

Mahdlo (Oldham Youth Zone)
(a company limited by guarantee
and not having a share capital)

**FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021**

Company number: 06946098

Registered Charity Number: 1134427.

WRIGLEY PARTINGTON

Chartered Accountants
Sterling House
501 Middleton Road
Chadderton
Oldham
OL9 9LY

THURSDAY



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16/12/2021

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COMPANIES HOUSE

Mahdlo (OldhamYouth Zone)

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Mahdlo (OldhamYouth Zone)

Reference and Administrative Information

President: Sir Norman Stoller CBE KStJ DL

Trustees at date report approved: Christopher Wareing (Chair)
John Ainley
Kashif Ashraf
Dave Benstead
Stephanie A Bolshaw
Ann Ashton (Appointed 29.06.21)
Janelle M Barker
Adam J Poyner (appointed 25.05.21)
Terry Flanagan
Andrew Milnes
Jonathan Lloyd

Other Trustees who served during year: Lindsay Walsh (resigned 25.05.21)
Kathryn A Morley (resigned 25.05.21)

Chief Executive (interim): Lucy Lees

Registered Office: Egerton Street
Oldham
OL1 3SE

Business address: Egerton Street
Oldham
OL1 3SE

Auditors: Wrigley Partington
Sterling House
501 Middleton Road
Chadderton
Oldham
OL9 9LY

Bankers: Natwest
10 Yorkshire Street
Oldham
OL1 1QT

Company number: 06946098

Registered Charity number: 1134427

Mahdlo (Oldham Youth Zone)

Trustees Report for the year ended 31 March 2021

The Trustees, who are also Directors for the purpose of company law, present their report and the financial statements of the charity for the year ended 31st March 2021. The provisions of the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP (FRS102)) have been adopted in preparing the annual report and financial statements of the charity.

Objectives and Activities

The charitable objectives as set out in the Memorandum and Articles are "to help and educate children in the North West of England through their leisure time activities by promoting their full physical and spiritual potential in order that they may grow to full maturity as individuals and members of society and that their conditions of life may improve".

Our mission is "to deliver high quality activities and experiences for young people from Oldham aged 8-19 (25 with a disability) to enhance the quality of their lives and provide support services for those who need additional help to achieve their potential"

We achieve this through our 6 programme areas:

Get Active – Young people's participation in a wide range of sports and physical activities at a 'try, train or team' level that promote good health, fitness and build self-esteem.

Get Creative – Utilising the specialist dance studio, music room and media suite young people can engage in a broad range of arts and media opportunities that develop creativity skills and confidence.

Get Outdoors – We give young people the chance to get out of their usual neighbourhood, experience outdoor adventure and reconnect with the environment promoting confidence, teamwork and social skills.

Get Sorted – Young people are able to access support around personal health and wellbeing issues. We link with existing services in the town to ensure we are supporting young people to access the information advice and guidance they really need. Through one-to-ones and group workshops we promote healthy minds, lifestyles and positive choices.

Get Ahead – We recognise that getting the right skills and support is key to getting ahead. With the help of partners and local businesses our team support young people to get on the right path for the future.

Get Connected – We want young people to play a real role in the running of Mahdlo and to have a clear and coherent voice in the wider community. We support them to be more connected through community projects and volunteering opportunities that promote citizenship and leadership skills.

The activities of the charity are undertaken to further its charitable purposes for public benefit and, in shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance "public benefit: running a charity (PB2)".

The provision of a high quality facility for young people responds to a clear, ongoing demand from young people, parents and the wider community for more and better places for young people to go. Our universal services, mainly based around our Get Active, Get Creative and Get Outdoors offer, are open to all young people in Oldham. For those experiencing disadvantage or needing additional support we offer additional targeted services. Short term outcomes are happier young people making healthier choices with increased social skills, achievements and enhanced aspirations. This has the wider impact of improved health and wellbeing, reduced crime, enhanced learning and employability and greater community cohesion.

Structure, Governance and Management

Mahdlo (Oldham Youth Zone) is a charity and a company limited by guarantee without share capital. Mahdlo is registered under the Companies Act 1985, registration number 06946098. The company is

governed by its Memorandum and Articles of Association, dated 27th June 2009. Management of the company's affairs is vested in the co-directors.

In the event of a winding-up, the present members and those who have ceased to be a member within one year of such an event have guaranteed the liabilities of the company to the sum not exceeding one pound each.

Organisational Structure

Mahdlo is governed by its board of Trustees which retains overall responsibility for the strategic direction and the policy of the organisation. The Trustees carry the ultimate responsibility for the conduct of Mahdlo and for ensuring that the charity satisfies its legal and contractual obligations.

The Board approves the strategic plan and annual Business Plan and scrutinises business performance including financial performance as well as providing advice to the Chief Executive on operational matters of importance.

A Chief Executive is appointed by the Board to manage the day-to-day operations. To facilitate effective operations the Chief Executive has delegated authority as approved by the Board for operational matters including finance, human resources and operational delivery allowing the Chief Executive to support the Board in developing and delivering strategy and ensuring the agreed Business Plan KPI's are met.

