

**Annual Report and Accounts**  
**For the year ended 31 July 2010**



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## Young Enterprise

### Highlights for the year ended 31 July 2010

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During the 2009/10 academic year 259,918 young people took part in our programmes supported and inspired by over 4,670 Young Enterprise business volunteers.

#### Turning ideas into action

33,642 young people created and ran 2,728 Young Enterprise companies during 2009/10 (13% of activity)

- 28,094 students got involved in setting up and running their own business through **Company Programme**
- 3,367 students developed skills and experience for life and work through **Team Programme**
- 1,249 higher education students gained business start-up experience through **Start-up Programme**
- 932 students set up and ran mini-enterprises through **QuickStart** and **QuickStart Music**

#### Igniting the spirit of enterprise

226,276 young people took part in 4,624 enterprise and employability programmes (87% of activity)

- 68,416 pupils discovered the world of work and enterprise through the **Primary Programme**
- 42,884 students explored enterprise and entrepreneurship through our **Masterclass** programmes
- 33,601 students made the connection between education, training and employment through **Learn to Earn**
- 23,550 students made the transition from Primary to Secondary School through **Your School Your Business**
- 15,796 students experienced life as a small business through **Project Business**
- 15,363 students were introduced to personal finance and money management through **Personal Economics** programme
- 10,321 students unlocked their enterprise potential through the **Enterprise in Action** programme

- 4,386 students participated in London's - **In Business With The Games** programme
- 4,268 students took part in Northern Ireland's **Success Skills** programme
- 3,746 students participated in the South East Region's **Sell for Success** programme
- 1,337 students experienced Northern Ireland's **KEY** and **LET** programmes
- 2,608 students engaged with a range of other Young Enterprise programmes

#### Developing our work

- We launched a new Social Enterprise Company Programme model in partnership with the Social Enterprise Coalition (see below for details)
- We redeveloped our Team Programme including the development of a new adapted online platform and support materials (see below for details)
- We extensively redesigned our Start-up Programme for students in higher education including the creation of a new suite of online business tools and guidance (see below for details)
- We introduced the latest versions of "Our City" and "Project Business" to schools across the UK
- We created a new brand identity and launched the new Young Enterprise website and marketing materials
- We expanded the Young Enterprise Alumni network and brought together alumni from across the UK at our first ever Alumni Ambassadors event
- We delivered a number of successful events including the 2009/10 Innovation Awards and Celebration Dinner

#### **Achievements and Performance**

I am delighted to be able to report on a successful year of activity for Young Enterprise across the UK. Whilst each of the autonomous regional organisations will be reporting separately, we shall provide here a summary of the overall UK activity.

#### **Excellent Levels of student participation**

During the 2009/10 year Young Enterprise business volunteers have worked with 259,918 young people, igniting the spirit of enterprise in schools, colleges and universities across the UK. Details of performance in each programme can be found on the preceding "Highlights" page.

#### **Programme Development**

With continued funding support we have been able to expand our five-year investment project to develop exciting new programmes and renovate materials in our existing portfolio.

##### ***Social Enterprise Company Programme***

With funding support from KPMG and in partnership with the Social Enterprise Coalition we introduced a new model into the Young Enterprise Company Programme which enables students to run their companies as social enterprises. Using the Community Interest Company legal model, students work together to ensure their enterprise delivers a social or environmental impact and a blended return for shareholders. In addition to their Young Enterprise business advisers, several of these companies were inspired this year by real social entrepreneurs through the government's Social Enterprise Ambassadors' scheme.

##### ***Team Programme***

With development work supported by Accenture and Edge we extensively redesigned our Team Programme offer. The Young Enterprise Team Programme is a unique experience which empowers students with special educational and support needs to develop essential skills for life and work through working together to set up and run their own real company.

Based on consultation work with specialist teachers from across the UK the Team Programme support materials have been rewritten and an innovative new web based platform has been developed to provide guidance and specially adapted online tools for students and teachers.

##### ***Start-up Programme***

Through the support of Santander, Accenture, Edge and One North East our Graduate Programme for students in higher education has been evaluated and extensively redeveloped to be re-launched from September 2010 as the Young Enterprise Start-up Programme. Based on consultation work carried out with the University of Newcastle and Northumbria University, programme support materials have been redesigned and the new "Start-up Programme Online" resource has been developed. The website provides students with an innovative suite of business tools and guidance, empowering them to work collaboratively online as they set up and run their business start-ups.

