

COMPANY REGISTRATION NUMBER: 07113460

CHARITY REGISTRATION NUMBER: 1134974

CARLISLE YOUTH ZONE

COMPANY LIMITED BY GUARANTEE

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2023

CYZ

An **OnSide** Youth Zone

David Allen

Chartered Accountants & Statutory Auditor

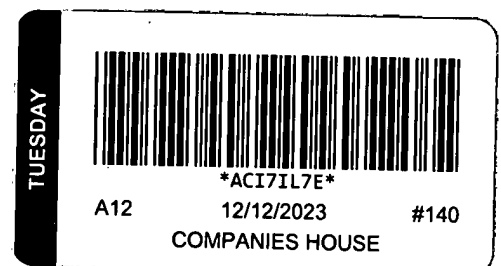
Dalmar House

Barras Lane Estate

Dalston

Carlisle

CA5 7NY



**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

CONTENTS

Reference and administrative details	1
Trustees' report incorporating directors' report	2 to 12
Independent auditor's report	13 to 16
Statement of financial activities	17 to 18
Balance sheet	19
Statement of cash flows	20
Notes to the financial statements	21 to 41

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees	Professor J Mennell, DL, Chair (appointed 7 January 2023) Mr A D Hanson Mr C N C Holmes, Chair (resigned 6 April 2023) Mr B K Scowcroft Mr W A Tinkler (resigned 15 February 2023) Mr N S Marshall Mrs J Longrigg (resigned 4 July 2022) Mr W Stobart (resigned 15 February 2023) Ms H A Blears (resigned 23 May 2022) Miss L V Graham Ms D Wright Ms M E Reid Fotheringham, DL Mr N S McIntyre (appointed 12 December 2022)
Charity Registration Number	1134974
Company Registration Number	07113460
Registered Office	The charity is incorporated in England and Wales. Victoria Place Carlisle CA1 1LR
Auditor	David Allen Chartered Accountants & Statutory Auditor Dalmar House Barras Lane Estate Dalston Carlisle CA5 7NY
Bankers	Cumberland Building Society Cumberland House Castle Street Carlisle CA3 8RX

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

TRUSTEES' REPORT INCORPORATING DIRECTORS' REPORT

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 March 2023.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Nature of governing document

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. 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.

Recruitment and appointment of trustees

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

Members' (Trustees/ Directors) 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.

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.

Organisational structure

The strategic oversight of the Youth Zone during the financial period is by the skilled and experienced Senior Leadership Team (SLT). This includes a new Chief Executive, Caroline Taylor-Beswick, who commenced in post in June 2022. Together, the SLT oversee three core functional areas which ensures CYZ has strong strategic and operational leadership and management.

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

TRUSTEES' REPORT INCORPORATING DIRECTORS' REPORT (CONTINUED)

These are:

- Delivery of all youth work and targeted youth engagement
- Financial and administration
- Income generation, marketing and communication

In addition, a new Operational Leadership Team (OLT) has been implemented during this period, providing a vehicle for greater distribution of the day-to-day leadership and management of CYZ services, including our provision for Junior, Senior and Inclusion members, our mentoring programme, our volunteer engagement, our Patron stewardship, and relationship with grants and trusts.

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.)

The Board of Trustees sets the pay for the Chief Executive, and receives an annual employee pay and workplace benefits analysis prepared by SLT. Following a Cost of Living impact analysis in September 2022, the Board of Trustees agreed to bring forward the employee pay review and implemented a pay award across the whole organisation in November 2022. Significantly, this pay award saw the organisation achieve at least the Real Living Wage threshold for all roles. We remain committed to working with volunteers and integrating them into all aspects of our work as part of our One Team approach.

The annual staff survey confirmed again, that 100% of the team feel proud of CYZ and are happy to tell people they work here.

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

- talking to young people
- management information system
- project evaluation
- self-reflection and peer review against OnSide Excellence Framework
- outcome measurements
- testimonial feedback
- regular consultation with stakeholders

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

TRUSTEES' REPORT INCORPORATING DIRECTORS' REPORT (CONTINUED)

During this financial period we initiated a step-change in becoming even more youth-led. We now have a formal Youth Advisory Board known as ACE (Aspire, Community, Enable). Alongside meeting weekly, ACE are now a standing item on our Trustee Board Meetings and they communicate directly across all levels of the organisation. In January 2023 ACE set out their four priorities for the year:

- Listen to more people and voices within CYZ
- Develop an active relationship with the CYZ adult Board
- Develop and create stronger links with other Youth Zones
- Be the 'go to' group that staff will discuss ideas / planning with

OBJECTIVES AND ACTIVITIES

Aims & Objectives

The charity'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.

This is achieved through giving young people aged 7 - 18yrs (up to 25yrs with additional needs) a diverse range of opportunities to discover their passion and their purpose. Integral to our work is our purpose built facility, that includes astro-turf pitches, 4-court sports hall, climbing wall, dance / drama studio, fully equipped gym, music room, and training kitchen. We welcome young people from diverse backgrounds to take part in Youth Clubs, activities, projects and events 6 days a week, providing opportunity to make friends, develop new skills, unlock their potential and have fun. Beyond the amazing facility, our greatest strength is our team of dedicated youth workers. Whether through a conversation, a project, a game or targeted support, CYZ provides life-changing support that helps local young people to thrive.

Young people become members of CYZ for just £5 per year, and then contribute 50p per visit. Whilst this membership and attendance is heavily subsidised, we recognise that for some it may represent a barrier, and free membership and/or entry are given where ever necessary. CYZ offers up to 20 activities per session to every young person who comes in - alongside this there are targeted services including our mentoring project and our targeted youth engagement work.

CYZ is part of a network of similar independent youth organisations that all share the same principles, developed by the charity OnSide Youth Zones, which is creating 21st century youth facilities across the UK. Carlisle Youth Zone was the first new Youth Zone to open amongst a now growing network of 14.

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

TRUSTEES' REPORT INCORPORATING DIRECTORS' REPORT (CONTINUED)

Strategy & Vision

The vision of Carlisle Youth Zone is:

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

To achieve this, CYZ works to maintain four key pillars:

- 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.

