

**Oxford Youth Lab
(operating as Right to
Succeed)**

**Annual Report and Financial
statements**

Year to 31 August 2019

Charity Registration Number
1160886

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Legal and administrative information

Trustees	Mr Jo Owen (chair) Mrs Jill Finney Mr Anthony Harte Dame Joan McVittie (resigned 15 October 2019) Mr Charles Scott Mr David Sheldon Mr Chris White
Registered office	40 Bowling Green Lane London EC1R 0NE
Charity registration number	1160886
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	CAF Bank 25 King's Hill Avenue West Malling Kent ME19 45Q
Solicitors	Clifford Chance LLP 10 Upper Bank Street London E14 5JJ Bates Wells & Braithwaite LLP 10 Queen Street Place London EC4R 1BE

Trustees' report year to 31 August 2019

The trustees present their report together with the financial statements of Oxford Youth Lab (operating as Right to Succeed) for the year to 31 August 2019.

The financial statements have been prepared in accordance with the accounting policies set out on pages 22 to 24 therein and comply with the charity's constitutional document, applicable law 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.

The report has been prepared in accordance with Part 8 of the Charities Act 2011.

Public benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's objectives and aims and in planning future activities.

Charity Name

The Charity is registered with the Charity Commission as Oxford Youth Lab and operates under the name Right to Succeed.

Objects

The objects of the Charity are to advance for the public benefit any purpose or purposes which are exclusively charitable under the laws of England and Wales as the Trustees from time to time see fit with a non-exclusive focus on the education of young people, particularly those from disadvantaged communities including, without limitation by providing educational support to such young people; and providing support to individuals and organisations advancing the education of such people.

Objectives and activities

'Bringing people together to drive improvements across education because we believe every child deserves the right to succeed'

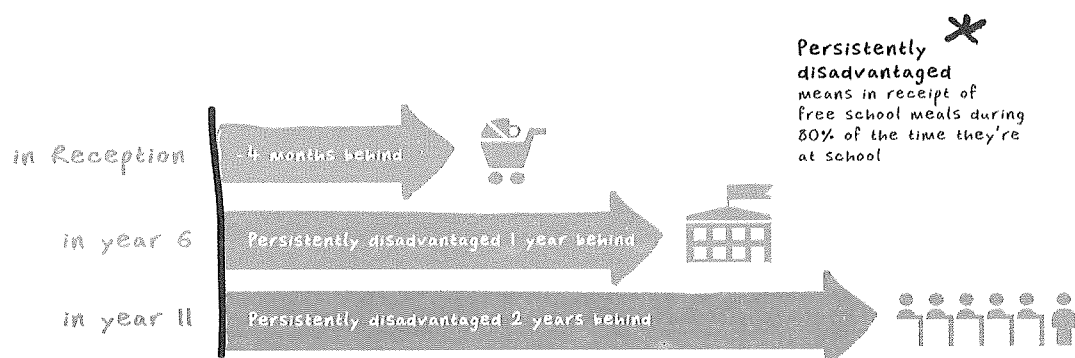
No single organisation or charity can solve the problem of educational inequity on their own – but together we can:

We are a collective impact charity that works with schools, local and national partners, to help children and young people in areas of poverty and low social mobility to thrive in education and into adulthood.

We believe that every young person deserves the right to be able to succeed in life whatever their background, but for some there are significant barriers to realising their full potential. Pupils living in poverty in the UK begin school up to 4 months behind their peers. This gap widens over time and those living in the greatest poverty are up to two years behind their peers by the time they leave secondary school. There have been many short-

Objectives and activities (continued)

term and isolated attempts at removing individual barriers to learning and yet the gap between young people living in poverty and their more advantaged peers has continued to widen. We take a different approach.

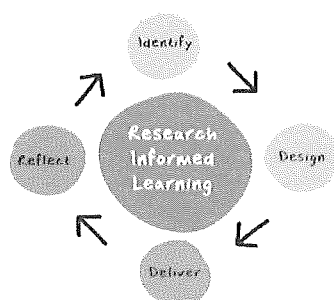


Together with our partners we design and enable positive change for children, and base our reputation on its impact:

We believe these major social issues will only be solved through a collective approach; bringing together the schools, local and national partners, who are focused on delivering a common vision. We coordinate efforts to remove the barriers that young people face by developing and delivering collective solutions that will have a lasting impact.

We convene partnerships around a research-informed implementation process, (the social lab process), and a set of operating principles that will give each project the greatest chance of success. The process and principles are set out in the diagrams below. The aim is to both leave behind an effective intervention that solves the targeted issue, but to also develop the capability of each community to continue to use this approach in the long term to solve further problems.

Our continuous improvement cycle guides how we identify, design, deliver and reflect on our work.



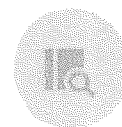
our collective approach

means that we are all active in creating the improvement

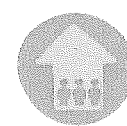
- 1 **Identify the need**, analysing data and holding structured conversations with young people and families.
- 2 **Design the solution** to meet that need, working together to build a shared model for change.
- 3 **Deliver the solution** in partnership, seeking support from those with first hand knowledge and experience.
- 4 **Reflect** on what needs to change in order to help us to reach our shared goal.
- 5 **Repeat**, taking in the learning from the process to date in order to deliver better outcomes the next time.



