

Blue Watch Youth Centre
Unaudited Financial Statements
31 March 2022

CS ACCOUNTING LIMITED

5 McMillan Close
Saltwell Business Park
Low Fell
Tyne & Wear
NE9 5BF

Blue Watch Youth Centre

Financial Statements

Year ended 31 March 2022

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Blue Watch Youth Centre

Trustees' Annual Report *(continued)*

Year ended 31 March 2022

Achievements and performance *(continued)*

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 March 2022.

Reference and administrative details

Registered charity name	Blue Watch Youth Centre
Charity registration number	1047550
Principal office	Burdon Lane Ryhope Sunderland SR2 0HQ
The trustees	Mr B Surtees Mr D Bagley Mr I Lawrence Mr J Cassidy Mr J Lemon Mr P Gibson Ms MA Murphy
Independent examiner	C Smith CS Accounting Limited 5 McMillan Close Saltwell Business Park Low Fell Tyne & Wear NE9 5BF

Structure, governance and management

The organisation is a registered charity established on 27 June 1995 as the Blue Watch Youth Centre, working name the Blue Watch Youth Project.

The charity was formed under a constitution adopted on 24 May 1995 which listed the objects of the charity.

Under this constitution the trustees are elected at the Annual General Meeting to serve a period of one year subject to ratification at each Annual General Meeting. The trustees were all appointed by Blue Watch.

Blue Watch Youth Centre

Trustees' Annual Report *(continued)*

Year ended 31 March 2022

Achievements and performance *(continued)*

Objectives and Activities

Blue Watch Youth Centre's aims and objectives are to act as a resource for the community living in Sunderland, in particular but not exclusively Sunderland East. It provides safe spaces, guidance, assistance and programmes of physical, educational and other activities as a means of supporting young people to develop:

- self-esteem and self-confidence
 - confidence and an ability to express their own reasoned opinions
 - awareness of their own strengths, weaknesses and aptitudes
 - awareness of their feelings, attitudes and values of themselves and others ability to manage personal and social relationships
-
- learning opportunities for young people to develop new skills
 - the capacity of young people to consider risk, make reasoned decisions and take control a 'world view' which widens horizons and invites social commitment

Achievements and performance

Mission

At Blue Watch Youth Centre we:

- welcome all young people
- provide safe spaces for young people
- provide generic, targeted and specialised youth work opportunities which are fun, challenging and educational and build long-term relationships that inspire young people to develop ambition for learning and work, relevant skills and healthy lifestyles

Vision

Blue Watch Youth Centre's vision is to empower all young people to discover meaning and direction for their lives. It provides safe spaces for all young people to enjoy their lives, reach their full potential and make a good transition to adulthood. All young people should have opportunities to achieve their ambitions, develop positive relationships and make worthwhile contributions to their communities and their own lives.

Summary of the main activities in relation to those purposes for the public benefit

- 'Good Vibes' providing children and young people safe spaces and access to fully trained counsellors who are delivering a mix of counselling and therapeutic group support.
- 'ASK' (Achieve Skills Knowledge) supporting children and young people with special educational needs and disabilities.
- 'Centre Based, Outreach, Detached, Out of Centre and Residential Experiences' for children and young people aged 8 to 19 years. Enabling children and young people to develop holistically, working with them to facilitate their personal, social, and educational development, to enable them to develop their voice, influence, and place in society and to reach their full potential.

