



# **The Young Foundation**

## **Report and financial statements**

31 December 2015

Company Limited by Guarantee  
Registration Number  
01319183 (England and Wales)

Charity Registration Number  
274345 (England)

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## Reference and administrative information

**The Young Foundation is a company limited by guarantee and a registered Charity governed by its memorandum and articles of association.**

**It is a Research Councils UK recognised independent research organisation (IRO)**

<b>Trustees</b>	Dame Julie Mellor (appointed 3 June 2016) Tim Allan (Chair) (resigned 23 June 2016) Pat Colgan (appointed 11 February 2016, resigned 12 May 2016) Malcolm Dean Pete Gladwell (appointed 4 December 2015) Danny Kruger Amanda Leveté (resigned 9 March 2016) June Milligan (Appointed 1 January 2016) Jonty Olliff-Cooper Abigail Rotheroe (appointed 9 March 2016) Alexander Stevenson Kirsteen Tait Glenys Thornton (resigned 4 June 2015) Gareth Williams (appointed 9 March 2016)
<b>Chief Executive</b>	Baroness Glenys Thornton (appointed 22 June 2015)  Simon Willis (resigned 30 June 2015)
<b>Company registration number</b>	01319183
<b>Charity registration number</b>	274345
<b>Registered office</b>	18 Victoria Park Square London E2 9QW

## Reference and administrative information

<b>Independent auditor</b>	Buzzacott LLP 130 Wood Street London EC2V 6DL
<b>Bankers</b>	HSBC 465 Bethnal Green Road London E2 9QW  CCLA Senator House 85 Queen Victoria Street London EC4V 4ET
<b>Solicitors</b>	Bates, Wells & Braithwaite 10 Queen Street Place London EC4R 1BE

***Our Manifesto: For a just society***

We believe inequality undermines the economy and corrodes our wellbeing. Lack of opportunity and limited social mobility destroys lives, leaving its mark on communities, relationships, aspirations and self-worth.

We work to create a more equal and just society, where each individual can be fulfilled in their own terms. We believe that little about the future of society is inevitable. Bound by our shared humanity, we believe we collectively have the power to shape the societies and communities we want to live in.

The Young Foundation uses the power of innovation to address the causes of inequality. This innovation is based on research, partnerships and practical problem solving. We use it as a tool for change in the systems that undermine individual responsibility, empowerment and participation. We have created projects that are opening up new paths to power for marginalised people at the local level.

We create new movements, institutions and companies that empower people to lead happier and more meaningful lives.

We work with the public and private sectors and civil society to strengthen their positive impact on communities.

***Our approach***

We strive to be audacious and determined in our actions, and open and unrelenting in our thinking. We are politically alert but non-partisan. We use the tools of social research, social innovation, venturing, strategic design and movement building. Above all, we listen to people, putting what they think, feel and believe, their aspirations, their experiences and their lives at the heart of everything we do.

***Our heritage***

The Young Foundation takes its name from the social entrepreneur, activist and pioneer, Michael Young. For over 60 years, Michael brought together collaborations of the brightest, the best and the most innovative to solve social problems. Core to his approach was ethnographic research, stemming from a belief that engaging with people and understanding their lives shows the best way forward. His legacy includes the Open University, Which? and The School for Social Entrepreneurs.

The Young Foundation exists to continue and build on Michael's work.

***Who We Work With***

Alma Folkhögskola, Stockholm, Sweden  
Arden GEM Commissioning Support Unit  
Bank of America Merrill Lynch  
Barrow Cadbury Trust  
Big Lottery Fund  
British Council  
Cabinet Office  
Calouste Gulbenkian Foundation  
Catch 22  
Centre for Justice Innovation  
City of London Corporation  
E3M  
Economic and Social Research Council  
Equality and Human Rights Commission  
Esmée Fairbairn Foundation  
European Commission  
Gangway, Berlin, Germany  
Grandparents Plus  
Greenwich Inclusion Project  
Groundswell  
Husbanken  
Islington CCG  
Joseph Rowntree Foundation  
The J.W. McConnell Family Foundation  
Leeds City Council  
Local Government Association  
LSE  
Macmillan Cancer Support  
Mondragon Co-operative  
NESTA  
Newham Headstart  
Northern Ireland Department of Social  
Development

Power to Change  
Royal Society of Public Health  
Sheffield Hallam University  
Social Innovation Exchange  
Social Research Unit Dartington  
UBS  
University of Sheffield  
UnLtd  
UpRising  
Welsh Assembly Government

## **CHAIR'S REPORT**

2015 has been a year of change, positioning us to continue to fulfil Michael's vision in the 21st century.

In June the organisation said good bye to Simon Willis who had been Young Foundation CEO for over two years. Simon left with our very good wishes to join the cutting edge organisation change.org. His departure came at the end of a period of retrenchment and change for the Young Foundation and the Board was delighted that Glenys Thornton agreed to become our Chief Executive almost immediately in June, stepping down as a trustee to take this role. Early in her career, Glenys worked for Michael testing and piloting social innovation ideas arising out of his research. Following a career in the voluntary, co-operative and private sectors and in particular as a Health Minister in the House of Lords, it is our good fortune that she has returned to lead our work. Glenys is building strong teams to deliver our major themes going forward of Places, Health, Education & Livelihoods, Social Ventures & The Young Academy, Equalities & Gender, and Research.

We have welcomed new trustees to the Board, Pat Colgan, (resigned May 2016), Pete Gladwell, June Milligan, Abigail Rotheroe, Gareth Williams and Julie Mellor each bringing specialist expertise, energy and enthusiasm to drive our cause forward. I would like to say a special thank you to Amanda Leveté who stood down after nearly seven years as a trustee, and in particular advised on the sale of 17 Victoria Park Square.

I decided to stand down as Chair after nearly four years and the Nominations and Governance Committee, led by Danny Kruger conducted out a selection process which attracted an outstanding field of applicants.

Dame Julie Mellor will be leading the Young Foundation as Chair of the Board from June and I know that Michael's legacy could not be in better hands.

**Tim Allan**  
**June 2016**

## CHIEF EXECUTIVE'S REPORT

2015 was a year of significant change and development for the Young Foundation. The Trustees and I are immensely proud of the magnificent way in which staff have responded and adapted to our new shape and plans. I became CEO in June 2015, and thank Simon Willis for the innovative work he had undertaken in the previous 2 years.

2015 marked the 100<sup>th</sup> anniversary of the birth of Michael Young. It began with a rather splendid event hosted most generously by Hannah Rothschild to launch MY100, our year of celebration. During the year we held a series of discussions on the theme *How to Create Equality*. These were led by friends and luminaries such as Sir John Hills, Professor Danny Dorling and Professor Kate Pickett. A special highlight was the MY100 Conference at The Barbican in November. Local MP Rushanara Ali also held a Reception in the Speaker's Rooms at the House of Commons to mark the end of MY100. Each of these events gave the Foundation an opportunity to build new relationships and partnerships as well as reconnect with and re-energise old ones. During the year we were also able to donate more of Michael's original papers to the archive at Churchill College, Cambridge.

What follows are a few highlights of the year 2015, which are covered elsewhere in this Report. The *Places* programme concluded its test bed phase in Northern Ireland and we won National Lottery funding to roll it out for four more years. We also won funding for pilot *Places* programmes in Leeds and Wales.

At the end of 2015 and moving into 2016, we forged a new partnership with the Mondragon Co-operative Corporation. Mondragon is a co-operative group founded in the Basque country about the same time at the Institute of Community Studies. By common consent Mondragon is the most successful industrial co-operative in the world and a superb example of large scale social innovation. Michael Young was always interested in Mondragon, constantly keen to see what the British Co-operative movement could learn from it. The Young Foundation-Mondragon partnership will undertake joint work and investment in UK social innovations, and build an international learning platform.

We have initiated a new partnership with the J.W. McConnell Family Foundation in Canada and established a relationship with the London School of Economics International Inequalities Institute where we hope to help deliver the newly launched Atlantic Scholars programme.

We published "Unequal Nation – The case for social innovation to work for a gender equal future", a ground-breaking report funded by Barrow Cadbury Trust and Esmée Fairbairn Foundation.

Key flagship programmes were launched or consolidated: *Communities Can*, *The Young Academy* and *Realising Ambition* all add to the portfolio of YF learning and innovation delivered through partnerships with a large range of businesses, charities and other organisations. It is these partnerships and many more that are the lifeblood of the Young Foundation and its future work. They mean that we can face the future with confidence.



**CHIEF EXECUTIVE'S REPORT** (continued)

As 2016 progresses we express our huge thanks and say farewell to our outgoing Chair of Trustees Tim Allan and we welcome our new Chair of Trustees, Dame Julie Mellor DBE as she joins the Board in June 2016.

**Glenys Thornton**  
**Chief Executive**

## **TRUSTEES' ANNUAL REPORT**

The Trustees (who are also directors of the charitable company for the purposes of the Companies Act) present their annual report together with audited financial statements of The Young Foundation (the charitable company) for the year ended 31 December 2015.