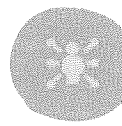
Locally led



Research informed



Collective impact



Capacity building

Objectives and activities (continued)

We work where we are needed most:

At present, the Charity delivers programmes in Blackpool, Doncaster and North Belfast - all areas that have been selected due to high levels of poverty and low social mobility. A Discovery phase began during the year in the City of Manchester and from September 2019, also in North Birkenhead.

Achievements and performance to 31 August 2019

Last year we said that in 2018/19 as part of our strategy for the next 3 years we would start to:

1. Take on a set of projects which are manageable in number but give us sufficient opportunity to test, refine and ultimately validate our approach.
2. Build the key capabilities that we have identified as essential for successful delivery.
3. Put in place effective mechanisms to demonstrate the impact we are having through the collection of robust evidence.
4. Establish a sustainable backbone organisation that has the right culture, structures and processes to be able to scale up and ultimately achieve our longer-term ambitions.

OUTCOMES

For both our programmes it is too early in the project cycle to report on child outcomes of each programme, although case studies from each school on the Reach programme are being collated and can be accessed on the Right to Succeed website once they are available. Importantly, a key outcome of the Reach project is to report on the learnings we make throughout the project life. These are currently being compiled and will form a report to be published later in 2020, aiming also to inform approaches to place-based change¹.

PROJECTS

Projects in Delivery Phase

In order to be able to test and learn, we have implemented our social lab process within all of our programmes (see page 3). The Identify, Design, Delivery and Reflect process functions as the infrastructure that supports us to apply our testing and learning agenda throughout everything we do.

¹ Placed-base change is an approach where organisations join together to address all of the needs of people across one place/locality through system change, rather than addressing needs separately or addressing one need across a broad area.

Achievements and performance to 31 August 2019 (continued)

PROJECTS (continued)

Projects in Delivery Phase (continued)

School improvement

Our priority here was to successfully complete the identify and design phases of the KS3 literacy focussed programme in Blackpool Secondary schools and move into the delivery phase.

In 2018, we were successful in achieving co-commissioning from the Blackpool Opportunity Area that has enabled participating schools to dedicate senior staff time to implementing the programme.

Over the last year schools in Blackpool have completed the first phase of delivery. In the Identify stage of the programme we worked with 3,525 pupils and helped schools to understand that up to 30% of 11-14 year olds were 2+ years behind in reading age, and that this cohort felt under-confident generally and very under-confident in their ability to learn, having significant difficulties engaging with the curriculum. On completion of the Identity Phase, schools designed interventions with a range of experienced partners considering what all children should receive, what groups of children with moderate need should receive, and what individual children with significant need should receive. The first phase of intervention delivery took place from January to July 2019, with schools planning to reflect on these results to inform delivery at the beginning of the next academic year.

Outputs

The following sets out the key outputs delivered over the last 12 months through the KS3 Literacy project.

Key Outputs – KS3 Literacy (School Improvement)

1. Schools engaged	8 (plus 1 school with reduced participation in year one) Number of pupils: 3,525
2. Implementation	Number of training places provided: 153 places for CPD school leads along with 340 staff trained on using GL Assessment Pupils assessed: 2,246 (Reading) 2,264 (Pupil's Attitude to Self & School)

Achievements and performance to 31 August 2019 (continued)

PROJECTS (continued)

Projects in Delivery Phase (continued)

Preventing Exclusions (Reach)

Based on the successful pilot in Blackpool delivered in 2017, Right to Succeed secured £1.1m from the National Lottery Community Fund in 2018 to take this work to scale across three areas of the UK. The three-year programme called Reach, aims to identify the learning and development needs of c.290 pupils per annum at risk of exclusion and to embed interventions within schools to meet those needs, using the social lab process to identify, design, deliver and reflect. Delivery commenced in September 2018 in 30 primary and secondary schools in Blackpool, Doncaster and Belfast: areas chosen due to their high levels of educational disadvantage and exclusions. We have now delivered a full academic year of this programme. Below is an update on developments within each of the Reach delivery areas.

The priorities we set for Reach were to fully engage the schools, work with them through the 'identify' and 'design' stages of the programme and to then start the 'deliver' stage when ready.

Blackpool

Over the last year the impact of trauma on children and young people has been identified as a major focus of this programme. Trauma drives significant behavioural and mental health issues in the cohort considered at high risk of exclusion. As a result, there has been a push to align the Blackpool Trauma Informed Care Strategy across Reach schools, looking to create a common approach to how schools and multiple agencies understand and react to symptoms which demonstrate that a child might have undergone trauma. We continued this approach by working with Better Start to co-produce a core offer for a pilot group of schools.

This package of training will be rolled out through our collaboration with Better Start and Head Start in the 2019/20 financial year.

