portion thereof is paid or transferred directly or indirectly by way of dividend, bonus or otherwise by way of profit to the members of the company.

Trustees' annual report

For the year ended 31 August 2019

We are very grateful to all our funders, large and small, as well as our individual donors who are not named here, for their decision to donate to ReachOut and help us pursue our objectives. Their confidence in us is very much appreciated.

Mentoring Programmes

Our mentoring programmes use long term, one-to-one mentoring to support young people to develop character and academic skills. Led by paid staff who support our volunteer mentors throughout, the weekly sessions are based around academic content and fun group activities, such as football and drama.

In 2018/19 we ran ReachOut Club and Academy term-time one-to-one mentoring programmes, both offering weekly one and a half to two-hour sessions to referred young people from partner schools:

- ReachOut Club (ROC) – Primary schools, for Year 5/6 pupils (aged 9 – 11)
- ReachOut Academy (ROA) – Secondary schools, for Year 7 – 11 pupils (aged 11 – 16)

All our projects are delivered in schools in areas of economic and social disadvantage.

	Number of Projects Delivered		Places for young people	
	2018/19	2017/18	2018/19	2017/18
ReachOut Club London	18	17	180	170
ReachOut Club Manchester	10	8	100	80
ReachOut Club Liverpool	3	0	30	0
Total ReachOut Club	31	25	310	250
ReachOut Academy London	23	22	368	352
ReachOut Academy Manchester	6	8	96	128
ReachOut Academy Oldham	5	6	80	96
Total ReachOut Academy	34	36	544	576
Total	65	61	854	826

Over the reporting period, we saw growth in the total number of projects delivered and young people supported by ReachOut mentors across London, Manchester and Oldham. Additionally, the ReachOut Club programme was successfully piloted in Liverpool in three schools.

The total number of projects delivered increased by approximately 8% compared to the previous year, with 65 mentoring projects delivered in 2018/19.

In London we offered schools 548 mentoring places in 2018/19 compared with 522 in 2017/18, an increase of 5%.

In Greater Manchester we offered schools 276 mentoring places in 2018/19 compared with 304 in 2017/18.

In Liverpool, ReachOut began operating in Feb 2019, running pilot ReachOut Club projects at three primary schools in Toxteth/City Centre. This location was chosen because of close proximity to strategic partners in the city, Liverpool John Moore's University and the University of Liverpool.

We offered 30 mentoring places in Liverpool this year. Feedback obtained from these new schools was very positive and they had the highest attendance of any of our projects. We are continuing this work in 2019/20 for a full year and we are working with local supporters to build a network of businesses and champions within the city to help us expand and offer more spaces.

Workplace Experience Visits & Career Talks

In 2018/19 we delivered 69 Workplace Experience Visits and 130 Career Talks to the young people involved in our programmes.

Our Mentors

We aim to recruit a diverse pool of mentors who bring different skills, interests and experiences to our young people. Many are working professionals and students from local universities.

Historically in Manchester the majority of volunteers have been students but this year we have succeeded in increasing the number of working professionals volunteering on the projects by 15%. Mentor retention increased from 16% to 19% from 2017/18 to 2018/19.

Achievements and performance

A full Impact Report on our work for 2018/19 will be published in March 2020 and available on our website.

We have also included key data from this academic year in Appendix A.

Feedback from schools, mentees, mentors and parents

"ReachOut has built my confidence and I have become much closer to the other mentees. I can practice my Maths and English skills outside of school too which is good. I use my character strengths in school often. Let's say, using Good Judgement, in class I might understand that some people might not get something, so like, if they get something wrong maybe instead of making fun of them could help them instead." Lawrence, ReachOut Academy mentee, Manchester.

"Teachers have noticed that pupils have become more confident, vocal and are now more involved in school life. For example, a few mentees have now taken up positions on our sports teams as well as being a part of the debate team, where issues are discussed with passion." Kevin Foster, Teacher at St Luke's Church of England Primary School, Manchester.