The financial statements have been prepared in accordance with the accounting policies set out on pages 30 to 35 of the attached accounts and comply with the charity's trust deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), effective from accounting periods commencing 1 January 2015 or later.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

The Young Foundation's governing documents are its Memorandum and Articles of Association dated 15 June 1977 as amended on 16 March 2005.

The Board of Trustees met six times in 2015. In addition to the Board of Trustees there is a Resources Committee chaired by the treasurer, Alexander Stevenson, which met five times in 2015. At the December 2015 Board meeting, the Board proposed a Nominations and Governance Committee to consider appointments to the Board.

Trustees are empowered by the Charity's constitution to appoint additional trustees when required. Trustees are selected on the basis of their individual experience and expertise as leaders from across the public, private and voluntary sectors and to ensure that the board has a diverse set of skills available to it. Six new Trustees have been appointed since November 2015; Pat Colgan (resigned May 2016), Pete Gladwell, June Milligan, Abigail Rotheroe and Gareth Williams and Dame Julie Mellor. Details of all the Trustees are posted on our website, <http://youngfoundation.org/>

A new Chair, Dame Julie Mellor, was appointed in June 2016 in succession to Tim Allan. This recruitment was led by the Nominations and Governance Committee, chaired by Danny Kruger, and advertisements were placed in Guardian online and Charity Job. The induction of Trustees is undertaken on an informal basis with the Chief Executive and directors and through attendance at Young Foundation events, but is under review by the Nominations and Governance Committee.

The day to day management and running of the charity has been delegated to the Chief Executive and other appointed managers. The senior management team prepare an annual operational plan and budget which is approved by the Trustees. The senior management team take responsibility for the execution of the operational plan and budget and report on progress to the Trustees.

### **Key management personnel**

The key management personnel of the Young Foundation are the Chairman and Board of Trustees together with the Chief Executive and the 4 executive directors who form the Senior Management Team.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT** (continued)

### **Key management personnel** (continued)

On her appointment in July 2015, the new Chief Executive decided not to increase the remuneration of, nor the number of posts of the Senior Management Team. She decided that the focus would be on recruiting and enhancing the capacity of the middle management team in delivering the charity's work.

A reorganisation was put in place in October to create a matrix structure where colleagues would have both a line manager and also be assigned to projects in line with their skills and experience. As part of this, the posts of director of research, director of applied innovation and director of Europe ended, with the new SMT comprising the CEO and four executive directors.

Salaries are informally benchmarked against market rates in similar organisations. SMT salary costs have also fallen since it was decided that membership of the University Superannuation Scheme, with an employer contribution of 16% (18% from 1<sup>st</sup> April 2016) would be closed to new members, apart from researchers, and the default pension scheme would be a defined contribution scheme with employer contributions of 5%.

### **Risk management**

The Resources Committee undertakes a full risk assessment on an annual basis and monitors progress of the key risks quarterly, and reports its findings to the Board of Trustees. The day to day risk monitoring is led by the CEO supported by the senior management team.

The top risk is securing grant and contract income. The CEO has made business development a top priority with a new fundraising strategy put in place early in 2016 and monitored through fortnightly review meetings. A communications strategy is being established to raise the Young Foundation's profile and make its work better known. This started with the Michael Young 100 conference at The Barbican in November 2015, followed by a reception at the House of Commons in March 2016, and the launch of a number of publications in April and May 2016.

Having reviewed the reserves policy and the available funds, Trustees made a decision in August 2015 to sell the freehold property, 17 Victoria Park Square, and are currently reviewing the strategic plan to invest the sales proceeds to best fulfil the charitable objectives.

## **OBJECTIVES AND RELEVANT POLICIES**

### **Objectives and activities for the public benefit**

The objects of the Young Foundation as set out in its Memorandum of Association are:

- a) The relief of needs arising from financial hardship, mental or physical illness, disability, or old age;
- b) The promotion of equality and diversity for the benefit of the public through research and the design and delivery of services that address exclusion;
- c) The promotion of health;

## **OBJECTIVES AND RELEVANT POLICIES** (continued)

### **Objectives and activities for the public benefit** (continued)

- d) The promotion of research and education in the social sciences and the dissemination of the useful outcomes of such research;
- e) The advancement of purposes charitable in England and Wales by the development of organisations and activities and the exchange of ideas.

The objects are considered by the Trustees to be for the public benefit as defined in the Charity Commission's guidance on public benefit. In order to achieve these objectives, the Young Foundation undertakes research to identify and understand social needs and then develops practical initiatives and institutions to address those combining ideas, analysis and practical action.

The following categories have been adopted for our charitable work following the CEO's strategic review on her appointment in June 2015:

- Places
- Health, Education and Livelihoods
- International
- Social Investment/Young Academy/Ventures
- Equalities & Gender
- Action for Happiness

Our research work permeates all our programmes. We are a Research Councils UK recognised independent research organisation (IRO).

## **ACHIEVEMENTS AND PERFORMANCE**

### **PLACES**

Everywhere we go people tell us that traditional approaches to growth and regeneration have failed. We want to turn the tide of rising inequality using the assets of places and the people who live in them.

Our Places methodology starts with ethnographic research. We use the rich insights this brings to co-create narratives and inspire local connections, innovation, growth and regeneration.

Our Places programmes in Leeds, Northern Ireland, Wales and Sheffield are called Amplify, and aim to build a platform for change owned by the communities in which we work. The first reports from these programmes were published in spring 2016 and are available on our website. We intend to develop the Places programme in Scotland later in 2016.

## ACHIEVEMENTS AND PERFORMANCE (continued)

### PLACES (continued)

Amplify aims to:

- Generate deep insights into inequality, aspiration and action in local communities
- Drive innovations which tackle inequality
- Create new partnership models between traditional public services, political leadership and the commercial and third sectors
- Build a movement of thousands committed to a positive future for the place they live and work.

Our Places work connects closely to other research we carry out, such as our ESRC-funded investigation into high cost credit in Wales. Programmes are designed to address the individuality of each place and are built and designed with the people who know the place best. They draw on key Young Foundation expertise such as ethnography, community engagement and acceleration of innovations and incubation of initiatives.

### Work completed in 2015

#### *Better by Design*

Through Better by Design we supported fifteen Scottish third sector organisations to improve outcomes for their beneficiaries as well their own long term sustainability. This two year £700,000 programme funded by Big Lottery Fund Scotland and delivered in partnership with Taylor Haig ran to April 2015. The Young Foundation provided bespoke support, guiding the organisations through a design-led change process that drew on insight from a wide range of stakeholders and used innovative and practical design techniques to put people at the centre of the services they want and need.

#### *Digital Social Innovation Northern Ireland*

We worked with Building Change Trust in Northern Ireland to look at how the voluntary, private and public sectors, community groups and tech experts can work together to realise the potential for digital technology to be more widely used for social good. The report, Turning up the Dial: Digital Social Innovation in Northern Ireland, brought together findings from interviews with stakeholders, experts and practitioners in Northern Ireland and the UK, features inspiring examples of digital social innovation, and provided recommendations to help build a cross-sector collaborative movement of people with a passion for the social in digital social innovation.

#### *The Bench Project*

Funded by the Arts and Humanities Research Council (AHRC) in partnership with Sheffield University, Sheffield Hallam University and the Greenwich Inclusion Project, The Benches Project examined the role of public benches in contemporary settings. We learned that for many, a bench is an open gesture of welcome, an invitation to linger, however briefly. Benches create the opportunity for recognition through nodding and smiling that is fundamental to friendly communities. The report Benches for Everyone was supplemented by Alone Together, a 12-minute documentary film.

## **ACHIEVEMENTS AND PERFORMANCE** (continued)

### **PLACES** (continued)

#### **Work continuing into 2016**

- Amplify Northern Ireland & Belfast City Council
- Amplify Leeds
- Amplify Wales & Standalone Accelerator
- Amplify Sheffield
- Montreal
- Partnership with Mondragon
- Work in Spain – Barcelona, Cordoba and The Basque Country
- We intend to develop the Places programme in Scotland later in 2016

### **HEALTH EDUCATION AND LIVELIHOODS**

Young people are living, learning and negotiating their lives in an increasingly complex and challenging world. Education inequality is a persistent and pervasive problem and the attainment gap between children from disadvantaged backgrounds and their peers is unacceptably large.

We are passionate about reducing the inequality that young people face. Our Youth and Education projects help create empowered and resilient young people who play an active role in navigating their own paths.

Our work to reduce health inequalities focuses on piloting and spreading new models of health and care that are preventative in focus and employ new combinations of self-help, social finance and public funds in sustainable resource models. We develop services of direct benefit to disadvantaged groups or populations, and aim to embed decision-making models that empower as well as serve – the better to ensure they can continue to adapt to need and prevent inequalities in the future.

#### **Work completed in 2015**

##### *Coach Core*

We completed the evaluation of the Royal Foundation's Coach Core programme. This is a year-long sports coaching course which seeks to develop the leadership and employment skills of young people who struggle with mainstream education. The two year contract spans the delivery of the programme in London and Glasgow to two cohorts of young people in 2014 and 2015.

