

COMPANY REGISTRATION NUMBER 07113460

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2018**



Charity Number 1134974

CYZ

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

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE
FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2018**

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MEMBERS OF THE BOARD AND PROFESSIONAL ADVISERS

Registered charity name	Carlisle Youth Zone
Charity number	1134974
Company Details	Private company limited by guarantee, registered in England and Wales, registration number 07113460
Registered office	Victoria Place Carlisle CA1 1LR
Trustees	Mrs E J Goddard Mr K M Engel Mr A D Hanson Mr C N C Holmes Mrs J Longrigg Mr N S Marshall Mr B K Scowcroft Mr W Stobart Mr P S Stybelski Mr W A Tinkler
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 2018

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 2018.

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

Our purpose and activities

The charity operates Carlisle Youth Zone, a youth club who's vision is to provide a safe and fun environment where the potential of young people is developed and fulfilled.

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

Constitution

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.

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

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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 – 30 October 2017
Mr K M Engel	5 December 2017 - 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 W Stobart	29 December 2009 – present
Mr P S Stybelski	11 June 2018 - present
Mr W A Tinkler	29 December 2009 – present
Mrs A J Watts	24 February 2014 – 30 October 2017

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 contributions among themselves, such amount as may be required not exceeding ten pounds.

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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 August 2018 our current, paid up membership stood at 1766 (31%). We have undertaken a range of targeted projects for more vulnerable young people and have created a role which prioritises this targeted work and reaching those in greatest need.

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.

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

Fund raising

Carlisle Youth Zone's funding comes from a mixture of donations and grants. Donations mainly come from local businesses, however the charity Trustees are aware of the need to protect vulnerable people and other members of the public from fundraising behaviour which:

- is an unreasonable intrusion on a person's privacy
- is unreasonably persistent
- places undue pressure on a person to give money or other property

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The charity does not employ an external fund raiser and monitors the fundraising activities of its staff to ensure that standards are met.

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 2018 incoming resources amounted to £687,913. Of this amount, £350,077 was restricted funds for specific projects. The remaining £337,836 resulted principally from public and private sector donations and fundraising initiatives. Total expenditure in the year of £893,299 included £226,568 of non-cash expenditure which represents 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 2018 were £4,259,926 of which £4,022,741 were restricted. £3,897,741 of the restricted reserves relate to fixed assets held by the Charity.

During the year the Charity received £100,000 from the Queens Trust. This money is to be held in reserve as a contingency fund to help alleviate the cost of any future flood damage.

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 2017/18.

**CARLISLE YOUTH ZONE
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TRUSTEES' ANNUAL REPORT
YEAR ENDED 31 MARCH 2018**

PLANS FOR FUTURE PERIODS

Aims and details of plans to 31 March 2019, and how we will achieve them:

Objective	Plans
Consistently achieve +1000 visits per week with +800 attending clubs	A series of recruitment activities and consultation
Achieve sustainability	Control costs, stabilise income from Grants and Trusts and increase corporate fundraising.
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 • accredited learning
Comprehensive induction process for staff/ volunteers/ board	<ul style="list-style-type: none"> • Quarterly induction sessions introduced for all new staff, volunteers and board members • Induction reviewed and enhanced (including inspiration session)
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

**CARLISLE YOUTH ZONE
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TRUSTEES' ANNUAL REPORT

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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: 10/9/18

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF CARLISLE YOUTH ZONE
YEAR ENDED 31 MARCH 2018**

Opinion

We have audited the financial statements of Carlisle Youth Zone (the 'charity') for the year ended 31st March 2018 which comprise the Statement of Financial Activities (incorporating the income and expenditure account), the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st March 2018 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 22 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF CARLISLE YOUTH ZONE YEAR ENDED
31 MARCH 2018**

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement (set out on page 8), the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Use of our report

This report is made solely to the 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 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.

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: 08/10/18



**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

**STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31ST MARCH 2018**

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £	Total Funds 2017 £
Income:					
Donations & Legacies	2.	165,257	350,077	515,334	579,252
<i>Income from charitable activities:</i>					
Youth Club	3.	56,674	-	56,674	40,996
<i>Income from other trading activities:</i>					
	4.	113,776	-	113,776	91,348
Investment Income	5.	2,129	-	2,129	1,764
Total Income		<u>337,836</u>	<u>350,077</u>	<u>687,913</u>	<u>713,360</u>
Expenditure:					
<i>Costs of raising funds:</i>					
Fund Raising	6.	(65,803)	-	(65,803)	(35,876)
Commercial Trading Operations	7.	(26,774)	-	(26,774)	(18,534)
<i>Expenditure on charitable activities:</i>					
Youth Club	8.	(335,394)	(465,328)	(800,722)	(782,587)
Total Expenditure		<u>(427,971)</u>	<u>(465,328)</u>	<u>(893,299)</u>	<u>(836,997)</u>
Net income/(expenditure) and net Movement in funds for the year	9.	(90,135)	(115,251)	(205,386)	(123,637)
Reconciliation of funds					
Reserve Transfer		(564)	564	-	-
Total Funds brought forward		<u>327,884</u>	<u>4,137,428</u>	<u>4,465,312</u>	<u>4,588,949</u>
Total funds carried forward		<u>237,185</u>	<u>4,022,741</u>	<u>4,259,926</u>	<u>4,465,312</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 27 form part of these financial statement