The senior management team has a range of qualifications and experiences including Accountancy, Youth Work, HR and Facilities management. The Board agreed the structure during annual Business Planning and are required to approve any substantial changes to the Senior Team.

All salaries are benchmarked by a retained independent HR specialist against other Youth Zones, Local Authority and the local labour market. The board agrees all pay increases as a result of cost of living during the Business Planning cycle. Any new post created at any level requires CEO, HR and Finance approval. Senior posts would be agreed by the Trustee with HR portfolio prior to presentation to Board.

All posts are subject to interview and are advertised internally and/or externally.

Mahdlo is part of the family of youth zones established by OnSide. We have a network agreement with OnSide which allows us to be part of a large, trusted youth organisation which has the ability to lobby government and access support from large funders and share best practice within the network. A representative of OnSide operates as a Trustee on the Mahdlo Board ensuring a strategic communications link exists between Mahdlo and OnSide.

The Board of Trustees

The Board comprises 11 Trustees including the Chair and a President. Individual Trustees hold portfolios relevant to their professional backgrounds and interests. These include Finance, Fundraising, HR, Safeguarding and Facilities management.

Trustees can be nominated for a fixed period of time. One third of the Directors will retire by rotation at each Annual General Meeting. Retiring Directors can be reappointed.

The Trustees meet on a monthly basis.

Recruitment and Appointment of Trustees

New trustees will be recruited according to the needs of the charity and the suitability of possible candidates. The unanimous approval of existing Trustees would lead to their appointment.

The Memorandum and Articles of Association state that the number of members shall have no maximum and shall not be less than three.

Full details of the rules are contained in the company's Memorandum and Articles of Association which may be inspected at the registered office.

Induction of Trustees

Newly appointed trustees are provided with a comprehensive induction to Mahdlo through the provision of in-house training. This includes key information about the organisation and its development, governance and safeguarding. The Board undertakes annual strategy reviews. Individual appraisals between Trustees, the Chair and Chief Executive have been implemented to develop Board capacity.

Financial Review

The statement of financial activities (page 13) shows a reduction in income, from £2.9m for FY2020 to £2.4m for FY2021 because of the covid pandemic. Further details of the various income sources can be found in notes 2 to 6 of the financial statements. Expenditure has also reduced however, resulting in a surplus for the year of £881k (2020: £926k), of which £87k was restricted and £794k unrestricted, which in the circumstances we are pleased with.

The balance sheet (page 14) shows the net assets of the charity to have increased from £5.8m as at 31 March 2020 to £6.7m as at 31 March 2021. Of that amount, £5.8m are restricted funds and £0.9m unrestricted.

Risk Management

The Board fully accepts its responsibilities under the Charity Commission's Statement of Recommended Practice (SORP). The Trustees have considered the major risks to which the charity is exposed and are committed to ensuring these are effectively managed.

The Chief Executive and senior managers have undertaken comprehensive risk assessments and established risk registers from an organisational and operational perspective and have established suitable risk management and control procedures which are reviewed regularly by the Board.

Key risks to the organisation include Financial, Reputational, Regulatory and Operational.

The Risk Register is updated quarterly and reported to Board with major risks highlighted and control measures discussed. Comprehensive financial accounts including cash flow, I&E and the Balance sheet are reported to Board monthly.

The Key financial risks relate to funding shortfalls and uncontrolled expenditure. As with most charities, developing sustainable funding streams in order to deliver Mahdlo's objectives is of paramount importance. The overall strategy is to balance restricted funding from specific projects and grants with unrestricted funds primarily from Patrons, Donors and fundraising events. In the longer term, a key objective is to develop commercially viable income streams, which will underpin core delivery.

Expenditure is tightly managed with operational managers responsible for budgets relating to their operational responsibilities. Costs monitored and managed by the CEO and the senior management team using the organisations centralised staff management system.

Regulatory risk is the responsibility of the CEO, Finance manager and Facilities manager who manages Health and Safety and Fire and other statutory risk areas. The Board is appointed and reviewed within the context of Charities Commission guidelines, and new regulatory judgements will be reported to Board as required.

The key operational risks are managed through operational risk planning with a clear hierarchy of responsibility. Specific procedures exist to manage Safeguarding and Health and Safety.

Reserves Policy

The Board of Directors of Mahdlo has established a reserves policy, in compliance with which it will annually review both the sum it wishes to hold in reserve in the unrestricted budget and the basis for that figure. The Directors continually strive to manage the charity's finances so that an adequate level of reserves can be maintained in compliance with the reserves policy.

- Reserves to be maintained at a level which ensures that at least 3 months of the organisation's core activity could continue during a period of unforeseen difficulty.
- That these reserves are readily realisable unrestricted reserves and are in addition to funding the fixed assets.

This level of reserves has been agreed for the following reasons:

- To provide working capital to allow for retrospective funding and the associated time difference between expenditure and receipt of funds.
- Mahdlo's income sources (particularly the Patrons programme and fundraising activities) are vulnerable to changes in the economic situation and any notice period for loss of major donors could be relatively short.
- To support new service development to enable Mahdlo to be responsive to beneficiary needs and to facilitate improvements to the operational running of the organisation.
- To ensure that the building can be kept fully functional, well equipped and in a good state of repair and remains a major attraction and asset.
- To invest in staff and volunteer training and development to ensure quality of service delivery.
- To enable Mahdlo to meet its delivery commitments without interruption in times of economic hardship.
- To be seen as a responsible charity by the Charity Commission, our Funders, partners and the community that engage with Mahdlo.
- To avoid the creation or retention of unnecessary surpluses for which there is no planned requirement in line with the organisation's charitable aims.

