

REGISTERED COMPANY NUMBER: 11953689 (England and Wales)
REGISTERED CHARITY NUMBER: 1186059

Report of the Trustees and
Financial Statements
for the Year Ended 31 March 2021
for
Youth Connect South West

MHA Monahans
Statutory Auditors
38-42 Newport Street
Swindon
Wiltshire
SN1 3DR

Youth Connect South West

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for the Year Ended 31 March 2021**

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Report of the Trustees
for the Year Ended 31 March 2021

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of 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 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

To act as a resource for young people up to the age of 25 living in the united kingdom by providing advice and assistance and organising programmes of physical, educational and other activities as a means of: (a) advancing in life and helping young people by developing their skills, capacities and capabilities to enable them to participate in society as independent, mature and responsible individuals; (b) advancing education; (c) relieving unemployment; (d) providing recreational and leisure activities in the interests of social welfare for people living in the area of benefit who have need by reason of their youth, age, infirmity or disability, poverty or social and economic circumstances with a view to improving the conditions of life of such persons.

The promotion of social inclusion for the public benefit by preventing young people from becoming socially excluded, relieving the needs of those young people who are socially excluded and assisting them to integrate into society.

Significant activities

The charity aims to support young people in B&NES and the Southwest by providing high quality, excellent programs for young people, we believe by developing and growing the organisation we can reach more young people and their families/carers to enable them to grow to be the best they can be.

Our Vision and Mission are:

- o Vision - Delivering Inspiring youth services that young people want to be part of
- o Mission - Supporting young people to enjoy today, prepare for tomorrow and become the people they want to be

The organisations work with young people through a range of different programs:

- Youth work
- Alternative Education for young people with SEND.
- Employability
- Early help
- Southside youth and community centre.

The range of issues have been significant during this challenging year for everyone, these include:

- COVID
- Increased anxiety and mental health issues
- Digital poverty
- Access to food and support for people on low incomes
- Isolation and loneliness
- Serious Youth violence and anti-social behaviour

By supporting and working with young people to overcome these challenges we believe we further the aims of the charity.

The organisations insists that all staff receive regular supervision and an annual a professional development review.

The Training Policy and training plan sets out the organisations intentions to develop and train staff, with core training and development opportunities.

All programmes are monitored and evaluated through a quality assurance system, with annual reviews. Staff are set targets which are monitored by line managers in supervision. All young people interventions are recorded on a core database which reports are produced on a quarterly basis.

Quarterly reports include meeting numerical targets as well as case studies highlighting practise.

Staffs performance and sickness are discussed at management meeting and reported to Trustees quarterly meeting via the HR subgroup.

Staff are also supported by employee assistance and wellbeing program.

Newsletters are produced by all programs internally and externally, these are aimed at staff, young people, funders, and the public.

Public benefit

The trustees have paid due regard to the Charity Commission's guidance on public benefit in deciding what activities the charity should undertake. The trustees consider that they have acted in the public benefit.

Report of the Trustees
for the Year Ended 31 March 2021

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The Charity has met its charitable objects through the activities of the organisation.

The organisation restructured to be able to support organisational growth, this enabled YCSW to grow by 3.5% percentage in this financial year.

- The Early help commissioned contract with Bath and North East Somerset Council is maintained and delivering high quality outcomes for young people.

- COVID had had a massive impact on the way we delivered and continue to deliver services, however staff were resourceful and determined.

- Southside was closed for the majority of time and in the second lock down our café provider left, we took the decision to run it ourselves, early days but the café appears to be running well.

- L4W continued to run due to the SEND duty, Early help and other programs such as Realising Talent became outside, telephone and online delivery with a triage system to ensure the most vulnerable received regular if not daily contact, Southside closed as directed.

- Youth work became outreach supporting vulnerable young people who weren't home for whatever reasons giving safe messages, this increased with extra COVID response funding and a thanks to all our Town and Parish Councils who fund this work, as they were and are fully supportive of our approaches thought out the whole pandemic.