##### *West Sussex BAME*

We worked with West Sussex County Council to better understand the experiences and needs of Black, Asian and Minority Ethnic groups. This research was part of a wider Needs Assessments programme for Health and Social Care being carried out by the West Sussex Health and Well-Being Board.

The current focus is on the Needs Assessment for Black, Asian and Minority Ethnic groups within West Sussex. In particular, we were interested in understanding whether people feel that services meet any specific needs which people have because of their ethnicity, culture, religion or language, and how services can be improved.

## ACHIEVEMENTS AND PERFORMANCE (continued)

### HEALTH EDUCATION AND LIVELIHOODS (continued)

#### Work completed in 2015 (continued)

##### *Islington CCG*

We were commissioned by Islington CCG to explore and visually bring to life Islington's integrated care stories in four work packages in 2015. The first output – *We Care Together: Maggie and Rose's story* is an animation that tells the story of integrated care in Islington to help prepare frontline staff for changes in the way local health services work with each other. This work was profiled in the Guardian as best practice in February 2015.

##### *Macmillan*

We are working with Macmillan Cancer Support and older people with cancer to develop, prototype and evaluate a user-led task force approach to engagement and participation. The task force will be feeding into the work of an Expert Reference Group, which has been set up by Macmillan to address the poorer outcomes of people over 65 living with cancer. Drawing on our extensive experience in co-design, social research and creative communications, we are aiming to explore new and innovative methods of engagement and facilitation and recruit beyond the 'usual suspects'. Our overall goal is to ensure that the perspectives of older people living with cancer are at the heart of the work of the Expert Reference Group.

In the first two phases of the programme the Taskforce has carried out research into the needs of older people with cancer. They have taken the findings and worked with clinicians to develop initial concepts which might tackle some of the challenges faced. As we move into phase three the Taskforce will be developing and testing these ideas and services with a wider group of older people and clinicians around the UK.

##### *Citizen Driven Health (CDH) /NHS Cardiff and Vale University Health Board*

We initiated the CDH programme in Cardiff with a range of public and third sector partners. CDH seeks to supplement existing services with new ways of working, to support older people in staying independent at home for longer with support from carers, neighbours and third sector organisations. Based on insights from community-based work, in 2015 we built a technology platform that allowed people to have better healthcare advice and information as well as better control over their care.

##### *NHS Arden*

NHS Arden Commissioning Support funded the Young Foundation for a total value of £150,000 for the period of April 2014 – March 2016 to deliver two strands of work:

- Supporting the co-production process of redesigning Child and Adolescent Mental Health Services (CAMHS) and emotional well-being services across Coventry and Warwickshire.
- Supporting the co-production process of redesigning Long Term Conditions services across Worcestershire.

## **ACHIEVEMENTS AND PERFORMANCE** (continued)

### **HEALTH EDUCATION AND LIVELIHOODS** (continued)

#### **Work completed in 2015** (continued)

##### *Groundswell*

We worked with Groundswell through 2015 to evaluate its Homeless Health Peer Advocacy (HHPA) service, which offers one-to-one support for homeless people. In addition to accompanying people to appointments and paying travel fares, the service aims to build skills and confidence to enable clients to continue to access health services independently; whilst working with health staff to increase their understanding and skills to support homeless people more effectively.

We worked closely with those experiencing homelessness and HHPA's peer advocates as well as Groundswell staff, funders and stakeholders to look at the health outcomes they want to achieve, and evaluate the service in relation to these. We also worked closely with Groundswell to train peer advocates to carry out some of the research, empowering them to tell their stories and the stories of those they support.

The evaluation shows that the Groundswell Homeless Health Peer Advocacy Programme delivers great results for clients, helping them to improved health, and has associated benefits for the health service. Peer Advocates supports them to increase their knowledge, confidence and motivation to engage more proactively with their health and manage their healthcare needs. This translates into increased attendance at scheduled appointments and a decreased reliance on secondary and unplanned care, both of which can lead to significant cost savings for the NHS as well as ensuring that clients are receiving the most appropriate form of healthcare in a timely manner.

#### **Work continuing into 2016**

##### *Communities Can*

Starting in June 2015 for two years, this Big Lottery funded pilot aims to provide capacity building support to up to 150 small community organisations, typically with incomes below £10,000 per year, in each of Blackpool, Barking and Dagenham, Peterborough, Sunderland and Torbay.

Working with our local infrastructure partners in each of these areas, our aim is for Communities Can to test new ways of getting help and support to enable small community organisations and groups to develop their skills, knowledge and confidence and to strengthen their influence in their area. This pilot will support them to do the things they do so brilliantly now for longer and on a firmer, more secure footing.

Our work in these five areas is making good progress and with our local partners we hold monthly panels to consider the bespoke support we can offer to the local community sector and engaging local organisations to support community groups.



## **ACHIEVEMENTS AND PERFORMANCE** (continued)

### **HEALTH EDUCATION AND LIVELIHOODS** (continued)

#### **Work continuing into 2016** (continued)

##### *Realising Ambition*

The Young Foundation is a member of the consortium appointed to manage Realising Ambition which is a £25 million Big Lottery Fund supported programme investing in projects which have been proven to help children and young people to fulfil their potential and avoid pathways into crime. The programme runs to 2017 and replicates the best evidence-based practice, reaching over 140,000 8 to 14 year olds across the UK.

The consortium is led by Catch 22, and partners include Substance and the Social Research Unit. Twenty-one organisations based across the UK have received grant funding and a support package to replicate a range of diverse interventions, supporting children and young people across school, home and community settings.

The Young Foundation's role is particularly around supporting the replication process and assisting these twenty-one organisations to succeed. We work with the portfolio of delivery organisations to strengthen their organisational health and work towards the best outcomes for children and young people.

##### *Newham Resilience*

Commissioned by Newham Council, and funded by The Big Lottery HeadStart programme, The Young Foundation and creative co-creation agency Latimer are co-designing a campaign with young people in Newham to promote resilience and wellbeing in 10-14 year olds and their parents and carers.

The benefits of enabling young people to bounce back from life's challenges – to develop emotional resilience – is undisputed. Building wellbeing in individuals enables them to lead more fulfilling lives, and benefits society by reducing crime, unemployment, and poor health; and by building supportive networks in families and communities. Developing resilience in young people can help to mitigate the impact of other challenges they face, and reduce the exacerbation of social and economic inequalities .

##### *Projects in development*

The Good Diner aims to provide a 'primary care' solution to food poverty, to the 'ambulance service' of food banks. Employing a novel revenue model that draws fees for vocational learning outcomes and utilises school kitchens and dining facilities on a pro bono basis after hours, the Good Diner can on a daily basis provide a fresh, nutritious meal to those experiencing food poverty. We are currently raising funds to pilot The Good Diner with the Urswick School in Hackney, an inclusive secondary, and we believe the combination of the simplicity of the model and a sustainable revenue model mean The Good Diner can be replicated nationally.

## **ACHIEVEMENTS AND PERFORMANCE** (continued)

### **HEALTH EDUCATION AND LIVELIHOODS** (continued)

#### **Work continuing into 2016** (continued)

##### *7th Aid*

This too is an innovation, employing an action learning model to enable older people to prevent frailty, sustain their quality of life and reduce demand on health and care services. By offering a purposeful way to plan and play with adaptations to a persons' social life, improve their health environment and practice the self-management of health conditions, 7th Aid aims to offer a way to approach later life that is consistent with individual lifestyles and preferences and defers the medicalisation of support. We believe 7th Aid can be facilitated by trained volunteers, much as First Aid can be, and could prove highly scaleable as training can be offered at a similar price point to First Aid. We have been invited by the CEO of the recently endowed Centre for Better Ageing to submit a funding proposal for a pilot, as a demonstrator project before they open programmatic funding to a general audience. Both 7th Aid and The Good Diner show the potential to achieve great outcomes in health at no cost to public services.

### **SOCIAL INVESTMENT/ YOUNG ACADEMY/ VENTURES**

Through its research and networks, the Young Foundation has led the way in defining social innovation and deepening research on the theory and practice of innovation in Europe and across the world. We believe that social innovation can play a key role in reducing inequality with its focus on tackling the root causes of inequality and challenging the status quo by providing innovative solutions. We continue to initiate and participate in international research and networks.

The Young Academy aims to tackle education inequality in England. We support early-stage social ventures working in the field of education to realise their potential. We provide specialist capacity development and risk capital to social ventures whose work raises the attainment of disadvantaged young people in England.

Through our proven Accelerator programmes we have and continue to support hundreds of social entrepreneurs and ventures to scale up. We provide intensive training and support for social ventures to build their organisational capacity, strengthen their business model and demonstrate their social impact. The training is built around a 16-week taught curriculum with 12 workshops and a period of rapid market testing with key customers, the Young Academy supports ventures to validate their effectiveness and develop the right strategy for growth and investment. Each venture gets the opportunity to apply to the Young Academy investment fund for up to £150,000.

We would like to acknowledge the support of the Cabinet Office for their Social Incubator Fund Grant, the Esmée Fairbairn Foundation, UBS and Bank of America Merrill Lynch.