In 2018/19, schools began to consider how to improve and broaden their offer of support to children. They started using Whole Education's Spirals of Enquiry approach, a robust professional enquiry framework that sees teachers working closely with their pupils to understand how their experience and outcomes can be improved. From our initial work in Blackpool with Spirals we have now developed a closer collaboration with direct coaching for our programme manager to support the ongoing Spirals of Enquiry work. We also began to use the enquiry method to support building a number of case studies locally.

Doncaster

In 2018/19, Doncaster schools worked through the Identify and Design stages. We worked with the Council, Doncaster Children's Trust and the Opportunity Area Team to consider a joined up approach to reducing exclusion across Doncaster. We developed an Implementation Group which has all key stakeholders on board that has a collective vision.

Achievements and performance to 31 August 2019 (continued)

PROJECTS (continued)

Projects in Delivery Phase (continued)

Preventing Exclusions (Reach) (continued)

As with Blackpool, the schools started using Whole Education's Spiral of Enquiry approach to gain a strong qualitative understanding of how best to support their young people, alongside the data being produced by assessing the capability needs of the pupils.

Our local programme manager has begun to work closely with the school improvement team and as such are co-commissioning a number of local initiatives from whole school restorative and relationship building to mental health support.

North Belfast

The North Belfast Schools identified the need to change their approach to behaviour management and develop more youth work focused models to change their relationship with young people at greatest risk. The financial year ended with Pivotal behaviour training across all Reach Schools in North Belfast, with 300 plus teachers and support staff attending four training events in preparation for the new academic year. Pivotal Education, who provide the training, do not believe that the 5% of most troubled learners have 'behaviour problems' but that they need a different approach; one that is not based on a set of increasingly large sanctions. Reach is fully behind that belief. Work got underway with three great local youth support organisations: YEHA, Streetbeat and Lighthouse who were already working in a number of post primary schools using a peer mentoring programme with early signs of success.

Outputs

We have recorded the following outputs in the last twelve months:

Key Outputs – Reach

1. Schools engaged	29 schools engaged in the programme including a mix of primary and secondary schools
2. Launch of the Identify and Design Phases in all schools	Number of training places for school staff: 445 Number of children selected by schools: 290 Baseline assessments carried out for 280

Projects in Discovery

We planned to look at carrying out exploratory work in several new places which would inform our decision on where next to deliver our programme.

Achievements and performance to 31 August 2019 (continued)

PROJECTS (continued)

Projects in Discovery (continued)

Every Child Project, Manchester

To that end, we have been working with Manchester City Council and SHINE Trust since March 2019, to complete a discovery phase which considers how the risk of exclusion could be reduced across the City. Having successfully completed this phase to discover if all the necessary conditions are in place for delivery, we are now fundraising for delivery of the project. The project will initially focus on understanding and meeting the capability needs of all Year 7 pupils across 9 selected secondary schools, including the Secondary Pupil Referral Unit. The vision for the project is "Every Child Understood, Every Child Supported, Every Child Succeeds".

Youth Employment - Pathways for All

We planned to explore a project focusing on how young people who are identified as at-risk of becoming NEET (Not in Education, Employment or Training) or have been excluded from mainstream education are supported into sustainable routes into further education, employment and training after they leave their Pupil Referral Unit or Alternative provision school at age 16.

The exploratory work took place in conjunction with Educational Diversity, Blackpool's Pupil Referral Unit (PRU) and the local authority. Participating secondary schools, along with both the main post-16 college and sixth form providers were engaged and first year funding was secured from the Blackpool Opportunity Area. The programme kicked off in September 2019 with the appointment of 4 Engagement Coaches in the PRU along with the senior project leads based in the PRU and mainstream secondary school providing strategic and operational oversight of the project in their respective settings.

North Birkenhead - Cradle to Career turnaround of children and young people's outcomes

Although this Discovery phase did not officially start until September 2019, significant progress towards making this happen took place in 2018/19. Funding for the phase was secured from SHINE Trust and Steve Morgan Foundation, the Programme Director was appointed from the local setting and a steering group was put in place. The purpose of the Discovery phase is to consider how young people's outcomes in North Birkenhead might be transformed, right through from cradle to career. The phase will be completed in conjunction with the North Birkenhead Development Trust and Wirral Council.

Project Place

We hosted a roundtable in March 2019 on Place-based change where public, private and civil society sectors were represented. The conclusion came to was that the lack of turnaround in places is our collective responsibility, and we have to work better together.

Achievements and performance to 31 August 2019 (continued)

PROJECTS (continued)

Projects in Discovery (continued)

Working with the Blavatnik School, a small team was formed to consult further and funding was secured from Esmée Fairbairn Foundation to carry out a focussed consultation from September 2019. That team is working to develop a consensus view of how the public, private and civil society sectors can work in partnership to deliver place-based change at scale.

DELIVERY CAPABILITIES

We planned to continue to work on identifying the capabilities required for the successful delivery of our programmes and the expansion of the charity; embedding these into our recruitment processes and our staff development plans. This work is ongoing, and although we started to identify those capabilities, and we improved the quality of staff induction process, work on designing and providing excellent staff development plans was postponed to until 2019/20.

IMPACT

Data Insights Project

We published the Data Explorer, developed in the prior year with Deloitte, on the new website, enabling visitors to our website to understand where Right to Succeed's work is needed most.