Due to the type of funding Mahdlo can and is likely to access can take up to 6 months to secure, there is a need for a longer term policy to increase reserves to an appropriate amount of working capital to fund these time delays. This will be achieved by:

- Developing a funding strategy that enables forward planning of income generation including targets over and above immediate running costs.
- Prioritising fundraising activities and events and ensuring a continual focus on fundraising not just in times of need.
- Appropriate accounting, including building into budgets, accounts and reports a sum for depreciation.
- Building Mahdlo's reputation as a quality charity, worthy of support and investment.

This reserves policy will be reviewed by the Chief Executive and the Board on an annual basis. It is the intention to increase reserve levels incrementally toward 6 months as the organisation's activity grows.

Investment Policy

With having relatively low unrestricted reserves and a variable income stream, funds built up in advance of expenditure need to be reasonably liquid; however, some funds may be retained and invested for future use. To ensure such investments are safeguarded:

- any decision about investments will be made by the Board (potentially having taken professional advice) considering the suitability and diversification of investments, including investments in deposit accounts, to ensure that the failure of one investment or institution does not have a major impact on Mahdlo;

- investments will be made in line with Mahdlo's values and ethos;
- investment performance will be regularly reviewed;
- records will be maintained of all investments held (including details of all those sold or purchased) by the charity; and
- accounting controls will be fully implemented to ensure that all dividends or interest payments due are received and accounted for.

Key Achievements in 2020/2021

The overwhelming spirit of our community has provided a strength that has pulled our team and the people we support through the last 12 months, making our contribution so much more valuable.

For many families across Oldham, this year has been incredibly tough, taking a significant toll on the health and wellbeing of young people. Being there for our community has been our number one priority, and whilst we could not provide our normal service, Mahdlo committed to extend its efforts to help those struggling during the pandemic.

During the pandemic, Mahdlo continued to support around 2,000 members. Throughout the year we had 18,739 session visits working with 8,485 young people. The charity provided remote support through online interactions and phone calls, as well as home visits across the borough of Oldham to support vulnerable young people and families.

Lockdown saw Mahdlo adapt to change how it supported young people, moving sessions online and finding new ways to keep them engaged. To keep our offer as relevant as possible, we launched a new TikTok account, becoming one of the first OnSide Youth Zones to do so. We started to build a following with fun videos from the team, showing behind the scenes and at home, as we jumped in with challenges, duets and viral dances.

Throughout the pandemic we delivered 148 one to one sessions that required more intense support. We delivered 311 outreach session in the communities across the borough.

The pandemic created a shift in the way we have been able to deliver youth work. With many community venues shut or at limited building capacity, our District Team put their concentration into delivering outreach. This provided a unique opportunity for regular interaction with families and young people in their communities, giving a more rounded picture of what the daily challenges were.

As a result the Team was able to tailor its offer to deliver:

- Early intervention – working with Year 6 and 7 pupils at risk of getting involved in crime with a focus on those that are extremely vulnerable due to lack of transition support
- A 12-week early intervention project aimed at girls (aged 11-13) at risk of criminal offending and/or sexual exploitation
- Established an LGBTQ drop-in session for young people
- Trained 23 mentors, with a total of 14 active matches

This year the OnSide Network President's Cup took place as a virtual competition, encouraging young people to compete in a series of online challenges over a period of 4 weeks in a bid to battle the boredom of lockdown isolation. From celebrity judges to amazing challenges and of course awesome submissions from Mahdlo members, it was great to see the Network come together.

A staggering £51,260 was raised through a unique campaign delivered last year, where a group of loyal friends pledged to match every £1 donated by the local community. From mountains climbed to bake sales and half marathons being completed in gardens, the money raised was put towards helping young people "Get Back in the Zone" and access the activities and support they vitally needed. It also enabled us to replace our much-loved minibus that was stolen last year.

Another focus during the pandemic was to support families and young people who were struggling to put food on the table, after our 'Don't Go Hungry This Half Term' campaign in October was so well received, Mahdlo pledged to provide packed lunches to Oldham's young people during every school holiday for the remainder of the academic year.

To date 2,500 packed lunches have been distributed during the school holidays:

"We cannot thank you enough for all you have done over the past few weeks. Our families were so grateful, and your impact did not go unnoticed throughout our community." – Shan Potts, Holy Rosary School.

