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COMPANY REGISTRATION NUMBER 07113460

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2017**

Charity Number 1134974



ROBINSON UDALE LTD
Chartered Accountants & Statutory Auditor
The Old Bank
41 King Street
Penrith
CA11 7AY

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15/11/2017

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**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2017

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**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

MEMBERS OF THE BOARD AND PROFESSIONAL ADVISERS

Registered charity name	Carlisle Youth Zone
Charity number	1134974
Company registration number	07113460
Registered office	Victoria Place Carlisle CA1 1LR
Trustees	Mrs C Bowditch Mrs E J Goddard Mr A D Hanson Mr C N C Holmes Mrs J Longrigg Mr N S Marshall Mr B K Scowcroft Mr W Stobart Mr W A Tinkler Mrs A J Watts
Auditor	Robinson Udale Limited The Old Bank 41 King Street Penrith CA11 7AY
Bankers	Cumberland Building Society Cumberland House Castle Street Carlisle CA3 8RX

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 MARCH 2017

The trustees, who are also directors for the purposes of company law, have pleasure in presenting their report and the audited financial statements of the charity for the year ended 31 March 2017.

REFERENCE AND ADMINISTRATIVE DETAILS

Reference and administrative details are shown in the schedule of members of the board and professional advisers on page 1 of the financial statements.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution and principal activities

Carlisle Youth Zone is a company limited by guarantee with no share capital. It was incorporated on 29 December 2009 and the company number is 07113460. On 16 March 2010 it obtained charitable status and the registered charity number is 1134974.

The Memorandum and Articles of Association are the primary governing documents of the Charitable Company. Mr B K Scowcroft, Mr W A Tinkler, Mr W Stobart and Mr S D Allen are the founder members of the Charitable Company. Membership is open to other individuals or organisations who apply to the charity in the form required by the directors and are approved by the directors.

The names of the trustees who are the directors of the Charitable Company are given on page 1.

Aims of the trust

Carlisle Youth Zone has four principle aims:

- to raise aspirations
- to develop positive behaviour, helping young people to deal with challenges and build positive relationships
- to encourage healthy lifestyles
- to reduce crime, discriminatory and anti-social behavior

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Organisational structure

The day to day running of the Youth Zone is delegated to the Charitable Company's executive team, under the leadership of the Chief Executive, Murray Winters.

There is a senior management team representing our three functional areas:

- delivery
- administration/ support
- income generation /marketing/ communications

Name	Job Title
Abi Carr	Youth Worker
Abi Reed	Mentoring Coordinator (left at 20 January 2017)
Angela Irving	Team Leader (leaver at 1 December 2016)
Ash Gibson	Youth Worker
Cameron Wilson	Sport Coordinator
Charlotte Sayers	Youth Work Manager
Charlotte Wolstenholme	Youth Worker
Chris Baird	Youth Worker (contracted hours ended 7 February 2016)
Chris Ferrie	Gym Instructor
Chris Makar	Youth Worker
Dawn Lesley Moore	Receptionist
Emma Brown	Development Coordinator
Fiona Fergus	Business Support Manager
Fiona Mulholland	Employer Liaison Coordinator (left at 31 December 2016)
Greg Stalker	Leaver at 20 January 2017
Hannah Aspinall	Bank staff - Youth Worker
Jayne King	Youth Worker
Jenny Baxter	Cleaner
Jess Butler	Team Leader
Jonny Fraser	Mentoring Coordinator
Julie Hale	Administrator
Julie Hetherington	Gym Instructor
Kathy Archibald	Receptionist
Lee Shepherd	Youth Worker
Linda Lahey	Cleaner
Lorraine Bearchell- Heally	Volunteer Coordinator
Louise Burns	Gym Instructor
Lynsey Buckle	Development Manager
Mark Gibbs	Arts Coordinator
Mary Hetherington	Cleaner
Matt Williams	Team Leader
Murray Winters	Chief Executive
Nathan Bagnall	Youth Worker
Nathan Clark	Youth Worker (Contract ended at 30 September 2016)
Ray Trainor	Maintenance staff
Rosie Watt	Receptionist
Sally Hutton	Youth Worker
Shanee Thompson	Receptionist
Simon Fraser	Youth Worker
Victoria Aspinall	Bank staff - Youth Worker
Vivian Nalweyiso	Youth Worker

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Carlisle Youth Zone can only succeed on the basis of a strong team of quality people who run the organisation effectively, efficiently and ethically, whilst also developing positive relationships with young people. The following approaches are examples of how we recruit and retain the right people:

- robust selection processes that value a combination of skills, qualifications, experience and background in a holistic approach
- commitment to regular reviews (team meetings, one to one support, appraisal etc.)
- opportunities to identify CPD opportunities both formal and informal
- ensuring that young people have a say (e.g. interview panels, consultation etc.)

