Registered number: 07025561
Charity number: 1134580

THE FACTORY YOUTH ZONE (MANCHESTER) LIMITED

(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2016

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THE FACTORY YOUTH ZONE (MANCHESTER) LIMITED
(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2016

Trustees

John Bentley (resigned 7 June 2016)
James Smith
Katharine Vokes
Thomas Russell
Christopher Morris
Heather Crosby
Michael O'Connor
Peter Henry
Sandra Collins
Elaine Morrison

Company registered number

07025561

Charity registered number

1134580

Registered office

The Factory Youth Zone (Manchester) Limited, 931 Rochdale Road, Manchester, M9 8AE

Chief executive officer

Richard Marsh

Independent auditor

Crowe Clark Whitehill LLP, 3rd floor, The Lexicon, Mount Street, Manchester, M2 5NT

Bankers

Co-operative Bank, PO Box 250, Delf House, Skelmersdale, WN8 6WT

CAF Bank Limited, 25 Kings Hill, West Malling, Kent, ME19 4JQ

CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 31 MARCH 2016

The chairman presents his statement for the period.

Over the last year the Factory Youth Zone has continued to provide vital youth work and play provision for the young people growing up in North Manchester. We have extended our reach over the last twelve months to work in partnership with other providers of services for young people, this has enabled us to work with more young people in a joined up and coherent fashion.

In particular during the day we have extended the use of The Factory Youth Zone working with, Alternative education providers, Youth Offending Services, Manchester College and Schools as well as community groups. During the daytime the Youth Zone has become a vibrant and busy centre becoming a "community asset". It remains a safe, young person centred service working with parties who seek to develop young people into effective adults who can have a positive future for themselves and for their communities.

Over the last twelve months we have been fortunate to benefit from funding from Sport England, On-Side, The Big Lottery, Accenture and Talent Match, this has enable FYZ to develop its systems to measure the impact of our work on young people, we have been able develop expertise in a number of areas which have directly addressed the needs of young people in North Manchester. We are now more aware of the complexities to delivering "Somewhere to go, Something to do and Someone to talk to". In the challenging times ahead with a decrease in resources from the public purse, we understand what we need to do for our young people to address some of negative situations which they find themselves in.

Over the last year we have been supported by our Development Committee to identify new sources of funding. Crucially going forward in the identification of and engagement with funders who will provide funding for our core offer. Unrestricted funding is crucial as without this core provision our targeted services will fail to offer young people a pathway which is sustainable.

In closing, I would like to thank our supporters, parents, carers, volunteers and staff for your support in making our work in changing young people's lives possible.

Name Tom Russell
Chairman

Date

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2016

The Trustees, who are also non-Executive Directors of the company, present their report together with the audited Financial Statements of the charity for the period ending 31st March 2016. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the Charity.

Since the charity qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Structure, governance and management

- **CONSTITUTION**

The charity is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 27 August 2009 .

The charity is constituted under a Memorandum of Association dated 27 August 2009 and is a registered charity number 1134580 Management of the company's affairs is vested in the co-trustees.

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.

- **METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES**

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

• POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

When appointing new Trustees, the Board considers the following:

- Board structure
- Review of the composition of the Board including the evaluation and balance of skills, knowledge and experience of Board members
- Give consideration to succession planning for Trustees

Upon appointment to the Board, Trustees are expected to attend bi-monthly Board meeting for which papers are submitted a week prior to the date.

The Memorandum and Articles of Association states that the number of trustees 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.

Newly appointed trustees are provided with a comprehensive induction to The Factory Youth Zone through the provision of in-house training.

• ORGANISATIONAL STRUCTURE AND DECISION MAKING

The Factory Youth Zone is governed by its Board of Trustees, which is responsible for setting the strategic direction of the organisation, and the policy of the charity. The trustees carry the ultimate responsibility for the conduct of The Factory Youth Zone, and for ensuring that the charity satisfies its legal and contractual obligations. The trustees meet on a bi-monthly basis.

Management Teams
The Chief Executive Richard Marsh provides key leadership to The Factory Youth Zone with the leadership team developing and delivering the business plan. The leadership team strategically set goals and identify actions that ensure objectives relating to the business plan are achieved. The team systematically use Review, Act and Check.

Complementing this is a performance team with department head which share information, highlighted good practice and agree solution to an issue or concern.

Wider network
The Factory Youth Zone is an independent charity, part of the Onside Network of Onside Youth Zones (previously called Onside North West Limited), Charity Commission registered number 1125893. Onside Youth Zones was set up to raise public and private funding to develop independent Youth Zones based on the model pioneered by Bolton Lads and Girls Club.

The Factory Youth Zone facility was built by Onside Youth Zone with £5m of funding from the Government's My Place programme managed by The Big Lottery. Whilst The Factory Youth Zone operates independently on a day to day basis, it has a close relationship with Onside's other Youth Zones. This close relationship ensures the sharing of expertise, policies, procedures and best practice.

The Factory Youth Zone also has formal working relationships with other providers of youth services in North Manchester , as set out in a service level agreement, and works closely with the Manchester City Council Teams in Regeneration, Children's Services, Complex Families, and Health.

• RISK MANAGEMENT

The Trustees have considered the principal risks to which the charity is exposed and considers these to be
- Failure to secure budgeted income from corporate funders and fundraising activity
- The possibility of Manchester City Council reducing it's £300k yearly contribution to The Factory Youth Zone.