- The team found funding for food and essentials parcels, laptops, and tablets for our vulnerable families, signed compassionate communities and supported social care in delivering food parcel.

- A few bright moments with the Halloween scary trail and Christmas Grotto which local families to Southside really appreciated.

- Despite the pandemic we have continue to grow and deliver more services and programs to young people that we can be proud of. The future 18 months will be challenging, and young people will have a lot to deal with, we need to ensure that we are ready and able to meet that challenge.

Feedback from commissioners and funders of this work appreciate the effort and perseverance of staff to deliver work and support to young people.

Overall the charity has made excellent progress meeting its objectives and continues to grow.

FINANCIAL REVIEW

Financial position

The organisation has had a successful second year with a surplus on unrestricted funds of £164,684. This has meant the organisation has been able to place significant funds in reserves ensuring the sustainability of the organisation.

This has led to the ability to further develop the infrastructure to meet the demands of a growing organisation.

The core contract currently underpins the financial stability as we grow this will become more balanced and core costs will be spread across all contracts.

Restricted funds held at 31 March 2021 in relation to grants and government restricted funding are £195,149.

Significant events that have affected financial performance and financial position during the period and the principle risks and uncertainties are:

The key significant effect has been the impact of COVID, the organisation dealt with this well and all programmes and funding continued.

However, the Southside youth and community centre were closed for most of this financial year which resulted in loss of income from letting, anchor tenants and the café provider also left.

The Charity applied for COVID recovery funding for loss of income for the building and was successful, we also received a small amount of furlough for two part time members of staff.

A business continuity and risk plan were developed and reviewed to assess the organisational financial risk, as a whole organisation we continued to grow and develop and received positive feedback from funders and commissioners regarding our resilience and ability to support our young people.

The organisation is currently undertaking strategic analysis and development of the organisation working towards a new strategic plan both organisationally and financially which it expects to have completed by March 2022.

The most significant factor likely to effect financial performance is the need to ensure the full cost recovery model is implemented to ensure a sustainable organisation. This will ensure that the organisation infrastructure has sufficient capacity to support the expected growth.

The reopening of Southside youth and community centre has meant letting income is increasing, we also took the decision to run our own cafe.

Report of the Trustees
for the Year Ended 31 March 2021

FINANCIAL REVIEW

Principal funding sources

The Early help commissioned contract with Bath and North East Somerset Council, plus contacts for youth work and other programs with a number of parish councils and Bath College are the charity's principle funding sources. The charity has also received a number of grants and donations from local and national grant making charities.

Reserves policy

At 31 March 2021, total funds held were £486,836 of which £195,149 are held in restricted funds and £125,000 in designated funds.

The reserve policy has been agreed and approved by Trustees at the Trustee management meeting on 5 October 2020, the adoption of this policy was immediate, and finance has been placed in reserves. The charity will continue to work towards developing the reserve required by maintaining full cost recovery model on all programs and analysing programs that are not covering all costs to ensure sustainability.

Current free reserves are £167,000, this is slightly over the £146,000 required in our reserves policy. Given the level of organisation growth we are in the process of reviewing the Reserve Policy and expect the required level of reserves to increase above £167,000.

Separate from the reserve we have created a designated fund for transition at the end of the BANES contract the following (taken from Reserve Policy):

"YCSW was established as a Public Service Mutual and its first 5 years of operation is supported by a significant contract by Bath and North East Somerset and supported through a transition agreement. At the end of the 5-year contract YCSW will need to ensure it has a lasting infrastructure and this period will be a significant transition with associated costs. This designated fund for the transition will incorporate:

- Provision for Management continuity
- IT infrastructure
- Legal costs
- Cost related to retention of Southside Youth Hub
- Other transition related costs

The target for the designated fund for transition is £125,000 by 2024, this target has been achieved and we will set aside £125,000 aside for transitions.

This figure will be reviewed annually. Further designated budgets maybe assigned within the YSCW strategic plan. "

PLANS FOR FUTURE PERIODS

The organisation is undertaking a strategic review of its management and business infrastructure to enable the further development of the growth model.