All activities of the executive team towards providing an excellent service are reviewed through:

- Management Information System
- project evaluation
- outcome measurements
- testimonial feedback
- regular consultation with stakeholders
- HRM processes as described above
- talking to young people

The Board of Trustees sets the pay for the Chief Executive.

We are committed to working with volunteers and integrating them into all aspects of our work. At the end of the year there are upwards of 50 volunteers regularly giving time in the clubs, an additional 20 dedicated mentors and a growing band of individuals becoming involved in other aspects of the support work.

The trustees

The trustees who served the company during the period were as follows:

Trustee Name	Dates acted
Mrs C Bowditch	2 November 2015 - present
Mrs E J Goddard	12 May 2014– present
Mr A D Hanson	2 September 2013 – present
Mr C N C Holmes	2 September 2013 – present
Mrs J Longrigg	5 December 2016 - present
Mr N S Marshall	1 November 2012 – present
Mr B K Scowcroft	29 December 2009 – present
Mr I M Sinker	1 November 2012- 8 September 2016
Mr W Stobart	29 December 2009 – present
Mr W A Tinkler	29 December 2009 – present
Mrs A J Watts	24 February 2014 – present

When appointed, Trustees are involved in an induction process and have the opportunity to attend training and information courses as necessary.

Members' liability

The liability of the members is limited. Every member of the charity undertakes to contribute to the assets of the charity, in the event of the same being wound up while he or she is a member, or within one year after he or she ceases to be a member, for payment of the debtors and liabilities of the charity contracted before he or she ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributors among themselves, such amount as may be required not exceeding ten pounds.

**CARLISLE YOUTH ZONE
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YEAR ENDED 31 MARCH 2017

Risk management

Risk management is led at strategic level from the Board of Trustees and carried out by the executive team. The following list includes the main risk management areas that the board has identified and for which reporting systems are in place:

- financial risk
- health and safety including comprehensive risk assessment of all activities
- safeguarding and child protection

To provide cover against potential risks the trustees have taken out appropriate indemnity insurance.

OBJECTIVES AND ACTIVITIES

Objects, aims and objectives

Carlisle Youth Zone's objectives are to help educate children and young people residing 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.

Strategy

The Youth Zone needs to help young people be socially successful, but not just with friends; with adults too. Inclusion and diversity are essential. If the Youth Zone fails to appeal to everyone, it could make some groups feel even more excluded than before.

The Youth Zone is determinedly positive. It hopes to ignite passions in young people; just keeping them off the streets is not good enough. Central to the entire service is personal success in leisure and in work, through good health and well-being creating a virtuous circle with social success. We aim:

- to raise aspirations – exposing young people to new and inspiring experiences, building confidence, self-esteem and self-efficacy
- to develop positive behavior, helping young people to deal with challenges and build positive relationships
- to encourage healthy lifestyles
- to increase young people's readiness for work and their employability
- to reduce crime, discriminatory and anti-social behavior
- to positively promote the achievements and the public perception of young people
- to be a place where quality matters

The Board revisited and renewed the strategy recently.

We reconfirmed our Vision as:

A safe and fun environment where the potential of young people is developed and fulfilled

And our way of getting there as:

We will work with others to:

- Provide excellent universal and targeted youth provision, informed by and in partnership with our young people.
- Achieve financial sustainability.
- Invest in our team (staff, volunteers and board) to help them achieve their potential and the CYZ vision.
- Confirm CYZ as a valued and essential resource throughout the Carlisle community.

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Families

The knock on effect on young people's families is more than just the extra time parents have for themselves – although that in itself is a valuable result. The Youth Zone also offers opportunities to 'parent better'.

Paid contributors

As a quality service for young people the Youth Zone gives staff real job satisfaction. In turn this promotes and develops high quality and professional youth work in Carlisle. This is alongside personal growth and development of young people up a ladder of personal success that creates considerable value for money for the city and state.

Equal opportunities policy

The trustees recognise that equal opportunities should be an integral part of good practice within the workplace. The charitable company aims to work to equal opportunities in all areas of its activities including creating a working environment in which the contribution and needs of all people are fully valued.