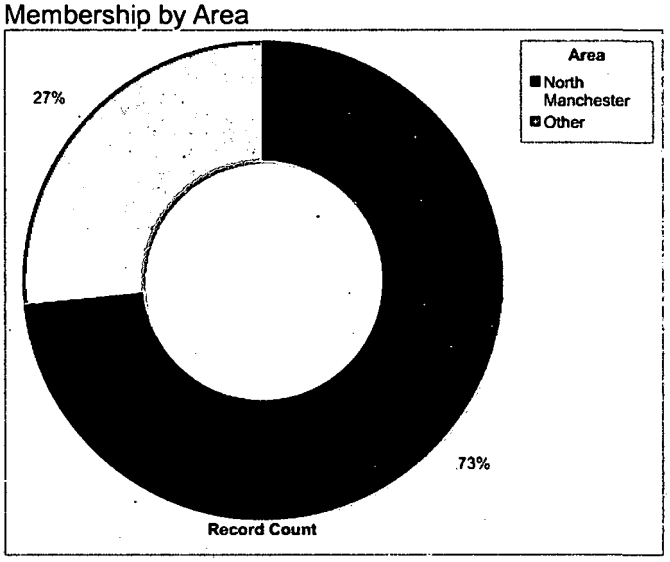
In response to the identified risk the Board have taken the following actions
- Engage with the city council in the development of new forms of funding through "delivering differently"
- Seek to establish the Factory Youth Zone's capacity to act as a "prime" contractor and lead the voluntary youth sector in North Manchester.
- Diversify the public sector funding base to include other funding other than just youth and play.
- The Board will establish a Development Committee of supporters of The Factory Youth Zone who can identify new sources of funding.
- The Board will establish a cultivation strategy identifying individuals they wish to engage further
- Develop Factory events which enable The Factory to engage new funders and to raise funds .
- Monitor effectively income generation and expenditure.
- Identify where pro bona services can be secured to deliver a real cost saving for the Factory Youth Zone.

- **POLICIES AND OBJECTIVES**

We aim to help all young people aged 8-21 to succeed in life through a whole range of programmes, activities designed in consultation with young people.

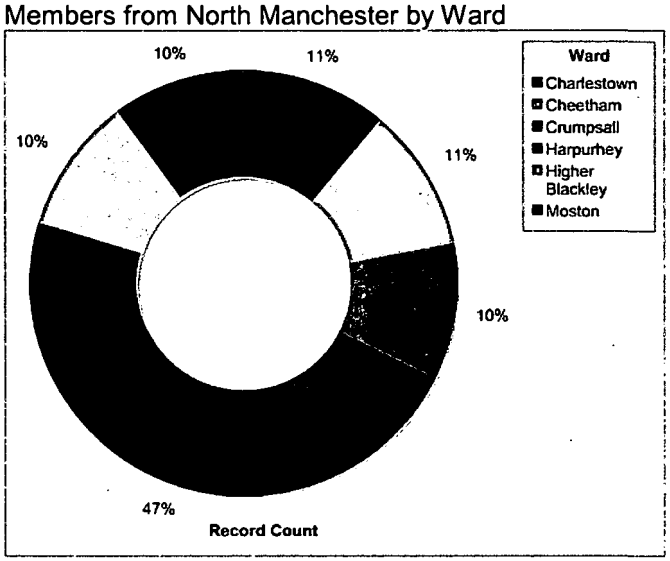
We are acutely aware that we draw 73% of our membership from some of the most disadvantaged wards and communities in the UK. To this end whilst we provide youth and play work opportunities for young people our vision is that no young person touched by The Factory Youth Zone should be NEET (Not in Education, Employment or Training), all our activities will support young people to make the transition to adulthood giving them the skills to engage in the economic, cultural and sporting life of Manchester.