We developed the first iteration of our online portal, BrighterBase which will allow us to capture data from our programme managers and school champions about their research led projects and pupil and staff capabilities.

We completed our feasibility work for a commercial market for BrighterBase, exploring various options. This project is currently on pause while we prioritise programme delivery with current funding.

BACKBONE

In 2018/19 we started to invest in our external communications, building a platform on which to share our learnings from our programmes and data insights project, with a new website and a stronger social media presence. At the same time, we built on our internal communications to support a growing, more dispersed staff team.

In the summer, we had an organisational review carried out by an independent, experienced Human Resources consultant through management and staff interviews. She provided the Trustees with recommendations from a Human Resources perspective on how to manage the risks of recent and expected growth of the organisation while maintaining the original entrepreneurial drive on which the charity was originally founded. The Senior Executive team has embedded these recommendations into the organisational plan for 2019/20.

Achievements and performance to 31 August 2019 (continued)

BACKBONE *(continued)*

We have carried out a significant piece of work in getting a standard school agreement in place, that supports the unique collaborative approach we take. A standard agreement with our delivery partners will follow in 2020.

Towards the end of the year, we were able to bring in more support to the programme directors and managers by creating two new programme officer roles. These helped the team prepare for the increased programme activity from September 2019.

We will continue to strengthen the organisation as it grows, by ensuring our policies and procedures are complete, relevant and compliant and continue to embed them into working practice.

Plans for the future

The charity has a new three-year strategy which was adopted by our Board of Trustees in May 2019. The three-year strategy focuses on learning how to deliver effective place-based change, codifying and sharing the approach.

We believe there are 3 key strategic pillars required to deliver effective place-based change in education:

1. Focus all partners on developing capability in children and young people
2. Deliver great implementation of intervention
3. Become expert at the collective approach

Our priorities for the next year are as follows:

PROJECTS

Delivery

Every programme to go through a complete delivery cycle in each area we work, leading to demonstrable impact for young people.

- School Improvement: build on early impact in Blackpool's Key Stage 3 Literacy Programme, ensuring there is a sustainability plan in place for 2020/21 onwards
- Reach programme continues in Blackpool, Doncaster and North Belfast, with every participating school demonstrating impact on the child through a robust case study by end of the year.
- Pathways for all in Blackpool which focuses on post-16 destinations of excluded pupils and those at risk of becoming NEET
- Every Child programme in Manchester focussed on reducing exclusion in KS3 moves from Discovery phase to deliver in 9 secondary schools.

Discovery projects have been completed and have created the conditions for a new delivery project to be implemented that will significantly impact young people in future, namely the discovery phase in North Birkenhead, the theme for which is a Cradle to Career turnaround of young people's outcomes.

Plans for the future (continued)

DELIVERY CAPABILITIES

In 2019/20 we plan to:

- agree and adopt an organisation-wide approach to learning and development;
- design and deliver a formal training programme for our programme staff; and
- put in place a co-designed version of all delivery materials and test them in the field, with a view to being integrated into BrighterBase in future.

DEVELOPMENT

In 2019/20 we plan to:

- complete the Project Place consultation and develop the necessary public, private and social sector partnerships required for effective place-based change to be done at scale;
- achieve an increase in fundraising income of at least 50% as well as securing further co-commissioning for every programme in 2020/21; and
- develop a strong pipeline of new projects in areas of need & grow our work in existing areas.

BACKBONE

In 2019/20 we plan to:

- ensure we have the people we need, who are supported and developed to be successful in their role and represent the values that define our culture;
- have in place the right communication tools, systems and forums internally; and
- finish the year with at least 4.5 months of core operational costs in reserve.

Thanks

Over this year we have received significant support in the form of advice, financial support, pro-bono office support and technical expertise from a range of individuals and organisations for which we are sincerely grateful. These supporters include:

- Funders: Esmée Fairbairn Foundation, Garfield Weston Foundation, Treebeard Trust, Lady Allison and Sir Harvey McGrath, National Lottery Community Fund, Credit Suisse EMEA, Andrew and Belinda Scott, Montpelier Foundation, Rothschild & Co, SHINE Trust, Swire Charitable Trust
- Support and advice: Clifford Chance LLP, Credit Suisse, Rothschild & Co and Alita Benson

Structure, governance and management

Constitution

Right to Succeed was established as a Charitable Incorporated Organisation (CIO) with the Charity Commission on 13 March 2015. The CIO's constitutional documents are its Articles of Association. On 29 September 2017 members voted to change the name to Oxford Youth Lab and appoint 3 new trustees.

Structure, governance and management (continued)

Organisation

Trustees can be appointed by ordinary resolution of the members.

The trustees, who served throughout the financial year, except as stated below, were as follows:

Trustees	Resigned
Mrs Jill Finney	
Mr Anthony Harte	
Dame Joan McVittie	15 October 2019
Mr Jo Owen	
Mr Charles Scott	
Mr David Sheldon	
Mr Chris White	

The trustees of the charity are given information on the roles and responsibilities of trustees of a UK charity and are invited to attend regular Trustee Training Workshops run by Buzzacott LLP and Bates Wells. Trustees are regularly updated on Charity Commission best practice. On becoming a trustee, each trustee goes through an induction process which includes meeting key members of the executive, receiving the organisation's key policies and access to core documents detailing our work and future plans. Each trustee aims to visit the work in schools or similarly informative event on the ground at least once a year.