Disabled persons

A lift, ramps and disabled toilets are installed, and door widths are adequate to enable wheelchair access to all main areas of the Youth Zone. Policies are in place to ensure staff and service users with disabilities are supported and protected from discrimination, and we will take steps to improve access where reasonable. Our activities for young people are fully integrated and open to all, and our inclusion group provides specific additional support as required for Youth Zone members with disabilities or learning difficulties.

ACHIEVEMENTS AND PERFORMANCE

Meeting the needs of Young People – somewhere to go:- Our ambition is to serve at least 20% of the young people from predominantly urban Carlisle, (where the most deprived wards are situated and from where the Youth Zone is readily accessible) , circa 1150. As of March 2017 our current, paid up membership stood at 1344 (23%), having recovered significantly after the floods of 2015. Given the relative strength of our junior club, in this age range (7-12) our reach is at more than 30%

We have undertaken a range of targeted projects for more vulnerable young people.

The café and snack bar was set up to provide the members with a variety of foods at an affordable price. Prices are set purchase price to ensure that costs are covered at the same time as the prices are affordable for all our members. We try to ensure a hot nutritious meal is available at every club event for £1.00/ £1.50. This service had to be suspended when the kitchen was lost to the flood, but our new, improved, first floor café bar reopened in early 2017.

Public benefit

The trustees have given due consideration to Charity Commission published guidance on the operation of the Public Benefit Requirement and believe that public benefit is provided by carrying out activities with the following aims:

- education and training
- disability
- arts, culture, heritage and science
- amateur sport
- community cohesion
- economic, community development and employment
-

FINANCIAL REVIEW

The income for the Youth Zone is obtained from grants, trusts, donations from the private and public sectors. During the period ended 31 March 2017 incoming resources amounted to £713,360. Of this amount, £367,145 was restricted funds for specific projects. The remaining £346,215 resulted

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principally from public and private sector donations and fundraising initiatives. Total expenditure in the year of £836,997 included £226,568 of depreciation, included in the restricted reserves, on the leasehold building which is being written off over the remaining term of the 25 year lease. The total funds at 31 March 2017 were £4,465,312 of which £4,137,428 were restricted. £4,111,392 of the restricted reserves relate to fixed assets held by the Charity.

During the year the Charity received £25,000 from the Queens Trust for a fundraising leverage plan.

Reserves policy

The trustees have reviewed the charity's needs for contingency reserves in line with the guidance issued by the Charity Commission.

The trustees aim to be able to retain sufficient reserves necessary to meet operating expenses should any of the funding sources become unreliable or be delayed. The charity aims to maintain reserves at a level which would cover 3 - 6 months running costs. We made significant modest progress towards the target in 2016/17, with help from income after the floods of 2015.

PLANS FOR FUTURE PERIODS

Aims and details of plans to 31 March 2018, and how we will achieve them:

Objective	Plans
Grow membership to 1500, with a focus on the senior age range.	A series of recruitment activities and consultation
Achieve sustainability	Control costs, stabilise income from Grants and Trusts and increase corporate fundraising.
Recruit at least 20 more regular and committed volunteers and integrate them into all aspects of the running of the Youth Zone	Recruitment, revised training program, improved induction and support to improve retention
Ensure an excellent youth club provision	<ul style="list-style-type: none"> • 10 activities minimum at each club • developmental opportunities • supportive opportunities • excellent facilities and resources • accredited learning
Develop Carlisle Youth Zone as a community asset	<ul style="list-style-type: none"> • strategic positioning • adding to the local offer for young people, not duplicating or missing gaps • transparent and strong commitment to partnership working
Measure Carlisle Youth Zone's impact	<ul style="list-style-type: none"> • Management Information System • reporting processes identified and implemented (internal communications)
Ensure rurally isolated young people benefit from Carlisle Youth Zone	<ul style="list-style-type: none"> • increase work with local Councillors • build relationships with partner organisations
Improve the participation of young people in decision making	<ul style="list-style-type: none"> • further develop range and tools of feedback
Efficiency	<ul style="list-style-type: none"> • to ensure value for money • develop more cross service partnerships • internal efficiencies

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TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 MARCH 2017

RESPONSIBILITIES OF THE TRUSTEES

The trustees (who are also the directors of Carlisle Youth Zone for the purposes of company law) are responsible for preparing the Trustees' Annual 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 which 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 judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 proper accounting records that 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. 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This report is prepared in accordance with the small company regime (section 419(2) of the Companies Act 2006).