Membership by Area

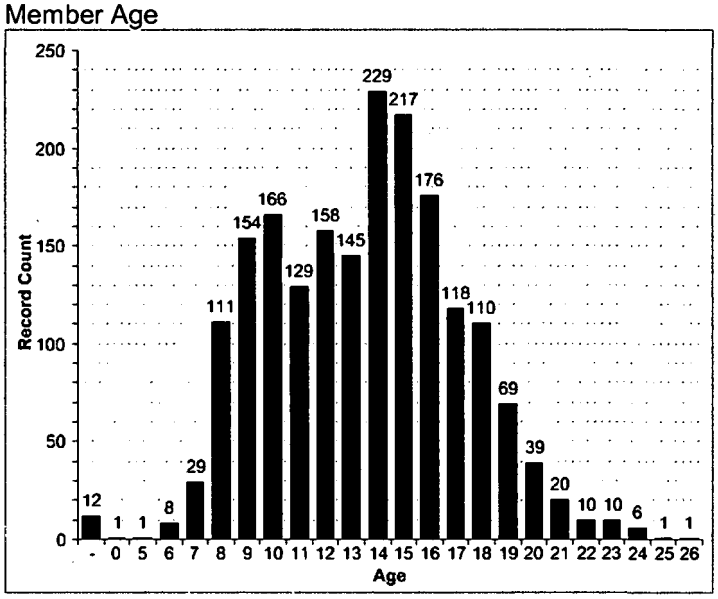


TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2016

Members from North Manchester by Ward

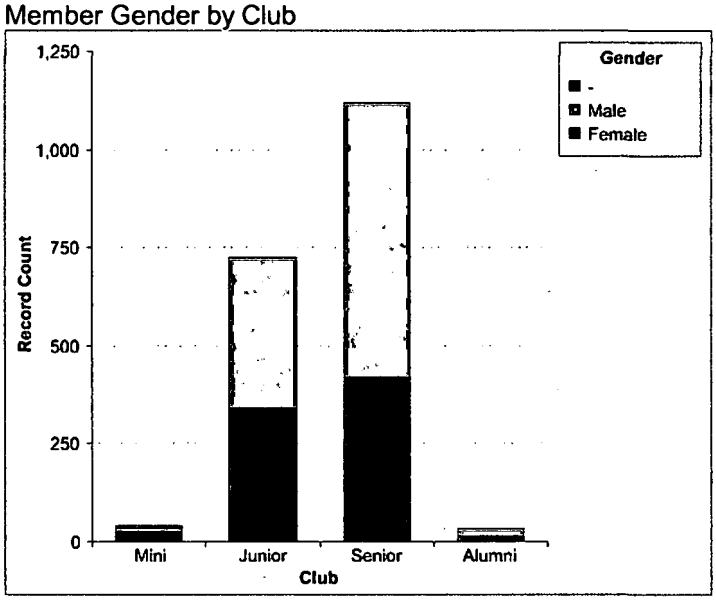


Member Age

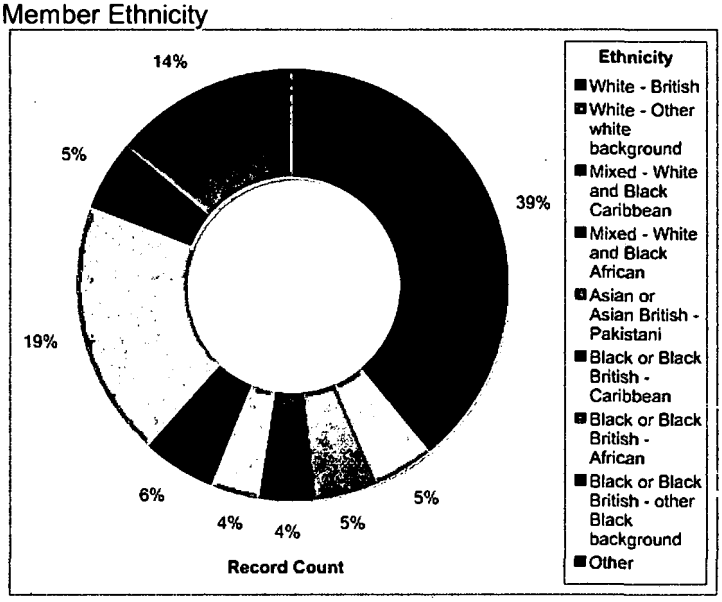


TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2016

Member Gender by Club



Member Ethnicity



- **ACTIVITIES FOR ACHIEVING OBJECTIVES**

Projects and Programmes

Core Offer

This is our universal offer which happens each evening. It is open to all young people who become members of The Factory Youth Zone

Juniors Aged 8-12yrs
We offer Junior sessions on Tuesday, Thursday and Friday evenings opening at 3:30pm. This activity includes youth work and play activity with sports, arts , music and dance. There are trips to visit partners involved in projects which have included The National Football Museum and the Museum of Science and Industry as well as theatre visits
Visits over the year 13221

Seniors Aged 12-19 (up to 25 for those with disability)
Senior sessions take place on a Monday, Wednesday, Friday and Saturday evening, young people following a youth work programme of issued based work highlighted by young people.
On a session there will be a minimum of 20 of sports, arts, dance, music and social activities in place . All young people are able to access individual support from Youth Work staff. Over the course of the year there are a number of off site visits and residential trips including Outward Bound.
Visits over the year 31740

Accreditation
Senior member have the option to undertake a number of leadership programmes. Last year was our first Duke of Edinburgh programme with 10 young people attaining the Bronze Award.
Seniors are also able to join the Young Leaders programme enabling them to work on Junior sessions with young people. 13 young people went on to volunteer on junior sessions

Employability
Seniors and Juniors take part in activities run with volunteers and employers preparing them for the world of work. These have included skill development session which includes coding and writing .Our qualified staff have been able to offer Careers Information, Advice and Guidance which has assisted young people to take on apprenticeships.

Food
A key component of our core offer is the provision of a hot meal for young people on sessions. Last year we provided 36,300 hot meals to young people at a cost of no more than a £1. For some young people this is the only hot food which they get.

Targeted Offer
The development of this work has enabled The Factory Youth Zone to meet the discrete needs of young people. This work has had real impact on changing young people's lives and over the course of the year we have run the following programmes.

Mentoring
The mentoring model matches trained volunteer mentors with young people who are "at risk" or need additional support to action a goal for a period of up to 12 months. This year we commenced Junior mentoring to complement the Senior offer. 17 Juniors and 29 Seniors completed mentoring.

One to One Support
With funding from Sport England we have been able to offer 165 young people one to one support to review their strengths and aspirations enabling them to set new goals.

Inclusion
We have been able to grow our offer for young people with disabilities offering support to access core sessions as well as having a discrete Sunday offer and a number of residential programmes. 151 members attending regularly with a disability.

