

COMPANY REGISTRATION NUMBER 07113460

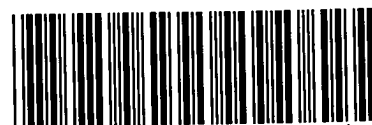
**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2014**

Charity Number 1134974



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

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**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE
FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2014**

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**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

MEMBERS OF THE BOARD AND PROFESSIONAL ADVISERS

Registered charity name Carlisle Youth Zone

Charity number 1134974

Company registration number 07113460

Registered office Victoria Place
Carlisle
CA1 1LR

Trustees Ms D A Earl
Mr N S Marshall
Mrs E J Goddard
Mr I M Sinker
Mr W Stobart
Mr W A Tinkler
Mr C N C Holmes
Mr A D Hanson
Mrs A J Watts
Mr B K Scowcroft

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 2014

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 2014.

REFERENCE AND ADMINISTRATIVE DETAILS

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

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution and principal activities

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

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

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

Aims of the trust

Carlisle Youth Zone has four principle aims:

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

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 General Manager.

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

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

Staff Name	Position	Date Left (if applicable)
Abi Reed	Youth Worker	
Amy Sutherland	Youth Worker	
Carrie Pollock	Mentoring Co-ordinator	
Charlotte Sayers	Youth Work Manager	
Chris Makar	Gym Instructor (Bank)	
Dawn Moore	Receptionist	
Emma Saunders	Senior Youth Worker – Junior and Inclusion	July 2013
Fiona Fergus	Administrator	
Grace Bridgewater	Dance and Drama Coach	
Greg Queenan	Fitness Instructor and Youth Worker	January 2014
Greg Stalker	Senior Youth Worker	

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Ian Archibald	Youth Worker	March 2014
Jacqui Jewell	Café Supervisor	April 2013
Jayne King	Youth Worker	
Jenna Sutherland	Receptionist	
Jenny Baxter	Cleaner	
Jess McKinley	Youth Worker and Mentoring Co-ordinator	
Julia Mullarkey	Head of Service Development Team	April 2013
Katy Dunn	Youth Worker	July 2013
Kevin Watson	Catering Co-ordinator	
Laura Sewell	Youth Worker	
Linda Lahey	Cleaner	
Louise Currie	Youth Worker	
Louise Robertson	Catering Co-ordinator	July 2013
Lynsey Buckle	Development Manager	
Mary Hetherington	Cleaner	
Murray Winters	General Manager	
Pip Chapman	Youth Worker	
Rhian Davies	Head of Support Services Team	April 2013
Ryan Charlton	Fitness Instructor	August 2013
Simon Fraser	Youth Worker	
Steve Harrison	Music Coach	October 2013
Sue Foster	Café Assistant	May 2013

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

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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 30 volunteers regularly giving time in the clubs and a growing band of dedicated 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
Mr S D Allen	29 Dec 2009 – 9 July 2013
Mr N S Marshall	1 Nov 2012 – present
Ms D A Earl	11 June 2013 - present
Mr R Brown	23 Feb 2010 – 8 July 2013
Mrs K L Robinson	1 Nov 2012 – 6 Feb 2014
Mr J Mallinson	23 Feb 2010 – 9 July 2013
Mr C N C Holmes	2 Sep 2013 – present
Mr A D Hanson	2 Sep 2013 – present
Mr I M Sinker	1 Nov 2012 - present
Mr B K Scowcroft	29 Dec 2009 – present
Mr W Stobart	29 Dec 2009 – present
Ms C Sutton	13 June 2011 – 23 April 2014
Mr W A Tinkler	29 Dec 2009 – present

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

Members' liability

The liability of the members is limited. Every member of the charity undertakes to contribute to the assets of the charity, in the event of the same being wound up while he or she is a member, or within one year after he or she ceases to be a member, for payment of the debtors and liabilities of the charity contracted before he or she ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the 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.