Signed on behalf of the trustees



.....
Christopher N C Holmes
Chairman

Date: 10th November 2017

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF CARLISLE YOUTH ZONE
YEAR ENDED 31 MARCH 2017**

We have audited the financial statements of Carlisle Youth Zone for the year ended 31 March 2017 which comprise the Statement of Financial Activities (incorporating the income and expenditure account), the Balance Sheet and related notes, on pages 11 to 26. 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 company's members, as a body, in accordance with sections 495 and 496 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITOR

As explained more fully in the Trustees' Responsibilities Statement (set out on page 8), the trustees, who are also the directors of Carlisle Youth Zone 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 (APB's) Ethical Standards for Auditors. We have undertaken the audit in accordance with the requirements of APB Ethical Standards including APB Ethical Standard Provisions available for Small Entities, in the circumstances set out in note 22 to the financial statements.

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 charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the trustees' annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION

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 2017 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 Companies Act 2006.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF CARLISLE YOUTH ZONE
YEAR ENDED 31 MARCH 2017**

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.
- 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 directors' report.

Robinson Udale
Senior Statutory Auditor

For and on behalf of

Robinson Udale Ltd Chartered Accountants & Statutory Auditor
The Old Bank
41 King Street
Penrith
CA11 7AY

Date:

13th November 2017

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

**STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31ST MARCH 2017**

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £	Total Funds 2016 £
Income:					
Donations & Legacies	2.	212,107	367,145	579,252	663,251
<i>Income from charitable activities:</i>	3.	40,996	-	40,996	45,888
Youth Club					
<i>Income from other trading activities:</i>	4.	91,348	-	91,348	100,867
Investment Income	5.	1,764	-	1,764	525
Total Income		<u>346,215</u>	<u>367,145</u>	<u>713,360</u>	<u>810,531</u>
Expenditure:					
<i>Costs of raising funds:</i>					
Fund Raising	6.	(35,876)	(-)	(35,876)	(42,896)
Commercial Trading Operations	7.	(18,534)	(-)	(18,534)	(29,170)
<i>Expenditure on charitable activities:</i>					
Youth Club	8.	(196,225)	(586,362)	(782,587)	(807,550)
Total Expenditure		<u>(250,635)</u>	<u>(586,362)</u>	<u>(836,997)</u>	<u>(879,616)</u>
Net income/(expenditure) and net Movement in funds for the year	9.	95,580	(219,217)	(123,637)	(69,085)
Reconciliation of funds					
Reserve Transfer		(13,964)	13,964	-	-
Total Funds brought forward		<u>246,268</u>	<u>4,342,681</u>	<u>4,588,949</u>	<u>4,658,034</u>
Total funds carried forward		<u>327,884</u>	<u>4,137,428</u>	<u>4,465,312</u>	<u>4,588,949</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 14 to 26 form part of these financial statements

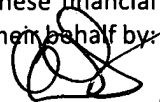
**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

**BALANCE SHEET
AS AT 31ST MARCH 2017**

	Note	2017	2016
		£	£
Fixed Assets			
Tangible assets	11.	4,164,378	4,344,051
Total Fixed Assets		<u>4,164,378</u>	<u>4,344,051</u>
Current Assets			
Stock	12.	429	716
Debtors	13.	118,255	192,741
Cash at bank and in hand		254,624	126,235
Total Current Assets		<u>373,308</u>	<u>319,692</u>
Current Liabilities			
Creditors: falling due within one year	14.	(72,374)	(74,794)
Net Current Assets		<u>300,934</u>	<u>244,898</u>
Total Assets less current liabilities		<u>4,465,312</u>	<u>4,588,949</u>
Creditors: falling due after more than 1 year		<u>(-)</u>	<u>(-)</u>
Net Assets		<u>4,465,312</u>	<u>4,588,949</u>
The funds of the Charity:			
Unrestricted income funds	15.	327,884	246,268
Restricted income funds	16.	4,137,428	4,342,681
Total Charity Funds		<u>4,465,312</u>	<u>4,588,949</u>

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 and are for circulation to members of the company.