397 Christmas hampers were given out locally, benefitting 2,200 people

"Thank you so much for your hamper. It's just lovely. It's the little kindnesses that have the biggest impact on people right now." – Parent of Mahdlo member

Over 495 food parcels containing over 13,500 meals and 600 breakfast and meal pots at the weekends have been shared

"On Friday I received a food parcel from you.... I'd just like to say it's greatly appreciated. This year I've been furloughed and then had my hours cut at work. We're really struggling at the moment and your food parcel has really raised our spirits. It's so different this year as every year I donate to food banks and usually a charity, but to be on the receiving end has been hard for me, but from the bottom of our hearts thank you. Now my son has a present to open on Christmas morning and food in the cupboard. Thank you so much to everyone involved for their generosity and kindness." Parent

Last year we were able to secure an internship for a young person on our Get a Job programme with Manchester Camerata – the award-winning orchestra – that delivered amazing results, despite being in lockdown. Being part of this fantastic experience has seen the young person's confidence, ambition and entrepreneurial spirit grow.

"I Have to be Patient" is an inspirational music video, created as part of the project: Positive Oldham Music Cultures, which started in late 2019. Funded by the Heritage Lottery, the aim of the project was to promote cohesion and better understanding of diversity through music.

Young people from a mix of backgrounds across Oldham were given access to practical music and musical heritage activities. Due to COVID the project had to be redesigned with lots of "Mahdlo at Home" elements. A partnership with the Royal Northern College of Music (RNCM) was created, which was originally intended to be vocal lessons became the development of three original songs. These songs were developed by RNCM and a gospel artist, introducing the young people to aspects of song writing and gospel structure composition.

"I Have to be Patient" is one of those tracks! This song in particular cemented the bond between four diverse members through lockdown, developing their skills, their knowledge and their friendships.

A unique production entitled; 'As Time Goes By' has been created by the Mahdlo Ability Productions Group. Shaped by the pandemic and personal loss, this creation has pushed the group to develop their skills in a way that they haven't encountered before. The focus is about creating a world where no-one wants to touch anyone or go outside. This is a very poignant piece and as it's been produced, we got the chance to catch up backstage with the Group to talk about the project and their experiences throughout lockdown, which have ultimately shaped the production.

The Mahdlo family lost a dear friend and faithful colleague, Mike Doran, our Chief Executive. The loss has been felt by many, but Mike's memory remains strong within the Youth Zone culture of excellence, which he spearheaded. Tightly interwoven within the fabric of our service offer for young people, we live and breathe his values of: Passion, Respect, Innovation, Dependability and Excellence.

Plans for the future

The board of trustees and the team have developed our strategic plan for 2021 – 2025. As we continue to strive for excellence for youth-led provision in Oldham, our strategy will focus on the ability to:

- Deliver quality youth work to increase regular attendances.
- Ensure young people's voices are central to the provision.
- Evidence our impact through effective monitoring and evaluation.
- Develop our employee brand.
- Maximise and value resources.
- Ensure long-term financial stability.
- Grow the Mahdlo brand through effective marketing.

Looking to the future there will be a drive to remobilise our service delivery, increasing membership while continuing to maintain the focus of the strategy to ensure that the offer remains attractive to young people and that the level of retention continues to improve. Membership now stands at 2,183, which is less than the previous year, but the focus has been to support our most vulnerable young people. Within the business plan, we have made action plans to increase membership and regular attendance, working towards pre COVID statistics.

In order to demonstrate our impact and secure financial investment we aim to develop and embed effective systems and processes to monitor and evaluate our work, delivering training to the whole team.

In order to ensure financial sustainability, we aim to establish a diverse range of income streams and embed an innovative approach to income generation. Throughout the year we aim to deliver 4 community campaigns, bringing in more funds through community fundraising as well as raising our profile as a charity.

To ensure we can deliver on all of the above plans, having a strong, happy workforce is essential. Throughout the year we aim to encourage a healthy workforce through various different methods including the introduction of a new employee benefit, promoting free use of the onsite gym and reminding team members of our Medicash health care benefit.

Trustees' Responsibilities

The charity's Trustees are responsible for preparing the Annual Report and financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the charity's Trustees to prepare financial statements for each financial year that give a true and fair view of the state of the charity's incoming resources and applications of resources during the year and of its state of affairs at the end of the year. In preparing those financial statements, the trustees are required to:

- Select suitable accounting policies and apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to assume 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 charitable company and enables them to ensure that the financial statements comply with the Companies Act 2006. The Trustees are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement as to disclosure to our auditors

In so far as the trustees are aware at the time of approving this report:

- There is no relevant information, being information needed by the auditor in connection with preparing their report, of which the auditor is unaware, and
- The trustees, having made enquiries of fellow directors and the auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Compliance with accounting standards

The Trustees confirm that the financial statements comply with current statutory requirements, the requirements of the Company's Memorandum and Articles of Association and the requirements of the Charities SORP (FRS102).

This report has been prepared in accordance with the Statement of Recommended Practice – Accounting and reporting by Charities and in accordance with the special provisions of Part VII of the Companies Act 2006 relating to small companies.

This report was approved by the Board of Directors at the Annual General Meeting on 30th November 2021 and signed on behalf of the board by:


Chris Wareing

Chair of the Board

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAHDLO (OLDHAM YOUTH ZONE)

Opinion

We have audited the financial statements of Mahdlo (Oldham Youth Zone) for the year ended 31 March 2021 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 FRS 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 charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent 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.

Opinions on other matter prescribed by the Companies Act 2006.