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

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YEAR ENDED 31 MARCH 2014

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 in the course of the year.

We reconfirmed our Vision as:

A safe, 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.

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'.

Social contributors

We have called those who work for no money 'social contributors'. Both the board and frontline volunteers have personal and altruistic motives.

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.

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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:- We had anticipated serving 10% of the young people population of Carlisle and district, approximately 1,600 members; as of March 2014 our membership stands at 1,400. That number is now growing rapidly again, having experienced a sharp peak in the excitement of the early days, and a dramatic fall away at renewal time at the end of year one.

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

The café and snack bar was set up to provide the members with a variety of foods at an affordable price. Prices are set at a level just over 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.

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

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FINANCIAL REVIEW

The income for the Youth Zone is obtained from grants, trusts, donations from the private and public sectors. Kingmoor Park has pledged to donate £50,000 each year for five years ending 31 March 2016.

During the period ended 31 March 2014 incoming resources amounted to £612,811. Of this amount, £282,642 was restricted funds for specific projects. The remaining £330,169 resulted principally from public and private sector donations and fundraising initiatives. Total expenditure in the year of £776,462 included £226,568 of depreciation, included in the restricted reserves, on the leasehold building which is being written off over the remaining term of the 25 year lease.

The total funds at 31 March 2014 were £4,913,898 of which £4,783,195 were restricted.

The financial position of the charity has been improved considerably over the year, by a combination of significant cost cutting and improved income generation. The climate remains challenging and the trustees continue to monitor the position closely.

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.

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PLANS FOR FUTURE PERIODS

Aims and details of plans to 31 March 2015, and how we will achieve them:

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

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;

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YEAR ENDED 31 MARCH 2014

- 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.

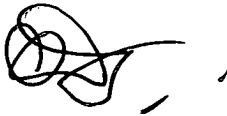
The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. The trustees are also responsible for safeguarding 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: 6th November 2014

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

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

YEAR ENDED 31 MARCH 2014

We have audited the financial statements of Carlisle Youth Zone for the year ended 31 March 2014 which comprise the Statement of Financial Activities (incorporating the income and expenditure account), the Balance Sheet and related notes, on pages 12 to 23. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with sections 495 and 496 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITOR

As explained more fully in the Trustees' Responsibilities Statement (set out on page 8), the trustees, who are also the directors of Carlisle Youth Zone for the purposes of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board (APB's) Ethical Standards for Auditors. We have undertaken the audit in accordance with the requirements of APB Ethical Standards including APB Ethical Standard Provisions available for Small Entities, in the circumstances set out in note 20 to the financial statements.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

OPINION

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2014 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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


**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF CARLISLE YOUTH ZONE
YEAR ENDED 31 MARCH 2014**

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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



MS A J MEEKS
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: 6th November 2014

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND
EXPENDITURE ACCOUNT)**

YEAR ENDED 31 MARCH 2014

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2014 £	Total Funds 2013 £
INCOMING RESOURCES					
Incoming resources from generating funds:					
Voluntary Income	2	261,439	282,642	544,081	5,547,910
Activities for generating funds	3	68,296	—	68,296	92,990
Investment income	4	434	—	434	1,241
TOTAL INCOMING RESOURCES		<u>330,169</u>	<u>282,642</u>	<u>612,811</u>	<u>5,642,141</u>
RESOURCES EXPENDED					
Costs of generating funds:					
Costs of generating voluntary income	5	(117,886)	(-)	(117,886)	(71,072)
Fundraising trading: cost of goods sold and other costs	6	(86,262)	(-)	(86,262)	(106,149)
Charitable activities - Other	7	(57,097)	(277,934)	(335,031)	(515,685)
- Depreciation	7	(866)	(231,617)	(232,483)	(7,009)
Governance costs	8	(4,800)	(-)	(4,800)	(31,094)
TOTAL RESOURCES EXPENDED		<u>(266,911)</u>	<u>(509,551)</u>	<u>(776,462)</u>	<u>(731,009)</u>
NET (OUTGOING)/ INCOMING RESOURCES FOR THE YEAR/ NET (EXPENDITURE)/ INCOME FOR THE YEAR					
	9	63,258	(226,909)	(163,651)	4,911,132
RECONCILIATION OF FUNDS					
Gross transfers between funds		(10,750)	10,750	-	-
Total funds brought forward		<u>78,195</u>	<u>4,999,354</u>	<u>5,077,549</u>	<u>166,417</u>
TOTAL FUNDS CARRIED FORWARD		<u>130,703</u>	<u>4,783,195</u>	<u>4,913,898</u>	<u>5,077,549</u>