These financial statements were approved by the members of the committee on 10/11/17 and are signed on their behalf by:


Christopher N C Holmes Director

Company Registration Number: 07113460

The notes on pages 14 to 26 form part of these financial statements

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDING 31ST MARCH 2017**

	Note	2017 £	2016 £
Cash used in operating activities	19	<u>196,276</u>	<u>107,295</u>
Cash flows from investing activities			
Interest income		1,764	525
Purchase of tangible fixed assets		(69,651)	(43,052)
Sale of tangible fixed assets		-	28,138
Cash provided by (used in) investing activities		<u>(67,887)</u>	<u>(14,389)</u>
Cash flows from financing activities			
Repayment of borrowing		-	-
Cash used in financing activities		<u>-</u>	<u>-</u>
Increase (decrease) in cash and cash equivalents in the year		128,389	92,906
Cash and cash equivalents at the beginning of the year		<u>126,235</u>	<u>33,329</u>
Total cash and cash equivalents at the end of the year		<u>254,624</u>	<u>126,235</u>

The notes on pages 14 to 26 form part of these financial statements

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

YEAR ENDED 31ST MARCH 2017

NOTES TO THE FINANCIAL STATEMENTS

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 accounts in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

Carlisle 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.

b) Reconciliation with previous Generally Accepted Accounting Practice

In preparing the 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.

c) Preparation of the accounts on a going concern basis

The Trustees are of the opinion that the Charity is a going concern.

d) Incoming resources

Donations and similar incoming resources are included in the period in which they are receivable, which is when the charity becomes entitled to the resource.

Grants, including grants for the purchase of fixed assets are recognised in full in the statement of financial activities in the year in which they are receivable. Grants receivable from government and other agencies have been included as income from activities in furtherance of the charity's objects where these amount to a contract for services but as donations where money is given with greater freedom of use.

Donated services and facilities are only included in incoming resources (with an equivalent amount in resources expended) where the benefit to the charity is reasonably quantifiable, measurable and material. The value placed on these resources is the estimated value to the charity of the service or facility received.

e) Investment income

Investment income is accounted for in the period in which the charity is entitled to receipt.

f) Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT, which cannot be recovered, and is reported as part of the expenditure to which it relates.

Costs of raising funds comprise those costs directly attributable to raising funds for the charity.

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

YEAR ENDED 31ST MARCH 2017

NOTES TO THE FINANCIAL STATEMENTS

f) Resources expended (continued)

Expenditure on charitable activities comprises those costs incurred by the charity in the delivery of its activities and services to enable the charity to meet its charitable aims and objectives. It includes both costs that can be allocated directly to such activities and those of an indirect nature necessary to support them.

Support costs have been calculated based on staff costs for each area. Cost allocation includes an element of judgement and the Charity has to consider the cost benefit of detailed calculations. Therefore the support costs shown are a best estimate of the costs that have been so allocated.

g) Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

h) Fund accounting

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes. Restricted funds are to be used for specific purposes as laid down by the donor.

i) Fixed assets

All fixed assets are initially recorded at cost. Assets with a value of less than £200 are not capitalised.

j) Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant and Machinery	-	20% reducing balance
Fixtures and Fittings	-	20% reducing balance
Office Equipment	-	20% reducing balance
Motor Vehicles	-	25% reducing balance
Leasehold Property	-	22 year lease term

k) Taxation

The company is a registered charity and as such is exempt from Income Tax and Corporation Tax under the provision of the Income and Corporation Taxes Act 1988.

l) Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

YEAR ENDED 31ST MARCH 2017

NOTES TO THE FINANCIAL STATEMENTS

2. Donations and Legacies

	Unrestricted Funds	Restricted Funds	Total Funds 2017 £	Total Funds 2016 £
Donations				
Private sector support	129,304	-	129,304	245,954
Public sector support	1,315	-	1,315	4,125
Grants receivable				
Grants and Trusts	81,488	367,145	448,633	413,172
Subscriptions	-	-	-	-
	<u>212,107</u>	<u>367,145</u>	<u>579,252</u>	<u>663,251</u>

3. Income from charitable activities

	Unrestricted Funds	Restricted Funds	Total Funds 2017 £	Total Funds 2016 £
Entry fees	40,996	-	40,996	45,888
	<u>40,996</u>	<u>-</u>	<u>40,996</u>	<u>45,888</u>

4. Income from other trading activities

	Unrestricted Funds	Restricted Funds	Total Funds 2017 £	Total Funds 2016 £
Shop income	24,673	-	24,673	28,769
Fundraising events	45,268	-	45,268	28,731
Sundry Income	2,063	-	2,063	5,894
Room hire	19,344	-	19,344	37,473
	<u>91,348</u>	<u>-</u>	<u>91,348</u>	<u>100,867</u>

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

YEAR ENDED 31ST MARCH 2017

NOTES TO THE FINANCIAL STATEMENTS

5. Investment Income

	Unrestricted Funds	Total Funds 2017 £	Total Funds 2016 £
Bank interest receivable	1,764	1,764	525
	<u>1,764</u>	<u>1,764</u>	<u>525</u>