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

**BALANCE SHEET
AS AT 31ST MARCH 2018**

	Note	2018	2017
		£	£
Fixed Assets			
Tangible assets	11.	3,961,585	4,164,378
Total Fixed Assets		<u>3,961,585</u>	<u>4,164,378</u>
Current Assets			
Stock	12.	1,176	429
Debtors	13.	90,368	118,255
Cash at bank and in hand		356,305	254,624
Total Current Assets		<u>447,849</u>	<u>373,308</u>
Current Liabilities			
Creditors: falling due within one year	14.	(149,508)	(72,374)
Net Current Assets		<u>298,341</u>	<u>300,934</u>
Total Assets less current liabilities		<u>4,259,926</u>	<u>4,465,312</u>
Creditors: falling due after more than 1 year		<u>(-)</u>	<u>(-)</u>
Net Assets		<u>4,259,926</u>	<u>4,465,312</u>
The funds of the Charity:			
Unrestricted income funds	15.	237,185	327,884
Restricted income funds	16.	4,022,741	4,137,428
Total Charity Funds		<u>4,259,926</u>	<u>4,465,312</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 10/4/18 and are signed on their behalf by



.....
Christopher N C Holmes Director

Company Registration Number: 07113460

The notes on pages 14 to 27 form part of these financial statements

**CARLISLE YOUTH ZONE
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**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDING 31ST MARCH 2018**

	Note	2018 £	2017 £
Cash used in operating activities	19	<u>150,732</u>	<u>196,276</u>
Cash flows from investing activities			
Interest income		2,129	1,764
Purchase of tangible fixed assets		(51,180)	(69,651)
Sale of tangible fixed assets		-	-
Cash provided by (used in) investing activities		<u>(49,051)</u>	<u>(67,887)</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		101,681	128,389
Cash and cash equivalents at the beginning of the year		<u>254,624</u>	<u>126,235</u>
Total cash and cash equivalents at the end of the year		<u>356,305</u>	<u>254,624</u>

The notes on pages 14 to 27 form part of these financial statements

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

YEAR ENDED 31ST MARCH 2018

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 Section 1A small entities) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102 Section 1A small entities) 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) Preparation of the accounts on a going concern basis

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

c) 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.

d) Investment income

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

e) 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 2018

NOTES TO THE FINANCIAL STATEMENTS

e) 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.

f) 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.

g) 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.

h) Fixed assets

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

i) 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

j) 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.

k) 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 2018

NOTES TO THE FINANCIAL STATEMENTS

2. Donations and Legacies

	Unrestricted Funds	Restricted Funds	Total Funds 2018 £	Total Funds 2017 £
Donations				
Private sector support	123,989	-	123,989	129,304
Public sector support	-	-	-	1,315
Grants receivable				
Grants and Trusts	41,268	350,077	391,345	448,633
Subscriptions	-	-	-	-
	<u>165,257</u>	<u>350,077</u>	<u>515,334</u>	<u>579,252</u>

3. Income from charitable activities

	Unrestricted Funds	Restricted Funds	Total Funds 2018 £	Total Funds 2017 £
Entry fees	56,674	-	56,674	40,996
	<u>56,674</u>	<u>-</u>	<u>56,674</u>	<u>40,996</u>

4. Income from other trading activities

	Unrestricted Funds	Restricted Funds	Total Funds 2018 £	Total Funds 2017 £
Shop income	33,901	-	33,901	24,673
Fundraising events	49,330	-	49,330	45,268
Sundry Income	6,406	-	6,406	2,063
Room hire	24,139	-	24,139	19,344
	<u>113,776</u>	<u>-</u>	<u>113,776</u>	<u>91,348</u>

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

YEAR ENDED 31ST MARCH 2018

NOTES TO THE FINANCIAL STATEMENTS

5. Investment Income

	Unrestricted Funds	Total Funds 2018 £	Total Funds 2017 £
Bank interest receivable	2,129	2,129	1,764
	<u>2,129</u>	<u>2,129</u>	<u>1,764</u>