Talent Match
Over the last 12 months we have further developed employment support for young people who have been unemployed for over 12months. We have been able to move young people onto education, training, volunteering and employment developing their self-confidence and self-esteem. 22 young people having participated in the programme.

Challenge to Change
In partnership with schools, we have developed a programme to re-engage young people who are "at risk" of being excluded. This programme is based upon sport and gives people the opportunity to experience adventurous activities. Number of young people

Detached Youth Work
Working with other youth work organisations we have worked with socially excluded young people on estates and in the shopping centre to address some of the issues relating to anti-social behaviour. We worked with 103 young people.

Partnership working
We know we can not work on our own and that by working in partnership we are able to maximise our impact working with young people examples of this work includes:

- Work with Youth Offending Services providing sport and physical education to young people on court orders.
- Work with Manchester College with young people who are new to the UK, helping them develop social skills, to enable them to become included in sports and arts in Manchester.
- Work with Alternative Education providers. We have partnered with these providers to enable the most socially excluded young people to take part in high quality sporting activity.
- Diana Model Foundation. The Factory working with DMF became a Hub for Basketball in North Manchester.

Achievements and performance

48 supporters took part in The Factory Golf Day which raised £9,000

308 People attended the Manchester Ball which raised over £40,000 to develop girls work

200 Young people with disabilities were members of The Factory Youth Zone's Inclusion offer with 4,731 attendances

46 Young people engaged in mentoring

107 Young people worked with The Factory Youth Zone for 12 months on the Sport England project to increase sports participation they met with their key worker throughout the year setting and reviewing goals.

2 young people performed a song written by themselves at the North West Apprenticeship Awards

Young people completed an Outward Bound course with 4 subsequently being offered a full bursary to undertake a 20 day programme

Young people aged 6-8 became mini members participating in FAC5

85 Volunteers supported our activity with young people

The Factory Youth Zone hosted and organised a North Manchester Conference on serious and organised crime attended by 46 people working in North Manchester

Get a Job worked with 73 young people with 61 going into employment.

The Factory Youth Zone was used as a Polling Station for the first time.

Staff we trained in "Team Teach"

- **GOING CONCERN**

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

- **KEY FINANCIAL PERFORMANCE INDICATORS**

Over the full year the charity had total income of £1,253,700 which was £54,718 (5%) higher than the original income plan and £175,051 (16%) higher than the previous year. This included Donations and Fundraising income of £741,941, which was £64,248 (9%) higher than target and £105,222 (17%) higher than the previous year. Total Income from Charitable Activities was £458,729, which was £25,197 lower than the income plan, although £75,114 higher than the previous year. Total other income was £53,010 (2015: £58,315).

Total Expenditure was £1,291,768 of which 97% was on charitable activities (89% in 2015). This was against an expenditure budget of £1,154,581 (£137,187 over budget) and previous year's spend of £1,106,042.

There was a net deficit for the year of £38,068, after inclusion of deprecation of assets, which was negative variance of £82,469 to budget. This followed on from a previous year's deficit of £27,392.

Total funds c/fwd at 31st March 2016 was £450,652 of which £133,139 (30%) were restricted funds and £317,513 (70%) were unrestricted.

Financial review

- **PRINCIPAL FUNDING**

During the financial year 2015 to 2016 income was £1,253,700.

Voluntary Income (individually stated where over £25,000):
Manchester City Council - £300,000
Redrow Foundation - £25,000
ANS - £46,567 (please note that this total includes corporate donations, staff fundraising and salary sacrifice)
Together - £25,000
Money Plus Group - £42,508 (includes corporate donations and staff fundraising)
Donations from Fundraising events - £184,669
Other - £118,197
Total : £741,941

Activities for generating funds:
Total - £36,652

Investment Income
Total - £225

Income from charitable activities (individually stated where over £25,000)
Sport England - £101,782
A Level Playing Field - £60,588
Accenture – Get a Job - £33,123
Crime and Safety Partnership - £30,000
Henry Smith Charity - £29,300
Heritage Lottery Fund - £24,950
Other - £178,986
Total: £458,729

Plans for future periods

- **FUTURE DEVELOPMENTS**

The Factory Youth Zone has developed an expertise in a number of areas which it intends to develop further.

- Working with young people to build skills and resilience which mean they are safeguarded as they make a transition to adulthood.
- Mentoring young people
- Developing an awareness of careers and employment opportunities by engaging directly with employers.

The Factory Youth Zone is committed to working in partnership in North Manchester to achieve greater outcomes for young people building on from the work this year on detatched Youth Work and Serious and Organised Crime the Factory will be submitting funding applications on behalf of partners led by The Factory Youth Zone.

- **PAY POLICY FOR SENIOR STAFF**

Each year The Factory Youth Zone remuneration sub committee looks at pay of all staff and makes a recommendation for any adjustment or cost of living increase to the whole Board.

We bench mark these salaries with other Youth Zones who are part of the Onside network taking guidance from our statistical neighbour in terms of volume and income, Oldham.

EQUAL OPPORTUNITIES

The Factory Youth Zone is an equal opportunities employer and aims to create an environment in which all people are fully valued.

DISABILITIES

The Factory Youth Zone welcomes young people of all abilities and encourages their participation free from discrimination. The Factory Youth Zone also employs an Inclusion-Co-ordinator to work with young people who require additional support.