Key management personnel

The trustees consider that they comprise the key management personnel of the charity along with the Executive Team which comprises:

Graeme Duncan	Chief Executive Officer
Belinda Logan	Programme Director - Reach
Beth Matheson	Chief Operating Officer
Paul O'Neill	Director of Programmes
Zoya Wallington	Director of Impact
Olivia Sixsmith	Director of Development (from September 2018)

Remuneration of the CEO is set by the board. Remuneration of other senior managers is set by the CEO and reviewed by the Finance Committee on behalf of the board.

Structure, governance and management (continued)

Trustees' responsibilities statement

The trustees are responsible for preparing the trustees' report and accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that year. In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in 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 United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, applicable Charity (Accounts and Reports) Regulations and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Risk management

The trustees have reviewed the major risks to which the charity is exposed, in particular those relating to the specific operational areas of the Charity and its finances. The trustees review the measures in place and establish policies, systems and procedures should they be needed to minimise or manage any potential impact on the charity should those risks materialise.

The most significant risks facing the organisation are:

- **Impact** Failure to deliver impact through our school programmes.
- **People** Failure both to hire and retain the right staff.
- **Strategy** Failure to deliver against our three-year strategy.

Structure, governance and management (continued)

Risk management (continued)

- **Stakeholder and partnership strategy** Damage to our reputation for bringing together organisations by a partnership (or set of) that we fail to manage successfully.
- **Finance** Inability to successfully secure sufficient opportunities or necessary funding to test our approach at scale; failure to secure funding or partnership for development of the data insights technology.
- **Reputational management** Failure to manage serious untoward incident of any kind resulting in reputational damage.
- **Legal compliance including data protection and safeguarding** Reportable breach of data protection or a safeguarding concern is raised in relation to a member of our staff or delivery partner.

The trustees believe that many of these risks cannot be fully eliminated but can be managed through reducing their impact and likelihood of occurrence. Having assessed the major risks, the trustees are confident that the charity has established effective systems to mitigate these risks, as well as being able to identify early any risk indicators. The presence of regular monitoring of both Programme and organisational KPIs at Senior Executive and Board level will help identify any early indicators around the Strategy and Impact risks at the top of the above list. The Board is committed to ensuring that staff development and staff welfare are both a priority to ensure retention and recruitment of the right staff.

These risks are monitored on a quarterly basis by the Board which reviews movements and risk mitigation strategies. Risks of individual projects are assessed as part of the project planning and reviewed by the Board as part of their decision making process.

Financial report for the year

Results for the year

A summary of the year's results can be found on page 18 of the attached financial statements.

The net income for the year was £214,764 (2018 - £45,372). The charity's total income grew by 67% and was £1,198,138 (2018 - £717,591) which consisted mainly of donations and grants. £844,795 of this was spent on charitable activities (2018 - £564,563) while £138,579 (2018 - £107,656) was spent on raising income.

We increased the amount of voluntary income raised for the year by 71% at £1,190,244 (2018 - £696,416) of which £820,809 (2018 - £332,329) was restricted: £230,000 towards both the school improvement programme and our work with schools in general, £437,447 towards our work on preventing exclusions, £77,814 towards our data insights project and £75,548 towards Discovery projects in Manchester and North Birkenhead. £369,435 (2018 - £364,087) of voluntary income raised was unrestricted and was spent on the projects described above, as well as on design and planning of the programmes for future periods and our core costs of running the organisation.

Structure, governance and management (continued)

Reserves policy and financial position

The Charity maintains an unrestricted fund from which core and programme activities are funded in line with the approved annual plan and budget. As at 31 August 2019 the Charity had free reserves of £202,701 (2018 - £96,295) which will be used to implement future plans while further funding is sought. Due to the longer-term strategy of the Charity being currently under development, the trustees monitor the level of reserves on a quarterly basis and only commit to projects where the Charity has committed funding. The current reserves policy is to aim to maintain a level of free reserves equal to 3-6 months' unrestricted operational running costs ("core costs"). The current level of free reserves falls within 3-4 months' core costs and the trustees aim to increase reserves in the next 12 months to a level of at least 4.5 months' core costs.