Growth plans include

- Southside youth and community centre to increase its letting and grants to ensure a vibrant place for the local community to come.
- Community cafe has reopened and continues to grow and develop.
- Young Peoples programs are in demand and we expect to see an increase in the following programs in the coming year:

- o Youth work
- o Learning 4 work
- o Partnership 4 learning
- o Employability

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of new trustees

Trustees are recruited through an interview process, following applications made in response to either advertisements in our newsletter and public media; or word of mouth from current trustees/staff/volunteers. Trustee appointments can be ratified at any meeting of the Trustees, and are formally adopted at the AGM.

There were no new appointments of Trustee in this period.

Report of the Trustees
for the Year Ended 31 March 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

The charity has 8 Trustees, one Trustee is the CEO and one is a staff representee in line with the organisation being a Public Service Mutual.

Trustees meet quarterly where they receive reports from the CEO and sub committees, at these meeting Trustees will review the organisation development, receive the subcommittee minutes, requests, and act accordingly.

Policies and procedures are approved by the Trustees board, day to day decisions making is delegated to the CEO and the senior management team.

Induction and training of new trustees

All Trustees receive an induction pack which contains the constitution, roles and responsibilities, key policies and expected knowledge and information they need to possess to be an effective trustee. They are also sent regular updates from the charity commission and these are discussed at the Trustee meeting. Trustee are expected to attend training provided by the local voluntary sector networks which we are members of. The organisation also joined the funding regulator and developed fundraising Policy.

Trustees also undertook training regarding Trustee's roles and responsibilities.

Trustees will be taking part in a business development program to ensure the future viability and sustainability of the Charity.

Key management remuneration

Trustees supported the senior management team to develop a matrix for assessing staff pay and remuneration, this is reviewed on an annual basis and referred to when creating new roles and reviewing pay.

Relationships with related parties and any other charities and organisations

The organisations is a member of the following networks:

- 3SG
- VOSCUR
- Bath Youth partnership
- Children's and young people network

The organisation works with other network members to deliver its charitable aims and draws up terms of reference and partnership agreements to help ensure the work is delivered successfully. If there is a lead partner and financial involvement a contract will be drawn up.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Fund-raising Standards Information

The charity does not carry out significant fundraising activities and does not undertake direct marketing. All fundraising activities are monitored by the CEO and the trustees and a fundraising policy is in place. The charity does not use a professional fund-raiser or commercial participator. The charity has not received any complaints about its fundraising.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

11953689 (England and Wales)

Registered Charity number

1186059

Registered office

Southside Youth Hub
Kelson View
Whiteway
Bath
BA2 1NR

Report of the Trustees
for the Year Ended 31 March 2021

Trustees

Ms J Fielder
C D Gerrish
R F Hopkins
Ms G Millar
Ms T L Pike
Rev A S Pitt
Ms S Reynolds
R E Walker (appointed 6.7.21)

Senior management personnel

Chief Executive Officer - T Pike
Operational manager - S Plummer

Auditors

MHA Monahans
Statutory Auditors
38-42 Newport Street
Swindon
Wiltshire
SN1 3DR

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Youth Connect South West for the purposes of company law) are responsible for preparing the Report of the Trustees 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 resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

In so far as the trustees are aware:

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

AUDITORS

The auditors, MHA Monahans, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on and signed on its behalf by:

.....
R F Hopkins - Trustee

**Report of the Independent Auditors to the Members of
Youth Connect South West**

Opinion

We have audited the financial statements of Youth Connect South West (the 'charitable company') for the year ended 31 March 2021 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Report of the Independent Auditors to the Members of Youth Connect South West

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors 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 provision of youth services, we identified that the principal risks of non-compliance with laws and regulations related to safeguarding, health and safety, employment law, Companies Act 2006 and Charity Law, and we considered the extent to which non-compliance might have a material effect on the financial statements of the charity. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Charities Statement of Recommended Practice.