6. Costs of Fund Raising

	Unrestricted Funds		Total Funds	Total Funds
	Direct Costs £	Support Costs £	2018 £	2017 £
Purchases	567	-	567	288
Fundraising Expenditure	27,251	-	27,251	13,804
Wages, Employers national insurance contributions and Pension contributions	21,675	7,228	28,903	15,161
Network Agreement	800	267	1,067	1,067
Depreciation	1,143	381	1,524	1,355
(Profit)/ Loss on Disposal Of Fixed Assets	-	-	-	-
Rates and water	599	199	798	31
Light and heat	1,479	493	1,972	1,529
Repairs and maintenance	(3,662)	(1,221)	(4,883)	(4,191)
Insurance	2,172	724	2,896	2,004
Motor vehicles	164	55	219	143
Legal and Professional fees	208	69	277	85
Bank charges	84	28	112	119
Bookkeeping and Accountancy	1,286	429	1,715	1,671
Bad Debts	-	-	-	-
Telephone	323	108	431	515
Sundries	562	198	760	263
Recruitment	25	8	33	17
Training	319	106	425	503
Printing, postage and stationery	626	209	835	903
Travel and subsistence	676	225	901	609
	<u>56,297</u>	<u>9,506</u>	<u>65,803</u>	<u>35,876</u>

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

YEAR ENDED 31ST MARCH 2018

NOTES TO THE FINANCIAL STATEMENTS

7. Costs of Commercial Trading Operations

	Unrestricted Funds		Total Funds	Total Funds
	Direct	Support Costs	2018	2017
	Costs			
	£	£	£	£
Purchases	26,774	-	26,774	16,579
Bad Debts	-	-	-	1,955
	<hr/>	<hr/>	<hr/>	<hr/>
	26,774	-	26,774	18,534
	<hr/>	<hr/>	<hr/>	<hr/>

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

YEAR ENDED 31ST MARCH 2018

NOTES TO THE FINANCIAL STATEMENTS

8. Expenditure on charitable activities

Basis of allocation		Restricted	Unrestricted		Total Funds	Total Funds
		Funds	Direct costs	Support cost	2018	2017
		£	£	£	£	£
Purchases	Usage	4,572	16,047	-	20,619	31,122
Wages, Employer's national insurance contributions, and Pension Contributions	Direct	210,690	181,529	60,509	452,728	435,486
Depreciation	Usage	239,682	9,575	3,192	252,449	247,970
(Profit)/Loss on Disposal Of Fixed Assets	Usage	-	-	-	-	-
Other costs	Usage	10,384	48,735	15,807	74,926	68,009
		465,328	255,886	79,508	800,722	782,587

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

YEAR ENDED 31ST MARCH 2018

NOTES TO THE FINANCIAL STATEMENTS

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

This is stated after charging:

	2018	2017
	£	£
Auditor's remuneration - Audit	3,720	3,720
Auditor's remuneration – Other Services	1,080	1,080
Depreciation	253,973	249,324

10. Staff Costs And Emoluments

Total staff costs were as follows:

	2018	2017
	£	£
Wages and salaries	434,170	408,729
Social security costs	26,433	25,024
Pension cost	15,314	15,914
	<u>475,917</u>	<u>449,667</u>

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

	2018	2017
	£	£
Chief Executive	1	1
Youth worker	30	32
Administration and support staff	12	8
	<u>43</u>	<u>41</u>

No employee received remuneration of more than £60,000 during the year (2017 - Nil).
No trustee was paid or received any expenses during the year (2017 – Nil).

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

YEAR ENDED 31ST MARCH 2018

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 2017	29,648	21,839	55,774	19,450	4,984,490	5,111,201
Additions	29,373	7,535	14,272	-	-	51,180
Disposals	(-)	(-)	(-)	(-)	(-)	(-)
At 31 Mar 2018	59,021	29,374	70,046	19,450	4,984,490	5,162,381
DEPRECIATION						
At 1 Apr 2017	11,595	9,302	14,791	4,863	906,272	946,823
Charge for Year	9,485	4,014	10,259	3,647	226,568	253,973
On Disposals	(-)	(-)	(-)	(-)	(-)	(-)
At 31 Mar 2018	21,080	13,316	25,050	8,510	1,132,840	1,200,796
NET BOOK VALUE						
At 31 Mar 2018	37,941	16,058	44,996	10,940	3,851,650	3,961,585
At 31 Mar 2017	18,053	12,537	40,983	14,587	4,078,218	4,164,378