PUBLIC BENEFIT

The activities of the charity are undertaken to further its charitable purposes for the public benefit. 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. The facility focuses on attendance and affordable access to all the facilities that are provided. This will lead to improved achievement and enhanced aspirations amongst young members of the local commmunity. Those attending The Factory Youth Zone will be happier, healthier and make more constructive use of their leisure time. This will, it is hoped, lead to greater motivation for each to succeed, and help reduce nuisance and anti-social behaviour. Longer term public benefits will include improved health, reduced crime, enhanced learning and employability, and greater community cohesion.

The Trustees have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the public benefit guidance issued by the Charity Commission.

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees (who are also directors of The Factory Youth Zone (Manchester) Limited for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This report was approved by the Trustees on 19 DEC 2016 and signed on their behalf by:

T. Russell

Heather Crosby

Thomas Russell
Trustee

Heather Crosby
Trustee

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE FACTORY YOUTH ZONE (MANCHESTER) LIMITED

We have audited the financial statements of The Factory Youth Zone (Manchester) Limited for the year ended 31 March 2016 set out on pages 17 to 38. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITOR

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charity for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2016 and of its incoming resources and application of resources, including 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 Companies Act 2006.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE FACTORY YOUTH ZONE (MANCHESTER) LIMITED

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- 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 take advantage of the small companies' exemption from the requirement to prepare a Strategic report.

Vicky Szulist

Vicky Szulist, ACA (Senior statutory auditor)

for and on behalf of

Crowe Clark Whitehill LLP

Chartered Accountants
Statutory Auditor

3rd floor
The Lexicon
Mount Street
Manchester
M2 5NT
Date: 21st December 2016

THE FACTORY YOUTH ZONE (MANCHESTER) LIMITED

(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2016

	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	*Total funds 2015 £*
INCOME FROM:					
Donations and legacies	2	**731,941**	**10,000**	**741,941**	*636,719*
Charitable activities	3	**105,755**	**352,974**	**458,729**	*383,616*
Other trading activities	4	**52,805**	**-**	**52,805**	*57,455*
Investments	5	**225**	**-**	**225**	*860*
TOTAL INCOME		**890,726**	**362,974**	**1,253,700**	*1,078,650*
EXPENDITURE ON:					
Raising funds:					
Donations and legacies		**91,866**	**49**	**91,915**	*117,838*
Charitable activities	8	**908,032**	**291,821**	**1,199,853**	*988,204*
TOTAL EXPENDITURE	9	**999,898**	**291,870**	**1,291,768**	*1,106,042*
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS		**(109,172)**	**71,104**	**(38,068)**	*(27,392)*
Transfers between Funds	18	**108,357**	**(108,357)**	**-**	*-*
NET EXPENDITURE BEFORE OTHER RECOGNISED GAINS AND LOSSES		**(815)**	**(37,253)**	**(38,068)**	*(27,392)*
NET MOVEMENT IN FUNDS		**(815)**	**(37,253)**	**(38,068)**	*(27,392)*
RECONCILIATION OF FUNDS:					
Total funds brought forward		**318,328**	**170,392**	**488,720**	*516,112*
TOTAL FUNDS CARRIED FORWARD		**317,513**	**133,139**	**450,652**	*488,720*

All activities relate to continuing operations.

The notes on pages 20 to 38 form part of these financial statements.

THE FACTORY YOUTH ZONE (MANCHESTER) LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 07025561

BALANCE SHEET
AS AT 31 MARCH 2016

	Note	£	2016 £	£	2015 £
FIXED ASSETS					
Tangible assets	14		**56,847**		*57,397*
CURRENT ASSETS					
Stocks	15	**2,307**		*2,032*	
Debtors	16	**161,777**		*86,595*	
Cash at bank and in hand		**344,964**		*405,306*	
		509,048		*493,933*	
CREDITORS: amounts falling due within one year	17	**(115,243)**		*(62,610)*	
NET CURRENT ASSETS			**393,805**		*431,323*
NET ASSETS			**450,652**		*488,720*
CHARITY FUNDS					
Restricted funds	18		**133,139**		*170,392*
Unrestricted funds	18		**317,513**		*318,328*
TOTAL FUNDS			**450,652**		*488,720*

The financial statements were approved by the Trustees on 19 DEC 2016 and signed on their behalf, by:

T. Russell

Heather Crosby

Thomas Russell, Trustee **Heather Crosby, Trustee**

The notes on pages 20 to 38 form part of these financial statements.

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2016

	Note	2016 £	2015 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	20	**(37,709)**	*4,045*
Cash flows from investing activities:			
Purchase of tangible fixed assets		**(22,633)**	*(60,502)*
Net cash used in investing activities		**(22,633)**	*(60,502)*
Change in cash and cash equivalents in the year		**(60,342)**	*(56,457)*
Cash and cash equivalents brought forward		**405,306**	*461,763*
Cash and cash equivalents carried forward	21	**344,964**	*405,306*

1. ACCOUNTING POLICIES

1.1 Basis of preparation of 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 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

The Factory Youth Zone (Manchester) Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Reconciliation with previous Generally Accepted Accounting Practice

In preparing these accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

No restatements were required.

1.3 Company status

The charity is a company limited by guarantee. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member. This applies to members of the charity at the date of dissolution or those who were members within twelve months of the dissolution.

1.4 Fund accounting

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1. ACCOUNTING POLICIES (continued)

1.5 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

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 economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and donated 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.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

1. ACCOUNTING POLICIES (continued)

1.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the academy trust's educational operations, including support costs and costs relating to the governance of the academy trust apportioned to charitable activities.