6. Costs of Fund Raising

	Unrestricted Funds Direct Costs £	Support Costs £	Total Funds 2017 £	Total Funds 2016 £
Purchases	288	-	288	414
Fundraising Expenditure	13,804	-	13,804	1,135
Wages	8,051	2,684	10,735	25,312
Employer's national insurance	2,047	682	2,729	2,401
Network Agreement	800	267	1,067	1,022
Depreciation	1,016	339	1,355	329
(Profit)/ Loss on Disposal Of Fixed Assets	-	-	-	(2,343)
Pension contributions	1,273	424	1,697	1,350
Rates and water	23	8	31	268
Light and heat	1,147	382	1,529	1,479
Repairs and maintenance	(3,143)	(1,048)	(4,191)	4,011
Insurance	1,503	501	2,004	1,371
Motor vehicles	109	34	143	306
Legal and Professional fees	64	21	85	109
Bank charges	89	30	119	167
Bookkeeping and Accountancy	1,253	418	1,671	2,257
Bad Debts	-	-	-	-
Telephone	386	129	515	886
Sundries	197	66	263	1,430
Recruitment	13	4	17	74
Training	377	126	503	126
Printing, postage and stationery	677	226	903	1,356
Travel and subsistence	457	152	609	(564)
	<u>30,431</u>	<u>5,445</u>	<u>35,876</u>	<u>42,896</u>

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

YEAR ENDED 31ST MARCH 2017

NOTES TO THE FINANCIAL STATEMENTS

7. Costs of Commercial Trading Operations

	Unrestricted Funds		Total Funds	Total
	Direct	Support Costs	2017	Funds
	Costs			2016
	£	£	£	£
Purchases	16,579	-	16,579	24,317
Wages	-	-	-	2,812
Employer's national insurance	-	-	-	267
Network Agreement	-	-	-	114
Depreciation	-	-	-	36
(Profit)/Loss on Disposal of Fixed Assets	-	-	-	(261)
Pension contributions	-	-	-	150
Rates and water	-	-	-	30
Light and heat	-	-	-	164
Repairs and maintenance	-	-	-	446
Insurance	-	-	-	153
Motor vehicles	-	-	-	35
Legal and Professional fees	-	-	-	12
Bank charges	-	-	-	18
Bookkeeping and Accountancy	-	-	-	251
Bad Debts	1,955	-	1,955	259
Telephone	-	-	-	98
Sundries	-	-	-	159
Public relations	-	-	-	-
Recruitment	-	-	-	8
Training	-	-	-	14
Printing, postage and stationery	-	-	-	150
Travel and subsistence	-	-	-	(62)
	<u>18,534</u>	<u>-</u>	<u>18,534</u>	<u>29,170</u>

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

YEAR ENDED 31ST MARCH 2017

NOTES TO THE FINANCIAL STATEMENTS

8.Expenditure on charitable activities

Basis of allocation		Restricted	Unrestricted		Total Funds	Total Funds
		Funds	Direct costs	Support cost	2017	2016
		£	£	£	£	£
Purchases	Usage	18,010	13,112	-	31,122	23,019
Wages, Employer's national insurance contributions, and Pension Contributions	Direct	308,509	95,233	31,744	435,486	434,899
Depreciation	Usage	236,627	8,507	2,836	247,970	236,372
(Profit)/Loss on Disposal Of Fixed Assets	Usage	-	-	-	-	2,315
Other costs	Usage	23,216	33,756	11,037	68,009	110,945
		<u>586,362</u>	<u>150,608</u>	<u>45,617</u>	<u>782,587</u>	<u>807,550</u>

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

YEAR ENDED 31ST MARCH 2017

NOTES TO THE FINANCIAL STATEMENTS

9. Net income/(expenditure) and net Movement in funds for the year

This is stated after charging:

	2017	2016
	£	£
Auditor's remuneration - Audit	3,720	3,720
Auditor's remuneration – Other Services	1,080	1,080
Depreciation	249,324	236,738

10. Staff Costs And Emoluments

Total staff costs were as follows:

	2017	2016
	£	£
Wages and salaries	408,729	435,327
Social security costs	25,024	28,980
Pension cost	15,914	14,376
	<u>449,667</u>	<u>478,683</u>

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows:

	2017	2016
	£	£
Chief Executive	1	1
Youth worker	32	25
Administration and support staff	8	15
	<u>41</u>	<u>41</u>

No employee received remuneration of more than £60,000 during the year (2016 - Nil).

No trustee was paid or received any expenses during the year (2016 - Nil).