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

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAHDLO (OLDHAM YOUTH ZONE) (continued)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 8, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAHDLO (OLDHAM YOUTH ZONE) (continued)

Based on our understanding of the charitable company, we identified that the principal risks of non-compliance related to those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006 and the Charities SORP (FRS 102). We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial results and management bias in accounting estimates. Appropriate audit procedures were performed to address those risks including testing journal entries and challenging assumptions and judgements made by management in their significant accounting estimates. There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of our report

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



David Ducie (Senior statutory auditor)

For and on behalf of

Wrigley Partington

Chartered Accountants and

Statutory Auditor

Date: 14th December 2021

Sterling House
501 Middleton Road
Chadderton
Oldham
OL9 9LY

Mahdlo (Oldham Youth Zone)

STATEMENT OF FINANCIAL ACTIVITIES

(including income and expenditure account) : YEAR ENDED 31 MARCH 2021

		2021			2020		
	Note	Unrestricted Funds £	Restricted Funds £	Total £	Unrestricted Funds £	Restricted Funds £	Total £
INCOME							
Donations and legacies	2	962,582	633,343	1,595,925	634,384	1,333,032	1,967,416
Charitable activities:							
Delivery income	3	25,294	407,138	432,432	204,148	668,933	873,081
Other trading activities:							
Fundraising events	4	5,484	-	5,484	70,479	-	70,479
Investment income	5	157	-	157	1,163	-	1,163
Other income	6	345,699	500	346,199	26,072	4,868	30,940
Total incoming resources		1,339,216	1,040,981	2,380,197	936,246	2,006,833	2,943,079
EXPENDITURE							
Raising funds	7	78,631	-	78,631	113,298	-	113,298
Charitable activities:							
Youth projects and activities	7	433,819	953,690	1,387,509	1,097,401	764,372	1,861,773
Governance	7	32,946	-	32,946	41,744	-	41,744
Total expenditure	7	545,396	953,690	1,499,086	1,252,443	764,372	2,016,815
Net (outgoing) incoming resources before other recognised gains and losses		793,820	87,291	881,111	(316,197)	1,242,461	926,264
Other recognised gains and losses		-	-	-	-	-	-
Net movement in funds		793,820	87,291	881,111	(316,197)	1,242,461	926,264
Reconciliation of funds							
Total funds brought forward		146,418	5,687,755	5,834,173	462,615	4,445,294	4,907,909
Total funds carried forward	19	940,238	5,775,046	6,715,284	146,418	5,687,755	5,834,173

All incoming resources and resources expended are derived from continuing activities.

The accompanying notes are an integral part of this statement of financial activities.

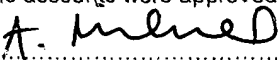
Mahdlo (Oldham Youth Zone)

BALANCE SHEET : AS AT 31 MARCH 2021

	<i>Note</i>	2021 £	2020 £
FIXED ASSETS			
Tangible assets	12	5,884,656	5,791,768
Total fixed assets		<u>5,884,656</u>	<u>5,791,768</u>
CURRENT ASSETS			
Stock	13	-	1,501
Debtors	14	562,582	140,246
Cash at bank and in hand	15	675,897	322,608
Total current assets		<u>1,238,479</u>	<u>464,355</u>
LIABILITIES:			
Creditors falling due within one year	16	407,851	421,950
Net current assets		<u>830,628</u>	<u>42,405</u>
Net assets	20	<u><u>6,715,284</u></u>	<u><u>5,834,173</u></u>
THE FUNDS OF THE CHARITY			
Restricted income funds	19	5,775,046	5,687,755
Unrestricted funds	19	940,238	146,418
Total charity funds	19	<u><u>6,715,284</u></u>	<u><u>5,834,173</u></u>

These accounts have been prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The accounts were approved by the board on 30th November 2021 and signed on its behalf by

 Trustee/Director

A Milnes

Registration number 06946098

The accompanying notes are an integral part of this balance sheet.

Mahdlo (Oldham Youth Zone)

STATEMENT OF CASH FLOWS : YEAR ENDED 31 MARCH 2021

	<i>Note</i>	2021 £	2020 £
Cash used in operating activities	24	<u>586,335</u>	<u>1,181,050</u>
Cash flows from investing activities			
Interest income		157	1,163
Purchase of tangible fixed assets		(244,823)	(1,438,587)
Sale of tangible fixed assets		11,620	-
Cash provided by (used in) investing activities		<u>(233,046)</u>	<u>(1,437,424)</u>
Increase/(decrease) in cash and cash equivalents in the year		353,289	(256,374)
Cash and cash equivalents at the beginning of the year		322,608	578,982
Total cash and cash equivalents at the end of the year		<u>675,897</u>	<u>322,608</u>

NOTES TO THE FINANCIAL STATEMENTS : YEAR ENDED 31 MARCH 2021

1 Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Mahdio (Oldham Youth Zone) meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historic cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

b) Company status

The charity is a company limited by guarantee. The members of the company are drawn from throughout Oldham's civic, business, education and training, and voluntary sector communities. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The charity was incorporated in England and the address of its registered office is Egerton Street, Oldham, OL1 3SE.

c) Income recognition policies

Items of income are recognised and included in the accounts when the charity is legally entitled to the income, any performance conditions attached to the item(s) of income have been met or are fully within the control of the charity, there is sufficient certainty that receipt of the income is considered probable and the amount can be measured reliably. The following specific policies apply to categories of income:

Grants for core funding, which do not impose performance related conditions, are recognised when received. Grants towards specific project costs are recognised based on the performance model, as the project is delivered.