"My daughter has been attending ReachOut for the last two years. In this time, I have seen her grow in confidence and learn how to overcome challenges with a more positive attitude. As a parent, I am so grateful for the help and peace of mind ReachOut gives us. Thank you ReachOut

for all that you do.” Parent of ReachOut Academy mentee at Lilian Baylis Technology School, London.

“When I first met my mentee, she was very reluctant to participate in the sessions. Now, I see a completely different person! Her confidence has grown and she is happy to join in! She still has some self-doubt when it comes to academic work, but that’s what I hope to help her overcome, because she is a very bright person! Through mentoring, I’ve learnt I’m a lot more patient than I realised. There will be days where she refuses to participate in and those and those are the days that I really see the importance of the character strengths, for both the mentees and the mentors. It also makes it easier for the mentees to understand the character strengths, when I use them myself.” Myrtle, ReachOut Club mentor at Tufnell Park Primary School, London.

Financial review

Incoming resources increased this year to £964,164 as the charity saw a substantial increase in revenues from community fundraising events, as well as some new or increased funding from trusts and foundations. Outgoing expenditure decreased to £873,824 due to the loss of and time to replace key personnel, resulting in a surplus of £90,340.

General reserves were £378,270 as at 31 August 2019. This is approximately £80,000 more than our reserves target for the year ending 31 August 2020 (3 months expenditure plus 10%). We plan to draw down reserves in line with our policy by the end of 2019/20.

Principal risks and uncertainties

The Trustees identify key risks to the quality of services, financial health and reputation of the charity. Key risks are recorded in the Risk Register and reviewed bi-monthly at board meetings.

The Trustees are aware the principal risk for the Charity is concerned with the safeguarding of the young people it aims to support, and as such, is always taken into account when risks are discussed. We continue to manage safeguarding risks by screening all volunteer mentors before placing them on our projects, including application form, enhanced DBS disclosures, reference checks and compulsory training, including pass/fail safeguarding assessment. Volunteers are always supervised by ReachOut staff whilst volunteering with children and young people. Permanent staff undergo annual refreshers on best practice in safeguarding through local authority safeguarding services and we liaise with schools regarding at risk young people.

In order to mitigate the funding risks, we continue to diversify our funding streams across trusts and foundations, government grants, schools, corporate donations and community fundraising. We also are funding our work further in advance, meaning we have more lead time to solve problems and seek additional funders should issues arise.

We have reduced the impact of key members of staff (Senior Management Team) leaving through succession planning, ensuring that we are constantly developing staff internally so that they are ready to step into more senior roles if required. While this has improved there is still a medium level of risk here. We have also worked hard to ensure that staff across the organisation feel valued and supported by investing in training such as Management and Insights training, as well as recognising their contributions through several events during the year.

Plans for the future

At the time of publishing, we have suspended front line delivery work in schools due to the coronavirus, and we are taking measures to protect the charity's finances during this difficult period. We are working with our funders to understand their position on grants already paid to us for front line work in schools (which we will not be able to continue in 2019/20) and implications for future grant funding. There is no certainty around when we will be able to resume front line

Trustees' annual report

For the year ended 31 August 2019

work and we have, therefore, placed a significant proportion of our employees on furlough while seeking access to government funding schemes. These actions will help protect our finances through to the next academic year.

We are also designing a digital mentoring service to our mentees that we hope will enable them to continue working with their mentors, and which will still deliver so much of the value ReachOut offers. We hope to pilot this during the current academic year. Meanwhile, we are still planning for a resumption of our conventional services in London, Liverpool Manchester and Oldham in the next academic year, assuming we are able to return to working with schools by Oct 2020, and if our funding position allows.

The Trustees are satisfied that the charity remains a going concern based on the financial forecasts including the actions described above, taken together with other potential mitigating measures.