Following a Trustee development day early in 2022, specific direction and focus was given to 5 key priority areas of work for the next 3 years:

- Strengthening the Youth Zone's core, open-access, centre-based offer
- Providing greater support to the growing number of young people living in poverty
- Ensuring CYZ is a space where all communities of young people feel part of
- Youth voice at the heart of decision making
- Supporting young people's emotional wellbeing

The charity will deliver this through our universal, centre based programme, complimented by targeted youth work including our highly successful mentoring programme.

CYZ is committed to delivering excellent youth work that embodies youth work principles and values, and enables young people's personal and social development. We pay close attention to and align with the Youth Work National Occupational Standards, the Youth Work Curriculum (NYA), and the OnSide Youth Work Outcomes Framework. Through these commitments, we achieve outcomes with and for young people across 5 themes:

- Confidence
- Social skills
- Emotional skills
- Health and wellbeing
- Aspirations and achievement

We monitor and evaluate the achievement of these outcomes through a bespoke and unique online tool known as ME App. The ME App tool has 8 standard questions designed to assess young people's confidence, self-esteem, social skills, social cohesion, emotional resilience, health and wellbeing, determination, and aspirations. It was designed and validated by King's College London and is an amalgamation of several well-accepted youth assessment scales including WEBWBS (Warwick-Edinburgh Mental Wellbeing Scale), CYRM-R (Child and Youth Resilience Measure), and WFP (Workforce Preparation Scale) amongst others. Baseline, end-of-term, and end-of-year surveys measure distance travelled.

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

TRUSTEES' REPORT INCORPORATING DIRECTORS' REPORT (CONTINUED)

The trustees have regard to the charity commissions guidance on public benefit, and to the considerations of S17 Companies Act 2006 when promoting the success of the company and the likely long term consequences, effect on employees, suppliers, and the environment.

Working in partnership

CYZ recognises that working in partnership with others provides considerable benefits to the opportunities and support provided to young people, and ultimately to the outcomes that are possible to achieve. Integral to this is our work with parents, carers and wider family. During this financial period, we have secured specific funding to add capacity to our family focused work, through a Strengthening Families project. Strengthening Families will unite the expertise of CYZ and Cumbria Family Support (CFS) to provide holistic support that centres positive relationships within and around the family unit to improve mental health and wellbeing.

We also enjoy a wide range of partnerships with organisations that are able to compliment and enhance our programme for young people. These include (potted summary):

- Cumbria Wildlife Trust
- Carlisle United Football Club and Community Trust
- The Rock Youth Project
- People First
- Manchester United Foundation
- OUTReach Cumbria
- Multi Cultural Cumbria
- University of Cumbria
- Tullie House Museum
- Cumbria Police
- Cumbria Family Support
- Child Bereavement UK
- Beaumont College

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.

Equality, Diversity & Inclusion policy

The trustees recognise that a commitment to equality, diversity and inclusion (EDI) is an integral part of CYZ achieving its vision. Building on previous action which saw the charity identifying and appointing a Trustee as EDI rep on the Board, EDI is now a standing item on the Board agenda, and work to co-produce an EDI Strategy for the organisation has commenced. The charity has identified that our EDI responsibilities / strategy needs to be approached through three interconnected frames:

- Our Members (young people)
- Our Team (inc Board, Staff and Volunteers)
- Our Community / Society

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

TRUSTEES' REPORT INCORPORATING DIRECTORS' REPORT (CONTINUED)

The charity's EDI strategy adopts an intersectional lens, which means we acknowledge and consider how the range of factors which make up identity (for example gender, class, disability, sexuality, race, citizenship etc), affects how CYZ may be experienced, alongside societal issues of discrimination and prejudice.

During this financial period, CYZ became an official 'Friend of Cumbria Pride', acknowledging our contribution to welcoming LGBTQ+ Young People into a safe and expressive environment. 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

The charity has secured many achievements during what has been another unprecedented year, which saw us growing and expanding our core offer to young people whilst also navigating, at pace, the exponential rise of inflation related operating costs. To do this has required considerable agility, focus and commitment from all those who are involved and / or support CYZ.

Significantly, our membership grew 16% over the last year, seeing almost 3000 young people now proudly call themselves members of CYZ, extending our overall reach to well over 15,000 young people since first opening. As youth work is uniquely defined through its voluntary participation, this considerable rise cements CYZ as an essential and much loved asset to Carlisle's young people. Importantly, the diversity of our membership has also expanded, now exceeding the baseline demographic data for Carlisle across a range of domains. Through emerging collaboration with organisations such as Anti Racist Cumbria and Carlisle Refugee Action Group, alongside strengthening relationships with organisations such as OUTreach Cumbria, PiNC, People First, and Multi Cultural Cumbria, we will build on this foundation to ensure CYZ continues to be a safe and inclusive space for many, especially those most marginalised.

We maintained a focus on embedding a Culture of Health and Wellbeing with our members throughout this financial period, recognising the need to support the longer-term impacts of the Covid-19 pandemic, particularly on youth mental health. Projects which support school transition, promote kindness, created a buddy scheme and built emotional resilience have all been delivered. In total, 162 members benefitted against an original goal of 60. Team development has also been progressed connected to this focus, with 15 team members trained in Mental Health First Aid, 3 team members attending nutritional workshops, and 3 team members completing their Gym Instructor training.

New provision has also evolved, for example in June 2022, the creation of our library / quiet space was completed, creating a brand new space and focus of activity available to young people across our youth offer. This space was co-created with young people in direct response to interest that emerged during online sessions over lockdown. In addition to the 400 members who regularly use the space independently, a facilitated Senior Book Club stands at 18 members and a Junior Book Club has 31 members, as well as a newly established Debate Club which runs every Friday evening. 100% of members using the space have said they had enjoyed reading books/using the library, with 90% saying their reading has improved.