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 revenue recognition, management override, and potential lack of segregation of duties. Audit procedures performed by the audit engagement team included:

- discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- understanding and review of management's internal controls designed to prevent and detect irregularities, and fraud;
- review of the minutes of the Trustees meetings;
- review of tax compliance;
- designing audit procedures to incorporate unpredictability;
- performing analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud;
- review of the financial statements disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of the Trustees and third-party advisors about actual and potential litigation and claims;
- testing transactions entered into outside of the normal course of the charity's business; and
- identifying and testing journal entries, in particular any journal entries with fraud characteristics such as journals with round numbers.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and the transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 Report of the Independent Auditors.

Other matters which we are required to address

The prior year figures are unaudited.

**Report of the Independent Auditors to the Members of
Youth Connect South West**

Use of our report

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

Steven Fraser (Senior Statutory Auditor)
for and on behalf of MHA Monahans
Statutory Auditors
38-42 Newport Street
Swindon
Wiltshire
SN1 3DR

Date:

Youth Connect South West

Statement of Financial Activities
for the Year Ended 31 March 2021

	Notes	Unrestricted funds £	Restricted funds £	Year Ended 31.3.21 Total funds £	Period 4.11.19 to 31.3.20 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	42,632	271,275	313,907	13,077
Charitable activities					
Youth and Community Services	5	850,337	-	850,337	396,864
Other trading activities	4	3,344	-	3,344	-
Total		<u>896,313</u>	<u>271,275</u>	<u>1,167,588</u>	<u>409,941</u>
EXPENDITURE ON					
Raising funds	6	-	-	-	826
Charitable activities					
Youth and Community Services	7	731,629	92,271	823,900	265,967
Total		<u>731,629</u>	<u>92,271</u>	<u>823,900</u>	<u>266,793</u>
NET INCOME		<u>164,684</u>	<u>179,004</u>	<u>343,688</u>	<u>143,148</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		127,003	16,145	143,148	-
TOTAL FUNDS CARRIED FORWARD		<u><u>291,687</u></u>	<u><u>195,149</u></u>	<u><u>486,836</u></u>	<u><u>143,148</u></u>

The notes form part of these financial statements

Youth Connect South West (Registered number: 11953689)

Balance Sheet
31 March 2021

	Notes	2021 £	2020 £
FIXED ASSETS			
Tangible assets	14	3,498	3,969
CURRENT ASSETS			
Debtors	15	256,049	519,567
Cash at bank and in hand		361,915	85,671
		<u>617,964</u>	<u>605,238</u>
CREDITORS			
Amounts falling due within one year	16	(134,626)	(466,059)
		<u>483,338</u>	<u>139,179</u>
NET CURRENT ASSETS			
		<u>486,836</u>	<u>143,148</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>486,836</u>	<u>143,148</u>
NET ASSETS/(LIABILITIES)			
		<u>486,836</u>	<u>143,148</u>
FUNDS	18		
Unrestricted funds:			
General fund		166,687	127,003
Designated fund - transition costs		125,000	-
		<u>291,687</u>	<u>127,003</u>
Restricted funds		195,149	16,145
TOTAL FUNDS		<u>486,836</u>	<u>143,148</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on and were signed on its behalf by:

.....
C D Gerrish - Trustee

Youth Connect South West

Cash Flow Statement
for the Year Ended 31 March 2021

	Notes	Year Ended 31.3.21 £	Period 4.11.19 to 31.3.20 £
Cash flows from operating activities			
Cash generated from operations	1	276,813	90,073
Net cash provided by operating activities		<u>276,813</u>	<u>90,073</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(569)	(4,402)
Net cash used in investing activities		<u>(569)</u>	<u>(4,402)</u>
Change in cash and cash equivalents in the reporting period		<u>276,244</u>	<u>85,671</u>
Cash and cash equivalents at the beginning of the reporting period		<u>85,671</u>	<u>-</u>
Cash and cash equivalents at the end of the reporting period		<u><u>361,915</u></u>	<u><u>85,671</u></u>