Income relating to contracts is deferred where the services have only been partially performed at the year end.

Investment income is recognised on a receivable basis.

d) Donated services and facilities

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of the economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. On receipt, donated services and facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

e) Pensions

The charity operates a defined contribution pension scheme. The annual contributions payable are charged to the SOFA in the year to which they relate. The assets of the scheme are held independently from those of the Charity.

1 Accounting policies continued

f) Resources expended

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis (eg. number of employees or estimated usage). Expenditure is classified under the following activity headings:

- Costs of raising funds are those costs incurred in trading activities that raise funds.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services, and include both the direct costs and support costs relating to these activities.
- Governance costs, which are included within charitable activities, include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

g) Irrecoverable VAT

All resources expended are classified under activity headings that aggregate all costs related to the category. Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

h) Operating leases

Rentals applicable to operating leases are charged to the SOFA over the period in which the cost is incurred.

i) Tangible fixed assets and depreciation

Individual fixed assets costing £500 or more are capitalised at cost and depreciated over their useful economic lives as follows:

Long leasehold property	2% Straight line
Property building works	10% Straight line
Club equipment	33.3% Straight line
Office and electrical equipment	33.3% Straight line
Furniture and fittings	33.3% Straight line
Motor vehicles	25% Straight line

j) Fund accounting

Unrestricted funds comprise accumulated surpluses and deficits on general funds that are available for use at the discretion of the trustees/directors in furtherance of the general objectives of the Charity and that have not been designated for other purposes.

Restricted funds are funds subject to restrictions imposed by the donor or by the specific terms of the appeal under which the funds are raised.

Designated funds comprise unrestricted funds that have been put aside at the discretion of the trustees/directors for particular purposes.

1 Accounting policies continued

k) Taxation

The company is a registered charity and as such is entitled to the exemption from tax to the extent that the income received falls within section 505 ICTA 1988 and section 256 CGTA 1992 and is applied to charitable purposes only.

l) Holiday pay

The holiday year end does not coincide with the financial year end and consequently, provision is made in the accounts for holidays accrued but not taken as at the end of the financial year.

m) Debtors

Trade and other debtors are recognised at the settlement amount due after any discount offered. Prepayments are valued at the amount prepaid net of any discounts due.

n) Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

o) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

p) Assessment of going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern and the accounts have been drawn up on the going concern basis which assumes that the charity will continue in operation for the foreseeable future.

q) Financial instruments

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

NOTES TO THE FINANCIAL STATEMENTS : YEAR ENDED 31 MARCH 2021

	Unrestricted 2021 £	Restricted 2021 £	Total 2021 £	Total 2020 £
2 <u>Income from donations and legacies</u>				
Patrons programme and donations	554,517	197,267	751,784	1,556,814
DCMS grant re: Community Match Challenge project	-	436,076	436,076	-
Gift Aid recoverable	8,065	-	8,065	10,602
Legacies	-	-	-	-
Local authority grants	400,000	-	400,000	400,000
	<u>962,582</u>	<u>633,343</u>	<u>1,595,925</u>	<u>1,967,416</u>
3 <u>Income from charitable activities</u>				
<i>Delivery income:</i>				
Performance related grants (project funding)	-	407,138	407,138	668,933
Service level agreements	12,800	-	12,800	34,854
Café and refreshments	(418)	-	(418)	58,945
Facility hire	6,904	-	6,904	58,958
Membership, fees and sale of goods	6,008	-	6,008	51,391
	<u>25,294</u>	<u>407,138</u>	<u>432,432</u>	<u>873,081</u>
4 <u>Income from other trading activities</u>				
Fundraising events	5,484	-	5,484	70,479
	<u>5,484</u>	<u>-</u>	<u>5,484</u>	<u>70,479</u>
5 <u>Investment income</u>				
Bank deposit interest	157	-	157	1,163
	<u>157</u>	<u>-</u>	<u>157</u>	<u>1,163</u>
6 <u>Other income</u>				
Coronavirus job retention scheme grant	325,936	-	325,936	7,954
Profit on fixed asset disposal	11,620	-	11,620	-
Other income	8,143	500	8,643	22,986
	<u>345,699</u>	<u>500</u>	<u>346,199</u>	<u>30,940</u>