##### ***Programme Renovations***

The year saw the introduction of the latest versions of the primary programme 'Our City' and secondary "Project Business" programme to schools across the UK.

## Young Enterprise

### Chairman's Report for the year ended 31 July 2010

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#### Communications

##### *Marketing and Communications*

With support from Edge, an organisation-wide review of our brand, online presence and offline marketing materials has been completed. Through consultation with both internal and external stakeholders a new visual identity for Young Enterprise has been created that captures the impact, spirit and importance of our work. Our new brand and "Start something..." call to action speaks directly to schools, businesses and volunteers to engage with us as we work together to inspire the UK's next generation of enterprising young people. During the year our new public website has been developed reflecting our work across the UK.

##### *Promotional Activity*

In the reported year, Young Enterprise carried out promotional activity to raise awareness and support for our work. We promoted the launch of the Social Enterprise Company Programme, highlighted the importance of enterprise education in the run up to the general election and spoke to business leaders about the importance of enterprising and employable young graduates. The success of pupils taking part in the Company and Team Programmes was celebrated through the high profile HSBC Young Enterprise Innovation Awards event.

##### *Alumni Programme*

Through the support of Edge, the Young Enterprise Alumni programme has continued to grow, enabling past participants of the Company Programme to get back in touch, share their experiences and re-engage with the organisation. For the first time this year we held an event which brought together Alumni from across the UK to take on the role of "Alumni Ambassadors" for Young Enterprise - working in their communities to help inspire more young people, schools, businesses and volunteers to engage with our work.

#### Key People Changes



##### **Appointment of John May as Chief Executive of Young Enterprise**

John May was appointed by the Young Enterprise UK board as Chief Executive in August 2009.

Trained as a teacher, John has worked with children and young people in a variety of settings ranging from schools in suburban England to refugee camps in Uganda. He became a headteacher at just 28, briefly holding the honour of being the youngest head in the country and quickly developing a reputation for regenerating underperforming schools.

In 1999, John joined Business in the Community, HRH The Prince of Wales's organisation for companies committed to responsible business practice, as their Director of Education - a position he held until invited to become Career Academies UK's first Chief Executive in 2003. While at Career Academies UK he grew the organisation to lead and support a national movement of over 700 employers and 100 schools and further education colleges.

John is a former non-executive director of UNICEF; has been one of the judges of the National Teaching Awards and the TES Schools Awards, is a founding director of the Government's 'Teach First' programme and Chairman of World Scouting's Educational Methods Committee. He is a Fellow of the RSA and a member of the Institute of Directors.

He writes, speaks and broadcasts on a number of education related matters. In 2008, John received The Queen's Award for Enterprise Promotion in recognition of his longstanding dedication to enterprise education.

## Financial Review

Our Accounts relate only to the UK organisation which acts as a Support Centre for the autonomous Young Enterprise Regions licensed by the UK organisation who publish their own Accounts.

Total Incoming Resources increased from the previous year to £2.5m (2009: £2.2m). The matching Total Resources Expended also increased to £2.4m (2009: £2.2m), and we generated a surplus for transfer to the Unrestricted Income Fund of £114,000 (2009: £33,000).

The principal funding sources during the year were HSBC Bank plc, Edge, Cadbury plc and GKN plc.

A combination of treasury management, prudent cost management and the timing of donations have created the surplus on the year's activity.

I would like to take this opportunity to thank our many corporate supporters, business volunteers and teachers for their dedication, enthusiasm and achievement in delivering this year's activity. Equally, the Regional Chairmen, their Board members and staff are to be congratulated for their tremendous commitment and determination to build strong Young Enterprise regional organisations.

The Trustees are indebted to David Horner, who stepped down during the year after being involved as a Trustee for nearly four years. David was the Edge representative on the Board and also served as Chair of the Audit Committee.

Finally, but by no means least, I would like to thank my UK Board colleagues and the UK Support Centre staff team for their leadership and effective management of our organisation.

We are all looking forward to another successful year of inspiring and empowering yet more young people to become the UK's next generation of entrepreneurs, enterprising employees and business leaders.



**Ian Smith**  
Chairman

A handwritten signature in black ink, which appears to read 'Ian A. Smith'. The signature is written in a cursive style with a long horizontal flourish at the end.

9 November 2010

## Young Enterprise

### Report of the Trustees for the year ended 31 July 2010

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The Trustees present their report and the audited financial statements of the charitable company for the year ended 31 July 2010.