1.7 Going concern

The charity's activities, together with the factors likely to affect its future development, performance and position are set out in the Trustees' Report which also describes the financial position of the charity including its cash, investment and reserves policy. The charity forecasts and projections, taking account of reasonably possible changes in donations, legacies, fundraising activities and other income, show that the charity should be able to operate with the current level of reserves it has. After making enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual report and inancial statements.

1.8 Tangible fixed assets and depreciation

All assets costing more than £50 are capitalised.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures & fittings	-	3 years straight line

1.9 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

1. ACCOUNTING POLICIES (continued)

1.10 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.11 Debtors

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

1.12 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.

1.13 Liabilities and provisions

Liabilities 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. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1. ACCOUNTING POLICIES (continued)

1.14 Financial instruments

The charity only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

1. ACCOUNTING POLICIES (continued)

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Financial Activity.

The charity only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Financial Activity.
For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

1.15 Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

1. ACCOUNTING POLICIES (continued)

1.16 Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) Useful economic lives of tangible assets
The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.

(ii) Impairment of debtors
The company makes an estimate of the recoverable value of trade and other debtors.

When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience.

2. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2016 £	**Restricted funds 2016 £**	**Total funds 2016 £**	*Total funds 2015 £*
Donations	**431,941**	**-**	**431,941**	*336,719*
Grants	**300,000**	**10,000**	**310,000**	*300,000*
Total donations and legacies	**731,941**	**10,000**	**741,941**	*636,719*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	*Total funds 2015 £*
Membership Fees	9,235	-	9,235	*9,877*
Contract Income	56,759	-	56,759	*12,500*
Session Fees	1,954	22,500	24,454	*34,093*
Grants	-	330,474	330,474	*272,097*
Catering Income	36,927	-	36,927	*53,170*
Other Income	880	-	880	*1,879*
	105,755	352,974	458,729	*383,616*

4. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	*Total funds 2015 £*
Fundraising Events	1,673	-	1,673	*8,066*
Room Hire	51,132	-	51,132	*49,389*
	52,805	-	52,805	*57,455*

5. INVESTMENT INCOME

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	*Total funds 2015 £*
Bank interest	225	-	225	*860*

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

6. DIRECT COSTS

	Operation of Factory Youth Zone £	Total 2016 £	*Total 2015 £*
Advertising	2,934	2,934	*1,600*
Recruitment	17,230	17,230	*16,206*
Sundries	10,652	10,652	*2,168*
Training	240	240	*2,556*
Catering	58,630	58,630	*52,396*
Youth Project Delivery Expenses	73,339	73,339	*39,644*
Volunteer Expenses	829	829	*787*
Loss on disposal of fixed assets	-	-	*859*
Wages and salaries	866,322	866,322	*737,072*
	1,030,176	1,030,176	*853,288*

7. SUPPORT COSTS

	Operation of Factory Youth Zone £	Total 2016 £	*Total 2015 £*
Postage, Printing and Stationery	6,537	6,537	*8,163*
Insurance	1,971	1,971	*2,220*
Travel and Subsistence	1,645	1,645	*1,739*
IT, Website, and Software	20,516	20,516	*10,913*
Premises Costs	86,493	86,493	*86,041*
Depreciation	23,183	23,183	*17,611*
	140,345	140,345	*126,687*

8. GOVERNANCE COSTS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	*Total funds 2015 £*
Auditors' remuneration	6,420	-	6,420	*6,420*
Auditors' non audit costs	600	-	600	*780*
Legal Fees	1,267	-	1,267	-
Consultancy fees	13,046	4,552	17,598	*200*
Licences	3,447	-	3,447	*829*
	24,780	4,552	29,332	*8,229*

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

9. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE

	Staff costs 2016 £	Depreciation 2016 £	Other costs 2016 £	Total 2016 £	*Total 2015 £*
Expenditure on raising voluntary income	**62,283**	**-**	**29,632**	**91,915**	*117,838*
Costs of generating funds	**62,283**	**-**	**29,632**	**91,915**	*117,838*
Operation of Factory Youth Zone	**866,322**	**23,183**	**281,016**	**1,170,521**	*979,975*
Expenditure on governance	**-**	**-**	**29,332**	**29,332**	*8,229*
	928,605	**23,183**	**339,980**	**1,291,768**	*1,106,042*

10. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES

	Activities undertaken directly 2016 £	Support costs 2016 £	Total 2016 £	*Total 2015 £*
Operation of Factory Youth Zone	**1,030,176**	**140,345**	**1,170,521**	*979,975*

11. NET INCOMING RESOURCES/(RESOURCES EXPENDED)

This is stated after charging:

	2016 £	*2015 £*
Depreciation of tangible fixed assets:		
- owned by the charity	**23,183**	*17,611*
Auditor's remuneration - audit	**6,420**	*6,420*
Auditor's remuneration - other services	**600**	*780*

During the year, no Trustees received any remuneration (2015 - £NIL).
During the year, no Trustees received any benefits in kind (2015 - £NIL).
During the year, no Trustees received any reimbursement of expenses (2015 - £NIL).