Structure, governance and management

The organisation is a charitable company limited by guarantee, incorporated on 29 November 2002 and registered as a charity on 12 March 2003. The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

All Trustees give their time voluntarily and receive no benefits from the charity. No expenses were claimed by the Trustees in this financial year.

Related parties and relationships with other organisations

There were no related party transactions during the year.

Remuneration policy for key management personnel

The pay of senior staff is reviewed annually. We believe our pay is in line with the industry and take opportunities to benchmark when possible, for example during the latest recruitment exercise in November 2018.

Statement of responsibilities of the Trustees

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

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming

Trustees' annual report

For the year ended 31 August 2019

resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these financial statements, the Trustees are 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 UK Accounting Standards and statements of recommended practice 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 Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Members of the charity guarantee to contribute an amount not exceeding £10 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 August 2018 was 2. Two Trustees are members of the charity, but this entitles them only to voting rights. The Trustees have no beneficial interest in the charity.

Independent examiner

Joanna Pittman of Sayer Vincent LLP was appointed as the charitable company's independent examiner in January 2016 and has expressed her willingness to continue in that capacity.

The Trustees' annual report has been approved by the Trustees on 6 April 2020 and signed on their behalf by Edmund Lehmann and Nimesh Patel.

Edmund Lehmann
Chair of Trustees

Nimesh Patel
Trustee

Independent examiner's report

To the members of

ReachOut Youth

I report to the charity trustees on my examination of the accounts of ReachOut Youth ('the Company') for the year ended 31 August 2019.

This report is made solely to the trustees as a body, in accordance with the Charities Act 2011. My examination has been undertaken so that I might state to the trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the trustees as a body, for my examination, for this report, or for the opinions I have formed.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since the Company'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 because I am a member of the Institute of Chartered Accounts in England and Wales, which is one of the listed bodies.

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

- 1 Accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
- 2 The accounts do not accord with those records; or
- 3 The accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
- 4 The accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities

Independent examiner's report

To the members of

ReachOut Youth

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.

Name: Joanna Pittman FCA

The Institute of Chartered Accountants in England and Wales

Address: Sayer Vincent LLP, Invicta House, 108-114 Golden Lane, London, EC1Y 0TL

Date: 14 April 2020

ReachOut Youth

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 August 2019

	Note	Unrestricted £	Restricted £	2019 Total £	Unrestricted £	Restricted £	2018 Total £
Income from:							
Donations	2	301,014	68,750	369,764	253,795	145,850	399,645
Charitable activities							
ReachOut Club	3	8,500	133,560	142,060	16,000	105,625	121,625
ReachOut Academy	3	26,100	425,803	451,903	22,200	348,639	370,839
Investment income		437	–	437	56	–	56
Total income		336,051	628,113	964,164	292,051	600,114	892,165
Expenditure on:							
Raising funds	4	150,682	–	150,682	115,843	–	115,843
Charitable activities							
ReachOut Club	4	74,259	202,310	276,569	148,048	165,408	313,456
ReachOut Academy	4	20,770	425,803	446,573	44,386	434,706	479,092
Total expenditure		245,711	628,113	873,824	308,277	600,114	908,391
Net income / (expenditure) for the year and net movement in funds	5	90,340	–	90,340	(16,226)	–	(16,226)
Reconciliation of funds:							
Total funds brought forward		287,930	–	287,930	304,156	–	304,156
Total funds carried forward		378,270	–	378,270	287,930	–	287,930

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 14 to the financial statements.