The notes form part of these financial statements

Youth Connect South West

Notes to the Cash Flow Statement
for the Year Ended 31 March 2021

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Year Ended 31.3.21 £	Period 4.11.19 to 31.3.20 £
Net income for the reporting period (as per the Statement of Financial Activities)	343,688	143,148
Adjustments for:		
Depreciation charges	1,040	433
Decrease/(increase) in debtors	263,518	(519,567)
(Decrease)/increase in creditors	(331,433)	466,059
Net cash provided by operations	<u>276,813</u>	<u>90,073</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.20 £	Cash flow £	At 31.3.21 £
Net cash			
Cash at bank and in hand	85,671	276,244	361,915
	<u>85,671</u>	<u>276,244</u>	<u>361,915</u>
Total	<u>85,671</u>	<u>276,244</u>	<u>361,915</u>

Youth Connect South West

Notes to the Financial Statements for the Year Ended 31 March 2021

1. STATUTORY INFORMATION

Youth Connect South West is a charitable company limited by guarantee, without share capital, incorporated in England and Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The registered office address and principle activities of the charity can be found in the Trustees' Report.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest pound.

There are no significant areas of judgements or key sources of estimation uncertainty.

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

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and 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.

For legacies, entitlement is taken as the earlier of:

- the date on which the charity is aware that probate has been granted;
- the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made; or
- when a distribution is received from the estate.

Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Expenditure

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 a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

Allocation and apportionment of costs

All costs are allocated between the expenditure categories in the Statement of financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particulate activity are allocated directly. Support costs, including governance costs, are apportioned on the basis of estimated aggregate time expended on each activity.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

- Fixtures and fittings - 25% on straight line basis

Youth Connect South West

Notes to the Financial Statements - continued for the Year Ended 31 March 2021

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Motor vehicles - 20% on straight line basis

Financial instruments

The charity has minimal exposure to customer credit risk, liquidity risk and market risk. Please refer to the risk section of the trustees annual report for information on how risks are managed. The charity does not have any non basic financial instruments.

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.

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.

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.

Financial instruments

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

Redundancy/termination payments

Termination benefits are measured at the best estimate of the expenditure required to settle the obligation at the reporting date. If the expected settlement date of the termination payments is 12 months or more after making the provision and the effect would be material, the present value of the obligation is calculated using an appropriate discount rate.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Retirement benefits to employees are also provided by the Local Government Pension Scheme ('LGPS'). This is a defined benefit scheme. The LGPS is a funded multi-employer scheme and the assets are held separately in separate trustee administered funds. The LGPS is managed by Avon Pension Fund. On termination all the assets and liabilities of the charity will be subsumed by the Council into its pot within the Pension Fund, and the Pension Fund will not request a termination payment from the charity. Therefore Bath and North East Somerset Council are liable for the LGPS deficit and as such any deficit on the scheme is not recognised in these accounts. The LGPS is treated as a defined contribution scheme in these accounts.

Youth Connect South West

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

3. DONATIONS AND LEGACIES

	Year Ended 31.3.21 £	Period 4.11.19 to 31.3.20 £
Donations	313,907	8,577
Gift aid	-	500
Donated services, facilities and fixed assets	-	4,000
	<u>313,907</u>	<u>13,077</u>

4. OTHER TRADING ACTIVITIES

	Year Ended 31.3.21 £	Period 4.11.19 to 31.3.20 £
Other income	3,344	-
	<u>3,344</u>	<u>-</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	Year Ended 31.3.21 £	Period 4.11.19 to 31.3.20 £
Grants		
Youth work sessions and other support	-	22,781
Contract for services	316,916	149,731
Souths Youth Hub lettings	525,395	212,966
	8,026	11,386
	<u>850,337</u>	<u>396,864</u>

Grants received, included in the above, are as follows:

	Year Ended 31.3.21 £	Period 4.11.19 to 31.3.20 £
Bath and North East Somerset council	-	22,781
	<u>-</u>	<u>22,781</u>

Government Grant/Contract Income:

	2021 £	2020 £
Bath and North East Somerset Council - contracts	545,584	230,100
Bath and North East Somerset Council - grants	237,443	-
National lottery	9,968	-

There were no unfulfilled conditions or other contingencies attached to these grants/contracts. The charity has not directly benefited from any other forms of government assistance.