In addition, as part of our Amplify programme we are running Accelerator programmes to support innovative projects and ideas to deliver the social change that communities want to see.

## **ACHIEVEMENTS AND PERFORMANCE** (continued)

### **SOCIAL INVESTMENT/ YOUNG ACADEMY/ VENTURES** (continued)

#### **Work continuing into 2016**

##### *The Young Academy*

The funding for the Young Academy runs to 2017 and in 2016 there will be two cohorts running in Nottingham and in Medway. We are developing plans for YA 2 to ensure it continues beyond the initial funding proposal.

##### *Accelerators linked to the Amplify Programme*

In Northern Ireland we are working in partnership with the Spanish Cooperative, Mondragon to develop social enterprises and we are developing a Welsh Accelerator programme to compliment the Amplify Wales programme.

## **EQUALITIES & GENDER**

### **Gender futures**

We believe that gender inequality remains one of the most pervasive and entrenched inequalities. It negatively impacts on millions of individuals, from how they live and love, to what they do and earn. It also undermines our collective social and economic potential. We want to see the potential of social innovation fully applied to both tackle current gender inequalities and accelerate a gender equal future where women and men, and girls and boys, are equally able to flourish as individuals and contribute to the society in which they live.

Our Gender Futures programme aims to stimulate and support gender equality innovation by undertaking research, acting as a shared platform for social innovators and gender equality actor, providing practical supports and increasing investment in gender innovation. This work is overseen by an expert external advisory group made up of key actors from both the gender and social innovation fields.

2015 saw the launch of our first major report *“Unequal Nation – The case for social innovation to work for a gender equal future”*. Funded by the Barrow Cadbury Trust and the Esmée Fairbairn Foundation. Unequal Nation sets out analysis of key gender equality challenges, the potential for social innovation and recommendations for how this can be released. The report secured significant coverage in mainstream media and national and international social innovation fora. Further to findings in this report, that limited social investment was reaching gender innovators, we were awarded an additional grant by the Barrow Cadbury Trust to undertake further research into how using a gender lens can increase impact in social investing. Initial findings from this work were used as basis for the first dedicated gender lens investing seminar as part of the European Venture Philanthropy 2015 annual conference.

2015 also saw us produce *“Gender Innovation – a Framework for Action”* an initial practical guide for developing gender innovations which we anticipate updating as the field of gender innovation grows and more practical examples become available. Both these publications form part of the resource base that is our dedicated gender futures micro site [www.genderfutures.org](http://www.genderfutures.org)

## **ACHIEVEMENTS AND PERFORMANCE** (continued)

### **EQUALITIES & GENDER** (continued)

#### **Gender futures** (continued)

##### **Work continuing into 2016**

May 2016 saw the publication of Gender Futures' second major report "The Sky's The Limit; Increasing social investment with a gender lens", funded by the Barrow Cadbury Trust. The report, which draws on international literature review as well as primary research within the UK sets out recommendations on how to build the gender innovation market in the UK. Further to the recommendations in these reports we will continue working to develop practical gender innovation pilots and capacity building programmes, improve investors' practice and increase overall investment levels. A programme of integrating the equalities and human rights agenda into all Young Foundation programmes is underway. 2016 will also see us build on our Gender Futures work to expand our work to stimulate and support innovation and investment into the wider equality, human rights and social justice movement.

##### **AGENDA ALLIANCE**

Hosted by the Young Foundation, Agenda is a new alliance of organisations campaigning for change for women and girls at risk. The initiative is funded jointly by Barrow Cadbury Trust, Lankelly Chase Foundation, The Monument Trust and The Pilgrim Trust. Agenda publically launched in January 2016 and has gained significant interest and support across the voluntary sector and policy making communities. We have over 60 members, ranging from small local organisations working directly with women and girls to large national charities.

We have enjoyed good engagement with government and have built relationships across the political spectrum. We held a number of events including a launch in Parliament which was well attended and at which both the Minister and Shadow Minister spoke.

Our research report, Hidden Hurt, looks at the links between women's experiences of extensive abuse and violence and other problems like poor mental health, substance misuse and homelessness. The report has had a positive reception from the third sector, academics, civil servants, parliamentarians and others.

We have developed a brand and identity, website and social media presence and gained national media coverage including in the BBC, The Guardian, The Independent and The Telegraph.

Over the coming year we plan to launch a new campaign; undertake further policy and research work including a follow up to Hidden Hurt and a mapping exercise of service provision for excluded women and girls; to grow our profile, reputation and influence and to support and enable women to have a voice on public platforms and with decision makers. We are commissioning an external organisation to help us develop a robust evaluation framework to measure our impact and effectiveness.

## **ACHIEVEMENTS AND PERFORMANCE** (continued)

### **AGENDA ALLIANCE** (continued)

Agenda has core funding from charitable trusts for an initial period of three years. It is governed by a steering group chaired by Baroness Lola Young which, together with the Director Katharine Sacks-Jones, is responsible for setting and reviewing strategy and ensuring Agenda is operating in accordance with its vision, mission and values. Agenda is not a legally independent organisation and so responsibility for compliance with legal and financial requirements sits with the Young Foundation. However, the steering group approves and monitors Agenda's budget and spending plans. The Young Foundation is represented on the steering group.

### **INTERNATIONAL**

#### *ICT Enabled Social Innovation (IESI)*

The overarching aim of the IESI study was to assess the contribution of ICT-enabled social innovation to the delivery of the EU Social Investment Package based on the analysis of a broad collection of well documented initiatives, which could be adjusted, scaled and replicated all across Europe.

In the first year of mapping, 70 initiatives covering a diverse range of fields (health and social services, civic engagement, housing, childcare, education and training, employment and employability, social inclusion, active aging and long-term care) were found and analysed in depth by the Commission Researchers.

#### *SI Drive*

SI Drive aims to build on the work already done by social innovation theorists to further explore the relationship between social innovation and social change. The project maps social innovation across the globe, addressing different social, economic, cultural, historical and religious contexts in eight major world regions. Finally, the project is completing in-depth analyses and case studies in seven policy fields. The Young Foundation is leading the work looking at social innovation in the policy field of health and social care, as well as contributing to the theoretical work and global mapping. This project continues into 2016.

#### *DOLFINS*

The DOLFINS project addresses the global challenge of making the financial system better serve society. It does so by placing scientific evidence and citizens' participation at the centre of the policy process in finance. The project strives to give scientific evidence and citizens' participation central roles in the policy process concerning finance. DOLFINS will focus on two crucial and interconnected policy areas that will shape the public debate in the coming 5 years: How to achieve financial stability and how to facilitate the long-term investments required by the transition to a more sustainable, more innovative, less unequal and greener EU economy. This project continues into 2016.

## **ACHIEVEMENTS AND PERFORMANCE** (continued)

### **INTERNATIONAL** (continued)

#### *ShakerMaker*

ShakerMaker brings together mainstream manufacturers and makers (i.e. tech-savvy craftsmen driven by social innovation and open source principles) in a purposely designed ecosystem built to enable cross-boundary partnerships for innovation.

The partnerships will be facilitated by a targeted programme piloted in four locations in Europe (Birmingham, Florence, San Sebastian and Bratislava) and curated by experienced facilitators. This is intended to contribute to industrial renewal in Europe which will have direct benefits for sustained growth and employment. This project will benefit society through generating novel partnerships that combine greater productivity and social impact. Moreover it will provide evidence for business, policymakers and the public that industrial development can serve the common good while still being competitive and sustainable.

#### *Social Investment Community*

The Social Innovation Community (SIC) aims to create a network of networks of social innovation actors across Europe. Activities will deepen and strengthen existing networks, forge new connections between networks, and create new links to actors and networks which hitherto have not been included in the field of social innovation. The ultimate aims of such a community are to generate new social innovations, develop and scale up successful social innovations and to share and spread knowledge more effectively in order to improve practice and policy making. As well as network development actions, project partners will create a framework for a common understanding of social innovation; support social innovation experimentation; and promote social innovation learning.

## **ACTION FOR HAPPINESS**

Action for Happiness is a Young Foundation-hosted venture which helps people take practical action to improve wellbeing, both for themselves and for others around them. Its vision is a happier and kinder society, with far fewer people suffering due to mental ill health or social isolation and far more people feeling good, functioning well and helping others.

To achieve this vision, Action for Happiness (AfH) runs courses and events for individuals, communities and organisations; and it promotes cultural change towards a more emotionally-healthy and compassionate way of life. It is backed by leading experts and all of its activities are grounded in the latest scientific research.

AfH was launched in April 2011 and has since helped over 100,000 people take practical action. Its patron is the Dalai Lama its co-founders are Professor Lord Richard Layard, Sir Anthony Seldon and Geoff Mulgan.