#### Reference and administrative details of the charity, its trustees and advisors

The name of the charity	Young Enterprise
Registered charity number	31 3697
Registered company number	71 2260
Registered office	Peterley House Peterley Road Oxford OX4 2TZ

#### Trustees/Directors – UK Board

Representatives from business, education, public or voluntary sectors.

Ian Smith	Chairman
Neil Makin*	Vice Chairman
Jeremy McDonald*	Chair of Audit Committee
John Cox	Appointed 20 April 2010
Grey Denham*	
Kevin Dundas	
Judith Felton	
Mary Marsh	
Alan Pascoe	
William Salomon	
Phil Smith	
Miles Templeman	

#### National Council

Each of the company chairs from the 12 Regional Organisations.

Mark Hoskyns-Abrahall	Scotland
Geoff Bell	South East
Geoff Buck	West Midlands
Martin Hathaway	Yorkshire and Humber
Mark Henderson	North East
Clive Hyman	East of England
Jon Marx	East Midlands
Tony Gill	North West
Mike Bamber	Northern Ireland
Martin Warren	Wales
James Froomberg	London
Charles Cockell	South West

\*Member of Audit Committee

# Young Enterprise

## Report of the Trustees for the year ended 31 July 2010

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### Trustees who resigned or retired during the year:

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David Horner	Trustee	Resigned 9 February 2010
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### Honorary Company Secretary

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Derek Walmsley\*

### UK Senior Management Team

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John May	Chief Executive
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Mark Collins	Finance Director
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Andrew Grimley	Development and Communications Director
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Peter Guy	Operations Director
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### Auditors

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Critchleys LLP  
Greyfriars Court  
Paradise Square  
Oxford  
OX1 1BE

### Bankers

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HSBC Bank plc  
Prima House  
Banbury Road  
Summertown  
Oxford  
OX2 7HY

### Solicitors

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Bates Wells & Braithwaite London LLP  
2-6 Cannon Street  
London  
EC4M 6YH

\*Member of Audit Committee

## Structure, Governance and Management

Young Enterprise is a national educational business charity and a company limited by guarantee which, is governed by a Memorandum and Articles of Association.

### *Recruitment and appointment of new trustees*

All new trustees meet the Chief Executive as part of the recruitment and appointment exercise and then go through a formal induction and training process. A Trustee/Director guide is also provided with further information on governance and Young Enterprise.

### *Organisational Structure*

Young Enterprise is the UK's largest business and enterprise education charity, operating via a structure of 12 licensed autonomous regional organisations and a UK Support Centre. It is governed by the UK Board made up of representatives from business, education, public or voluntary sectors. During the reported year, the membership and UK Board of Young Enterprise comprised the Trustees of the UK organisation. Every year, one third of the Trustees must retire, but are then available for re-election.

The UK Board appoints the Chief Executive who provides leadership to the UK organisation. The Chief Executive is responsible to the UK Board in the execution of his or her duties. The Chief Executive heads up the Senior Management Team at the UK Support Centre who manage the departments that support the whole Young Enterprise UK network.

The role of the UK organisation is, through the UK Board, to govern the UK organisational structure, license YE Regional organisations to operate as Young Enterprise, delivering approved programmes to agreed standards. This relationship is formalised in an Operating Agreement between the UK organisation and each Region.

The UK organisation maintains a UK Support Centre office to manage relationships between the UK organisation and the Regions, between the 12 Regional organisations and relationships with International partner organisations in the Junior Achievement World-wide network. The main vehicle for this is the UK Executive Team. Chaired by the Chief Executive, the UK Executive Team address the specific business areas of Business Planning and Performance, Fundraising, Administration, Programme Development and Operations. The Executive Team comprises the UK Senior Management Team and Regional Chief Executives, or their delegated representatives. The Chief Executive represents the UK organisation on the JA/YE Europe Executive and the JA World-wide Executive.

The UK Support Centre provides support to the Regional organisations and monitors their performance providing management information to the UK Executive Teams, each local staff member and Board and to the UK Board, its Audit Committee and National Council. The relationship is formalised in a Regional Service Agreement that is reviewed annually by the UK Executive Team each spring.

## Objectives and Activities

### *Objects*

The objects of the charity are:

- the advancement of education and in particular commercial education if and in so far as such purpose shall be charitable; and
- to educate young people in the UK in the organisation, methods and practice of commerce and industry and in all subjects related thereto.