Youth Connect South West

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

6. RAISING FUNDS

Raising donations and legacies

	Year Ended 31.3.21 £	Period 4.11.19 to 31.3.20 £
Consultancy	-	826
	<u> </u>	<u> </u>

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 8) £	Support costs (see note 9) £	Totals £
Youth and Community Services	601,970	221,930	823,900
	<u> </u>	<u> </u>	<u> </u>

8. DIRECT COSTS OF CHARITABLE ACTIVITIES

	Year Ended 31.3.21 £	Period 4.11.19 to 31.3.20 £
Staff costs	548,467	174,706
Activities and session delivery costs	34,548	2,237
Insurance	-	3,189
Premises	12,465	9,823
Travel	4,684	2,893
Printing and stationery	120	4,338
Advertising	-	436
Sundries	586	805
Professional fees	-	2,278
Other staff costs	60	1,152
Depreciation	1,040	433
	<u> </u>	<u> </u>
	601,970	202,290
	<u> </u>	<u> </u>

9. SUPPORT COSTS

	Management £	Governance costs £	Totals £
Youth and Community Services	208,535	13,395	221,930
	<u> </u>	<u> </u>	<u> </u>

Support costs, included in the above, are as follows:

	Year Ended 31.3.21 Youth and Community Services £	Period 4.11.19 to 31.3.20 Total activities £
Wages	143,085	46,714
Social security	12,391	4,384
Pensions	24,317	9,888
Insurance	8,007	-
Postage, IT and stationery	3,328	-
Advertising	8,196	-
HR, wellbeing and training	9,211	-
Auditor's remuneration	13,395	-
	<u> </u>	<u> </u>
Carried forward	221,930	60,986

Youth Connect South West

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

9. SUPPORT COSTS - continued

	Year Ended 31.3.21 Youth and Community Services £	Period 4.11.19 to 31.3.20 Total activities £
Brought forward	221,930	60,986
Accountancy and legal fees	-	2,691
	<u>221,930</u>	<u>63,677</u>

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	Year Ended 31.3.21 £	Period 4.11.19 to 31.3.20 £
Auditor's remuneration - Auditing of the accounts	7,850	-
Auditor's remuneration - Other non-audit services	5,545	-
Depreciation - owned assets	1,040	433
Accountancy and independent examination	-	1,500
	<u> </u>	<u> </u>

11. TRUSTEES' REMUNERATION AND BENEFITS

The Trustee, T Pike, is employed by the Charity, as per the Charity's constitution, as Chief Executive Officer, and earned gross salary of £47,945 (2020: £19,488) and employers pension contribution of £11,123 (2020: £4,511).

The Trustee, S Reynolds, is employed by the Charity as a youth worker and is the staff representative on the board, and earned gross salary of £22,168 (2020: £10,104) and employers pension contribution of £5,143 (2020: £2,338).

The above only receive remuneration in respect of staff members under their contracts of employment, and not in respect of their role as trustees.

There were no other trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2021 nor for the period ended 31 March 2020.

12. STAFF COSTS

	Year Ended 31.3.21 £	Period 4.11.19 to 31.3.20 £
Wages and salaries	603,356	189,429
Social security costs	45,507	13,864
Other pension costs	79,397	32,399
	<u>728,260</u>	<u>235,692</u>

Youth Connect South West

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

12. STAFF COSTS - continued

The average monthly number of employees during the year was as follows:

	Year Ended 31.3.21	Period 4.11.19 to 31.3.20
Management	4	3
Business team	6	3
Targeted	12	10
Youth work	10	8
Learning 4 work	5	4
Southside	4	2
	<u>41</u>	<u>30</u>

No employees received emoluments in excess of £60,000.

Key management personnel for the charity comprises the Trustees, the Chief Executive Officer and the operational manager. The total employee benefits for key management personnel of the charity were £137,488 (2020: £59,386).