Balance sheet

Company no. 4604379

As at 31 August 2019

	Note	£	2019 £	£	2018 £
Fixed assets:					
Tangible assets	10		<u>3,232</u>		<u>1,841</u>
			3,232		1,841
Current assets:					
Debtors	11	28,184		109,560	
Cash at bank and in hand		<u>473,173</u>		<u>213,929</u>	
		501,357		323,489	
Liabilities:					
Creditors: amounts falling due within one year	12	<u>(126,319)</u>		<u>(37,400)</u>	
Net current assets			<u>375,038</u>		<u>286,089</u>
Total net assets	13		<u><u>378,270</u></u>		<u><u>287,930</u></u>
The funds of the charity:	14				
Restricted income funds			-		-
Unrestricted income funds:					
General funds		<u>378,270</u>		<u>287,930</u>	
Total unrestricted funds			<u>378,270</u>		<u>287,930</u>
Total charity funds			<u><u>378,270</u></u>		<u><u>287,930</u></u>

The opinion of the directors is that the company is entitled to the exemptions conferred by Section 477 of the Companies Act 2006 relating to small companies

The directors acknowledge the following responsibilities:

- (i) The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476,
- (ii) The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

These accounts have been prepared in accordance with the special provisions applicable to small companies subject to the small companies' regime.

Approved by the trustees on 6 April 2020 and signed on their behalf by

Edmund Lehmann
Chair of Trustees

Nimesh Patel
Trustee

ReachOut Youth

Statement of cash flows

For the year ended 31 August 2019

	Note	2019 £	£	2018 £	£
Cash flows from operating activities					
Net cash provided by operating activities	15		261,581		(158,151)
Cash flows from investing activities:					
Sales of fixed assets		-		-	
Purchase of fixed assets		(2,337)		-	
Net cash (used in) investing activities			(2,337)		-
Change in cash and cash equivalents in the year			259,244		(158,151)
Cash and cash equivalents at the beginning of the year			213,929		372,080
Cash and cash equivalents at the end of the year			473,173		213,929

1 Accounting policies

a) Statutory Information

ReachOut Youth is a charitable company limited by guarantee and is incorporated in the United Kingdom.

The registered office address is Ground Floor, 26–28 Ramsgate Street, London, E8 2NA.

b) Basis of preparation

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) (effective 1 January 2015) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (March 2018) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

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

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

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

g) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

1 Accounting policies (continued)

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of delivering services and activities undertaken to further the purposes of the charity and their associated support costs

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

j) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on projects undertaken, of the amount attributable to each activity.

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on projects undertaken, of the amount attributable to each activity

- | | |
|--------------------|-----|
| • ReachOut Club | 41% |
| • ReachOut Academy | 59% |

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

k) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

l) Tangible fixed assets

Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

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

- | | |
|--------------------------|---------------------|
| • Fixtures and Equipment | 5% reducing balance |
|--------------------------|---------------------|

m) Debtors

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

n) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

o) Creditors and provisions

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

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

p) Pensions

The charity operates a defined contribution scheme with NEST and currently contributes 2% of qualifying earnings.

2 Income from donations and legacies

	Unrestricted £	Restricted £	2019 Total £	Unrestricted £	Restricted £	2018 Total £
Total community	112,598	–	112,598	54,565	–	54,565
Bloomberg	–	–	–	59,760	–	59,760
Kinetic	51,595	–	–	–	–	–
Other corporates	81,221	6,250	87,471	85,371	6,250	91,621
Total corporates	132,816	6,250	139,066	145,131	6,250	151,381
Total government	–	–	–	36,100	–	36,100
Four Acre Trust	–	61,500	61,500	–	60,000	60,000
Garfield Weston Foundation	50,000	–	50,000	–	–	–
Other trusts	5,600	1,000	6,600	8,000	79,600	87,600
Total trusts	55,600	62,500	118,100	8,000	139,600	147,600
Total gifts	301,014	68,750	369,764	243,795	145,850	389,645
Donated services	–	–	–	10,000	–	10,000
	301,014	68,750	369,764	253,795	145,850	399,645

Individual funders have been listed where they account for more than 5% of total annual income, or where they requested to be named.

Donated services represents amounts received during the year for legal advice. These amounts have been calculated based on what the charity would pay for these services were they not provided pro-bono.