# Young Enterprise

## Report of the Trustees for the year ended 31 July 2010

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### Mission

To build a connected world of young people, business volunteers and educators, inspiring each other to succeed through enterprise.

### Long Range Aspiration

To become recognised by 2015 amongst educators, policy makers and businesses as the UK's pre-eminent facilitator of practical, hands-on enterprise education.

### Aims

The key objectives described in the statement of core purpose are met through bringing business volunteers and young people together through a range of hands-on enterprise programmes. Young Enterprise programmes are designed to empower young people with the confidence, ability and ambition to succeed.

We engage young people and enable them to:

- practise *entrepreneurship*
- share the skills, behaviours and attitudes needed to succeed in work – *employability*
- help set the business agenda as tomorrow's leaders, customers and employees – *empowerment*

Young Enterprise programmes bring volunteers from business and the local community into schools, colleges and universities to work directly with young people. Our business volunteers bring their skills and experience into the classroom to inspire the next generation of entrepreneurs, enterprising employees and business leaders.

The Young Enterprise programmes are:

1. **Primary Programme:** Volunteers from business and the local community introduce pupils aged 4 to 11 to the world of work, saving, earning money, decision-making and teamwork.
2. **Your School Your Business:** Students aged 10 to 12 are introduced to secondary school life through an exciting and engaging enterprise day.
3. **Personal Economics:** Through 'lifemap living' students aged 12 to 16 are challenged and inspired to consider money management, employment and their own financial futures.

4. **Enterprise in Action:** Students aged 11 to 15 compete against the clock and each other to design and develop a prototype product to bring to market.
  5. **Learn to Earn:** Through a series of thought provoking activities students aged 12 to 16 are challenged to consider the link between education, training and employment.
  6. **Project Business:** A dynamic and eye-opening experience for students aged 13 to 16 as they take on the role of a small business for the day.
  7. **QuickStart:** A fast paced, high energy business enterprise experience as students aged 13 to 16 are challenged to set up and run their own company over 10 weeks.
  8. **QuickStart Music:** The music industry is brought to life as students aged 13 to 16 work together to fund, plan, set up and manage their own real music event.
  9. **Company Programme:** Students aged 15 to 19 gain practical experience of business and enterprise through setting up and running their own real company mentored by a Young Enterprise business adviser.
  10. **Team Programme:** Students aged 15 to 19+ with special educational and support needs develop essential skills for life and work through setting up and running their own real company.
  11. **Entrepreneurship Masterclass:** Real life entrepreneurs share their experiences first hand with students aged 13 to 17 through a dynamic series of enterprise challenges.
  12. **Industry Masterclass:** Through sector-specific enterprise challenges and industry insight from local business volunteers, students aged 13 to 17 explore the realities of enterprise and entrepreneurship.
  13. **Start-up Programme:** Young Enterprise business consultants inspire and guide students in higher education through the planning, creation and management of their own company.
- In addition, Young Enterprise has a range of specialist programmes, run in, and for, specific communities.

### Public Benefit

The Trustees are mindful of their duty under the Charities Act 2006 to ensure that the charity's activities exist for the public benefit. They have considered Charity Commission specific guidance on public benefit, and are satisfied that the performance and achievements of the charity during the year, as summarised in the Chairman's Report, and the planning of the charity's activities for future periods as described below, are consistent with this duty.

### Financial Review

A financial review is also summarised in the Chairman's Report.

### Audit Committee

The Audit Committee has a defined Terms of Reference approved by the UK Board and it met five times during the year.

### Plans for Future Periods

Under the leadership of the Chief Executive a new 5-year strategy for Young Enterprise has been developed and was launched at our staff conference in April. Work is already underway and being led by senior staff from across the UK. Our new strategy represents a shared commitment to work together to transform the organisation through 7 strategic imperatives:

#### 1. Programme

To develop a quality assured modular programme offer, based around a progressive scheme, that delivers high impact, practical and hands on enterprise experiences for those taking part. The programme offer attracts commitment from companies, volunteers, schools, teachers and young people; is easy to communicate, plays to the strengths of volunteer delivery; is relevant to modern business practices and is able to be offered to a consistently high quality across the UK.

#### 2. Volunteers

To develop methods of recruiting, supporting and retaining our volunteers which are highly successful and recognised as leading edge by volunteers, staff and other stakeholders.