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The notes on pages 14 to 23 form part of these financial statements.

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

BALANCE SHEET

31 MARCH 2014

		2014		2013	
	Note	£	£	£	£
FIXED ASSETS					
Tangible assets	11		4,790,010		5,015,069
CURRENT ASSETS					
Stocks	12	941		931	
Debtors	13	153,930		152,454	
Cash at bank and in hand		<u>77,387</u>		<u>34,410</u>	
		232,258		187,795	
CREDITORS: Amounts falling due within one year	14	<u>(108,370)</u>		<u>(125,315)</u>	
NET CURRENT ASSETS					
			<u>123,888</u>		<u>62,480</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>4,913,898</u>		<u>5,077,549</u>
NET ASSETS			<u>4,913,898</u>		<u>5,077,549</u>
FUNDS					
Restricted income funds	15		4,783,195		4,999,354
Unrestricted income funds	16		<u>130,703</u>		<u>78,195</u>
TOTAL FUNDS			<u>4,913,898</u>		<u>5,077,549</u>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the members of the committee on 6th November 2014 and are signed on their behalf by:



.....
Christopher N C Holmes Director

Company Registration Number: 07113460

The notes on pages 14 to 23 form part of these financial statements.

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2014

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards, the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 (SORP 2005) and the Companies Act 2006, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Cash flow statement

The trustees have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the charity is small.

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.

Investment income

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

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 generating voluntary income comprise those costs directly attributable to raising funds for the charity.

Charitable activity expenditure 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.

Governance costs include the costs of the preparation and examination of statutory accounts, the costs of trustee meetings and costs of any legal advice to the trustees on governance or constitutional matters.

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.

**CARLISLE YOUTH ZONE
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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2014

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.

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.

Fixed assets

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

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

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.

Stocks

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

2. VOLUNTARY INCOME

	Unrestricted Funds	Restricted Funds	Total Funds 2014	Total Funds 2013
	£	£	£	£
Donations				
Private sector support	153,391	-	153,391	178,191
Public sector support	76,100	-	76,100	155,480
Leasehold building donated	-	-	-	4,980,234
Grants receivable				
Grants and Trusts	27,000	282,642	309,642	227,210
Subscriptions	4,948	-	4,948	6,795
	<u>261,439</u>	<u>282,642</u>	<u>544,081</u>	<u>5,547,910</u>

Donated services and gifts in kind

During the year Benfield Motors leased the charity a Volkswagen Touran for £1.

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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2014

3. INCOMING RESOURCES FROM ACTIVITIES FOR GENERATING FUNDS

	Unrestricted Funds £	Restricted Funds £	Total Funds 2014 £	Total Funds 2013 £
Entry fees	30,790	-	30,790	39,804
Shop income	22,925	-	22,925	47,191
Fundraising events	2,988	-	2,988	1,324
Sundry Income	6,860	-	6,860	-
Room hire	<u>4,733</u>	<u>-</u>	<u>4,733</u>	<u>4,671</u>
	<u>68,296</u>	<u>-</u>	<u>68,296</u>	<u>92,990</u>

4. INVESTMENT INCOME

	Unrestricted Funds £	Total Funds 2014 £	Total Funds 2013 £
Bank interest receivable	<u>434</u>	<u>434</u>	<u>1,241</u>