3 Income from charitable activities

	Unrestricted £	Restricted £	2019 Total £	Unrestricted £	Restricted £	2018 Total £
Total community	–	–	–	–	–	–
Total corporates	–	–	–	–	–	–
Total government	–	–	–	–	–	–
BBC Children in Need	–	32,541	32,541	–	–	–
Big Lottery Fund	–	8,019	8,019	–	–	–
Dulverton Trust	–	40,000	40,000	–	–	–
Other Trusts	–	53,000	53,000	–	–	–
Total trusts	–	133,560	133,560	–	105,345	105,345
Total schools and other	8,500	–	8,500	16,000	280	16,280
Sub-total for ReachOut Club	8,500	133,560	142,060	16,000	105,625	121,625
Total community	–	–	–	–	–	–
Macquarie Group Foundation	–	70,000	70,000	–	50,000	50,000
Bank of America	–	58,448	58,448	–	–	–
Other corporates	–	30,289	30,289	–	80,079	80,079
Total corporates	–	158,737	158,737	–	130,079	130,079
Careers and Enterprise Company	–	107,566	107,566	–	79,354	79,354
Other government	–	–	–	–	18,156	18,156
Total government	–	107,566	107,566	–	97,510	97,510
Jack Petchey Foundation	–	54,500	54,500	–	–	–
Sir John Cass's Foundation	–	20,000	20,000	–	–	–
The Clothworkers' Foundation	–	40,000	40,000	–	–	–
Other trusts	–	45,000	45,000	–	–	–
Total trusts	–	159,500	159,500	–	111,800	111,800
Total schools and other	26,100	–	26,100	22,200	9,250	31,450
Sub-total for ReachOut Academy	26,100	425,803	451,903	22,200	348,639	370,839
Total income from charitable activities	34,600	559,363	593,963	38,200	454,264	492,464

Individual funders have been listed where they account for more than 5% of total annual income, or where they requested to be named.

4a Analysis of expenditure (current year)

	Charitable activities						
	Cost of raising funds £	ReachOut Club £	ReachOut Academy £	Governance costs £	Support costs £	2019 Total £	2018 Total £
Staff costs (Note 6)	107,177	199,460	303,271	3,894	50,703	664,505	667,568
Direct project costs	–	22,748	65,075	–	–	87,823	82,467
Rent, light and heat	–	9,560	13,757	–	9,936	33,253	35,801
Travel expenses	–	–	–	–	5,475	5,475	5,275
Miscellaneous office costs	–	–	–	3,720	23,340	27,060	33,246
Recruitment and other staff costs	–	–	–	–	4,780	4,780	4,211
Impact systems development	–	–	–	–	–	–	43,200
Legal and professional fees	–	–	–	–	7,423	7,423	8,512
Fundraising costs	43,505	–	–	–	–	43,505	18,111
Donated services (Note 2)	–	–	–	–	–	–	10,000
	150,682	231,768	382,103	7,614	101,657	873,824	908,391
Support costs	–	41,679	59,978	–	(101,657)	–	–
Governance costs	–	3,122	4,492	(7,614)	–	–	–
Total expenditure 2019	150,682	276,569	446,573	–	–	873,824	
Total expenditure 2018	115,843	313,456	479,092	–	–		908,391

ReachOut Youth

Notes to the financial statements

For the year ended 31 August 2019

4b Analysis of expenditure (prior year)