Key AfH achievements in 2015 included:

- Putting on events and courses attended by 5,300 people
- Growing overall membership of the AfH movement to 60,000 people and building a digital/social media community of over 600,000 people
- Reaching a total of 5 million website visitors to date at [www.actionforhappiness.org](http://www.actionforhappiness.org)

## **ACHIEVEMENTS AND PERFORMANCE** (continued)

### **ACTION FOR HAPPINESS** (continued)

- Developing a volunteer-led community course (called “Exploring What Matters”) which has been shown to increase levels of wellbeing, compassion and social trust
- Launching “Exploring What Matters” with the Dalai Lama at a major event in September 2015 - with significant media coverage including BBC TV news
- Running a very successful #HappierWorld Crowdfunding campaign which reached its stretch target of £100,000 from 874 backers
- Publishing a new book about the “Ten Keys to Happier Living”, based on the very latest scientific research and packed full of insights and practical action ideas.

Its two main areas of focus for the year ahead are as follows:

- Rolling out the “Exploring What Matters” course in a wide range of communities. The target is to run the course in 150 different locations by the end of 2016.
- Using digital/social media to engage the widest possible community in taking action. The target is to reach a digital/social community of 1 million by the end of 2016.

In addition AfH expects to see increasing levels of activity outside the UK, with planned launches of new AfH chapters in The Netherlands and Australia and the “Exploring What Matters” course starting to be run in a growing range of countries too.

The majority of AfH's funding is self-generated through thousands of small donations made by people attending our courses and events and by fees for talks and training delivered for private and public sector organisations. All community activities are run on a “donation of your choice” basis, which has the dual benefit of supporting our work but also ensuring they remain accessible to people regardless of background and income. In addition, AfH receives a few larger donations from philanthropic individuals and in 2015 held a one-off Crowdfunder campaign, which raised £100,000 to support roll-out of the “Exploring What Matters” course.

AfH relies on support from a wonderful team of volunteers to deliver its various events, courses and other activities. The current volunteer profile is around 200 people, including 35 event helpers and 165 registered volunteer course leaders. All volunteer course leaders go through a rigorous screening process and are given extensive guidance and support to carry out their role. AfH would like to sincerely thank its volunteers for all the great work they are doing to make a difference and to help improve people's lives.

### **RESEARCH**

The research team's programme has continued to be focussed around its two core areas of interest, inequality and social innovation, and on the connections between the two. We have increased our focus on ethnography which is an integral part of our Places works in Northern Ireland, Wales, Leeds and Sheffield.

Our world class research underpins all our activities and details are given within each programme report.

## **FINANCIAL REVIEW**

### **Results for the year**

The Young Foundation's income in the year was £3,812k compared with £3,558k in 2014. Expenditure was £4,051k compared with £4,356k in 2014. This led to a reduction in funds after net gains on investments of £226k during 2015 and at the end of the year, the total funds carried forward was £2,907k compared with £3,133k at the start of 2015.

On its unrestricted activities, the Foundation made an operating deficit of £907k compared with a deficit of £1,025k in 2014. The unrestricted fund at the end of 2015 was £1,733k. The Foundation made a surplus on restricted activities of £681k compared with surplus of £306k in 2014.

### **Going concern**

As reported earlier in the Trustees' Report, 2015 saw the continued implementation of the new programmes for Places, Health, Education & Livelihoods and Gender & Equalities which drew on the Foundation's reserves. These programmes are gaining momentum and although not yet self-sustaining, should become so in future years. The Trustees are monitoring the financial viability of each programme as part of the review of the strategic plan. Having reviewed the reserves policy and the available funds, Trustees made a decision in August 2015 to sell the freehold property, 17 Victoria Park Square, and are currently reviewing the strategic plan to invest the sales proceeds to best fulfil the charitable objectives. The sale completed on 1 March 2016 for the sum of £2.5 million, after the date of the balance sheet. On the basis of their assessment of the Charity's financial position, the Trustees have continued to adopt the going concern basis in preparing the annual financial statements.

### **Reserves policy and financial position**

The policy of the trustees is to hold sufficient reserves in a liquid form to meet short term obligations, and having considered the risks facing the charity and its level of activity, have decided that this is equivalent to three months unrestricted expenditure.

At December 2015, three months unrestricted expenditure was £643k. The analysis of net assets between funds (note 17 to the accounts) shows that at year end the unrestricted funds comprised £1,733k made up of £1,848k of tangible fixed assets offset by net current liabilities of £115k. The tangible fixed assets (note 8 to the accounts) mostly comprised the two freehold properties of 17 and 18 Victoria Park Square. In the light of this, the Board decided to sell 17 Victoria Park Square. The sale completed on 1 March 2016 for proceeds of £2.5 million (net book value at 31 December 2015 - £877,000).

The Trustees now consider that they have sufficient liquid funds to be able to meet their reserves policy.



## **FINANCIAL REVIEW** (continued)

### **Investment policy and performance**

Under the Memorandum and Articles of Association the Trustees have general powers of investment. In 2011, The Young Foundation reviewed its fund management arrangements and after a competitive process decided to retain CCLA. Early in 2015 it was decided to move funds out of the COIF Charity Fund and hold in the CCLA Deposit Account (cash). The investment management arrangements and the investment strategy will be reviewed in Autumn 2016 following the Trustees' review of the Strategic Plan.

### **Grant making policy**

The Young Foundation provides grant funding to support organisations under the Community Can Programme. We match them to other organisations who have skills, experience and capabilities that they can share with the smaller groups. Most of our Communities Can providers work in the area themselves and so, by being paid to offer support to meet the development needs of the smaller groups, they are able to develop their own income streams whilst providing the benefit of their experience to others.

The Young Foundation does not make grants to individuals.

## **STATEMENT OF TRUSTEES RESPONSIBILITIES**

The trustees (who are also directors of the Young Foundation for the purposes of company law) are responsible for preparing the Trustees' 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 income and expenditure of the charitable company for the year. 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 Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

**STATEMENT OF TRUSTEES RESPONSIBILITIES** (continued)

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- ◆ there is no relevant audit information of which the charitable company's auditor is 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 auditor is aware of that information.

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

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

This report was approved by the Trustees on 22 September 2016 and signed on their behalf by:

Alexander Stevenson

Treasurer

**Independent auditor's report to the members of the Young Foundation**

We have audited the financial statements of the Young Foundation for the year ended 31 December 2015 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS102, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland.

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

**Respective responsibilities of trustees and auditor**

As explained more fully in the statement of trustees' responsibilities set out in the trustees' report, the Trustees (who are also 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the trustees' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on financial statements**

In our opinion the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at 31 December 2015 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with the United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006.

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Matters on which we are required to report by exception**

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
- ◆ 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.

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

22 September 2016

**Statement of financial activities** Year ended 31 December 2015

	Notes	Unrestricted funds £	Restricted funds £	2015 Total funds £	2014 Total funds £
<b>Income and expenditure</b>					
<b>Income from</b>					
Donations	1	623	—	<b>623</b>	5,810
Investments	3	4,180	—	<b>4,180</b>	69,224
Charitable activities					
. Grants and other earned fees	2a	1,370,298	2,134,923	<b>3,505,221</b>	2,983,846
. Other	2b	301,832	—	<b>301,832</b>	499,562
<b>Total income</b>		<u>1,676,933</u>	<u>2,134,923</u>	<u><b>3,811,856</b></u>	<u>3,558,442</u>
<b>Expenditure on</b>					
Charitable activities	4	<u>2,571,913</u>	<u>1,479,250</u>	<u><b>4,051,163</b></u>	<u>4,355,861</u>
<b>Total expenditure</b>		<u>2,571,913</u>	<u>1,479,250</u>	<u><b>4,051,163</b></u>	<u>4,355,861</u>
Net (expenditure) income before gains on investments		(894,980)	655,673	<b>(239,307)</b>	(797,419)
Net gains on investments	9	13,323	—	<b>13,323</b>	78,186
<b>Net (expenditure) income before transfers</b>		<u>(881,657)</u>	<u>655,673</u>	<u><b>(225,984)</b></u>	<u>(719,233)</u>
<b>Transfers between funds</b>	15	<u>(25,172)</u>	<u>25,172</u>	<u>—</u>	<u>—</u>
<b>Net (expenditure) income and net movement in funds for the year</b>		<u>(906,829)</u>	<u>680,845</u>	<u><b>(225,984)</b></u>	<u>(719,233)</u>
<b>Reconciliation of funds:</b>					
<b>Total funds brought forward</b>		2,640,226	493,022	<b>3,133,248</b>	3,852,481
<b>Total funds carried forward</b>		<u><b>1,733,397</b></u>	<u><b>1,173,867</b></u>	<u><b>2,907,264</b></u>	<u>3,133,248</u>

All of the above results are derived from continuing activities.

All recognised gains and losses are included in the above statement of financial activities.

The notes on pages 36 to 45 form part of these financial statements.