5. COSTS OF GENERATING VOLUNTARY INCOME

	Unrestricted Funds		Total Funds 2014 £	Total Funds 2013 £
	Direct costs £	Support cost £		
Purchases	-	-	-	613
Fundraising Expenditure	3,275	-	3,275	5,422
Wages	41,696	24,086	65,782	49,884
Employer's national insurance	3,112	2,295	5,407	4,560
Network Agreement	2,635	1,547	4,182	-
Depreciation	-	1,791	1,791	799
Pension contributions	-	115	115	70
Rates and water	1,211	711	1,922	325
Light and heat	3,728	2,189	5,917	1,956
Repairs and maintenance	4,970	2,919	7,889	1,695
Insurance	2,119	1,244	3,363	427
Motor vehicles	793	465	1,258	508
Legal and Professional fees	80	656	736	2,049
Bank charges	574	337	911	58
Bookkeeping	-	5,056	5,056	-
Bad Debts	-	590	590	-
Telephone	1,702	1,000	2,702	509
Sundries	878	516	1,394	633
Public relations	-	80	80	266
Recruitment	340	200	540	122
Training	723	424	1,147	271
Printing, postage and stationery	2,266	1,329	3,595	653
Travel and subsistence	<u>147</u>	<u>87</u>	<u>234</u>	<u>252</u>
	<u>70,249</u>	<u>47,637</u>	<u>117,886</u>	<u>71,072</u>

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2014

6. FUNDRAISING TRADING: COST OF GOODS SOLD AND OTHER COSTS

	Unrestricted Funds		Total Funds 2014	Total Funds 2013
	Direct costs £	Support cost £	£	£
Shop purchases	25,137	-	25,137	40,975
Wages	22,251	13,208	35,459	50,513
Employer's national insurance	861	1,258	2,119	3,505
Network Agreement	1,419	849	2,268	-
Depreciation	-	982	982	804
Rates and water	652	390	1,042	330
Pension contributions	-	63	63	70
Light and heat	2,007	1,200	3,207	1,988
Repairs and maintenance	2,676	1,601	4,277	1,722
Insurance	1,141	682	1,823	434
Motor vehicles	427	255	682	508
Legal and Professional fees	-	360	360	2,083
Bank charges	309	186	495	736
Telephone	916	548	1,464	518
Bookkeeping		2,773	2,773	-
Bad Debts		324	324	-
Sundries	472	282	754	644
Public relations	-	44	44	-
Recruitment	183	110	293	124
Training	389	233	622	275
Printing, postage and stationery	1,219	729	1,948	664
Travel and subsistence	79	47	126	256
	<u>60,138</u>	<u>26,124</u>	<u>86,262</u>	<u>106,149</u>

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2014**

7. COSTS OF CHARITABLE ACTIVITIES BY FUND TYPE

Basis of allocation		Sports Development £	Arts £	Youth £	Restricted Funds £	Direct costs £	Unrestricted Support cost £	Total Funds 2014 £	Total Funds 2013 £
Purchases	Usage	1,065	2,131	11,361	14,557	-	-	14,557	5,284
Wages	Direct	18,573	41,854	193,866	222,234	20,405	11,654	254,293	365,290
Employer's national insurance	Direct	977	2,170	12,217	12,444	1,808	1,112	15,364	26,212
Depreciation	Usage	-	-	232,483	231,617	-	866	232,483	7,009
Pension contributions	Usage	-	-	56	-	-	56	56	562
Other costs	Usage	-	9,893	40,868	28,699	12,697	9,365	50,761	118,337
		<u>20,615</u>	<u>56,048</u>	<u>490,851</u>	<u>509,551</u>	<u>34,910</u>	<u>23,053</u>	<u>567,514</u>	<u>522,694</u>