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

TRUSTEES' REPORT INCORPORATING DIRECTORS' REPORT (CONTINUED)

Securing feedback from members such as this about the library, is just one way we have enhanced our Youth Voice commitments to members over the last year. In addition to establishing ACE, the charity's Youth Advisory Board described earlier, November 2022 saw the establishment of a CREATE Youth Leadership group, who are co-creating the arts programme on offer at CYZ, as well as leading youth engagement work to inform a longer-term 3 year CREATE strategy. This work is building on a well-established and growing Arts Programme, with young people now routinely accessing a breadth of visual art, music and performance opportunities. Partnerships have been integral to enhancing the scope of this work this year, for example via a Green Place Project, designed to inspire young people to connect creatively with nature and the environment as a way of improving their health and wellbeing. A great achievement was to see this project culminating in CYZ members having their work included in exhibitions at both Tullie House Community Gallery and at RSPB Geltsdale Visitor Centre.

Alongside a range of new programmes of work, we have also successfully delivered and concluded a number of grant funded projects during this period. This includes our deeply valued 4-year funded project with Children in Need, which centred on improving young people's health, peer relationships and confidence. A 'bucket list' initiative was a core component of this project which has seen young people take part in activities and trips which their childhood may otherwise have missed. From seemingly simple activities such as flying a kite, baking cookies and having a movie night, to more adventurous activities of climbing and hiking a mountain, it has been a programme enjoyed by many.

Concurrently to our direct delivery, the Development Team have also forged new ground, for example securing our first funded partnership; a 3-year National Lottery Community Fund Reaching Communities grant with Cumbria Family Support, growing our visibility in the local children and young people services portfolio at a time when Family Hubs are in the pipeline. The partnership, titled 'Strengthening Families', will unite the expertise of the two organisations; a unique partnership that will provide holistic support that centres positive relationships within and around the family unit to improve mental health and wellbeing. A new post (Empowering Families Officer) is to be created who will work with whole families to address the root causes of complex mental health and wellbeing problems that are arising for young people. This new grant funding builds on our established and developing pipeline with Trusts and Grants, seeing our Trusts and Grants manager strengthen and nurture new relationships so we can identify support and potential where our priorities align.

Our Patron programme continues to thrive and has hit a new high level of 150 patrons in this period. As well as the monthly giving programme the private sector was pivotal to accessing funds for the refurbishment of the Café. Patrons have also been vital in enriching the offer to our members through offering opportunities such as competitions, workplace experiences and visits to clubs alongside corporate volunteering. The private sector support from the business community is something we are very proud of and we look forward to working with the businesses further going forward.

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

TRUSTEES' REPORT INCORPORATING DIRECTORS' REPORT (CONTINUED)

The cost of living crisis has continued to have a significant impact on our members, our team and our organisation over this financial period. For our members, there has been a stark increase in those needing additional support and care through their connection with CYZ, and we have responded in multiple ways. Significantly, we delivered a Winter Warm Zone initiative from December 2022 to March 2023 which saw us provide 12,000 free visits to CYZ, 7000 free hot meals, and 800 free memberships. We also became a distribution point for free food provided by local supermarkets, facilitated clothes swap events and access to winter clothing supplies, and became registered as a hygiene bank to members and their families to access free hygiene and sanitary supplies. For our team, we brought forward the implementation of the annual pay review by 5 months and achieved the Real Living Wage threshold for all roles for the first time. For our organisation, despite considerable efficiencies, our operating costs increased considerably owing to unavoidable rises in inflation related expenditure (wages, food, insurance and energy costs), alongside the need to deploy more youth worker hours (7% increase) to respond to the immediate and pressing rise in membership. We know this issue will continue to be a significant challenge to our member, our team and our organisation in the year ahead, making us as determined as ever to ensure CYZ remains a safe, warm place for any young person who needs us with a nourishing meal available for low cost, or free if the young person needs it.

FINANCIAL REVIEW

The scale and pace of inflation related rises to operating costs has presented a significant challenge during this financial period, coupled with an increase in demand and complexity of need from young people which has required a greater number of paid youth worker hours to be deployed. Whilst the fundraising team have worked hard to secure funding from a range of sources, there is an income gap against expenditure which has been bridged using 'free' reserves. Trustees consciously agreed to this position in order to sustain support for young people that matched immediate presenting need, alongside initiating a refreshed income generation strategy to meet increased operating costs in the long term. The overall deficit of £334,570 includes a depreciation charge of £244,043, including the depreciation charge of £226,567 associated with the leasehold property. With depreciation removed, there is a deficit of £90,527.

Despite providing 4 months of free membership and attendances associated with the Winter Warm Zone initiative, contributions increased £6,560 to £54,559 in 2023. Following the complete removal of Covid-19 related restrictions, fundraising income also increased to £45,512 in 2023, as did trading income which increased £24,672 to £78,604 in 2023. As expected, with assisted match funding not available, grant income reduced by £256,603 to £249,262 in 2023.

Given the cost of living related rises previously described, expenditure on charitable activities increased on last year by £93,337 to £1,019,457. CYZ had a closing cash balance of £313,039 in 2023 compared to £403,781 in 2022.

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

TRUSTEES' REPORT INCORPORATING DIRECTORS' REPORT (CONTINUED)

Investments Policy

As at 31 March 2023, the investment value was £180,906 (2022 - £189,141), receiving £2,155 dividend income (2022 - £1,444) and resulting in realised losses for the year of £3,658 (2022 - £Nil) and unrealised losses of £10,143 (2022 - £7,470). Whilst the Trustees have been disappointed in the performance of the investments in the year to date, they have been unable to control the unforeseen political and economic events which have caused the market volatility and in particular the impact of adverse movements in the low-risk bond market. They continue to monitor the performance closely, together with the support of Evelyn & Partners, to manage the longer-term outcome, to ensure that they provide the equity and returns the Charity requires to deliver on its charitable objectives.

Reserves policy

The Trustees of Carlisle Youth Zone have established a reserves policy which appropriately reflects the risks to which the Charity is exposed balanced with the need to progress service delivery. In reviewing the potential costs that could arise should a significant reduction in income be incurred, the Trustees have determined that it is appropriate for unrestricted, 'free', reserves to be maintained at a minimum of 3 months.