**Balance sheet** 31 December 2015

	Notes	2015 £	2015 £	2014 £	2014 £
<b>Fixed assets</b>					
Tangible assets	8	<b>1,848,436</b>		1,876,850	
Investments	9	<b>50,000</b>		1,769,280	
			<b>1,898,436</b>		3,646,130
<b>Current assets</b>					
Debtors	10	<b>520,659</b>		989,169	
Cash at bank and in hand		<b>1,758,063</b>		412,046	
		<b>2,278,722</b>		1,401,215	
<b>Liabilities:</b>					
Creditors: amounts falling due within one year	11	<b>(879,668)</b>		(1,133,644)	
<b>Net current assets</b>			<b>1,399,054</b>		267,571
<b>Total assets less current liabilities</b>			<b>3,297,490</b>		3,913,701
<b>Non current assets</b>					
Amounts falling due after one year	12		<b>(390,226)</b>		(780,453)
<b>Net assets</b>			<b>2,907,264</b>		3,133,248
<b>The funds of the charity:</b>					
Restricted Funds	16		<b>1,173,867</b>		493,022
Unrestricted funds			<b>1,733,397</b>		2,640,226
			<b>2,907,264</b>		3,133,248

The financial statements were approved by the Trustees on 22 September 2016 and signed on their behalf, by:

Alexander Stevenson

Treasurer

The Young Foundation

Company registration number 01319183 (England and Wales)

The notes on pages 36 to 45 form part of these financial statements.

## Statement of cash flows 31 December 2015

	Notes	2015 £	2014 £
<b>Cash outflow from operating activities:</b>			
Net cash used in operating activities	A	<b>(382,709)</b>	(95,977)
<b>Cash inflow from investing activities:</b>			
Dividends and interest from investments		<b>4,180</b>	69,224
Proceeds from the disposal of tangible fixed assets		<b>1,062</b>	—
Purchase of tangible fixed assets		<b>(9,119)</b>	(40,928)
Proceeds from the disposal of investments		<b>1,762,104</b>	61,127
Purchase of investments		<b>(30,000)</b>	(20,000)
<b>Net cash provided by investing activities</b>		<b>1,728,227</b>	69,423
<b>Change in cash and cash equivalents in the year</b>		<b>1,345,518</b>	73,446
<b>Cash and cash equivalents at 1 January 2015</b>	B	<b>412,545</b>	439,099
<b>Cash and cash equivalents at 31 December 2015</b>	B	<b>1,758,063</b>	412,545

Notes to the cash flow statement for the year to 31 December 2015.

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

	2015 £	2014 £
<b>Net movement in funds (as per the statement of financial activities)</b>	<b>(225,984)</b>	(719,233)
<b>Adjustments for:</b>		
Depreciation charge	<b>37,286</b>	52,933
(Gains) losses on investments	<b>(13,323)</b>	(78,186)
Dividends and interest from investments	<b>(4,180)</b>	(69,224)
Surplus on disposal of tangible fixed assets	<b>(815)</b>	—
Decrease (increase) in debtors	<b>468,510</b>	(324,444)
(Decrease) increase in creditors	<b>(644,203)</b>	1,042,177
<b>Net cash provided by (used in) operating activities</b>	<b>(382,709)</b>	(95,977)

### B Analysis of cash and cash equivalents

	2015 £	2014 £
Cash at bank and in hand	<b>845,460</b>	412,046
Instant access cash accounts	<b>912,603</b>	499
<b>Total cash and cash equivalents</b>	<b>1,758,063</b>	412,545

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

**Basis of preparation**

These financial statements have been prepared for the year to 31 December 2015.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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

The financial statements are presented in sterling and are rounded to the nearest pound.

**Reconciliation with previous Generally Accepted Accounting Practice**

In preparing the financial statements, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was needed.

In accordance with the requirements of FRS 102 a reconciliation of the opening balances and net income (expenditure) for the year is provided with the net income (expenditure) under previous GAAP adjusted for the presentation of investment gains (losses) as a component of reported income:

	2014 £
Reconciliation of reported expenditure:	
Net (expenditure) income as previously stated	(797,419)
Adjustment for gains (losses) on investments now treated as a component of net expenditure	78,186
2014 net (expenditure) income as restated	<u>(719,233)</u>



### **Critical accounting estimates and areas of judgement**

Preparation of the financial statements requires the trustees and management to make significant judgements and estimates.

The items in the financial statements where these judgements and estimates have been made include:

- ♦ estimating the useful economic life of tangible fixed assets; and
- ♦ the valuation of social investments.

### **Assessment of going concern**

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

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. In reaching this opinion the trustees have taken into consideration the property disposal as noted below.

With regard to the next accounting period, the year ending 31 December 2016, the Trustees decided in June 2015 to sell the freehold premises, 17 Victoria Park Square and the sale completed on 1 March 2016 for the sum of £2.5 million.

### **Company status**

The charitable company 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 £1.

### **Fund accounting**

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

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

### **Income recognition**

Income is recognised in the statement of financial activities when the charitable company has entitlement to the funds, receipt is probable and the amount can be measured with sufficient reliability.

**Income recognition** (continued)

Donations are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

In accordance with the Charities SORP FRS 102 volunteer time is not recognised.

Grants from government and other agencies have been included as income from charitable activities where these amount to a contract for services, but as donations where the money is given in response to an appeal or with greater freedom of use, for example monies for core funding.

Income relating to Action for Happiness has been recognised as unrestricted funds as the risks and rewards of this income stream rest with the Young Foundation.

Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor or funder has specified that the income is to be expended in a future period.

Rents receivable are invoiced as accrued and are recognised on an accruals basis.

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.

Donated services provided to the charity are recognised in the period when it is probable that the economic benefits will flow to the charity, provided they can be measured reliably. This is normally when the service is provided. An equivalent amount is included in expenditure. Donated services 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 the services of equivalent economic benefit on the open market.

**Expenditure recognition**

Expenditure is recognised once there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities.

All expenditure is inclusive of irrecoverable VAT.

**Expenditure recognition** (continued)

Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include direct and support costs of projects, including governance costs and where appropriate charitable grants.

Grants payable are included in the statement of financial activities when approved and when the intended recipient has either received the funds or been informed of the decision to make the grant and has satisfied all performance conditions. Grants approved but not paid at the end of the financial year are accrued.

**Allocation of support and governance costs**

Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out centrally.

Governance costs are those incurred in connection with the administration of the company and compliance with constitutional and statutory requirements.

Support costs are allocated across charitable expenditure on the basis of the number of staff employed in each activity.

**Tangible fixed assets and depreciation**

All assets costing more than £500 and with an expected useful life exceeding one year are capitalised.

Tangible fixed assets are stated at cost less depreciation. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases:

- ♦ Office equipment                      - 25% on a straight line basis
- ♦ IT equipment                            - 33% on a straight line basis
- ♦ Freehold property                      - 2% on cost

It is the policy of the trustees to maintain the listed freehold property, which is held for charitable use, in such condition that the useful economic life is considered to be in excess of fifty years from the balance sheet date. Consequently any depreciation charge on the buildings element of the listed property is deemed to be immaterial and no depreciation is charged on the listed property.

### **Investments**

Investments are stated at market value at the balance sheet date. Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

### **Social investments**

Social investments are investments made directly in pursuit of the charity's charitable purposes. Unquoted equity investments are held at cost, less any provision for diminution in value, while loans are recorded at cost less any provisions to reflect non-recoverability.

### **Debtors**

Debtors are recognised at the settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

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

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

### **Creditors and provisions**

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

### **Leased assets**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight-line basis over the term of the lease.

### **Pension contributions**

The Charity participates in the Universities Superannuation Scheme (USS), a defined benefit scheme which is contracted out of the State Second Pension (S2P). The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the scheme's assets are not hypothecated to individual institutions and a scheme-wide contribution rate is set. The Charity is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. FRS 102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as that provided by USS. Therefore, as required by FRS 102, the charity accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the income and expenditure account represents the contributions payable to the scheme in respect of the accounting period. There is currently no deficit funding plan in place, other than increased employer contributions, and therefore no liability has been recognised.

In February 2015 a defined contribution scheme, the Peoples Pension was established for staff not working on research. Contributions in respect of the defined contribution scheme are charged to the statement of financial activities when they are payable to the scheme. The charity has no liability beyond making its contributions and paying across the deductions for the employee contributions.