#### 3. Finance

To develop a sustainable funding model that allows Regional and Support Centre operations to budget accurately and end each year with reserves of between 6 and 12 months expenditure.

#### 4. Organisation and Governance

To operate as a joined-up UK wide organisation, with a "can-do culture" and a structure that allows for the effective and flexible conduct of business, decision making to be made swiftly by the most appropriate people and for bureaucracy to be efficient and kept at an absolute minimum.

#### 5. Staffing

To recruit, deploy and support our staff effectively; ensure that our staff feel that they are part of a UK-wide organisation that values their contribution, listens and acts on their ideas for development and takes their personal and professional development seriously.

#### 6. Communication

To tell our story energetically and with confidence, achieving brand recognition and understanding with volunteers, staff, young people, education decision makers, business, policy makers and the general public at national, regional and local level.

#### 7. Relationships

To manage our relationships with corporates, schools and other stakeholders consistently and to the highest of standards, developing partnerships where appropriate and taking a full part in the activities of the worldwide family of Junior Achievement.

## Young Enterprise

# Report of the Trustees for the year ended 31 July 2010

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### Reserves

Young Enterprise needs reserves to ensure that it can fulfil and complete the charitable obligations and commitments it enters into.

The trustees have established a policy whereby the unrestricted funds not invested in tangible fixed assets or designated for specific purposes ("free reserves") held by the charity should be between nine and twelve months of the total resources expended. Free Reserves are defined as the Unrestricted Income Fund less the carrying value of Tangible Assets.

This is necessary because only a very small proportion of donation and grant income is secured, the remainder being subject to a fresh application each year that is inevitably subject to fluctuation. This policy is reviewed annually by the Trustees.

At 31 July 2010 the charity had free reserves of five months (2009: five months), which amounted to £1,058,000 (2009: £938,000). This falls short of the minimum nine months total resources expended of £1.8m (2009: £1.6m). Efforts to increase reserves will continue in line with the policy.

### Investment Powers

These are governed by the Memorandum and Articles of Association which permit monies not immediately required to be invested in such investments, securities or property as may be thought fit subject to conditions imposed or required by law.

### Risk Management

Following a wide-ranging review during the financial year the major strategic risks to which the charity is exposed, as identified by the trustees, are being addressed and mitigated through actions under the seven strategic imperatives referred to earlier in this report.

Following this strategic review the charity's risk register is in the process of being further developed and expanded in order that the Trustees can continue to satisfy themselves that appropriate actions are being taken by management to mitigate all related operational, compliance, and financial risks associated with the revised strategy.

### Auditors

The company has by elective resolution under Section 386<sup>(1)</sup> of the Companies Act 1985 dispensed with the annual reappointment of the auditors. Critchleys LLP will be deemed to be re-appointed for each succeeding financial year.

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Approved by the trustees on 9 November 2010 and signed on their behalf by:

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**Ian Smith**

Chairman



**Jeremy McDonald**

Chair of Audit Committee



## Young Enterprise

### Statement of Directors' Responsibilities

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The directors are responsible for preparing the Annual Report and accounts in accordance with applicable law and regulations.

The Trustees are the company's directors. Company law requires the directors to prepare accounts for each financial year. Under that law they have elected to prepare the accounts in accordance with the Financial Reporting Standard for Smaller Entities and applicable law (UK Generally Accepted Accounting Practice applicable to Smaller Entities).

Under company law the directors must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing these accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the accounts comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

In accordance with company law, the trustees, as the company's directors, certify that:

- so far as we are aware, there is no relevant audit information of which the company's auditors are unaware; and
- each director has taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

## Young Enterprise

### Independent Auditors' Report to the members of Young Enterprise

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We have audited the accounts of Young Enterprise for the period ended 31 July 2010 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. These accounts have been prepared under the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective April 2008).

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 auditors**

The Trustees' (who are also the directors of the company for the purposes of company law) responsibilities for preparing the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the charity's accounts give a true and fair view are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and are prepared in accordance with the Companies Act 2006. We also report to you whether, in our opinion, the information given in the Trustees' Report is consistent with the accounts.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if disclosures of Trustees' benefits, remuneration, pensions and compensation for loss of office specified by law are not made.

We read the Trustees' Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the accounts. Our responsibilities do not extend to any other information.

#### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

## Young Enterprise

### Independent Auditors' Report to the members of Young Enterprise

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#### Opinion

##### In our opinion:

- the accounts have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities;
- the accounts have been properly prepared in accordance with the Companies Act 2006;
- the accounts give a true and fair view of the state of the company's affairs as at 31 July 2010 and of its incoming resources and application of resources, including its income and expenditure for the year then ended; and
- the information given in the Trustees' report is consistent with the accounts.

Oxford - 9 November 2010

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**Robert Kirtland** (Senior Statutory Auditor) for and on behalf  
of Critchleys LLP, Statutory Auditor.  
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# Young Enterprise

## Statement of Financial Activities for the year ended 31 July 2010

	Notes	Unrestricted Income Fund	Restricted Fund	Endowment Fund	Development Fund	TOTAL 2010	TOTAL 2009
		£'000	£'000	£'000	£'000	£'000	£'000
<b>INCOMING RESOURCES</b>							
<b>INCOMING RESOURCES FROM GENERATED FUNDS</b>							
<b>Voluntary Income</b>							
Corporate and other donations		1,693	40	-	-	1,733	1,359
Government Funding	4	40	-	-	-	40	50
Gifts in kind		-	-	-	-	-	1
<b>Investment income</b>							
Interest receivable		1	-	-	-	1	16
<b>INCOMING RESOURCES FROM CHARITABLE ACTIVITIES</b>							
Young Enterprise Regions		666	-	-	-	666	736
Examination fees		14	-	-	-	14	15
Miscellaneous income		55	-	-	-	55	4
<b>OTHER INCOMING RESOURCES</b>		4	-	-	-	4	-
<b>TOTAL INCOMING RESOURCES</b>		<b>2,473</b>	<b>40</b>	<b>-</b>	<b>-</b>	<b>2,513</b>	<b>2,181</b>
<b>RESOURCES EXPENDED</b>							
<b>COST OF GENERATING FUNDS</b>							
<b>Costs of generating voluntary income</b>							
Fundraising costs		105	-	-	-	105	116
<b>CHARITABLE ACTIVITIES</b>							
Programme materials and regional support	5	1,952	40	1	-	1,993	1,835
Events and exhibitions		238	-	-	-	238	192
<b>GOVERNANCE COSTS</b>							
		64	-	-	-	64	25
<b>TOTAL RESOURCES EXPENDED</b>		<b>2,359</b>	<b>40</b>	<b>1</b>	<b>-</b>	<b>2,400</b>	<b>2,168</b>
<b>NET MOVEMENT IN FUNDS</b>		<b>114</b>	<b>-</b>	<b>(1)</b>	<b>-</b>	<b>113</b>	<b>13</b>
<b>RECONCILIATION OF FUNDS</b>							
Total funds brought forward		956	-	29	170	1,155	1,142
Total funds carried forward		1,070	-	28	170	1,268	1,155

The notes on pages 18 to 24 form part of these financial statements.

# Young Enterprise

## Balance Sheet as at 31 July 2010

	Notes	2010		2009	
		£'000	£'000	£'000	£'000
<b>FIXED ASSETS</b>					
Tangible assets	6		12		18
<b>CURRENT ASSETS</b>					
Stocks		527		568	
Debtors	7	897		380	
Cash at bank and in hand		483		837	
		1,907		1,785	
<b>LIABILITIES</b>					
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	8	(651)		(648)	
<b>NET CURRENT ASSETS</b>			1,256		1,137
<b>NET ASSETS</b>			1,268		1,155
<b>THE FUNDS OF THE CHARITY:</b>					
ENDOWMENT FUNDS	9		28		29
RESTRICTED INCOME FUNDS	10		-		-
UNRESTRICTED INCOME FUNDS	11				
Development fund		170		170	
Unrestricted income fund		1,070		956	
			1,240		1,126
			1,268		1,155

Approved by the UK Board, authorised for issue on 9 November 2010 and signed on their behalf.

**Ian Smith**  
Chairman

**Jeremy McDonald**  
Chair of Audit Committee




The notes on pages 18 to 24 form part of these financial statements.

## Young Enterprise

### Cash flow statement for the year ended 31 July 2010

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	Notes	2010		2009	
		£'000	£'000	£'000	£'000
Net cash inflow from operating activities	13		(359)		(71)
Return on investments and servicing of finance:					
Interest received		1		15	
Net cash inflow from returns on Investments and servicing of finance:			1		15
Capital expenditure and financial investment:		4		(5)	
Net cash outflow from capital expenditure and financial investment:			4		(5)
Increase/(decrease) in cash and cash equivalents	14		(354)		(61)

The notes on pages 18 to 24 form part of these financial statements.