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

YEAR ENDED 31ST MARCH 2017

NOTES TO THE FINANCIAL STATEMENTS

11. Tangible Fixed Assets

	Plant and Machinery £	Office Equipment £	Fixtures and Fittings £	Motor Vehicles £	Leasehold Property £	Total £
COST						
At 1 Apr 2016	17,573	17,617	21,870	-	4,984,490	5,041,550
Additions	12,075	4,222	33,904	19,450	-	69,651
Disposals	(-)	(-)	(-)	(-)	(-)	(-)
At 31 Mar 2017	29,648	21,839	55,774	19,450	4,984,490	5,111,201
DEPRECIATION						
At 1 Apr 2016	7,082	6,168	4,545	-	679,704	697,499
Charge for Year	4,513	3,134	10,246	4,863	226,568	249,324
On Disposals	(-)	(-)	(-)	(-)	(-)	(-)
At 31 Mar 2017	11,595	9,302	14,791	4,863	906,272	946,823
NET BOOK VALUE						
At 31 Mar 2017	18,053	12,537	40,983	14,587	4,078,218	4,164,378
At 31 Mar 2016	10,491	11,449	17,325	-	4,304,786	4,344,051

The property from which the charity operates was built by Onside Northwest Ltd with the aid of a grant of £4,980,234 from the Big Lottery. On 26 March 2013 Onside Northwest Ltd gifted the remainder of the 25 year lease in the property, which started on 19 February 2010, to the charity. The trustees have valued this gifted property at £4,980,234, being the value of the initial grant that funded its development. In the trustees' opinion this value is reasonable.

Secured assets

The property from which the charity operates was built from a grant of £4,980,234 from the Big Lottery. This grant is held on trust and is repayable if the terms of the grant are not met. The Big Lottery has a legal charge on the property.

12. Stocks

	2017 £	2016 £
Stock	<u>429</u>	<u>716</u>

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

YEAR ENDED 31ST MARCH 2017

NOTES TO THE FINANCIAL STATEMENTS

13. Debtors

	2017 £	2016 £
Trade Debtors	53,599	119,016
Other Debtors	61	-
Prepayments and accrued income	64,595	73,725
	<u>118,255</u>	<u>192,741</u>

14. CREDITORS: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	16,293	31,485
Accruals and deferred income	47,293	34,166
PAYE and social security	6,423	7,156
Other creditors	2,365	1,987
	<u>72,374</u>	<u>74,794</u>

Deferred Income

	2017 £
Deferred Income at 1 April 2016	16,416
Resources deferred in the year	33,896
Amounts released from previous years	(16,416)
	<u>33,896</u>
Deferred Income at 31 March 2017	<u>33,896</u>

The deferred income as at 31 March 2017 consists of donations received in advance.

15. Unrestricted Income Funds

	Balance at 1 st April 2016	Incoming Resources	Outgoing Resources	Transfer to Restricted Reserve	Balance at 31 st March 2017
General Funds	<u>246,268</u>	<u>346,215</u>	<u>(250,635)</u>	<u>(13,964)</u>	<u>327,884</u>

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

YEAR ENDED 31ST MARCH 2017

NOTES TO THE FINANCIAL STATEMENTS

16. Restricted Income Funds

	Balance at 1 st April 2016	Incoming Resources	Outgoing Resources	Transfer From Unrestricted Reserve	Balance at 31 st March 2017
Big Lottery Fund	-	100,052	(102,789)	2,737	-
Children in Need	-	25,557	(25,557)	-	-
Level Playing Field	-	46,067	(53,706)	7,639	-
Mash Up	-	550	(550)	-	-
Capital	4,131	-	(4,131)	-	-
Sensory Room	4,157	-	(1,636)	-	2,521
Employability	-	28,373	(26,153)	-	2,220
Nationwide	-	4,339	(3,143)	-	1,196
NCS	-	6,140	(6,140)	-	-
Arts	-	10,000	(1,767)	-	8,233
Police Commissioner	-	28,742	(28,742)	-	-
Sports	-	26,576	(27,195)	619	-
Street Games	-	4,500	(4,500)	-	-
Newcastle Charitable Trust	-	2,250	(114)	-	2,136
DCLG	-	72,000	(72,000)	-	-
Rotary Club	-	12,000	(12,000)	-	-
Aviva Catering	9,730	-	(-)	-	9,730
Fixed assets	4,324,663	8,387	(233,627)	2,969	4,102,392
Minibus	-	12,000	(3,000)	-	9,000
	<u>4,342,681</u>	<u>387,533</u>	<u>(606,750)</u>	<u>13,964</u>	<u>4,137,428</u>

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

YEAR ENDED 31ST MARCH 2017

NOTES TO THE FINANCIAL STATEMENTS

17. Restricted Income Funds

Big Lottery Fund

Funds the salaries of Youth Work Manager, Youth workers, team leader, training costs, general running costs, sessional workers, and organisational overheads.