**1 Income from donations**

	Unrestricted funds £	Restricted funds £	2015 Total funds £	2014 Total funds £
Donations from individuals	623	—	623	5,810
2015 Total funds	623	—	623	5,810
2014 Total funds	5,810	—	5,810	

**2a Income from charitable activities – grants and other fees earned**

	Unrestricted funds £	Restricted funds £	2015 Total funds £	2014 Total funds £
Health, Education and Livelihoods	506,089	168,720	674,809	757,889
Social Investment/ Young Academy/ Ventures	221,489	964,395	1,185,884	930,312
International	91,478	159,860	251,338	451,095
Places	185,484	672,024	857,508	632,230
Equalities and Gender	1,560	169,924	171,484	15,000
Action for Happiness	364,198	—	364,198	197,320
2015 Total funds	1,370,298	2,134,923	3,505,221	2,983,846
2014 Total funds	1,591,889	1,391,957	2,983,846	

**2b Income from charitable activities – other income**

	Unrestricted funds £	Restricted funds £	2015 Total funds £	2014 Total funds £
Hub for social innovation – rent and room hire	192,973	—	192,973	201,730
Retrospective VAT recovery	—	—	—	191,706
VAT recovery	35,772	—	35,772	70,841
Tenant recharges	18,736	—	18,736	24,876
Speaking fees, events and publications	41,282	—	41,282	4,451
Other	13,069	—	13,069	5,958
2015 Total funds	301,832	—	301,832	499,562
2014 Total funds	499,562	—	499,562	

**3 Income from investments**

	Unrestricted funds £	Restricted funds £	2015 Total funds £	2014 Total funds £
Interest receivable on cash deposits	4,180	—	4,180	766
Distribution on investment funds	—	—	—	68,458
2015 Total funds	4,180	—	4,180	69,224
2014 Total funds	69,224	—	69,224	

#### 4 Expenditure on charitable activities

	Restricted Direct costs £	Unrestricted Direct costs £	Unrestricted Support costs £	2015 Total funds £	2014 Total funds £
Health, Education and Livelihoods	169,795	635,989	70,373	<b>876,157</b>	1,367,828
Social Investment/ Young Academy/ Ventures	328,192	352,815	93,831	<b>774,838</b>	711,498
International	197,488	208,450	58,645	<b>464,583</b>	745,710
Places	649,406	414,378	87,966	<b>1,151,750</b>	904,824
Equalities and Gender	134,369	172,283	41,051	<b>347,703</b>	173,353
Action for Happiness	—	228,744	11,729	<b>240,473</b>	237,614
Hub for social innovation	—	172,201	23,458	<b>195,659</b>	215,034
2015 Total funds	<u>1,479,250</u>	<u>2,184,860</u>	<u>387,053</u>	<u><b>4,051,163</b></u>	<u>4,355,861</u>
2014 Total funds	<u>1,086,264</u>	<u>2,761,371</u>	<u>508,226</u>	<u>4,355,861</u>	

Included with the direct costs above were grants to institutions as part of the Communities Can project totalling £46,181, none of these grants was individually material.

#### *Allocation of support costs*

Support costs have been allocated across charitable expenditure on the basis of the number of staff employed in each activity. The net costs after allocation are shown below:

	2015 £	2014 £
Finance, human resources and premises management	<b>331,755</b>	453,330
Information technology	<b>27,987</b>	41,446
Governance costs		
. Auditor's remuneration	<b>17,622</b>	7,450
. Staff costs	<b>9,689</b>	6,000
	<u><b>387,053</b></u>	<u>508,226</u>

#### 5 Staff costs and remuneration of key management personnel

	2015 £	2014 £
Wages and salaries	<b>1,924,079</b>	2,085,226
Social security costs	<b>185,565</b>	202,383
Other pension costs	<b>235,403</b>	274,782
	<u><b>2,345,047</b></u>	<u>2,562,391</u>

During the year, the Young Foundation made total statutory redundancy payments of £10,792 (2014 - £28,780). These are included within wages and salaries.

## 5 Staff costs and remuneration of key management personnel (continued)

The average, full time number of staff analysed by function is:

	2015	2014
Charitable activities	33.0	34.5
Support	7.5	7.5
	<b>40.5</b>	<b>42.0</b>

The number of higher paid employees was:

	2015 no.	2014 no.
£60,000 - £70,000	4	1
£70,001 - £80,000	1	2
£80,001 - £90,000	—	3
£90,001 - £100,000	1	1
£120,000 - £130,000	—	1
	<b>6</b>	<b>8</b>

These employees are accruing retirement benefits under either a defined benefits or defined contribution scheme. Employer contributions made in respect of these individuals totalled £64,370 (2014 – £81,557).

The key management personnel of the charity in charge of directing, controlling, running and operating the charity on a day to day basis comprise the trustees, the Chief Executive and the senior management team. The total remuneration (including taxable benefits but excluding employer's pension contributions) of the key management personnel for the year was £513,428 ( 2014 - £498,152).

No remuneration was paid to any Trustee during the year. Trustees' travel expenses reimbursed during the year were nil (2014 – nil).

## 6 Net expenditure for the year

This is stated after charging:

	2015 £	2014 £
Auditor's remuneration (including VAT):		
. Audit – current year	10,920	7,450
. Audit – prior year	6,702	—
Depreciation	37,286	52,933
Operating lease rentals	3,159	3,348
	<b>58,067</b>	<b>63,731</b>

## 7 Taxation

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



**8 Tangible fixed assets**

	Land and buildings £	Office equipment £	IT equipment £	Total £
<b>Cost</b>				
At 1 January 2015	1,970,859	92,623	174,331	<b>2,237,813</b>
Additions	—	7,017	2,102	<b>9,119</b>
Disposals	—	(6,501)	(22,951)	<b>(29,452)</b>
At 31 December 2015	<u>1,970,859</u>	<u>93,139</u>	<u>153,482</u>	<b><u>2,217,480</u></b>
<b>Depreciation</b>				
At 1 January 2015	136,891	65,779	158,293	<b>360,963</b>
Charge for the year	15,344	12,506	9,436	<b>37,286</b>
Eliminated on disposal	—	(7,218)	(21,987)	<b>(29,205)</b>
At 31 December 2015	<u>152,235</u>	<u>71,067</u>	<u>145,742</u>	<b><u>369,044</u></b>
Net book value at 31 December 2015	<u>1,818,624</u>	<u>22,072</u>	<u>7,740</u>	<b><u>1,848,436</u></b>
Net book value at 1 January 2015	<u>1,833,968</u>	<u>26,844</u>	<u>16,038</u>	<b><u>1,876,850</u></b>

Subsequent to the year end, one of the properties included in land and buildings was disposed of for proceeds of £2.5 million (net book value at 31 December 2015 - £877,000).

**9 Investments**

	Market value 1 January 2015 £	Disposals £	Reclassification as instant access cash £	Gains £	Market value 31 December 2015 £	Historic cost £
Deposits and investments						
. COIF Deposit Fund	499	—	(499)	—	—	—
. COIF investment fund	1,748,781	(1,762,104)	—	13,323	—	—
	<u>1,749,280</u>	<u>(1,762,104)</u>	<u>(499)</u>	<u>13,323</u>	<u>—</u>	<u>—</u>
Social investments						
. Young Academy	20,000	30,000	—	—	<b>50,000</b>	50,000
	<u>1,769,280</u>	<u>(1,732,104)</u>	<u>(499)</u>	<u>13,323</u>	<b><u>50,000</u></b>	<u>50,000</u>

**Deposits and investments**

The investments with COIF Charities Funds above were sold and converted to cash during the year.

**Social investments**

The Young Foundation made one social investment in 2015 of £30,000 in the form of a participation loan in Think for the Future. The investment is from the Young Academy Investment Fund which has been established by the Young Foundation with funding from the Social Incubator Fund, which is administered by the Big Lottery Fund on behalf of the Cabinet Office, and UBS. The aim of the Young Academy is to support organisations tackling education inequality that have the potential to reduce the attainment gap and/or achieve systemic change in the education system. The participation loans are treated as social investments as they are made directly in pursuit of The Young Foundation's charitable purposes.

## 9 Investments (continued)

### *Social investments (continued)*

The Young Foundation previously made two investments from the Young Academy Investment Fund in 2014, each of £10,000, in the form of participation loans in Edukit and Proversity.

Mydex Data Services is a community interest company which provides the individual with a hyper-secure storage area to enable them to manage their personal data, including text, numbers, images, video, certificates and sound. No-one but the individual can access or see the data.

It has an issued share capital of 6,032,901 ordinary shares of which The Young Foundation holds 579,631 shares or 9.6% of the total. 491,071 of the shares, costing £274,999.76, were donated by a benefactor in 2012. At this stage in Mydex's development, it has been decided to not to put a value on the shareholding in the Young Foundation's accounts. The donation of shares during 2012 was therefore treated as a gift in kind and recorded in voluntary income with the impairment in value shown as a recognised loss. The shareholding is treated as a social investment as it is made directly in pursuit of the Young Foundation's charitable purposes.

## 10 Debtors and prepayments

	2015 £	2014 £
Trade debtors	340,896	569,937
Other debtors	—	200
Prepayments and accrued income	179,763	419,031
	<b>520,659</b>	<b>989,169</b>

## 11 Creditors: amounts falling due within one year

	2015 £	2014 £
Trade creditors	69,414	116,274
Amount due to associated undertaking	—	6,206
Other creditors	119,555	148,955
Deferred income and accrued expenditure	690,699	862,209
	<b>879,668</b>	<b>1,133,644</b>

## 12 Creditors: amounts falling due greater than one year

	2015 £	2014 £
Deferred income	<b>390,226</b>	780,453

Included in creditors is deferred income as set out below:

	2015 £	2014 £
Deferred income at 1 January 2015	<b>1,521,717</b>	415,415
Resources deferred in the year	<b>197,377</b>	1,917,668
Amounts released in the year	<b>(741,263)</b>	(811,366)
Deferred income at 31 December 2015	<b>977,831</b>	1,521,717

At the balance sheet date, the Young Foundation was holding funds received in advance for several projects including the Young Academy (further details are included in note 16).