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

	2018 £	2017 £
Stock	<u>1,176</u>	<u>429</u>

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

YEAR ENDED 31ST MARCH 2018

NOTES TO THE FINANCIAL STATEMENTS

13. Debtors

	2018 £	2017 £
Trade Debtors	66,367	53,599
Other Debtors	400	61
Prepayments and accrued income	23,601	64,595
	<u>90,368</u>	<u>118,255</u>

14. CREDITORS: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	29,629	16,293
Accruals and deferred income	110,086	47,293
PAYE and social security	7,771	6,423
Other creditors	2,022	2,365
	<u>149,508</u>	<u>72,374</u>

Deferred Income

	2018 £
Deferred Income at 1 April 2017	33,896
Resources deferred in the year	110,085
Amounts released from previous years	(33,896)
	<u>110,085</u>
Deferred Income at 31 March 2018	<u>110,085</u>

The deferred income as at 31 March 2018 consists of donations received in advance.

15. Unrestricted Income Funds

Analysis of movements in unrestricted funds

	Balance at 1 st April 2017	Incoming Resources	Outgoing Resources	Transfer to Restricted Reserve	Balance at 31 st March 2018
General Funds	<u>327,884</u>	<u>337,836</u>	<u>(427,971)</u>	<u>(564)</u>	<u>237,185</u>

Analysis of movements in unrestricted funds – Previous Year

	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 2018

NOTES TO THE FINANCIAL STATEMENTS

16. Restricted Income Funds

Analysis of movement in restricted funds

	Balance at 1 st April 2017	Incoming Resources	Outgoing Resources	Transfer From Unrestricted Reserve	Balance at 31 st March 2018
Big Lottery Fund	-	104,567	(104,567)	-	-
Sensory Room	2,521	-	(2,521)	-	-
Employability	2,220	-	(2,220)	-	-
Nationwide	1,196	-	(1,196)	-	-
Arts	8,233	-	(8,233)	-	-
Police Commissioner	-	9,835	(9,835)	-	-
Sports	-	9,263	(9,263)	-	-
Street Games	-	5,500	(5,500)	-	-
Newcastle Charitable Trust	2,136	-	(2,700)	564	-
Aviva Catering	9,730	-	(9,730)	-	-
Fixed assets	4,102,392	26,028	(237,418)	-	3,891,002
Minibus	9,000	-	(2,261)	-	6,739
Queens Trust	-	125,000	-	-	125,000
Natwest	-	34,045	(34,045)	-	-
Expressions	-	49,668	(49,668)	-	-
E3 Project	-	5,096	(5,096)	-	-
NESTA	-	5,437	(5,437)	-	-
Francis C Scott	-	1,666	(1,666)	-	-
	<u>4,137,428</u>	<u>376,105</u>	<u>(491,356)</u>	<u>564</u>	<u>4,022,741</u>

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

YEAR ENDED 31ST MARCH 2018

16. Restricted Income Funds Continued

Analysis of movement in restricted funds – Previous Year

	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 2018

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.

Nationwide

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

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.

Queens Trust

The youth zone received a grant of £100,000 from the Queens Trust to be held in reserve as a contingency fund to be used to aid recovery in the event of a future flood.

NatWest

This money is to fund a financial education project that aims to increase financial awareness amongst young people aged 7 years and upwards.

Francis C Scott

Grant to fund an Arts Coordinator

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

YEAR ENDED 31ST MARCH 2018

17. Restricted Income Funds continued

Expressions

Funding for a music coordinator and equipment for the music room

E3 Project

Funding for a sports leadership program for young people aged 13 to 18 years

NESTA

Bespoke mentoring aimed at helping young people between 14 to 19 years develop financial skills and develop independent living skills.

18. Analysis Of Net Assets Between Funds

	Tangible Fixed Assets	Net Current Assets	Total
Restricted Income Funds:	£	£	£
Queens Trust	-	125,000	125,000
Fixed Assets	3,891,002	-	3,891,002
Minibus	6,739	-	6,739
	<u>3,897,741</u>	<u>125,000</u>	<u>4,022,741</u>
 Unrestricted Income Funds	 63,844	 173,341	 237,185
Total Funds	<u>3,961,585</u>	<u>298,341</u>	<u>4,259,926</u>

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

	2018	2017
	£	£
Net movement in funds	(205,386)	(123,637)
Add back depreciation charge	253,973	249,324
Deduct interest income shown		
In investing activities	(2,129)	(1,764)
Decrease/(increase) in stock	(747)	287
Decrease/(increase) in debtors	27,887	74,486
(Decrease)/increase in creditors	77,134	(2,420)
Net cash used in operating activities	<u>150,732</u>	<u>196,276</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 2018

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.