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	4,000	9,077	13,077
Charitable activities			
Youth and Community Services	369,317	27,547	396,864
Total	<u>373,317</u>	<u>36,624</u>	<u>409,941</u>
EXPENDITURE ON			
Raising funds	826	-	826
Charitable activities			
Youth and Community Services	245,488	20,479	265,967
Total	<u>246,314</u>	<u>20,479</u>	<u>266,793</u>
NET INCOME	<u>127,003</u>	<u>16,145</u>	<u>143,148</u>
TOTAL FUNDS CARRIED FORWARD	<u>127,003</u>	<u>16,145</u>	<u>143,148</u>

Youth Connect South West

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

14. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Motor vehicles £	Totals £
COST			
At 1 April 2020	402	4,000	4,402
Additions	569	-	569
	<hr/>	<hr/>	<hr/>
At 31 March 2021	971	4,000	4,971
	<hr/>	<hr/>	<hr/>
DEPRECIATION			
At 1 April 2020	100	333	433
Charge for year	240	800	1,040
	<hr/>	<hr/>	<hr/>
At 31 March 2021	340	1,133	1,473
	<hr/>	<hr/>	<hr/>
NET BOOK VALUE			
At 31 March 2021	631	2,867	3,498
	<hr/>	<hr/>	<hr/>
At 31 March 2020	302	3,667	3,969
	<hr/>	<hr/>	<hr/>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade debtors	209,937	512,199
Prepayments and accrued income	46,112	7,368
	<hr/>	<hr/>
	256,049	519,567
	<hr/>	<hr/>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade creditors	2,052	4,754
Social security and other taxes	18,927	10,822
VAT	2,247	105,247
Other creditors	12,409	8,971
Accruals and deferred income	98,991	336,265
	<hr/>	<hr/>
	134,626	466,059
	<hr/>	<hr/>

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
Fixed assets	3,498	-	3,498	3,969
Current assets	422,815	195,149	617,964	605,238
Current liabilities	(134,626)	-	(134,626)	(466,059)
	<hr/>	<hr/>	<hr/>	<hr/>
	291,687	195,149	486,836	143,148
	<hr/>	<hr/>	<hr/>	<hr/>

Youth Connect South West

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

18. MOVEMENT IN FUNDS

	At 1.4.20 £	Net movement in funds £	Transfers between funds £	At 31.3.21 £
Unrestricted funds				
General fund	127,003	164,684	(125,000)	166,687
Designated fund - transition costs	-	-	125,000	125,000
	<u>127,003</u>	<u>164,684</u>	<u>-</u>	<u>291,687</u>
Restricted funds				
Southside Community Library	5,000	(3,000)	-	2,000
Radstock Youth Hub women's project	998	(998)	-	-
Mobile Bus start up costs	5,647	-	-	5,647
Youth work	4,500	1,250	-	5,750
Grow it, Cook it	-	4,976	-	4,976
Wesport - Outreach	-	2,710	-	2,710
Affordable food projects	-	2,852	-	2,852
Police Community Trust Action fund	-	2,000	-	2,000
MSN rotary	-	1,535	-	1,535
Wellbeing	-	1,000	-	1,000
Annett Trust	-	500	-	500
Section 106 and Community Infrastructure Levy funding	-	166,179	-	166,179
	<u>16,145</u>	<u>179,004</u>	<u>-</u>	<u>195,149</u>
TOTAL FUNDS	<u>143,148</u>	<u>343,688</u>	<u>-</u>	<u>486,836</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	896,313	(731,629)	164,684
Restricted funds			
Southside Community Library	-	(3,000)	(3,000)
Radstock Youth Hub women's project	-	(998)	(998)
Youth work	10,708	(9,458)	1,250
Knife Crime	5,252	(5,252)	-
Grow it, Cook it	4,976	-	4,976
Quartet Community Grant	4,750	(4,750)	-
Palace of Wonder	2,390	(2,390)	-
Wesport - Outreach	2,760	(50)	2,710
Affordable food projects	2,920	(68)	2,852
COVID response	9,968	(9,968)	-
Police Community Trust Action fund	4,000	(2,000)	2,000
Serious Youth Violence - Music Project	6,098	(6,098)	-
Serious Youth Violence - Graffiti Project	2,560	(2,560)	-
IAG	4,000	(4,000)	-
Midsomer Norton Lions Club	250	(250)	-
Holiday food	6,500	(6,500)	-
MSN rotary	3,000	(1,465)	1,535
Wellbeing	1,000	-	1,000
Annett Trust	500	-	500
Section 106 and Community Infrastructure Levy funding	199,643	(33,464)	166,179
	<u>271,275</u>	<u>(92,271)</u>	<u>179,004</u>
TOTAL FUNDS	<u>1,167,588</u>	<u>(823,900)</u>	<u>343,688</u>