The total reserves of the charity at 31 March 2023 were £3,260,197 (2022: £3,594,767). Of these total reserves £2,954,215 are restricted reserves which include restricted fixed assets of £2,754,971 (2022: £2,970,888). At 31st March 2023 the Charity has accumulated unrestricted, 'free', reserves of £305,982; this provides cover for more than 3 months of operating costs. The Trustees actively manage Carlisle Youth Zone's finances so that an adequate level of reserves is maintained in compliance with the reserves policy.

The Charity will review regularly both the sum it wishes to hold in reserves in unrestricted funds and the basis for that figure, particularly considering the impact of the ongoing economic context.

FINANCIAL INSTRUMENTS

Objectives and policies

The charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the charity's policies approved by the board of trustees, which provide written principles on the use of financial derivatives to manage these risks. The charity does not use derivative financial instruments for speculative purposes.

Cash flow risk

The charity's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. Interest bearing assets and liabilities are held at fixed rate to ensure certainty of cash flows.

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

TRUSTEES' REPORT INCORPORATING DIRECTORS' REPORT (CONTINUED)

Credit risk

The charity's principal financial assets are bank balances and cash, trade and other receivables, and investments. The charity's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies. The charity has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the charity uses a mixture of long-term and short-term debt finance. Further details regarding liquidity risk can be found in the Statement of accounting policies in the financial statements.

Statement of Trustees' Responsibilities

The trustees (who are also the directors of Carlisle Youth Zone for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the 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 apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting 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 business.

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

TRUSTEES' REPORT INCORPORATING DIRECTORS' REPORT (CONTINUED)

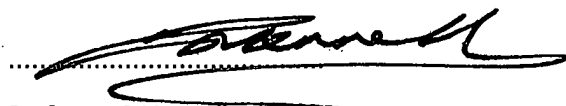
DISCLOSURE OF INFORMATION TO AUDITOR

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

REAPPOINTMENT OF AUDITOR

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of David Allen as auditors of the charity is to be proposed at the forthcoming Annual General Meeting.

The annual report was approved by the trustees of the charity on 14 November 2023 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'J Mennell', with a long horizontal flourish extending to the right. The signature is written over a dotted line.

Professor J Mennell, DL

Trustee

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CARLISLE YOUTH ZONE

OPINION

We have audited the financial statements of Carlisle Youth Zone (the 'charity') for the year ended 31 March 2023, which comprise the Statement of financial activities, Balance sheet, Statement of cash flows, and Notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (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 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

OTHER INFORMATION

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CARLISLE YOUTH ZONE
(CONTINUED)**

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.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our 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 incorporating directors' report.

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.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Statement of Trustees' responsibilities, set out on page 9, 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.

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CARLISLE YOUTH ZONE
(CONTINUED)**

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with the management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the company which were contrary to the applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

We are not responsible for detecting fraud and preventing non-compliance and cannot be expected to detect all fraud and non-compliance with all laws and regulations. The primary responsibility for the prevention and detection of irregularities including fraud rests with both the management and the Directors. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CARLISLE YOUTH ZONE
(CONTINUED)**

USE OF OUR REPORT

This report is made solely to the charitable company's trustees, 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 charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

.....
ALISON WELTON (Senior Statutory Auditor)
For and on behalf of
David Allen
Chartered Accountants & Statutory Auditor

Dalmar House
Barras Lane Estate
Dalston
Carlisle
CA5 7NY

Date: 14 November 2023

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2023
(INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL
RECOGNISED GAINS AND LOSSES)**

	Note	Unrestricted £	Restricted £	Total 2023 £	Total 2022 £
Income:					
Donations, legacies and grants receivable	3	363,898	201,271	565,169	747,987
<i>Income from charitable activities:</i>					
Youth Club	4	68,769	-	68,769	56,863
Other trading activities	5	109,906	-	109,906	44,218
Investment income	6	8,214	-	8,214	3,544
Total income		<u>550,787</u>	<u>201,271</u>	<u>752,058</u>	<u>852,612</u>
Expenditure on:					
<i>Costs of raising funds:</i>					
Raising funds	7	(53,370)	-	(53,370)	(28,268)
<i>Expenditure on charitable activities:</i>					
Youth Club	8	<u>(562,315)</u>	<u>(457,142)</u>	<u>(1,019,457)</u>	<u>(926,120)</u>
Total expenditure		<u>(615,685)</u>	<u>(457,142)</u>	<u>(1,072,827)</u>	<u>(954,388)</u>
Losses on investment assets	14	<u>(13,801)</u>	<u>-</u>	<u>(13,801)</u>	<u>(7,470)</u>
Net expenditure		<u>(78,699)</u>	<u>(255,871)</u>	<u>(334,570)</u>	<u>(109,246)</u>
Net movement in funds		(78,699)	(255,871)	(334,570)	(109,246)
Reconciliation of funds					
Total funds brought forward		<u>384,681</u>	<u>3,210,086</u>	<u>3,594,767</u>	<u>3,704,013</u>
Total funds carried forward	20	<u>305,982</u>	<u>2,954,215</u>	<u>3,260,197</u>	<u>3,594,767</u>

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2023
(CONTINUED)
(INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL
RECOGNISED GAINS AND LOSSES)**

	Note	Unrestricted funds £	Restricted funds £	Total 2022 £
Income:				
Donations, legacies and grants receivable	3	291,894	456,093	747,987
<i>Income from charitable activities:</i>				
Youth Club	4	56,863	-	56,863
Other trading activities	5	44,218	-	44,218
Investment income	6	3,544	-	3,544
Total income		396,519	456,093	852,612
Expenditure on:				
<i>Costs of raising funds:</i>				
Raising funds	7	(28,268)	-	(28,268)
<i>Expenditure on charitable activities:</i>				
Youth Club	8	(307,530)	(618,590)	(926,120)
Total expenditure		(335,798)	(618,590)	(954,388)
Losses on investment assets	14	(7,470)	-	(7,470)
Net income/(expenditure)		53,251	(162,497)	(109,246)
Net movement in funds		53,251	(162,497)	(109,246)
Reconciliation of funds				
Total funds brought forward		331,430	3,372,583	3,704,013
Total funds carried forward	20	384,681	3,210,086	3,594,767

All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown for 2023 and 2022 is shown in note 20.