Children in Need

This three year grant will fund the salary of an Inclusion Team Leader, the Saturday Inclusion club and contribute to other expenses incurred in running the inclusion provision in Junior and Senior Clubs.

Level Playing Field

3 year program, working in partnership with The Seashell Trust, to deliver a range of sports and other activities which integrate disabled and able bodied young people in the same program. This includes concentrated activities during each of the school holidays.

Mash Up

Deliver fun football sessions specifically designed to engage young people who wouldn't usually engage in competitive sport.

Capital

Capital Grant for equipment to replace items lost in the flood and enable us to get up and running for the young people as quickly as possible.

Sensory Room

Comprises 2 capital grants towards the costs of installing a sensory room. This was delayed by the flood but should be completed by January 2017.

Employability

Funding from the AO Foundation and Accenture towards our work delivering employability support and training for young people preparing for the world of work.

Sport +

A 2 year program which funds part of our Sport Co-ordinator to deliver Sports Leader qualifications for young people approaching employment.

Nationwide

Funded sports equipment and a large metal storage shed following the floods.

NCS

Deliver NCS program to young people with disabilities/ additional needs.

Arts

Funded part time Arts development worker, working across all clubs.

Police Commissioner

The funds are to facilitate the mentoring of young people on a one to one basis.

Sports

These are small grants for equipment and coaches to deliver sporting experience.

Street Games

Funded doorstep sports provision, especially on a Saturday evening

Newcastle Charitable Trust

Promotional equipment and materials for use at public events.

DCLG

Match funding for other donations received post flood. To be spent on activity related to flood recovery

Rotary Club

Funded the difference between the insurance settlement (7k) and the cost of a replacement bus (£19k)

Aviva Catering

A one off grant from the Aviva Community Fund, which we won in a national popular vote, to deliver catering training and opportunity. Will part fund our catering co-ordinator.

Fixed assets

The building used by the Youth Zone was donated by Onside North West Limited. Other fixtures and fittings have also been donated to the Charity.

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

YEAR ENDED 31ST MARCH 2017

NOTES TO THE FINANCIAL STATEMENTS

18. Analysis Of Net Assets Between Funds

	Tangible Fixed Assets £	Net Current Assets £	Total £
Restricted Income Funds:			
Sensory Room	-	2,521	2,521
Employability	-	2,220	2,220
Nationwide	-	1,196	1,196
Arts	-	8,233	8,233
Newcastle Charitable Trust	-	2,136	2,136
Aviva Catering	-	9,730	9,730
Fixed Assets	4,102,392	-	4,102,392
Minibus	9,000	-	9,000
	<u>4,111,392</u>	<u>26,036</u>	<u>4,137,428</u>
Unrestricted Income Funds	<u>52,986</u>	<u>274,898</u>	<u>327,884</u>
Total Funds	<u>4,164,378</u>	<u>300,934</u>	<u>4,465,312</u>

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

	2017 £	2016 £
Net movement in funds	(123,637)	(69,085)
Add back depreciation charge	249,324	236,738
Deduct interest income shown In investing activities	(1,764)	(525)
Decrease/(increase) in stock	287	638
Decrease/(increase) in debtors	74,486	(92,547)
(Decrease)/increase in creditors	<u>(2,420)</u>	<u>32,076</u>
Net cash used in operating activities	<u>196,276</u>	<u>107,295</u>

20. Related Party Transactions

During the year the Charity received a £50,000 donation from Kingmoor Park Properties Ltd a company connected to Mr B K Scowcroft (Trustee)

During the year the Charity received a £25,000 donation from Carr's Group PLC a company connected to Mr C N C Holmes (Trustee)

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

YEAR ENDED 31ST MARCH 2017

NOTES TO THE FINANCIAL STATEMENTS

21. Company Limited By Guarantee

The liability of the members is limited. Every member of the charity undertakes to contribute to the assets of the charity, in the event of the same being wound up while he or she is a member, or within one year after he or she ceases to be a member, for payment of the debtors and liabilities of the charity contracted before he or she ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributions among themselves, such amount as may be required not exceeding ten pounds:

22. Auditors Other Services

In common with many other charities of our size and nature we use our auditors to help us prepare statutory accounts.