### 1. Accounting Policies

#### A) Basis of Accounting

The accounts are prepared under the historical cost convention, in accordance with applicable accounting standards and Accounting and Reporting by Charities: Statement of Recommended Practice (revised 2005).

#### B) Depreciation

Depreciation is provided on a straight-line basis at the following annual rates:

Fixtures, fittings and equipment	20%
Motor vehicles	33 $\frac{1}{3}$ %

#### C) Incoming resources

Income is recognised by the charity when it becomes entitled to it and includes the following:

- i) Corporate and other donations
- ii) Government funding
- iii) Gifts in kind
- iv) Young Enterprise Regions
- v) Examination fees.

Grants are recognised in the Statement of Financial Activities in the period they relate. Income tax recoverable on gift aid donations is recognised by the charity in the period they relate. Gifts in kind are recognised in the period they are received and recorded at their monetary equivalent cost. Gift in kind assets capitalised within fixed assets are depreciated in line with the depreciation policy set out above.

#### D) Resources expended

Expenditure is recognised by the charity when a present obligation exists that is probable and with a reliable estimate.

Costs of generating funds include an allocation of salaries and department costs apportioned on staff time.

Charitable activities are split between the two principle activities of i) Programme materials and regional support and ii) Events and exhibitions.

Governance costs are based on the cost of governance arrangements, which relate to the general running of the charity such as legal and audit fees.

#### E) Stocks

Stocks are stated at the lower of cost and net realisable value.

#### F) Leased Assets

Rentals payable under operating leases are charged to the profit and loss account as incurred.

#### G) Pension Scheme

The entity pays amounts to the personal pension plans of some of its employees and these contributions are charged against the profit and loss account in the year in which they are payable.

#### H) Seconded Personnel

Young Enterprise benefits from personnel seconded by supporting organisations to work for the company. The value to Young Enterprise of such secondees is not quantifiable and is therefore not included within the financial statements.

#### I) Development Fund

Transfers to and from the development fund are made at the discretion of the UK Board Members.

## Young Enterprise

### Notes to the Financial Statements for the year ended 31 July 2010

#### 2. Status

Young Enterprise is a company limited by guarantee and not having a share capital.

The liability of each member to contribute to the assets of the company is limited to £1.

#### 3. Staff Costs

Average number of people employed by the company during the year:

	No. of employees		Total 2010	Total 2009
	Full time	Part time		
Support Centre staff	17	4	21	19
Full time equivalent staff of 20 (2009: 17).				
			2010	2009
			£'000	£'000
Cost in respect of Support Centre staff:				
Wages and salaries			750	594
Social security costs			73	64
Other pension costs			29	16
			852	674
			£'000	£'000
Pension Scheme:				
Defined contribution scheme				
Costs			22	14
Outstanding contributions at 31 July 2010			4	2
Number of employees earning in excess of £60,000:			No.	No.
£100,001 - £110,000			1	1
Pension Scheme:				
Defined contribution scheme			-	1
			£'000	£'000
Costs			-	4

Neither the trustees nor persons connected with them received any remuneration or other benefits from the organisation or any connected organisation.

Trustees received reimbursed travel expenses £882 (2009: £531).

## Young Enterprise

### Notes to the Financial Statements for the year ended 31 July 2010

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#### 4. Government Funding

Government funding represented 1.6% of incoming resources (2009: 2.3%)

#### 5. Breakdown of costs of charitable activities

Activity	Activities undertaken directly	Grant funding of Activities	Support Costs	Total 2010
	£'000	£'000	£'000	£'000
Programme materials and regional support	1,764	98	131	1,993
Events and exhibitions	236	-	2	238
<b>Total</b>	<b>2,000</b>	<b>98</b>	<b>133</b>	<b>2,231</b>

Activity	Activities undertaken directly	Grant funding of Activities	Support Costs	Total 2009
	£'000	£'000	£'000	£'000
Programme materials and regional support	1,659	35	140	1,834
Events and exhibitions	190	-	2	192
<b>Total</b>	<b>1,849</b>	<b>35</b>	<b>142</b>	<b>2,026</b>

#### Operating Charges

	2010	2009
	£'000	£'000
<b>Operating charges include</b>		
Auditors remuneration		
- audit	8	8
- other	-	-
Depreciation	6	6
Operating lease rentals		
- land	38	39
- other	10	7