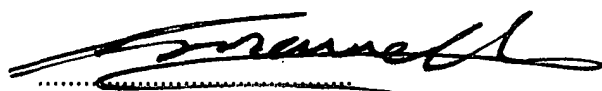
**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

BALANCE SHEET AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	13	2,797,123	3,028,098
Investments	14	<u>180,906</u>	<u>189,141</u>
		2,978,029	3,217,239
Current assets			
Stocks	15	1,953	1,215
Debtors	16	53,479	74,037
Cash at bank and in hand		<u>313,039</u>	<u>403,781</u>
		368,471	479,033
Creditors: Amounts falling due within one year	17	<u>(86,303)</u>	<u>(101,505)</u>
Net current assets		<u>282,168</u>	<u>377,528</u>
Net assets		<u>3,260,197</u>	<u>3,594,767</u>
Funds of the charity:			
Restricted		2,954,215	3,210,086
Unrestricted income funds			
Unrestricted		<u>305,982</u>	<u>384,681</u>
Total funds	20	<u>3,260,197</u>	<u>3,594,767</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.

The financial statements on pages 17 to 41 were approved by the trustees, and authorised for issue on 14 November 2023 and signed on their behalf by:



.....
Professor J Mennell, DL
Trustee

Registration number: 07113460

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash expenditure		(334,570)	(109,246)
Adjustments to cash flows from non-cash items			
Depreciation	13	244,043	242,173
Investment income	6	(8,214)	(3,544)
Loss on disposal of tangible fixed assets	9	2,104	1,448
Revaluation of investments		<u>10,143</u>	<u>7,470</u>
		(86,494)	138,301
Working capital adjustments			
Increase in stocks	15	(738)	(1,215)
Decrease/(increase) in debtors	16	20,558	(34,606)
Decrease in creditors	17	<u>(15,202)</u>	<u>(214,616)</u>
Net cash flows from operating activities		<u>(81,876)</u>	<u>(112,136)</u>
Cash flows from investing activities			
Interest receivable and similar income	6	6,059	2,100
Purchase of tangible fixed assets	13	(15,173)	(23,803)
Purchase of investments	14	(22,161)	(196,611)
Sale of investments		20,254	-
Income from dividends	6	<u>2,155</u>	<u>1,444</u>
Net cash flows from investing activities		<u>(8,866)</u>	<u>(216,870)</u>
Net decrease in cash and cash equivalents		(90,742)	(329,006)
Cash and cash equivalents at 1 April		<u>403,781</u>	<u>732,787</u>
Cash and cash equivalents at 31 March		<u><u>313,039</u></u>	<u><u>403,781</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1 CHARITABLE COMPANY STATUS

The liability of the members is limited. Every member of the charitable company undertakes to contribute to the assets of the charitable company, 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 debts and liabilities of the charitable company 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 £10.

The charity is limited by guarantee, incorporated in England and Wales.

The address of its registered office is:

Victoria Place

Carlisle

CA1 1LR

These financial statements were authorised for issue by the trustees on 14 November 2023.

2 ACCOUNTING POLICIES

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

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

The financial statements are prepared in sterling, which is the functional currency of the entity. Monetary amounts in these financial statements are rounded to the nearest £.

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023
(CONTINUED)**

2 ACCOUNTING POLICIES (continued)

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Income

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

Donations

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

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

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

Donated services and facilities are only included in income (with an equivalent amount in expenditure) 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.

Other trading activities

Income from trading activities is recognised when there is evidence of entitlement, receipt is probable and its amount can be measured reliably.

Investment income

Investment income is accounted for in the year in which it is received.

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023
(CONTINUED)**

2 ACCOUNTING POLICIES (continued)

Charitable activities

Entry fees are included in the period in which they are receivable.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. 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.

Raising funds

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

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs have been calculated based on staff costs for each area.

As outlined earlier, Volunteers continue to make contributions across all aspects of our work as part of our One Team approach, most notably via our Mentoring Programme and through our Volunteer Youth Engagement and Volunteer Youth Activity roles.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

Taxation

The charitable 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.

Tangible fixed assets

Individual fixed assets costing £500 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023
(CONTINUED)**

2 ACCOUNTING POLICIES (continued)

Asset class	Depreciation method and rate
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

Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The charity does not acquire put options, derivatives or other complex financial instruments.

All gains and losses are taken to the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year-end and their carrying value. Realised and unrealised investment gains and losses are combined in the statement of financial activities. All monies invested during the year are unrestricted and therefore the asset and any returns all sit within the unrestricted reserves of the charity.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Pensions costs

The charitable company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the charitable company. The annual contributions payable are charged to the statement of financial activities.

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023
(CONTINUED)**

2 ACCOUNTING POLICIES (continued)

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

3 INCOME FROM DONATIONS, LEGACIES AND GRANTS RECEIVABLE

	Unrestricted £	Restricted £	Total 2023 £	Total 2022 £
Donations				
Private sector support	277,398	38,509	315,907	242,122
Grants receivable				
Grants and trusts	86,500	162,762	249,262	505,865
	<u>363,898</u>	<u>201,271</u>	<u>565,169</u>	<u>747,987</u>

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023
(CONTINUED)**

4 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted	Total	Total
	£	2023	2022
		£	£
Entry fees	54,559	54,559	47,999
Shop income	14,210	14,210	8,840
	<u>68,769</u>	<u>68,769</u>	<u>56,839</u>

5 INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted	Total	Total
	£	2023	2022
		£	£
Fundraising events	45,512	45,512	(850)
Room hire	52,337	52,337	39,728
Sundry income	12,057	12,057	5,340
	<u>109,906</u>	<u>109,906</u>	<u>44,218</u>

6 INVESTMENT INCOME

	Unrestricted	Total	Total
	General	2023	2022
	£	£	£
Dividends receivable	2,155	2,155	1,444
Bank interest receivable	6,059	6,059	2,100
	<u>8,214</u>	<u>8,214</u>	<u>3,544</u>