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2014**

8. GOVERNANCE COSTS

	Unrestricted Funds £	Total Funds 2014 £	Total Funds 2013 £
Salaries and wages	-	-	21,919
Employer's national insurance	-	-	2,232
Bookkeeping	-	-	3,345
Accountancy	1,080	1,080	-
Audit fees	<u>3,720</u>	<u>3,720</u>	<u>3,598</u>
	<u>4,800</u>	<u>4,800</u>	<u>31,094</u>

9. NET (OUTGOING)/INCOMING RESOURCES FOR THE YEAR

This is stated after charging:

	2014 £	2013 £
Auditor's remuneration - Audit	3,720	3,598
Auditor's remuneration - Other Services	1,080	-
Depreciation	<u>235,295</u>	<u>8,611</u>

10. STAFF COSTS AND EMOLUMENTS

Total staff costs were as follows:

	2014 £	2013 £
Wages and salaries	356,128	487,605
Social security costs	22,891	55,980
Pension cost	<u>234</u>	<u>702</u>
	<u>379,253</u>	<u>544,287</u>

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

	2014 No	2013 No
General Manager	1	1
Youth worker	14	28
Administration and support staff	<u>18</u>	<u>15</u>
	<u>33</u>	<u>44</u>

No employee received remuneration of more than £60,000 during the year (2013 - Nil). No trustee was paid or received any expenses during the year (2013 - Nil).

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2014**

11. TANGIBLE FIXED ASSETS

	Plant and Machinery £	Office Equipment £	Fixtures and Fittings £	Motor Vehicles £	Leasehold Property £	Total £
COST						
At 1 Apr 2013	9,630	12,953	7,258	26,710	4,984,490	5,041,041
Additions	3,028	5,321	3,557	-	-	11,906
Disposals	-	-	(1,709)	-	-	(1,709)
At 31 Mar 2014	12,658	18,274	9,106	26,710	4,984,490	5,051,238
DEPRECIATION						
At 1 Apr 2013	3,467	5,501	1,562	15,442	-	25,972
Charge for Year	1,838	2,555	1,517	2,817	226,568	235,295
On Disposals	-	-	(39)	-	-	(39)
At 31 Mar 2014	5,305	8,056	3,040	18,259	226,568	261,228
NET BOOK						
At 31 Mar 2014	7,353	10,218	6,066	8,451	4,757,922	4,790,010
At 31 Mar 2013	6,163	7,452	5,696	11,268	4,984,490	5,015,069

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

	2014 £	2013 £
Stock	941	931

13. DEBTORS

	2014 £	2013 £
Trade debtors	104,077	71,125
Other debtors	18,772	663
Prepayments and accrued income	31,081	80,666
	153,930	152,454

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2014**

14. CREDITORS: Amounts falling due within one year

	2014	2013
	£	£
Trade creditors	42,773	27,220
Accruals and deferred income	58,567	88,558
PAYE and social security	7,030	5,640
Other creditors	-	3,897
	<u>108,370</u>	<u>125,315</u>

Deferred Income

	2014
	£
Deferred Income at 1 April 2013	75,000
Resources deferred in the year	50,000
Amounts released from previous years	<u>(75,000)</u>
Deferred Income at 31 March 2014	<u>50,000</u>

The deferred income as at 31 March 2014 consists of donations received in advance.

15. RESTRICTED INCOME FUNDS

	Balance at 1 Apr 2013	Incoming resources	Outgoing resources	Transfer from Unrestricted Reserves	Balance at 31 Mar 2014
	£	£	£	£	£
Northern Rock	-	30,000	(30,000)	-	-
Big Lottery Fund	8	95,820	(95,820)	-	8
Inspira	-	25,852	(25,852)	-	-
DFE Ambition	-	59,750	(56,047)	-	3,703
Mash Up	-	960	(25)	-	935
Level Playing Field	-	2,144	(8,782)	6,638	-
Monument Trust	-	15,000	(15,000)	-	-
Minibus	11,268	-	(2,817)	-	8,451
Children in Need	4,554	27,378	(27,378)	-	4,554
National Citizen Service	-	14,000	(14,000)	-	-
Fixed assets	4,983,524	5,910	(228,800)	4,112	4,764,746
Lloyds TSB	-	5,000	(5,000)	-	-
One Off Grants	<u>-</u>	<u>828</u>	<u>(30)</u>	<u>-</u>	<u>798</u>
	<u>4,999,354</u>	<u>282,642</u>	<u>(509,551)</u>	<u>10,750</u>	<u>4,783,195</u>