NOTES TO THE FINANCIAL STATEMENTS : YEAR ENDED 31 MARCH 2021**7 Expenditure**

	Charitable activities				
	Raising funds	Youth projects and activities	Governance	Total 2021	Total 2020
	£	£	£	£	£
Costs directly allocated to activities					
Staff costs	70,602	828,210	-	898,812	1,183,876
Recruitment and employee costs	-	5,463	-	5,463	18,761
Rent and property costs	-	118,163	-	118,163	148,527
Stationery and administration	-	8,207	-	8,207	15,322
Printing, promotions, advertising and publicity	4,943	11,534	-	16,477	19,145
Telephone, data communication and computer	-	37,562	-	37,562	31,256
Professional services	-	-	-	-	-
Depreciation	-	136,742	-	136,742	97,081
Loss on fixed asset disposal	-	-	-	-	663
Project delivery costs	-	88,918	-	88,918	162,606
Catering	-	9,647	-	9,647	55,724
Bad debts	-	-	-	-	14,798
Fundraising	3,086	-	-	3,086	31,099
	78,631	1,244,446	-	1,323,077	1,778,858
Support costs					
Staff costs	-	90,393	24,146	114,539	158,555
Recruitment and employee costs	-	1,366	-	1,366	4,690
Rent and property costs	-	13,129	-	13,129	16,503
Stationery and administration	-	911	-	911	1,702
Telephone, data communication and computer	-	12,521	-	12,521	10,418
Professional services	-	8,226	-	8,226	26,300
Audit	-	-	8,800	8,800	8,313
Depreciation	-	15,194	-	15,194	10,787
Loss on fixed asset disposal	-	-	-	-	74
Bank charges	-	1,323	-	1,323	615
	-	143,063	32,946	176,009	237,957
Total expenditure	78,631	1,387,509	32,946	1,499,086	2,016,815

Support costs have been apportioned using numbers of people per area of activity, or on a basis which is considered consistent with the use of the resources.

NOTES TO THE FINANCIAL STATEMENTS : YEAR ENDED 31 MARCH 2021

	Total 2021 £	Total 2020 £
8 Staff costs		
Total staff emoluments for the year were as follows:		
Salaries	936,160	1,230,117
National Insurance	57,927	82,464
Pension	19,264	29,850
	<u>1,013,351</u>	<u>1,342,431</u>

9 Staff numbers

The average monthly head count was 79 staff (2020: 93) and the average monthly number of full-time equivalent employees during the year were as follows:

	2021 Number	2020 Number
Charitable activities	30	45
Generating funds	1	2
Administration and support	4	5
Governance	1	1
	<u>36</u>	<u>53</u>

No trustees were paid or reimbursed expenses during the year.

The company considers its key management personnel to comprise the trustees and the chief executive officer. The total employment benefits excluding employer pension contributions of the key management personnel were £48,574 (2020: £69,000).

The number of employees whose total employee benefits exceeded £60,000 were as follows:

	2021 Number	2020 Number
£60,001 to £70,000	-	1

10 Net movement in funds

	Total 2021 £	Total 2020 £
Net movement in funds is arrived at after charging /(crediting):		
Depreciation of tangible fixed assets - restricted	111,548	90,570
- unrestricted	40,387	17,298
Auditors remuneration:		
Audit of the financial statements	8,800	8,313
Operating lease rentals - Office equipment	4,214	6,355

11 Taxation

The company is a registered charity and no provision for taxation is considered necessary.

NOTES TO THE FINANCIAL STATEMENTS : YEAR ENDED 31 MARCH 2021

12 Tangible fixed assets

	Long leasehold property	Leasehold improve- ments	Club Equipment	Office & electrical Equipment	Furniture & fittings	Motor vehicles	Total
<u>Cost</u>							
At 1 April 2020	6,043,868	67,531	107,173	61,084	21,234	25,444	6,326,334
Additions	197,306	-	7,079	11,198	13,355	15,885	244,823
Disposals	-	-	-	-	-	(25,444)	(25,444)
At 31 March 2021	<u>6,241,174</u>	<u>67,531</u>	<u>114,252</u>	<u>72,282</u>	<u>34,589</u>	<u>15,885</u>	<u>6,545,713</u>
<u>Depreciation</u>							
At 1 April 2020	419,965	25,027	37,299	22,415	4,416	25,444	534,566
Charge for the period	94,201	5,135	26,829	17,464	6,321	1,985	151,935
Disposals	-	-	-	-	-	(25,444)	(25,444)
At 31 March 2021	<u>514,166</u>	<u>30,162</u>	<u>64,128</u>	<u>39,879</u>	<u>10,737</u>	<u>1,985</u>	<u>661,057</u>
<u>Net Book Value</u>							
At 31 March 2021	<u>5,727,008</u>	<u>37,369</u>	<u>50,124</u>	<u>32,403</u>	<u>23,852</u>	<u>13,900</u>	<u>5,884,656</u>
At 31 March 2020	<u>5,623,903</u>	<u>42,504</u>	<u>69,874</u>	<u>38,669</u>	<u>16,818</u>	<u>-</u>	<u>5,791,768</u>

13 Stock

Café and kitchen stock

2021 £	2020 £
<u>-</u>	<u>1,501</u>

NOTES TO THE FINANCIAL STATEMENTS : YEAR ENDED 31 MARCH 2021

	2021 £	2020 £
14 Debtors		
Trade debtors	61,699	48,863
Other debtors	425,400	-
Prepayments	27,218	44,705
Accrued income	48,265	46,678
	<u>562,582</u>	<u>140,246</u>

Other debtors relates to payments made to The Mahdlo Endowment Trust, a separate charity, whose objects are to support the charitable work of Mahdlo (Oldham Youth Zone). Those monies can be requested back from the trust as and when required at short notice.