	Charitable activities						
	Cost of raising funds £	ReachOut Club £	ReachOut Academy £	Governance costs £	Support costs £	2018 Total £	2017 Total £
Staff costs (Note 6)	97,732	210,979	299,318	3,965	55,574	667,568	414,854
Direct project costs	–	20,565	61,902	–	–	82,467	35,765
Rent, light and heat	–	10,582	15,227	–	9,992	35,801	30,569
Travel expenses	–	–	–	–	5,275	5,275	7,808
Miscellaneous office costs	–	–	–	–	33,246	33,246	22,495
Recruitment and other staff costs	–	–	–	–	4,211	4,211	4,205
Impact systems development	–	–	–	–	43,200	43,200	–
Legal and professional fees	–	–	–	3,200	5,312	8,512	8,509
Fundraising costs	18,111	–	–	–	–	18,111	6,915
Donated services (Note 2)	–	–	–	–	10,000	10,000	1,000
	115,843	242,126	376,447	7,165	166,810	908,391	532,120
Support costs	–	68,392	98,418	–	(166,810)	–	–
Governance costs	–	2,938	4,227	(7,165)	–	–	–
Total expenditure 2018	115,843	313,456	479,092	–		908,391	
Total expenditure 2017	61,852	188,629	281,639	–	–		532,120

5 Net income for the year

This is stated after charging :

	2019 £	2018 £
Depreciation	946	97
Operating lease rentals:		
Property	28,634	34,519
Auditors' remuneration (excluding VAT):		
Independent Examination	3,100	3,000
	<u>3,100</u>	<u>3,000</u>

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

Staff costs were as follows:

	2019 £	2018 £
Salaries and wages	606,012	588,170
Redundancy and termination costs	–	29,758
Social security costs	48,317	43,627
Employer's contribution to defined contribution pension schemes	10,176	6,013
	<u>664,505</u>	<u>667,568</u>

No employee earned more than £60,000 during the year (2018: nil).

The total employee benefits including employers' national insurance and pension contributions of the key management personnel were £163,595 (2018: £175,785).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2018: £nil). No charity trustee received payment for professional or other services supplied to the charity (2018: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £nil (2018: £nil).

7 Staff numbers

The average number of full time equivalent employees during the year was as follows:

	2019 No.	2018 No.
Raising funds	3.0	2.5
ReachOut Club	7.0	7.0
ReachOut Academy	8.0	7.0
Support	2.0	2.5
	<u>20.0</u>	<u>19.0</u>

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2019 No.	2018 No.
Raising funds	3.0	2.5
ReachOut Club	25.0	17.0
ReachOut Academy	35.0	25.0
Support	2.0	2.5
	<u>65.0</u>	<u>47.0</u>

8 Related party transactions

There are no related party transactions to disclose for 2019 (2018: none).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

9 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

10 Tangible fixed assets

	Fixtures and fittings £	Total £
Cost		
At the start of the year	17,355	17,355
Additions	2,337	2,337
	<hr/>	<hr/>
At the start and end of the year	19,692	19,692
	<hr/>	<hr/>
Depreciation		
At the start of the year	15,514	15,514
Charge for the year	946	946
	<hr/>	<hr/>
At the end of the year	16,460	16,460
	<hr/>	<hr/>
Net book value		
At the end of the year	3,232	3,232
	<hr/>	<hr/>
At the start of the year	1,841	1,841
	<hr/>	<hr/>

All of the above assets are used for charitable purposes.

11 Debtors

	2019 £	2018 £
Trade debtors	3,316	36,316
Prepayments	24,868	37,294
Accrued income	–	35,950
	<hr/>	<hr/>
	28,184	109,560
	<hr/>	<hr/>

12 Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	2,872	1,996
Taxation and social security	17,142	11,779
Pension	2,487	1,355
Accruals	11,357	10,540
Deferred income	92,461	11,730
	<hr/>	<hr/>
	126,319	37,400
	<hr/>	<hr/>

Deferred income comprises grant income received in the year but which has a time bound criteria not met at the balance sheet date.