Approved by the trustees and signed on their behalf by:



Trustee

Approved by the trustees on: 11 February 2020

Independent auditor's report to the trustees of Oxford Youth Lab

Opinion

We have audited the financial statements of Oxford Youth Lab (the 'charity') for the year ended 31 August 2019 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the charity's affairs as at 31 August 2019 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- ◆ the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- ◆ the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- ◆ the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- ◆ sufficient accounting records have not been kept; or
- ◆ the financial statements are not in agreement with the accounting records and returns; or
- ◆ we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011 and with regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

12 March 2020

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

Statement of financial activities year ended 31 August 2019

Income and expenditure	Notes	Unrestricted funds £	Restricted funds £	2019 Total funds £	Unrestricted funds £	Restricted funds £	2018 Total funds £
Income from:							
Donations	1	369,435	820,809	1,190,244	364,087	332,329	696,416
Charitable activities		3,240	—	3,240	20,000	—	20,000
Other income		4,654	—	4,654	1,175	—	1,175
Total income		377,329	820,809	1,198,138	385,262	332,329	717,591
Expenditure on:							
Raising funds		138,284	295	138,579	107,656	—	107,656
Charitable activities:	2						
- Thematic programmes		82,040	606,950	688,990	222,888	207,844	430,732
- Place-based programmes		28,144	—	28,144	—	—	—
- Data insights project		20,396	107,265	127,661	106,922	26,909	133,831
Total expenditure		268,864	714,510	983,374	437,466	234,753	672,219
Net income (expenditure) and net movement in funds		108,465	106,299	214,764	(52,204)	97,576	45,372
Reconciliation of funds							
Fund balances brought forward at 1 September 2018		98,128	118,921	217,049	150,332	21,345	171,677
Fund balances carried forward at 31 August 2019		206,593	225,220	431,813	98,128	118,921	217,049

All of the charity's activities derived from continuing operations during the above financial periods.

The charity has no recognised gains and losses other than those shown above.

Balance sheet as at 31 August 2019

	Notes	2019 £	2019 £	2018 £	2018 £
Fixed assets	7		5,248		3,044
Current assets					
Cash at bank		497,064		291,179	
Debtors	8	<u>26,611</u>		<u>9,236</u>	
		523,675		300,415	
Creditors: amounts falling due within one year	9	<u>(97,110)</u>		<u>(86,410)</u>	
Net current assets			426,565		214,005
Total net assets			<u>431,813</u>		<u>217,049</u>
The funds of the charity					
Funds and reserves					
Unrestricted funds		206,593		98,128	
Restricted funds	10	<u>225,220</u>		<u>118,921</u>	
Total funds			<u>431,813</u>		<u>217,049</u>



Trustee

Approved on: 11 February 2020

Statement of cash flows year ended 31 August 2019

	Notes	2019 £	2018 £
Cash flows from operating activities:			
Net cash provided by operating activities	A	210,265	84,648
Cash flows from investing activities:			
Purchase of tangible fixed assets		(4,380)	(2,437)
Net cash used in investing activities		(4,380)	(2,437)
Change in cash and cash equivalents in the year		205,885	82,211
Cash and cash equivalents at 1 September 2018	B	291,179	208,968
Cash and cash equivalents at 31 August 2019	B	497,064	291,179

Notes to the statement of cash flows for the year to 31 August 2019.

A Reconciliation of net movement in funds to net cash provided by operating activities

	2019 £	2018 £
Net movement in funds (as per the statement of financial activities)	214,764	45,372
Adjustments for:		
Depreciation charge	2,176	1,934
(Increase)/decrease in debtors	(17,375)	876
Increase in creditors	10,700	36,466
Net cash provided by operating activities	210,265	84,648

B Analysis of cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	497,064	291,179
Total cash and cash equivalents	497,064	291,179

Principal accounting policies Year ended 31 August 2019

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 statutory financial statements have been prepared for the year ended 31 August 2019.

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.

Critical accounting estimates and areas of judgement

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

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

- ◆ Estimating the useful economic life of tangible fixed assets;
- ◆ Allocation of support costs based on estimated staff time spent on each activity; and
- ◆ Estimating the value of donated services.

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.

Assessment of going concern (continued)

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. The most significant areas of judgement that affect items in the financial statements are detailed above. With regard to the next accounting period, the year ending 31 August 2020, the most significant area that affects the carrying value of the assets held by the charity is the level of donations income achieved (see the risk management section of the trustees' report for more information).

Income

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises donations, income from the school improvement programme services and other income.

Donations

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.

Income from charitable activities

This includes income charged to deliver our charitable services. This consists of income from schools as part of our school improvement programme piloted in Blackpool, as well as central government contracts.

Donated services

Services donated include provision of legal advice and specialist consultancy. This is recognised as income in the period in which the advice or service was provided based on the value to the charity, which for the most part is the comparable market value. An equivalent amount is recognised in the same period as an expense in the relevant section of the Statement of Financial Activities.

Principal accounting policies Year ended 31 August 2019

Expenditure and the basis of apportioning costs

Expenditure is included in the statement of financial activities when incurred and includes attributable VAT which cannot be recovered. Expenditure comprises the following:

- a. Expenditure on raising funds relates mainly to costs of staff time spent on raising funds and awareness of the organisation and the planned programme activities.
- b. Expenditure on charitable activities in deliverance of the objectives set out in the Trustees' report relate mainly to costs of staff time and travel and payments to our collaborative partners.
- c. Support costs relate to the costs of governance, IT and communications, finance and other activities involved in managing the organisation. These have been allocated to activities based on estimates of the number of FTE staff engaged in each activity.

Debtors

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

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.

Fixed assets

Fixed assets costing £500 or more are capitalised on the balance sheet and depreciated on a straight line basis over their useful economic life (UEL).