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023
(CONTINUED)**

7 EXPENDITURE ON RAISING FUNDS

a) Costs of raising funds

	Unrestricted		
	General	Total	Total
	£	2023	2022
		£	£
Direct costs			
Purchases	24,395	24,395	4,445
Wages and salaries	<u>28,975</u>	<u>28,975</u>	<u>23,823</u>
	<u>53,370</u>	<u>53,370</u>	<u>28,268</u>

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023
(CONTINUED)**

8 EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Purchases	5,762	43,683	49,445	36,383
Wages, employer's national insurance contributions and pension contributions	365,168	124,038	489,206	413,596
Depreciation	12,107	231,937	244,044	242,173
Other costs	179,278	57,484	236,762	233,968
	<u>562,315</u>	<u>457,142</u>	<u>1,019,457</u>	<u>926,120</u>

9 NET INCOMING/OUTGOING RESOURCES

Net outgoing resources for the year include:

	2023 £	2022 £
Audit fees	4,090	3,720
Other non-audit services	860	780
Loss on disposal of tangible fixed assets	2,104	1,448
Depreciation of fixed assets	<u>244,045</u>	<u>242,173</u>

10 TRUSTEES REMUNERATION AND EXPENSES

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023
(CONTINUED)**

11 STAFF COSTS

The aggregate payroll costs were as follows:

	2023	2022
	£	£
Staff costs during the year were:		
Wages and salaries	468,798	447,811
Social security costs	27,528	20,354
Pension costs	21,854	18,321
	<u>518,180</u>	<u>486,486</u>

The monthly average number of persons (including senior management team) employed by the charity during the year was as follows:

	2023	2022
	No	No
Youth worker	22	27
Administration and support staff	12	12
	<u>34</u>	<u>39</u>

Contributions to the employee pension schemes for the year totalled £21,854 (2022 - £18,321).

No employee received emoluments of more than £60,000 during the year.

The total employee benefits of the key management personnel of the charity were £142,490 (2022 - £135,243).

12 TAXATION

The charity is a registered charity and is therefore exempt from taxation.

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTINUED)

13 TANGIBLE FIXED ASSETS

	Leasehold Property £	Fixtures and Fittings £	Motor Vehicles £	Office Equipment £	Plant and Machinery £	Total £
Cost						
At 1 April 2022	4,984,490	102,795	19,450	30,695	68,230	5,205,660
Additions	-	7,957	-	-	7,216	15,173
Disposals	-	(2,531)	-	(2,993)	(2,158)	(7,682)
At 31 March 2023	<u>4,984,490</u>	<u>108,221</u>	<u>19,450</u>	<u>27,702</u>	<u>73,288</u>	<u>5,213,151</u>
Depreciation						
At 1 April 2022	2,039,110	55,929	15,988	21,003	45,532	2,177,562
Charge for the year	226,567	9,727	866	1,808	5,075	244,043
Eliminated on disposals	-	(1,647)	-	(2,344)	(1,586)	(5,577)
At 31 March 2023	<u>2,265,677</u>	<u>64,009</u>	<u>16,854</u>	<u>20,467</u>	<u>49,021</u>	<u>2,416,028</u>
Net book value						
At 31 March 2023	<u>2,718,813</u>	<u>44,212</u>	<u>2,596</u>	<u>7,235</u>	<u>24,267</u>	<u>2,797,123</u>
At 31 March 2022	<u>2,945,380</u>	<u>46,866</u>	<u>3,462</u>	<u>9,692</u>	<u>22,698</u>	<u>3,028,098</u>

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023
(CONTINUED)**

13 TANGIBLE FIXED ASSETS (continued)

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 Land and Buildings 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 as £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. The 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.

Included within the net book value of land and buildings above is £Nil (2022 - £Nil) in respect of freehold land and buildings and £2,718,813 (2022 - £2,945,380) in respect of leasehold land and buildings.

14 FIXED ASSET INVESTMENTS

Other investments

	Listed investments £	Total £
Cost or Valuation		
At 1 April 2022	189,141	189,141
Additions	22,161	22,161
Revaluation	(10,143)	(10,143)
Disposals	<u>(20,253)</u>	<u>(20,253)</u>
At 31 March 2023	<u>180,906</u>	<u>180,906</u>
Net book value		
At 31 March 2023	<u>180,906</u>	<u>180,906</u>
At 31 March 2022	<u>189,141</u>	<u>189,141</u>

Valuations are prepared on the basis of the middle market price at the close of business on the valuation date, for certain securities the price may be last trade or bid price.

The total realised losses for the year are £3,658 (2022 - £Nil) and the total unrealised losses are £10,143 (2022 - £7,470), resulting in a net loss on investments of £13,801 (2022 - £7,470).

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023
(CONTINUED)**

15 STOCK

	2023	2022
	£	£
Stocks	<u>1,953</u>	<u>1,215</u>

16 DEBTORS

	2023	2022
	£	£
Trade debtors	13,821	6,341
Prepayments and accrued income	<u>39,658</u>	<u>67,696</u>
	<u>53,479</u>	<u>74,037</u>

17 CREDITORS: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	24,373	22,020
Other taxation and social security	8,336	6,514
Other creditors	2,805	2,863
Accruals and deferred income	<u>50,789</u>	<u>70,108</u>
	<u>86,303</u>	<u>101,505</u>
	2023	2022
	£	£
Deferred income at 1 April 2022	51,100	265,826
Resources deferred in the period	29,900	51,100
Amounts released from previous periods	<u>(51,100)</u>	<u>(265,826)</u>
Deferred income at year end	<u>29,900</u>	<u>51,100</u>

Included in deferred income is £29,900 which was received in advance in regards to the Raceday Event which will be held in the next financial year.

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023
(CONTINUED)**

18 OBLIGATIONS UNDER LEASES AND HIRE PURCHASE CONTRACTS

Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2023	2022
	£	£
Other		
Within one year	768	768
Between one and five years	<u>2,304</u>	<u>3,072</u>
	<u>3,072</u>	<u>3,840</u>

19 PENSION AND OTHER SCHEMES

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £21,854 (2022 - £19,464).