Youth Connect South West

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

18. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	Net movement in funds £	At 31.3.20 £
Unrestricted funds		
General fund	127,003	127,003
Restricted funds		
Southside Community Library	5,000	5,000
Radstock Youth Hub women's project	998	998
Mobile Bus start up costs	5,647	5,647
Youth work	4,500	4,500
	<hr/>	<hr/>
	16,145	16,145
	<hr/>	<hr/>
TOTAL FUNDS	143,148	143,148
	<hr/> <hr/>	<hr/> <hr/>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	373,317	(246,314)	127,003
Restricted funds			
Crush project	3,579	(3,579)	-
Set up funding	4,547	(4,547)	-
Southside Community Library	5,000	-	5,000
Radstock Youth Hub women's project	998	-	998
Southside	10,000	(10,000)	-
Mobile Bus start up costs	8,000	(2,353)	5,647
Youth work	4,500	-	4,500
	<hr/>	<hr/>	<hr/>
	36,624	(20,479)	16,145
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	409,941	(266,793)	143,148
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Restricted funds

Crush Project - Crush is a 10 week awareness raising and support programme to help young people make safe and healthy relationship

Set up funding - funding from BANES to cover the charity's initial costs

Southside Community Library - funding from BANES for Southside community library including IT equipment, storage, furniture and event costs.

Radstock Youth Hub women's project - funding from Radstock Town Council to run a young women's project

Southside - funding from BANES for Southside

Mobile Bus start up costs - funding from BANES for the start up costs for the mobile bus

Youth Work - donations from the Medlock Trust and Henry Hoare and Co for the provision of youth work.

Palace of wonder - support the provision of early mental health support for anxious children and young people

Wesport- Outreach - Funding to deliver an outreach programme and online support to young people in hard to reach communities

Youth Connect South West

Notes to the Financial Statements - continued for the Year Ended 31 March 2021

18. MOVEMENT IN FUNDS - continued

Affordable food projects - to contribute towards supporting families and individuals in Whiteway and Twerton.

COVID response - National lottery funding for detached youth work

Police community trust action fund - funding to tackle issues in their local area relating to the priorities set out in the Police Crime Plan.

Serious Youth Violence - Music project - funding to help prevent serious youth violence through music

Serious Youth Violence - Graffiti project - funding to help prevent serious youth violence through graffiti art project

MSN Rotary Club - funding to support the young people in BANES through the purchase of laptops, assistance technology, short college courses and driving lessons

IAG - funding for two young people to join the Youth Independent Advisory Group

Holiday food - to provide food during the school holidays

Section 106 and Community Infrastructure Levy funding - funding for Bath youth work

Designated funds

This designated fund is for:

- Provision for Management continuity
- IT infrastructure
- Legal costs
- Cost related to retention of Southside Youth Hub
- Other transition related costs

19. EMPLOYEE BENEFIT OBLIGATIONS

The charity is a member of the Avon Pension Fund, a Local Government Pension Scheme, which is a defined benefit scheme. In these accounts it is treated as a defined contribution scheme as Bath and North East Somerset Council are liable for the deficit. The cost for the period was £75,629 (2020: £31,878).

The charity also makes payments to The People's Pension, a defined contribution scheme. The cost for the period was £3,569 (2020: £355).

At the balance sheet date contributions of £11,694 (2020: £8,156) were payable to the schemes.

20. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2021.