Blue Watch Youth Centre

Trustees' Annual Report *(continued)*

Year ended 31 March 2022

Achievements and performance *(continued)*

- 'Choices' addresses young people's social exclusion and associated negative behaviour patterns. Choices provides opportunities for positive connections and relationships within the wider community. Social connectedness proved to be the key determinant of their mental wellbeing, both in terms of having access to supportive relationships and involvement in group and community activities.
- Peer Mentors social engagement and inclusion.
- #iwill' supported children and young person-led volunteering and social action opportunities.
- 'Freedom Wheels' special needs and disability cycle project.
- 'Support for Care Leavers' mentors supporting individual young people with their resilience, helping to equip them with skills to make better life decisions and to be able to deal with whatever life throws at them.
- 'Equality and Inclusion' providing young people opportunities to have their voice heard to influence decisions that affect their community.
- 'Social networks' once posted - always posted.
- Health including C-Card and Chlamydia screening, smoking cessation, and substance misuse.
- 'Holiday Activity Food' and 'Fancy a Day Out' providing healthy food and fun activities to children and young people, with free places available for those on free school meals.
- 'Family Conflict Mediation' resolving conflict between young people's carers and themselves.
- 'Doorstep Sports' innovative sporting offer that bypasses many of the traditional barriers to activity amongst young people in poverty.
- 'NEET' opportunities to access work placements and schoolwork experience
- 'East Rangers Environmental Project.'
- 'Go Online' supporting older people to get connected including using social media to stay in constant contact with children and grandchildren no matter how far away they may be living.
- 'Covid-19 Mental Health and Wellbeing Support' establishing contact and supporting residents who are isolated, vulnerable and/or lonely with the aim of assessing their needs and establishing how their needs are satisfied best through the different interventions we can collectively provide with our partners.
- 'Household Support' helping vulnerable families across the East of Sunderland access essentials over the winter.
- 'Social Inclusion' reconnecting those who are socially isolated or lonely to positive safe spaces including people and activities locality-based targeting of vulnerable
- We remain an active member of the Sunderland All Together Consortium, working together with other youth organisations based in Sunderland to source greater resources for children and young people in Sunderland.
- We continue to support voluntary groups in our area as they provide additional positive opportunities to our children and young people which in turn help us meet an ever-increasing demand for our services. Some of the support we have provided includes safeguarding and first aid training, governance advice, assistance with small grant applications and monitoring, evaluation, and returns.

Blue Watch Youth Centre

Trustees' Annual Report *(continued)*

Year ended 31 March 2022

Financial review

Results

It has been another successful year for the charity and the trustees are pleased with the current state of the charity's finances.

The net incoming resources for the year amounted to £44,937 of which £57,528 are restricted funds and (£12591) attributable to the reserves fund. Balance carried forward £280,751.

Blue Watch Youth Centre received restricted grants of:

Restricted fund income £20,000.

Restricted fund expenditure £20,000.

Funded by Garfield Weston Foundation to support core costs of the organisation, the award has enabled Blue Watch Youth Centre to work directly with people who are at the margins of society, supporting positive changes in their lives and in those of their communities.

Reserves Policy

The trustees have established a policy whereby the unrestricted funds, not committed or invested in fixed assets, held by the charity should be transferred to the reserves fund. The trustees feel they would be able to continue the current activities in the event of a significant drop in funding. It would obviously be necessary to consider how the funding could be replaced or activities changed.

Investment Policy

The trustees have the power to invest any funds not immediately required for its objectives to obtain maximum profitability.

Risk Review

The trustees have reviewed the major risks to which the charity is exposed and continue to monitor the arrangements and systems in place to mitigate those risks.

The trustees' annual report was approved on 7 December 2022 and signed on behalf of the board of trustees by:

Mr B Surtees
Trustee

Blue Watch Youth Centre

Independent Examiner's Report to the Trustees of Blue Watch Youth Centre

Year ended 31 March 2022

I report to the trustees on my examination of the financial statements of Blue Watch Youth Centre ('the charity') for the year ended 31 March 2022.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

C Smith
CS Accounting Limited
Independent Examiner

5 McMillan Close
Saltwell Business Park
Low Fell
Tyne & Wear
NE9 5BF

Blue Watch Youth Centre

Statement of Financial Activities

Year ended 31 March 2022

			2022		2021
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Income and endowments					
Donations and legacies	4	808	235,912	236,720	242,086
Investment income	5	28	–	28	443
Total income		<u>836</u>	<u>235,912</u>	<u>236,748</u>	<u>242,529</u>
Expenditure					
Expenditure on charitable activities	6,7	13,427	178,384	191,811	183,420
Other expenditure	8	–	–	–	215
Total expenditure		<u>13,427</u>	<u>178,384</u>	<u>191,811</u>	<u>183,635</u>
Net income and net movement in funds		<u>(12,591)</u>	<u>57,528</u>	<u>44,937</u>	<u>58,894</u>
Reconciliation of funds					
Total funds brought forward		48,076	187,738	235,814	176,920
Total funds carried forward		<u>35,485</u>	<u>245,266</u>	<u>280,751</u>	<u>235,814</u>

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

The notes on pages 9 to 14 form part of these financial statements.