£10,401).
 represent contributions payable by the client to the scheme and amounted to £31,824 (2053 -
 the client's obligation is defined contribution pension scheme. The pension cost charge for the year

**Defined contribution pension schemes
 TO PENSION AND OTHER SCHEMES**

	2053	2055
Between one and five years	3,304	3,025
After five years	198	198
Other	5053	5055

The future minimum lease payments under non-cancellable operating leases are as follows:
 Operating lease commitments

TRUSTEES UNDER LEASES AND HIRE PURCHASE CONTRACTS

(CONTINUED)
 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2053
 COMPANY LIMITED BY GUARANTEE
 CAPITAL AND RESERVE

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTINUED)

20 FUNDS

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers £	Other recognised losses £	Balance at 31 March 2023 £
Unrestricted						
<i>General</i>						
General funds	384,681	525,787	(615,685)	25,000	(13,801)	305,982
Restricted						
Children In Need	30,649	500	(31,149)	-	-	-
TTM Unit	2,564	-	(2,564)	-	-	-
Cumbria Community Foundation Book club	9,321	-	(5,705)	-	-	3,616
Capital grant	23,331	-	(4,666)	(18,665)	-	-
Culture of Health	390	20,330	(20,554)	-	-	166
Minibus	2,102	-	(537)	(1,565)	-	-
Queens Trust	125,000	-	-	(25,000)	-	100,000
Francis C Scott	9,400	24,400	(15,291)	-	-	18,509
Four Acre Trust	11,873	60,000	(27,925)	-	-	43,948
Bailey Thomas	2,387	-	(2,387)	-	-	-
HAF	2,806	17,310	(15,854)	(945)	-	3,317
Cafe Revamp	10,000	13,375	(23,750)	-	-	(375)
Arnold Clark Community Sports	-	1,000	(1,000)	-	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTINUED)

20 FUNDS

	Balance at 1 April 2022	Income	Expenditure	Transfers	Other recognised losses	Balance at 31 March 2023
	£	£	£	£	£	£
Unrestricted						
General funds						
General	384,681	252,737	(612,682)	52,000	(13,801)	302,885
Restricted						
Children in Need	30,443	200	(31,143)	-	-	-
TTM Unit	5,264	-	(5,264)	-	-	-
Carlisle Community Foundation Book club	8,321	-	(2,702)	-	-	3,618
Central grant	53,711	-	(4,662)	(18,662)	-	-
Culture of Health	360	50,330	(50,224)	-	-	166
Minibus	5,105	-	(237)	(1,262)	-	-
Queer & Trust	152,000	-	-	(52,000)	-	100,000
Francis C Scott	8,400	54,400	(12,501)	-	-	18,200
Four Acre Trust	11,873	60,000	(52,352)	-	-	43,948
Bahay Thomas	5,387	-	(5,387)	-	-	-
HAF	5,808	12,310	(12,824)	(942)	-	3,312
Cafe Revamp	10,000	12,322	(52,720)	-	-	(322)
Amold Clark Community Sports	-	1,000	(1,000)	-	-	-

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTINUED)

20 FUNDS (continued)

	Balance at 1 April 2022	Income	Expenditure	Transfers	Other recognised losses	Balance at 31 March 2023
	£	£	£	£	£	£
Three Monkeys Trust	-	7,500	(4,543)	-	-	2,957
Outreach and Detached	-	16,200	(964)	-	-	15,236
Dickon Trust	4,850	-	(3,841)	(1,009)	-	-
Together Fund	-	3,435	(2,639)	-	-	796
Onside Winter Hunger Grant	-	18,614	(18,614)	-	-	-
St James Place Charitable Foundation	-	10,000	(6,198)	-	-	3,802
Cumbria Community Foundation Junior Team	-	-	-	-	-	-
Leader	-	20,000	(12,743)	-	-	7,257
Hedley Foundation	-	3,500	(117)	(3,383)	-	-
Seniors Hunger Grant	-	1,607	(1,607)	-	-	-
HSF Emergency Grant	-	5,000	(5,000)	-	-	-
ENW - Off The Grid	-	3,500	(3,485)	-	-	15
Fixed assets	-	-	-	36,158	-	36,158
Building	2,975,413	-	(246,009)	(10,591)	-	2,718,813
Total restricted	3,210,086	226,271	(457,142)	(25,000)	-	2,954,215
Total funds	3,594,767	752,058	(1,072,827)	-	(13,801)	3,260,197

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTINUED)

20 FUNDS (continued)

	Balance at 1 April 2021 £	Income £	Expenditure £	Other recognised losses £	Balance at 31 March 2022 £
Unrestricted					
<i>General</i>					
General funds	331,430	396,519	(335,798)	(7,470)	384,681
Restricted					
Children In Need	5,032	106,302	(80,685)	-	30,649
TTM Unit	-	3,500	(936)	-	2,564
Cumbria Community Foundation Book club	-	9,738	(417)	-	9,321
CCC COMP schools project	-	9,560	(9,560)	-	-
Capital grant	-	50,672	(27,341)	-	23,331
Culture of Health	-	9,063	(8,673)	-	390
Minibus	2,817	-	(715)	-	2,102
Queens Trust	125,000	-	-	-	125,000
Francis C Scott	15,192	14,100	(19,892)	-	9,400
Four Acre Trust	11,873	30,000	(30,000)	-	11,873
The Three Monkeys Trust	-	5,000	(5,000)	-	-
Bailey Thomas	-	5,000	(2,613)	-	2,387
Masonic Charitable Foundation	5,838	-	(5,838)	-	-
Hello Future	-	1,250	(1,250)	-	-
Julia and Hans Rausing Trust	-	166,241	(166,241)	-	-
Cumbria County Council	-	10,000	(10,000)	-	-

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTINUED)

20 FUNDS (continued)

	Balance at 1 April 2021 £	Income £	Expenditure £	Other recognised losses £	Balance at 31 March 2022 £
HAF	-	25,667	(22,861)	-	2,806
Cafe Revamp	-	10,000	-	-	10,000
Dickon Trust	4,850	-	-	-	4,850
Building	3,201,981	-	(226,568)	-	2,975,413
Total restricted	3,372,583	456,093	(618,590)	-	3,210,086
Total funds	3,704,013	852,612	(954,388)	(7,470)	3,594,767

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023
(CONTINUED)**

20 FUNDS (continued)

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 in the year to 31st March 2018, which was to be held in reserve as a contingency fund to be used to aid recovery in the event of a future flood.