13a Analysis of net assets between funds (current year)

	General Unrestricted £	Restricted £	Total funds £
Tangible fixed assets	3,232	–	3,232
Net current assets	375,038	–	375,038
Net assets at the end of the year	378,270	–	378,270

13b Analysis of net assets between funds (prior year)

	General Unrestricted £	Restricted £	Total funds £
Tangible fixed assets	1,841	–	1,841
Net current assets	286,089	–	286,089
Net assets at the end of the year	287,930	–	287,930

14a Movements in funds (current year)

	At the start of the year £	Income & gains £	Expenditure & losses £	Transfers £	At the end of the year £
Restricted funds:					
ReachOut Club	–	133,560	(133,560)	–	–
ReachOut Academy	–	425,803	(425,803)	–	–
Central cost grants	–	68,750	(68,750)	–	–
Total restricted funds	–	628,113	(628,113)	–	–
Unrestricted funds:					
General funds	287,930	336,051	(245,711)	–	378,270
Total unrestricted funds	287,930	336,051	(245,711)	–	378,270
Total funds	287,930	964,164	(873,824)	–	378,270

14b Movements in funds (prior year)

	At the start of the year £	Income & gains £	Expenditure & losses £	Transfers £	At the end of the year £
Restricted funds:					
ReachOut Club	–	105,625	(105,625)	–	–
ReachOut Academy	–	348,639	(348,639)	–	–
Central cost grants	–	145,850	(145,850)	–	–
Total restricted funds	–	600,114	(600,114)	–	–
Unrestricted funds:					
General funds	304,156	292,051	(308,277)	–	287,930
Total unrestricted funds	304,156	292,051	(308,277)	–	287,930
Total funds	304,156	892,165	(908,391)	–	287,930

Purposes of restricted funds

The funds for ReachOut Club are utilised to provide mentoring programmes to primary school children (year 5/6) from a partner school.

The funds for ReachOut Academy are utilised to provide mentoring programmes to secondary school children (years 7 to 11) from a partner school.

The Central cost grants are restricted funds that cover the salary cost of members of the Senior Management Team.

15 Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2019 £	2018 £
Net income (expenditure) for the reporting period (as per the statement of financial activities)	90,340	(16,226)
Depreciation charges	946	97
Drecrease/(Increase) in debtors	81,376	(45,045)
(Decrease)/Increase in creditors	88,919	(96,977)
Net cash provided by operating activities	261,581	(158,151)

16 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	2019 £	2018 £
Less than one year	2,840	2,840
	2,840	2,840

17 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £10.

Appendix A

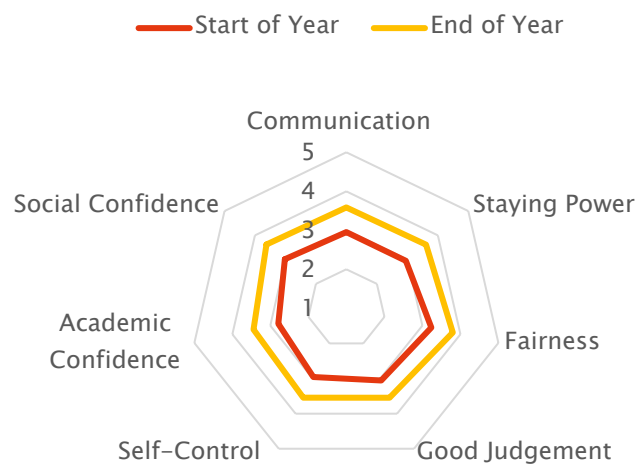
For the year ended 31 August 2019

We are pleased with the impact we have achieved in 2018/19. This was the first full year of implementing our new impact methodology, designed in consultation with Impact Box in 2017/18.