15 Cash at bank and in hand		
Cash at bank	675,474	320,388
Cash in hand	423	2,220
	<u>675,897</u>	<u>322,608</u>

16 Creditors : amounts falling due within one year		
Trade creditors	110,745	121,700
Other creditors	-	2,083
Accruals	130,871	105,037
Deferred income	166,235	193,130
	<u>407,851</u>	<u>421,950</u>

Movements on deferred income account:

Brought forward	193,130	92,148
Released	(193,130)	(92,148)
Income deferred in current year	166,235	193,130
	<u>166,235</u>	<u>193,130</u>

17 Operating lease commitments	2021 £	2020 £
The total future minimum lease payments under non-cancellable operating leases are as follows:		
Office equipment leases which expire:		
within one year	224	1,140
between two and five years	8,690	11,398
in over five years	-	-
	<u>8,914</u>	<u>12,538</u>

18 Share capital

The company has no share capital, and the liability of members is limited by guarantee to £1 per member.

19 Analysis of charitable funds

Analysis of fund movements:

	At 1 April 2020 £	Incoming resources £	Resources expended £	Gains (losses) £	At 31 March 2021 £
Unrestricted funds:					
General fund	146,418	1,339,216	(545,396)	-	940,238
Restricted funds:					
Acquisition of property at Egerton Street, Oldham	3,779,690	-	(83,993)	-	3,695,697
Extension to property at Egerton Street, Oldham	1,891,988	192,267	(10,182)	-	2,074,073
Other fixed asset purchases	11,662	6,572	(16,821)	-	1,413
Fundraising event for purchase of new vehicle	4,415	-	(552)	-	3,863
DCMS grant re: the Community Match Challenge project	-	436,076	(436,076)	-	-
Grants for project delivery	-	400,566	(400,566)	-	-
Others	-	5,500	(5,500)	-	-
Total restricted funds	5,687,755	1,040,981	(953,690)	-	5,775,046
Total funds	5,834,173	2,380,197	(1,499,086)	-	6,715,284

20 Analysis of net assets between funds

	General Funds £	Designated Funds £	Restricted Funds £	Total Funds £
Tangible fixed assets	109,610	-	5,775,046	5,884,656
Current assets	1,055,415	-	183,064	1,238,479
Current liabilities	(224,787)	-	(183,064)	(407,851)
Net assets 31 March 2021	940,238	-	5,775,046	6,715,284

21 Contingent liabilities

There is a contingent liability in connection with a grant relating to the charity's long leasehold property whereby if, during a period of 20 years from the date of the grant offer letter dated 26 February 2009, the charity shall be in breach of any of the grant conditions, the grant shall be repayable upon receipt of a written demand from The Secretary of State for Education. The amount of the grant was £4,994,577 and The Secretary of State for Education holds a legal charge over the charity's long leasehold property in respect of this potential liability.

Mahdlo (Oldham Youth Zone)

NOTES TO THE FINANCIAL STATEMENTS : YEAR ENDED 31 MARCH 2021

22 Pension fund

The company operates a defined contribution pension scheme to which there is no commitment, the assets of which are held in a separately administered fund. Contributions to the pension scheme during the year amounted to £19,264 (2020: £29,850).

23 Related party transactions

During the year the charity received the following income from related parties without conditions:

	Donations Patrons programme & donations £	Charitable activities Facility hire and other £	Other trading activities Fundraising £	Total £
The Barker Foundation	50,000	-	-	50,000
Bedspace Ltd	-	-	3,770	3,770
	<u>50,000</u>	<u>-</u>	<u>3,770</u>	<u>53,770</u>

Also during the year the charity purchased goods and services from the following related parties:

PSO Trading Ltd	<u>£38,310</u>
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At 31 March 2021 the following unsecured amounts were owed by related parties:

Bedspace Ltd	£820
The Mahdlo Endowment Trust	<u>£425,400</u>
	<u>£426,220</u>

At 31 March 2021 the following unsecured amounts were owed to related parties:

PSO Trading Ltd	<u>£19,673</u>
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Mrs J M Barker, a trustee/director of the charity, is a trustee of The Barker Foundation.
 Ms S Bolshaw, a trustee/director of the charity is a director of PSO Trading Ltd.
 Mr C Wareing is a trustee/director of the charity and a director of Bedspace Ltd.
 The Mahdlo Endowment Trust is a separate charity, whose objects are to support the charitable work of Mahdlo (Oldham Youth Zone). Mr J Ainley and Mrs J M Barker, trustees of Mahdlo (Oldham Youth Zone), are also trustees of The Mahdlo Endowment Trust.

NOTES TO THE FINANCIAL STATEMENTS : YEAR ENDED 31 MARCH 2021

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

	2021	2020
	£	£
Net movement in funds	881,111	926,264
Add back depreciation charge	151,935	107,868
Add back (profit)/loss on fixed asset disposal	(11,620)	737
Deduct interest income shown in investing activities	(157)	(1,163)
Decrease/(increase) in stock	1,501	2
Decrease/(increase) in debtors	(422,336)	20,096
Increase/(decrease) in creditors	(14,099)	127,246
	<u>586,335</u>	<u>1,181,050</u>