<i>Class of asset</i>	<i>UEL</i>
IT equipment	3 years

Subsidiaries

Oxford Youth Lab has one wholly owned subsidiary, Right to Succeed Limited (company registration 08689873). The subsidiary is currently dormant.

Pensions

Contributions in respect of the charity's defined contribution pension scheme are charged to the statement of financial activities when they are payable to the scheme. The charity's contributions are restricted to the contributions disclosed in note 5. There were no outstanding contributions at the year end. The charity has no liability beyond making its contributions and paying across the deductions for the employees' contributions.

1 Donations

	Unrestricted funds £	Restricted funds £	2019 £
Donations	111,935	–	111,935
Grants	250,000	820,809	1,070,809
Donated services	7,500	–	7,500
2019 Total funds	369,435	820,809	1,190,244

	<i>Unrestricted funds £</i>	<i>Restricted funds £</i>	<i>2018 £</i>
<i>Donations</i>	<i>53,637</i>	<i>–</i>	<i>53,637</i>
<i>Grants</i>	<i>225,000</i>	<i>332,329</i>	<i>557,329</i>
<i>Donated services</i>	<i>85,450</i>	<i>–</i>	<i>85,450</i>
<i>2018 Total funds</i>	<i>364,087</i>	<i>332,329</i>	<i>696,416</i>

Donated services in 2019 comprise legal advice provided by Clifford Chance and HR advice from Alita Benson (2018: legal advice by Clifford Chance, data systems consultancy provided by Deloitte and branding and design funded by Esmée Fairbairn).

2 Charitable activities

	Activities undertaken directly £	Support costs £	2019 £
Thematic Programmes:			
- School improvement programme	238,154	36,411	274,565
- Preventing exclusions	253,469	96,697	350,166
- Youth employment	9,702	6,441	16,143
- Thematic programmes in Discovery	30,683	17,433	48,116
	532,008	156,982	688,990
Place based Programmes	23,850	4,294	28,144
Data insights project	103,702	23,959	127,661
Total	659,560	185,235	844,795

	<i>Activities undertaken directly £</i>	<i>Support costs £</i>	<i>2018 £</i>
<i>Thematic Programmes:</i>			
- <i>School improvement programme</i>	<i>150,097</i>	<i>65,112</i>	<i>215,209</i>
- <i>Preventing exclusions</i>	<i>98,945</i>	<i>95,518</i>	<i>194,463</i>
- <i>Youth employment</i>	<i>15,224</i>	<i>5,836</i>	<i>21,060</i>
	<i>264,266</i>	<i>166,466</i>	<i>430,732</i>
<i>Data insights project</i>	<i>125,539</i>	<i>8,292</i>	<i>133,831</i>
<i>Total</i>	<i>389,805</i>	<i>174,758</i>	<i>564,563</i>

Notes to the financial statements Year ended 31 August 2019

3 Support costs

	Raising funds £	Thematic programmes £	Place-based Programmes £	Data Insights Project £	2019 £
IT and communications	4,764	37,056	1,014	5,655	48,489
Financial administration	1,915	14,897	407	2,274	19,493
Governance (note 4)	4,445	34,574	946	5,277	45,242
Other	9,057	70,455	1,927	10,753	92,192
	<u>20,181</u>	<u>156,982</u>	<u>4,294</u>	<u>23,959</u>	<u>205,416</u>

	Raising funds £	Thematic programmes £	Data Insights Project £	2018 £
<i>IT and communications</i>	<i>5,342</i>	<i>30,475</i>	<i>1,518</i>	<i>37,335</i>
<i>Financial administration</i>	<i>3,372</i>	<i>19,237</i>	<i>958</i>	<i>23,567</i>
<i>Governance (note 4)</i>	<i>7,144</i>	<i>40,760</i>	<i>2,031</i>	<i>49,935</i>
<i>Other</i>	<i>13,320</i>	<i>75,994</i>	<i>3,785</i>	<i>93,099</i>
	<u><i>29,178</i></u>	<u><i>166,466</i></u>	<u><i>8,292</i></u>	<u><i>203,936</i></u>

All support costs are allocated based on estimates of staff time spent on each activity.

4 Governance costs

	2019 £	2018 £
Audit fee	8,530	8,620
Legal fees	11,100	12,373
Trustee meetings and travel	438	1,987
Insurance	4,393	3,675
Staff costs	20,781	23,280
	<u>45,242</u>	<u>49,935</u>

5 Employee and key management remuneration

Summary

Staff costs during the year were as follows:

	2019 £	2018 £
Wages and salaries	389,461	314,974
Social security costs	38,204	31,920
Pension contributions	24,930	18,544
	<u>452,595</u>	<u>365,438</u>

Staff numbers

The average number of staff employed during the year on a headcount basis was 9.7 (2018 – 7.6). The average number of employees during the year, calculated on a full time equivalent basis (FTE), analysed by function, was as follows:

	2019 £	2018 £
Raising funds	0.9	0.8
Charitable activities	5.5	3.5
Core management and support	2.3	2.1
	<u>8.7</u>	<u>6.4</u>

Higher paid employees and remuneration of key management personnel

One employee earned between £80,000 and £90,000 during the year (2018 – one employee earned between £70,000 and £80,000 during the year).