Francis C Scott Charitable Trust

Funding support towards our Arts Co-ordinator Salary and the strategic development of a new creative arts hub.

Four Acre Trust

Full 3-year funding of the salary for the Mentoring Coordinator.

Arnold Clark Community Sports Foundation

A small grant to purchase climbing shoes and accessories.

Bailey Thomas Charitable Fund

Part funding of one year's salary for the Inclusion Club Coordinator.

Masonic Charitable Foundation

Part funding of the salary for the Inclusion Club Coordinator for 3 years.

Dickon Trust

A grant to purchase sports equipment to encourage inactive young people to try new sports.

Onside Winter Hunger Grant

A grant to provide free hot meals for senior age members during the winter.

Children in Need

This three year grant (plus one year extension) funds young people defined as the most deprived and in need to complete what to many are everyday activities and items which they may not usually have access to, including home cooking workshops, completing a bucket list of activities, health and hygiene workshops and supplies. This also funds youth workers for delivery.

St James Place Charitable Foundation

Funding support for the staffing costs of the Library and Quiet Room.

Hello Future

A grant to help support young people make informed decisions about their future after leaving school.

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023
(CONTINUED)**

20 FUNDS (continued)

Cumbria County Council - Outreach and Detached

A grant to provide detached youth work in the Carlisle community.

Together Fund

A grant to cover Boxing Activator training and basic football kit.

Cumbria Community Foundation Junior Team Leader

Funding towards a Team Leader position - Junior Club based.

Hedley Foundation

A small capital grant towards replacement of CYZ's outside divider/football nets.

Seniors Hunger Grant

A grant to provide free hot meals for senior age members during the summer holidays.

HSF Emergency Grant

Funding support towards the increased cost of energy.

ENW - Off The Grid

A grant for young people to make an enterprise project to do with energy saving and the promotion of this area to our members.

Capital

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

Three Monkeys Trust

Three-year support towards the salary of our Music Co-ordinator who is tasked with driving and developing an ambitious programme of music-making and professional music career opportunities.

Culture of Health - Ogelsby Charitable Trust

Two-year support from Ogelsby Charitable Trust, via Onside North West to fund a Health & Wellbeing focused post to introduce and embed a culture of Health and Wellbeing to the CYZ.

Holiday Activities and Food Fund (HAF) (Cumbria County Council)

Funds holiday places and hot meals for children on free school meals. On average 30 young people per day in the school holidays have benefited from this fund.

Cumbria County Council Covid Outbreak Mitigations Fund - M:Unit (TTM Unit)

Partnership bid with M:Unit and distributed by M:Unit towards the employment of a Syrian speaking Youth Worker aimed at community integrations for Syrian refugees.

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023
(CONTINUED)**

20 FUNDS (continued)

Cumbria Community Foundation Book Club

A grant to purchase both hard copy and graphic books for young people in our recently-founded Junior and Senior Book Clubs. The grant will also pay for bookshop trips and author visits, the intention of which is to make reading fun, accessible, and inspirational.

Julia and Hans Rausing Trust

A grant towards CYZ core costs during and in the aftermath of the coronavirus crisis. The grant was largely used to pay for the salaries of some key members of staff, as well as other costs including insurance.

Cumbria County Council

Funding to work with 12-18 year olds not in education, employment or training (NEET) category.

Café Revamp

Grants from Clothworkers Foundation, Tesco Community Grants, Albert Hunt Trust and the Openwork Foundation to turn our current café from a shabby and tired space that is no longer fit-for-purpose, into the vibrant, on-trend, beating heart of our Centre the young people have asked for. Additional funding of £375 was received post year end to clear the negative balance carried forward at the year end.

Minibus

This funded the difference between the insurance settlement and the cost of a replacement bus.

21 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted	Restricted	Total funds at 31 March 2023
	£	£	£
Tangible fixed assets	42,152	2,754,971	2,797,123
Net current assets	<u>263,830</u>	<u>199,244</u>	<u>463,074</u>
Total net assets	<u><u>305,982</u></u>	<u><u>2,954,215</u></u>	<u><u>3,260,197</u></u>
			Total funds at 31 March 2022
	Unrestricted	Restricted	£
	£	£	
Tangible fixed assets	57,240	2,970,858	3,028,098
Net current assets	<u>327,441</u>	<u>239,228</u>	<u>566,669</u>
Total net assets	<u><u>384,681</u></u>	<u><u>3,210,086</u></u>	<u><u>3,594,767</u></u>

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023
(CONTINUED)**

22 ANALYSIS OF NET FUNDS

	At 1 April 2022 £	Financing cash flows £	At 31 March 2023 £
Cash at bank and in hand	<u>403,781</u>	<u>(90,742)</u>	<u>313,039</u>
Net debt	<u>403,781</u>	<u>(90,742)</u>	<u>313,039</u>
	At 1 April 2021 £	Financing cash flows £	At 31 March 2022 £
Cash at bank and in hand	<u>732,787</u>	<u>(329,006)</u>	<u>403,781</u>
Net debt	<u>732,787</u>	<u>(329,006)</u>	<u>403,781</u>

23 RELATED PARTY TRANSACTIONS

During the year the charity made the following related party transactions:

During the year the charity received a £20,000 (2022 - £50,000) donation plus event receipts of £2,800 from Kingmoor Park Properties Ltd, a company connected to Mr B K Scowcroft (Trustee) and Mr N McIntyre (Trustee).

During the year the charity received a £6,000 (2022 - £6,000) donation from Fielden Marshall Glover Strutt, a company connected to Mr N S Marshall (Trustee).

During the year the charity received a £6,000 (2022 - £6,000) donation plus event receipts of £1,700 from Armstrong Watson, a company connected to Ms L Graham (Trustee).

During the year the charity received a £600 (2022 - £Nil) donation from Ms M Reid Fotheringham (Trustee).

During the year the charity received £1,200 (2022 - £Nil) donation from Mr C N C Holmes (Trustee).