

## Chairman's Preamble, Legacy Youth Zone accounts to March 2021

Forgive me if this preamble starts with some business analysis (old habits die hard). Over the longterm, for most companies to thrive one constituency must be looked after before all others, the customer. If the firm's relationship with its customers is profitable and enduring then that will provide the cash flow to pay a decent salary to its employees, a fair price to suppliers, a dividend to shareholders, the tax man can have his take and, crucially, still leave something to reinvest in new and better products. A self-reinforcing virtuous spiral can be established whereby better products lead to happy customers, lead to more cash flow, lead to better products and so on, with all parties enjoying and benefitting from a growing ecosystem of win-win relationships. It's hard to do and takes a certain orientation and discipline but, when it works, it is a beautiful (and very profitable) model.

Now, let's look at a charity. The beneficiaries of a charity, be it children, those with chronic conditions, mental health issues, food hunger and so on, by and large can't afford the full market price of the services a charity provides which, after all, is the point in the charity. Instead, the shortfall is made up by donors. In other words, charity management often have two prime constituencies as they may be required to look after the beneficiaries as well as maintain and grow a donor income stream. In the UK, this "one man, two guv'nors" dynamic is made harder to balance by the country's (unintended, I think) just-in-time fund-raising culture, whereby charities do not know what they can spend next year without having first raised it this year. The insecurity this fosters can discourage longterm planning but it may also promote, require perhaps, a drift into constant sales/spin-mode to attract and retain donors with the unintended consequence that the donor-charity relationship can feel (indeed be) transactional. Such plate spinning and the draw toward short term thinking can be inefficient and expensive, reward larger charities, and can be a distraction from the core purpose of the charity. The model does not always work well.

At Legacy we take a different approach. Our model is as follows: a longterm orientation at the charity allows sensible, longterm business planning and relationship (not transaction) based fund raising. This saves money to invest in our kids, which leads to more community involvement (more youth work sessions, more BabyZones, more food delivery, more online programs, more experimentation, more advocacy) which leads to more donations which in turn allows us to put more chicken in the chicken soup, as it were. Our model is to establish a virtuous spiral of community engagement leading to a healthy and thriving Legacy Youth Zone leading to more community service, a win-win for all concerned.

Is it working? From a standing start, pre-lockdown, we have now delivered fourteen thousand free meals from our Big Love Kitchen to our members, elderly relatives of our members, those living in supported housing, those who have lost their jobs and those particularly vulnerable to the pandemic; our staff, often using their own vehicles, distributed a further two thousand (still) hot lunches to our members; when our doors were closed our eighty staff created forty-three hours a week of online activities and services such as cook-a-longs, virtual workouts, an anime club, a media skills club, employability programs, one on one mentoring, even a virtual parent session for those that could not attend the inclusion sessions. We have recently reinstated the free, drop in, BabyZone sessions (almost a hundred babies last week) and we have plans for an OldZone (we will work on the name) to offer the elderly a free meal and companionship once a week. And our membership has grown throughout the pandemic to over six thousand, eight to nineteen year olds (twenty-five years old with a disability) in Croydon.

It is a leap of faith on our part that doing the right thing by our members and the community will lead to more donor support. They are not necessarily causally linked, at least in the short term.

But our donors have been our backbone. We ask our large donors, those that are celebrated on our wall of fame in the Youth Zone and appear on the page opposite in these accounts, to make a minimum three year donation commitment and we ask small donors to donate monthly on direct debit. (A Foundation to underwrite and match local donations would be even better and we are trying on that front too - Jedi Master Yoda taught us "do, or do not, there is no try" so yes, we are working on a Foundation too.) In the last twelve months our donor base

grew meaningfully, and some donors responded to our efforts by doubling their commitment (thank you, you know who you are).

In pursuing our model it is important that everyone in the Legacy ecosystem (members, staff, donors, parents, the council, our neighbours, Mums, Dads and carers in BabyZone) find the relationship to be win-win. This is easiest to see with our members and their families who are the reason we are here. Our staff and volunteers are dedicated to “starting with the kids and working backwards” when making decisions and we love and value their work and they deserve our kudos and a special thank you. The win-win aspect can be hardest for our donors, who may be absent from the Legacy for long periods at a time and can feel unloved. We hope that our donors, large and small, have the warmest inner glow knowing the good work they are funding and, we can promise you, you get a lot of mental hugging from all of us at Whitehorse Road. Pop down to the Legacy and we will give you a (covid compliant) real one.

It is early days for the Legacy. We opened two years ago and have spent much of that in lockdown, and we know that we are far from the finished product. Expect to see a lot more of us in the community as the pandemic recedes. If you think you have what it takes to volunteer, join our staff or board of trustees, we would love to hear from you.

As always we thank you for your support, patience and trust in our system, and we look forward to welcoming you to the Legacy in better times.

Nick Sleep  
Summer 2021.