The key management personnel of the charity are the trustees along with the Executive Team. The trustees do not receive remuneration. The total employee benefits including National Insurance contributions of the key management personnel of the charity were £350,829 (2018 - £322,649). The Executive Team comprised 5.4 FTE in 2019 (2018: 5.0).

No trustee received any remuneration for the period in which they served as a trustee. 2 trustees claimed expenses for the period in which they served as a trustee totalling £588 (2018 - £196 reimbursed to two trustees).

The Charity purchased Trustees' indemnity insurance at a cost of £1,434 (2018 - £1,105) for the year. The policy provides indemnity for the Trustees and professional liability to a limit of £1,500,000.

6 Taxation

Oxford Youth Lab 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.

Notes to the financial statements Year ended 31 August 2019

7 Fixed assets

	IT Equipment £
Cost at 1 September 2018	6,899
Additions	4,380
Disposals	(829)
Total cost at 31 August 2019	<u>10,450</u>
Accumulated depreciation at 1 September 2018	(3,855)
Depreciation charge	(2,176)
Disposals	829
Accumulated depreciation at 31 August 2019	<u>(5,202)</u>
Net book value at 31 August 2018	<u>3,044</u>
Net book value at 31 August 2019	<u>5,248</u>

8 Debtors

	2019 Total funds £	2018 Total funds £
Accounts receivable	899	—
Prepayments and accrued income	20,263	3,998
Other debtors	5,449	5,238
	<u>26,611</u>	<u>9,236</u>

9 Creditors: amounts falling due within one year

	2019 Total funds £	2018 Total funds £
Accounts payable	23,623	26,908
Taxation and Social Security	13,263	12,710
Accruals	51,239	40,131
Other creditors	8,985	6,661
	<u>97,110</u>	<u>86,410</u>

10 Restricted funds

The income funds of the Charity include restricted funds comprising the following unexpended balances of donations held to be applied for specific purposes:

	At 31 August 2018 £	Income £	Expenditure £	At 31 August 2019 £
Big Lottery Fund Grant (Big Potential Breakthrough)	—	7,814	(7,814)	—
Big Lottery Fund Grant (Reach)	34,226	437,447	(296,156)	175,517
Data insights project	42,100	70,000	(99,100)	13,000
Core costs supporting schools projects	—	80,000	(80,000)	—
KS3 Literacy (Blackpool)	40,000	150,000	(190,000)	—
SHINE Trust	—	75,548	(38,845)	36,703
Website Development	2,595	—	(2,595)	—
	<u>118,921</u>	<u>820,809</u>	<u>(714,510)</u>	<u>225,220</u>

	At 31 August 2017 £	Income £	Expenditure £	At 31 August 2018 £
<i>Big Lottery Fund Grant (Big Potential Breakthrough)</i>	—	20,309	(20,309)	—
<i>Big Lottery Fund Grant (Reach)</i>	—	123,320	(89,094)	34,226
<i>Data insights project</i>	—	48,700	(6,600)	42,100
<i>Core costs supporting schools projects</i>	—	100,000	(100,000)	—
<i>KS3 Literacy (Blackpool)</i>	—	40,000	—	40,000
<i>Website Development fund</i>	2,595	—	—	2,595
<i>Treebeard Trust</i>	18,750	—	(18,750)	—
	<u>21,345</u>	<u>332,329</u>	<u>(234,753)</u>	<u>118,921</u>

The Big Lottery Fund has provided the charity with two separate grants. One from the Big Potential Breakthrough fund for feasibility work around the commercial viability of tools being developed as part of the data insights project and the other for the Reach programme around scaling up our work on preventing exclusions.

SHINE Trust is funding our Discovery phases in Manchester and North Birkenhead. Their grant will enable the Charity to establish whether the conditions exist for place-based change programmes to be successful in these places.

10 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	At 31 August 2019 £
Fund balances at 31 August 2019 are represented by:			
Tangible fixed assets	3,892	1,356	5,248
Current assets	264,985	258,690	523,675
Creditors: amounts falling due within one year	(62,284)	(34,826)	(97,110)
Total net assets	206,593	225,220	431,813

	Unrestricted funds £	Restricted funds £	At 31 August 2018 £
Fund balances at 31 August 2018 are represented by:			
Tangible fixed assets	1,833	1,211	3,044
Current assets	133,658	166,757	300,415
Creditors: amounts falling due within one year	(37,363)	(49,047)	(86,410)
Total net assets	98,128	118,921	217,049

11 Operating lease commitments

At 31 August 2019, the charity's future minimum lease payments under non-cancellable operating leases were as follows:

	2019 £	2018 £
Amounts due:		
Within one year	9,304	504
Between one and two years	504	504
Between two and five years	714	1,218
	10,522	2,226

12 Related party transactions

The aggregate amount of donations received in the year from related parties was £50,000 (2018 - £200,000). These related parties were either entities or individuals closely related to trustees.

There were no other related party transactions during the year.

13 Liability of members

The charity is constituted as a charitable incorporated organisation. In the event of the charity being wound up members have no liability to contribute to its assets and no personal responsibility for settling its debts and liabilities.