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2014**

15. RESTRICTED INCOME FUNDS (continued)

Northern Rock

A grant was received during the year for a mentoring program. The aim of the grant is to provide a one to one mentoring program for 20 young people. This program is delivered by volunteers from the local community, supported by 3 part time mentoring coordinators. The objective of the mentoring program is to prevent further offending and is reviewed on a quarterly basis by the Youth Offending Officers.

Big Lottery Fund

This fund is to help people and communities most in need. The fund aims to give people better chances in life, with better access to training and development to improve their life skills, build stronger communities, and improve rural and urban environments, which communities are better able to access and enjoy, and promote healthier and more active people and communities. This three year grant will partly fund the salaries of a new full-time youth worker, and part-time sessional youth workers, creative arts workers and sports coaches. Costs for recruitment and volunteer expenses are also included in the fund.

Inspira

Inspira part funds our Work, Money, Futures program, which is mostly concentrated into the relevant activities in our regular Wednesday Project Night.

DFE Ambition

Two year funding to deliver 105 accredited Arts/Sports Awards.

Mash Up

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

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.

Monument Trust

This fund has helped the outreach department work with police in rural and urban areas to address certain areas where young people are gathering in the streets and engaging in anti- social behavior. The fund also allows outreach staff to go into schools and encourage young people to become involved in the youth zone.

Minibus

The 16 seater minibus was donated by CFM Cash for Kids. The minibus is used by the Outreach program to gain access to young people in rural communities. The minibus is also used to bring young people to the Youth Zone.

Children in Need

This fund focuses on children and young people experiencing disadvantage and aims to make a real difference to children and young people's lives. This three year grant will fund the salary of a youth worker and contribute to other expenses incurred in running the junior and senior youth clubs.

National Citizen Service

This grant has contributed towards the salaries of youth workers within the senior youth club.

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.

Lloyds TSB

This grant has contributed towards a residential trip for each of the senior, junior and inclusion groups.

**CARLISLE YOUTH ZONE
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2014**

16. UNRESTRICTED INCOME FUNDS

	Balance at 1 st April 2013	Incoming Resources	Outgoing Resources	Transfer to Restricted Reserves	Balance at 31 st March 2014
	£	£	£	£	£
General funds	<u>78,195</u>	<u>330,169</u>	<u>(266,911)</u>	<u>(10,750)</u>	<u>130,703</u>

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets £	Net current Assets £	Total £
Restricted income funds:			
Minibus	8,451	-	8,451
Children in Need	-	4,554	4,554
Big Lottery Fund	-	8	8
DFE Ambition	-	3,703	3,703
Mash Up	-	935	935
One Off Grants		798	798
Fixed assets	<u>4,764,746</u>		<u>4,764,746</u>
	4,773,197	9,998	4,783,195
Unrestricted income funds	<u>16,813</u>	<u>113,890</u>	<u>130,703</u>
Total funds	<u>4,790,010</u>	<u>123,888</u>	<u>4,913,898</u>

18. RELATED PARTY TRANSACTIONS

During the year the charity purchased goods and services on normal commercial terms from businesses associated with one of the trustees as follows;

Fees of £2,105 were paid to David Allen IT Limited, a company in which David Allen is a director. The balance owed to David Allen IT Limited at the yearend was £489.

19. 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.

20. AUDITORS OTHER SERVICES

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