## 13 Operating lease commitments

At 31 December 2015, the Charity had future minimum operating lease commitments on plant and machinery as follows:

	2015 £	2014 £
Expiry date		
. Within two and five years	<b>4,286</b>	4,162

## 14 Liability of members

The Charity is a company limited by guarantee, each member being liable for a sum not exceeding £1 in the event of the company being wound up.

## 15 Movement in funds

	Balance at 1 January 2015 £	Net income/ expenditure £	Transfers £	Balance at 31 December 2015 £
Restricted funds	493,022	655,673	25,172	<b>1,173,867</b>
Unrestricted funds				
. General fund	806,258	(866,313)	(25,172)	<b>(85,227)</b>
. Property fund	1,833,968	(15,344)	—	<b>1,818,624</b>
	<b>2,640,226</b>	<b>(881,657)</b>	<b>(25,172)</b>	<b>1,733,397</b>
Total funds	<b>3,133,248</b>	<b>(225,984)</b>	<b>—</b>	<b>2,907,264</b>

The property fund is designated on the basis that the Young Foundation acts as a hub for social innovation and needs a property resource for the nurture of new organisations as well as a long term base from which to carry out its own operations.

Restricted funds represent grant income for specific charitable projects as set out in note 16.

**16 Restricted fund analysis**

	Balance at 1 January 2015 £	Income £	Expenditure £	Transfers £	Balance at 31 December 2015 £
<b>International</b>					
MD – EU	(11,111)	5,797	(529)	5,843	—
EMAPS – EU *	30,720	(9,877)	(20,843)	—	—
TEPSIE – EU *	—	(5,332)	1,775	3,557	—
SI Drive – EU	90,845	—	(48,403)	—	<b>42,442</b>
Transition – EU	(9,246)	39,604	(30,358)	—	—
Erasmus & Share to know	—	80,772	(63,024)	—	<b>17,748</b>
Dolphins	—	48,896	(36,106)	—	<b>12,790</b>
	<u>101,208</u>	<u>159,860</u>	<u>(197,488)</u>	<u>9,400</u>	<u><b>72,980</b></u>
<b>Health, Education and Livelihoods</b>					
Realising Ambition – BLF	309	93,717	(94,026)	—	—
Mothers Against Gangs **	—	(972)	66	906	—
Payday loans – ESRC	(140)	75,975	(75,835)	—	—
	<u>169</u>	<u>168,720</u>	<u>(169,795)</u>	<u>906</u>	<u>—</u>
<b>Equalities and Gender</b>					
Innovating inequality – Barrow Cadbury Trust	(1)	15,000	(14,999)	—	—
Gender Futures Stage 2 – Barrow Cadbury Trust	—	20,000	(15,750)	—	<b>4,250</b>
Gender Futures – Esmee Fairbairn	—	30,000	(34,569)	4,569	—
AGENDA Alliance	—	104,924	(69,050)	—	<b>35,874</b>
	<u>(1)</u>	<u>169,924</u>	<u>(134,368)</u>	<u>4,569</u>	<u><b>40,124</b></u>
<b>Places</b>					
Socially sustainable Leeds – Leeds City Council	(1)	166,317	(165,753)	—	<b>563</b>
Leeds JRF	—	163,546	(163,546)	—	—
Northern Ireland BLF	—	81,410	(49,179)	—	<b>32,231</b>
Northern Ireland DSD	—	56,038	(56,038)	—	—
Amplify Cymru	—	37,106	(37,106)	—	—
The unsociable bench – AHRC	(120)	18,965	(18,845)	—	—
Mapping Social Needs	—	660	(1,728)	1,068	—
Socially Sustainable Northern Ireland	—	147,982	(157,211)	9,229	—
	<u>(121)</u>	<u>672,024</u>	<u>(649,406)</u>	<u>10,297</u>	<u><b>32,794</b></u>
<b>Social Investment/ Young Academy/ Ventures</b>					
The Young Academy - Operating costs	16,767	341,446	(282,012)	—	<b>76,201</b>
The Young Academy Social Incubator Fund Grant – Cabinet Office and UBS	375,000	375,000	—	—	<b>750,000</b>
Communities Can	—	247,949	(46,181)	—	<b>201,768</b>
	<u>391,767</u>	<u>964,395</u>	<u>(328,193)</u>	<u>—</u>	<u><b>1,027,969</b></u>
	<u>493,022</u>	<u>2,134,923</u>	<u>(1,479,250)</u>	<u>25,172</u>	<u><b>1,173,867</b></u>

## 16 Restricted fund analysis (continued)

The Young Academy is an impact first investment fund set up by The Young Foundation to provide finance to early stage social ventures whose work tackles education inequality in England. The Young Academy has received £1,560,905 from the Social Incubator Fund which is administered on behalf of the Cabinet Office by the Big Lottery Fund (£780,453 of which has been deferred) as set out in note 12.

During the year, transfers of £25,172 were made from the unrestricted fund to the restricted fund to reduce the balance of funds on completed projects to £nil.

\*Negative income balances on EU contracts represent unfavourable exchange rate movements in the year.

\*\* The negative income balance represents a bad debt provision made in the year.

## 17 Analysis of net assets between funds

	Unrestricted £	Restricted £	Total £
Tangible fixed assets	1,848,436	—	<b>1,848,436</b>
Investments	—	50,000	<b>50,000</b>
Net current (liabilities) /assets	(115,039)	1,514,093	<b>1,399,054</b>
Creditors falling due in greater than one year	—	(390,226)	<b>(390,226)</b>
	<u>1,733,397</u>	<u>1,173,867</u>	<u><b>2,907,264</b></u>

The total unrealised gains (losses) as at 31 December 2015 constitutes movement on revaluation and are as follows:

	2015 £	2014 £
<b>Unrealised gains included above:</b>		
On investments	—	514,605
Total unrealised gains at 31 December 2015	<u>—</u>	<u>514,605</u>
<b>Reconciliation of movements in unrealised gains (losses)</b>		
Unrealised gains at 1 January 2015	<b>514,605</b>	436,419
Less: in respect to disposals in the year	<b>(527,928)</b>	—
	<u><b>(13,323)</b></u>	<u>436,419</u>
Add: net gains arising on revaluation arising in the year	<b>13,323</b>	78,186
Total unrealised gains at 31 December 2015	<u>—</u>	<u>514,605</u>

## 18 Related party transactions

There have been no related party transactions in the period (2014 – none) which required disclosure.

## 19 Post balance sheet events

A freehold property owned by the Young Foundation, 17 Victoria Park Square, was sold on 1 March 2016 for proceeds of £2.5 million (net book value at 31 December 2015 - £877,000).

## 20 Commitments

The Young Foundation participates in the Universities Superannuation Scheme (the scheme). Throughout the current and preceding periods, the scheme was a defined benefit only pension scheme until 31 March 2016 which was contracted out of the State Second Pension (S2P). The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the scheme's assets are not hypothecated to individual institutions and a scheme-wide contribution rate is set. The Young Foundation is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by Section 28 of FRS 102 "Employee benefits", accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the statement of financial affairs represents the contributions payable to the scheme in respect of the accounting period.

The total cost charged to the statement of financial activities for USS Pension Contributions is £218,721 (2014 - £274,782). This includes £28,235 (2014 - £38,628) outstanding contributions at the balance sheet date.

The latest available full actuarial valuation of the scheme was at 31 March 2014 ("the valuation date"), which was carried out using the projected unit method.

Since the Young Foundation cannot identify its share of scheme assets and liabilities, the following disclosures reflect those relevant for the scheme as a whole.

The 2014 valuation was the third valuation for USS under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to adopt a statutory funding objective, which is to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £41.6 billion and the value of the scheme's technical provisions was £46.9 billion indicating a shortfall of £5.3 billion. The assets therefore were sufficient to cover 89% of the benefits which had accrued to members after allowing for expected future increases in earnings.

Defined benefit liability numbers for the scheme have been produced using the following assumptions:

	2016	2015
Discount rate	3.6%	3.3%
Pensionable salary growth	n/a	3.5% in the first year and 4.0% thereafter
Pension increases	2.2%	2.2%

The main demographic assumption used relates to the mortality assumptions. Mortality in retirement is assumed to be in line with the Continuous Mortality Investigation's (CMI) S1NA tables as follows:

Male members' mortality 98% of S1NA ["light"] YoB tables – No age rating

Female members' mortality 99% of S1NA ["light"] YoB tables – rated down 1 year

## 20 Commitments (continued)

Use of these mortality tables reasonably reflects the actual USS experience. To allow for further improvements in mortality rates the CMI 2014 projections with a 1.5% pa long term rate were also adopted. The current life expectancies on retirement at age 65 are:

	2016	2015
Males currently aged 65 (years)	24.3	24.2
Females currently aged 65 (years)	26.5	26.4
Males currently aged 45 (years)	26.4	26.3
Females currently aged 45 (years)	28.8	28.7

  

	2016	2015
Scheme assets	£49.8bn	£49.1bn
Total scheme liabilities	£58.3bn	£60.2bn
FRS 102 total scheme deficit	£8.5bn	£11.1bn
FRS 102 total funding level	85%	82%