## Young Enterprise

### Notes to the Financial Statements for the year ended 31 July 2010

#### 6. Tangible Assets

Activity	Motor Cars	Fixtures Fittings & Equipment	Total
	£'000	£'000	£'000
Cost			
At 1 August 2009	18	90	<b>108</b>
Additions	-	-	-
Disposals	(18)	-	<b>(18)</b>
At 31 July 2010	-	90	<b>90</b>
Depreciation			
At 1 August 2009	18	72	<b>90</b>
Charge for the year	-	6	<b>6</b>
Disposals	(18)	-	<b>(18)</b>
At 31 July 2010	-	78	<b>78</b>
Net book value			
At 31 July 2010	-	12	<b>12</b>
At 31 July 2009	-	18	<b>18</b>

Tangible fixed assets are all used for direct charitable purposes.

#### 7. Debtors

	2010	2009
	£'000	£'000
Other debtors	<b>513</b>	245
Young Enterprise Regions	<b>346</b>	85
Prepayments	<b>38</b>	50
	<b>897</b>	380

## Young Enterprise

### Notes to the Financial Statements for the year ended 31 July 2010

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#### 8. Creditors: Amounts falling due within one year

	2010	2009
	£'000	£'000
Trade creditors	308	381
Young Enterprise Regions	187	167
Taxation and social security costs	26	19
Accruals	130	81
	651	648

#### 9. Endowment Funds

	2010	2009
	£'000	£'000
At 1 August 2009	29	29
Incoming resources	-	1
Resources expended	(1)	(1)
At 31 July 2010	28	29

The Endowment Fund comprises funding for the Sir John Moores Memorial Award.

#### 10. Restricted Income Funds

	2010	2009
	£'000	£'000
At 1 August 2009	-	-
Incoming resources	40	50
Resources expended	(40)	(50)
At 31 July 2010	-	-

Restricted Income in 2010 is funding from the Baily Thomas Charitable Fund for Team Programme.

Restricted Income in 2009 is funding from the Department for Culture Media and Sport for QuickStart Music.

## Young Enterprise

### Notes to the Financial Statements for the year ended 31 July 2010

#### 11. Unrestricted Income Funds

	Development	Unrestricted	Total
	£'000	£'000	£'000
At 1 August 2009	170	956	1,126
Net incoming resources	-	114	114
At 31 July 2010	170	1,070	1,240

The Development Fund provides a resource which is called upon to fund National activity judged to be important to Young Enterprise development. Our reserves policy is explained in the Report of the Trustees.

#### 12. Financial Commitments

The annual commitments under operating leases are analysed according to the period in which each lease expires, as follows:

	2010		2009	
	Land & Buildings	Other	Land & Buildings	Other
	£'000	£'000	£'000	£'000
Within 1 year	-	-	-	-
In the second to fifth years inclusive	39	13	39	8
	39	13	39	8

#### 13. Net cash inflow from operating activities

	2010	2009
	£'000	£'000
Net incoming/(outgoing) resources	113	13
Depreciation charges	6	6
Decrease in stocks	40	(111)
Increase in debtors	(517)	90
Increase in creditors	4	(54)
Loss/(profit) on disposal of assets	(4)	-
Interest received	(1)	(15)
	(359)	(71)

## Young Enterprise

### Notes to the Financial Statements for the year ended 31 July 2010

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#### 14. Reconciliation of Net cash flow to movement in cash funds less loans

	2010	2009
	£'000	£'000
(Decrease) in cash in the year	(354)	(61)
Movement in net funds	(354)	(61)
Net cash funds at 1 August 2009	837	898
Net cash funds at 31 July 2010	483	837

#### 15. Taxation

The company is registered as a charity for taxation purposes and is not VAT registered.

#### 16. Young Enterprise across the UK

The activities of Young Enterprise in the UK are run through 12 separate autonomous regional organisations together with this charity.

The 12 regional organisations that are incorporated as charitable companies are as follows:

Young Enterprise East Midlands	Young Enterprise Scotland
Young Enterprise East of England	Young Enterprise South East
Young Enterprise London Ltd	Young Enterprise South West
Young Enterprise North East	Young Enterprise Wales
Young Enterprise North West	Young Enterprise West Midlands
Young Enterprise Northern Ireland	Young Enterprise Yorkshire and the Humber



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[www.young-enterprise.org.uk](http://www.young-enterprise.org.uk)



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