Table 1. Teachers Start and End of Year scores for each of ReachOut's metrics (1–5 scale)

	Average Mentee Start of Year Score (Teacher Assessment)	Average Mentee End of Year Score (Teacher Assessment)	Percentage Change between Start and End Scores
Communication	2.9	3.6	22%
Staying Power	2.9	3.6	24%
Fairness	3.2	3.8	17%
Good Judgement	3.0	3.5	18%
Self-Control	2.9	3.5	21%
Academic Confidence	2.8	3.4	24%
Social Confidence	3.0	3.6	21%

The same results are shown in the below radar chart:



Appendix A

For the year ended 31 August 2019

Table 2. Academic Data for ReachOut's mentees. Academic progress is measured as 3 sub-levels of progress in attainment 8 (secondary) or qualitative levels (primary)

	All		ReachOut Academy		ReachOut Club	
	2018/19	2017/18	2018/19	2017/18	2018/19	2017/18
English	73%	47%	52%	36%	92%	52%
Maths	69%	44%	43%	45%	94%	48%

Table 3. Mentee Character Strength progress taken from Teachers, Mentors and Mentees

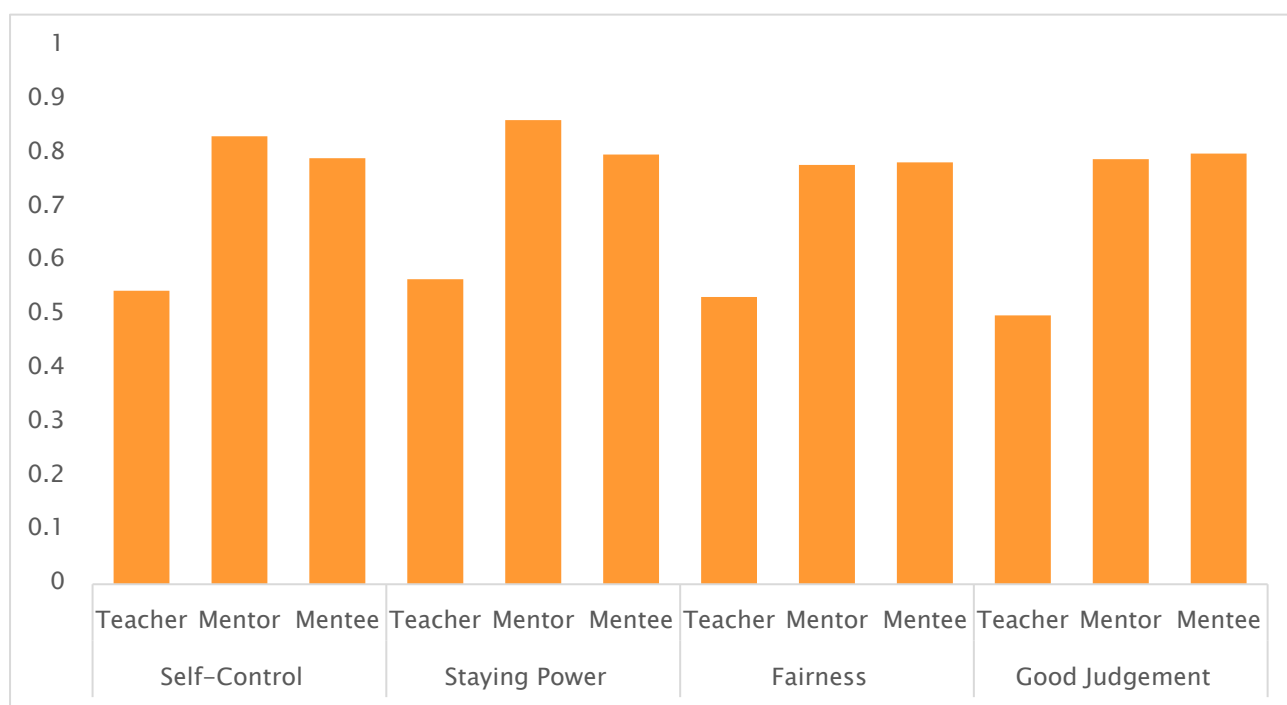


Table 4. Impact Overview 2018/19 vs 2017/18

	2018/19	2017/18
Projects	65	61
Mentor Hours	13544	10224
Mentees Referred	973	980
Mentees 10+ Sessions	661	614
WEVs	69	66
Career Talks	130	88