12. STAFF COSTS

Staff costs were as follows:

	2016	2015
	£	£
Wages and salaries	860,374	756,974
Social security costs	55,301	46,539
Other pension costs	12,930	563
	928,605	804,076

The average number of persons employed by the charity during the year was as follows:

	2016	2015
	No.	No.
Fundraising	1	2
Charitable Services	75	67
	76	69

Average headcount expressed as a full time equivalent:

	2016	2015
	No.	No.
Charitable services	38	35

No employee received remuneration amounting to more than £60,000 in either year.

During the year, key management personnel received remuneration of £178,863. Key management personnel are considered to be the Chief Executive, Head of Fundraising, Head of Finance, Head of Youth Work and Head of Sport.

13. TAXATION

Factors affecting tax charge for the year

The charity's activities are potentially exempt from taxation under part 11 of the Corporation Tax Act 2010. No tax charge has arisen in the year.

There were no factors that may affect future tax charges.

14. TANGIBLE FIXED ASSETS

	Fixtures, fittings and equipment £
Cost	
At 1 April 2015	**82,920**
Additions	**22,633**
At 31 March 2016	**105,553**
Depreciation	
At 1 April 2015	**25,523**
Charge for the year	**23,183**
At 31 March 2016	**48,706**
Net book value	
At 31 March 2016	**56,847**
At 31 March 2015	*57,397*

15. STOCKS

	2016 £	*2015 £*
Finished goods and goods for resale	**2,307**	*2,032*

16. DEBTORS

	2016 £	*2015 £*
Trade debtors	**147,390**	*67,300*
Other debtors	**-**	*459*
Prepayments and accrued income	**14,387**	*18,836*
	161,777	*86,595*

17. CREDITORS: Amounts falling due within one year

	2016	2015
	£	£
Trade creditors	**55,953**	*34,558*
Other taxation and social security	**15,733**	*12,853*
Other creditors	**2,747**	*783*
Accruals and deferred income	**40,810**	*14,416*
	115,243	*62,610*

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

18. STATEMENT OF FUNDS

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Carried Forward £
Unrestricted funds					
General Funds - all funds	318,328	890,726	(999,898)	108,357	317,513
Restricted funds					
Sport Project - Citc	526	-	-	(526)	-
Roller Skates Project - ANS	627	-	-	(627)	-
Dance Project - Elevate	33	-	-	(33)	-
Inclusion	16,163	60,588	(59,058)	(17,693)	-
Mentoring Project	27,497	27,972	(31,932)	(1,787)	21,750
Healthy Eating	20,833	-	-	(20,833)	-
Photography project	687	-	-	(229)	458
Employability	12,953	55,624	(51,446)	-	17,131
Community cafe	9,495	-	-	(3,677)	5,818
Other Restricted Funds	2,458	-	-	(2,458)	-
British Amateur Gymnastics Free G	10,224	-	-	(3,129)	7,095
Work Club	4,309	-	-	(1,856)	2,453
Capital Café Grant	25,162	500	(340)	(21,385)	3,937
Suck It & See	11,277	-	(11,277)	-	-
Residential programme	15,340	-	-	(15,340)	-
Challenge to Change	11,648	32,124	(31,014)	28	12,786
Sports	1,160	-	-	(1,160)	-
Sport for Development	-	101,757	(94,728)	(7,029)	-
Our Manchester Ourselves	-	24,950	(1,559)	(1,303)	22,088
Choices	-	30,000	(5,000)	-	25,000
Football Foundation	-	950	-	(950)	-
Summer Sports	-	3,500	(100)	(3,400)	-
Detached	-	1,872	(1,872)	-	-
Autism Innovation	-	2,874	(144)	(2,730)	-
Passions for Youth	-	2,000	(2,000)	-	-
Music	-	2,113	-	(2,113)	-
Detached Youth	-	1,200	(1,200)	-	-
Awards for All	-	10,000	-	-	10,000
HCAW	-	200	(200)	-	-
Percy Bilton	-	4,000	-	(1,333)	2,667
NM Sports	-	750	-	-	750
Inclusion - Tesco	-	-	-	569	569
Trampoline club kit	-	-	-	637	637
	170,392	362,974	(291,870)	(108,357)	133,139
Total of funds	488,720	1,253,700	(1,291,768)	-	450,652

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

SUMMARY OF FUNDS

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Carried Forward £
General funds	318,328	890,726	(999,898)	108,357	317,513
Restricted funds	170,392	362,974	(291,870)	(108,357)	133,139
	488,720	1,253,700	(1,291,768)	-	450,652

18. STATEMENT OF FUNDS (continued)

Independence Project; aims to ensure all young people with disabilities ranging from mild to complex can participate in and benefit from the same activities alongside their peers.

Sport Project; using sport as a tool to develop skills, self-confidence and raise aspirations throughout our full membership.

Cycling Project; funding received enabled The Factory Youth Zone to develop a cycling club, purchasing equipment and enabling young people to engage in cycling.

Roller skate Project; funds received were to purchase roller skates and safety equipment to be used by young people extending the existing activity offer.

Basketball Project; develop a Basketball team and compete in competitions.

Summer Holiday Club; run a summer activity club for young people aged 8 to 13 years old. We were also successful in securing funding to provide specialist one-to-one support for young people with complex needs.

Mentoring Project; providing 1:1 mentoring programme, we are supporting young people with significant barriers to progression. Providing tailored targets and positive role models young people can achieve change.

Healthy Eating Project; to educate young people how to cook basic good quality food and to use catering as a vehicle for employability and enterprise projects.

A Level Playing Field Project; provides opportunity to young disabled people to try, to train and to develop team working alongside their non-disabled peers, creating new friendships and nurturing respect.

Accenture Project; to give NEET young people confidence/ self-esteem and support to enable them to progress to work, education or training.

BG – Free G; this is British Gymnastics funding to purchase capital equipment to develop 'Free Gymnastics' sessions improving and increasing our gymnastics activities.

Work Club; work club aims to provide training and support to young people who are still in education, gaining skills and practical experiences, aiming towards ensuring they enter employment or further education.

Drama project (" Suck it and See"); to develop a high quality youth theatre offer in North Manchester. Enable young people to visit with and extend their understanding of other youth theatres and provide opportunities for 'go see' activities.

Challenge to Change programme; works with the hardest to reach young people who are at risk of engaging in juvenile crime, using sport as an engagement tool.

Sports for Development (Sport England) - to increase participation and to measure the impact of sport of young people aged 14 plus.

Our Manchester Ourselves Heritage Lottery Fund) - for young people to develop , research and produce a film relating to the Manchester Bomb in 1996.

Choices (Manchester City Council) - to test ways of working to address serious and organised crime in

18. STATEMENT OF FUNDS (continued)

North Manchester (delivered with partners and reaching vulnerable young people).

Football Foundation (FA funding): "Grow the game" - to develop work with girls and Football.

Summer Sports (Manchester City Council) - to run summer holiday provision in a number of parks in North Manchester.

Detached project (Northwards Housing and Places for People) - to work on estates with young people at risk.

Autism Innovation Funding - to purchase Ipads and software that will allow young people with Autism to participate fully in activity.

Music Funding (Manchester City Council - purchase of Musical equipment.

Detached Youth Funding (Manchester City Council) - for youth workers to be deployed in the Queens Road area and engage young people causing anti social behaviour.

Awards for all (Lottery funding) - to focus on junior team building.

Hate Crime Awareness Week funding (MCC) - to run programmes where young people celebrate difference.

Percy Bilton- to purchase laptops for young people engaged in looking for work programmes.

North Manchester Sports Network - funding for sport with young people.

Inclusion Tesco - funding to allow young people to participate in cycling.

Trampolining kit - purchase of leotards for young people representing the Factory Youth Zone.

18. STATEMENT OF FUNDS (continued)

TRANSFERS

During the year the charity has undertaken a thorough review of its restricted fund balances and has made transfers from restricted reserves to unrestricted funds to reflect the position carried forward.

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	*Total funds 2015 £*
Tangible fixed assets	**33,849**	**22,998**	**56,847**	*57,397*
Current assets	**398,906**	**110,141**	**509,047**	*493,932*
Creditors due within one year	**(115,242)**	**-**	**(115,242)**	*(62,609)*
	317,513	**133,139**	**450,652**	*488,720*

20. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2016 £	*2015 £*
Net expenditure for the year (as per Statement of financial activities)	**(38,068)**	*(27,392)*
Adjustment for:		
Depreciation charges	**23,183**	*17,611*
Loss on the sale of fixed assets	**-**	*857*
Increase in stocks	**(275)**	*(538)*
(Increase)/decrease in debtors	**(75,182)**	*23,141*
Increase/(decrease) in creditors	**52,633**	*(9,634)*
Net cash (used in)/provided by operating activities	**(37,709)**	*4,045*

21. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2016 £	*2015 £*
Cash in hand	**344,964**	*405,306*
Total	**344,964**	*405,306*

22. PENSION COMMITMENTS

The charity operates a defined contributions pension scheme. The assets of the scheme are held

22. PENSION COMMITMENTS (continued)

separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £12,730 (2015: £563). There were no outstanding or prepaid contributions at the year end (2015: £nil).

23. RELATED PARTY TRANSACTIONS

No trustee received any remuneration during the year.

During the year the Bruntwood Group of companies provided services to the charity amounting to £37,815 (2015: £37,687). Bruntwood is considered to be a related party of the charity as Katherine Vokes holds a Directorship of the company and is also a Trustee of the charity. As at 31st March 2016, due to Bruntwood was £3,527 (2015: £3,399. During the year Bruntwood charity donated £3,000.

Donations from ANSA Elevators Ltd of £5,000 (2015: £6,000) were received. John Bentley is a Director of this company in addition to being a Trustee of the Charity (resigned May 2016). Services to the value of £85 (2015: £85) were provided during the year. There were no amounts due to or from ANSA Elevators Ltd at 31st March 2016.

A donation of £378 (2015: nil) was provided from Citation Professional Solutions during year. Chris Morris is a Director of this company in addition to being a Trustee of the Charity. Chris Morris provided professional services to the Charity during the year at a nominal fee of £1.

Michael O'Connor Trustee of the Charity provided free legal service on behalf of Adleshaw Goddard during the year.

There were no other material party transactions that require disclosure in the financial statements.

24. FIRST TIME ADOPTION OF FRS 102

It is the first year that the charity has presented its financial statements under SORP 2015 and FRS 102. The following disclosures are required in the year of transition. The last financial statements prepared under previous UK GAAP were for the year ended 31 March 2015 and the date of transition to FRS 102 and SORP 2015 was therefore 1 April 2014. As a consequence of adopting FRS 102 and SORP 2015, a number of accounting policies have changed to comply with those standards.

The policies applied under the charity's previous accounting framework are not materially different to FRS 102 and have not impacted on funds or net income/expenditure.