Blue Watch Youth Centre

Statement of Financial Position

31 March 2022

	Note	2022 £	£	2021 £
Current assets				
Debtors	12	1,495		1,495
Cash at bank and in hand		<u>367,643</u>		<u>294,413</u>
		369,138		295,908
Creditors: amounts falling due within one year	13	<u>88,387</u>		<u>60,094</u>
Net current assets			280,751	235,814
Total assets less current liabilities			<u>280,751</u>	<u>235,814</u>
Net assets			<u>280,751</u>	<u>235,814</u>
Funds of the charity				
Restricted funds			245,266	187,738
Unrestricted funds			<u>35,485</u>	<u>48,076</u>
Total charity funds	16		<u>280,751</u>	<u>235,814</u>

These financial statements were approved by the board of trustees and authorised for issue on 7 December 2022, and are signed on behalf of the board by:

Mr B Surtees
Trustee

The notes on pages 9 to 14 form part of these financial statements.

Blue Watch Youth Centre

Statement of Cash Flows

Year ended 31 March 2022

	2022 £	2021 £
Cash flows from operating activities		
Net income	44,937	58,894
<i>Adjustments for:</i>		
Other interest receivable and similar income	(28)	(443)
Accrued expenses/(income)	1,883	(4,079)
<i>Changes in:</i>		
Trade and other debtors	–	16,106
Trade and other creditors	26,410	53,292
Cash generated from operations	73,202	123,770
Interest received	28	443
Net cash from operating activities	<u>73,230</u>	<u>124,213</u>
Cash flows from investing activities		
Proceeds from sale of tangible assets	–	6,654
Net cash from investing activities	<u>–</u>	<u>6,654</u>
Net increase in cash and cash equivalents	73,230	130,867
Cash and cash equivalents at beginning of year	<u>294,413</u>	<u>163,546</u>
Cash and cash equivalents at end of year	<u>367,643</u>	<u>294,413</u>

The notes on pages 9 to 14 form part of these financial statements.

Blue Watch Youth Centre

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Burdon Lane, Ryhope, Sunderland, SR2 0HQ.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.

Blue Watch Youth Centre

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Depreciation

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

Motor Vehicles	- 25% reducing balance
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Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be

Blue Watch Youth Centre

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

Blue Watch Youth Centre

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
4. Donations			
Donations	808	–	808
Grants			
Grants and subsidies	–	221,935	221,935
COVID grants	–	13,977	13,977
	<u>808</u>	<u>235,912</u>	<u>236,720</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Donations			
Donations	1,833	–	1,833
Grants			
Grants and subsidies	–	171,267	171,267
COVID grants	12,238	56,748	68,986
	<u>14,071</u>	<u>228,015</u>	<u>242,086</u>

5. Investment income

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Bank interest receivable	<u>28</u>	<u>28</u>	<u>443</u>	<u>443</u>

6. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Direct costs	319	43,221	43,540
Support costs	13,108	135,163	148,271
	<u>13,427</u>	<u>178,384</u>	<u>191,811</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Direct costs	137	48,946	49,084
Support costs	13,709	120,628	134,336
	<u>13,846</u>	<u>169,574</u>	<u>183,420</u>

Blue Watch Youth Centre

Notes to the Financial Statements (continued)

Year ended 31 March 2022

7. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2022 £	Total fund 2021 £
Support costs	<u>43,540</u>	<u>148,271</u>	<u>191,811</u>	<u>183,420</u>

8. Other expenditure

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Loss on disposal of tangible fixed assets held for charity's own use	<u>-</u>	<u>-</u>	<u>215</u>	<u>215</u>

9. Net income

Net income is stated after charging/(crediting):

	2022 £	2021 £
Loss on disposal of tangible fixed assets	<u>-</u>	<u>215</u>

10. Staff costs

The average head count of employees during the year was 6 (2021: 6).

No employee received employee benefits of more than £60,000 during the year (2021: Nil).

11. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

12. Debtors

	2022 £	2021 £
Other debtors	<u>1,495</u>	<u>1,495</u>

13. Creditors: amounts falling due within one year

	2022 £	2021 £
Accruals and deferred income	83,328	57,633
Social security and other taxes	2,956	2,059
Pension	131	130
Other creditors	<u>1,972</u>	<u>272</u>
	<u>88,387</u>	<u>60,094</u>

Blue Watch Youth Centre

Notes to the Financial Statements (continued)

Year ended 31 March 2022

14. Deferred income

	2022 £	2021 £
Amount released to income	(55,633)	–
Amount deferred in year	135,078	55,633
At 31 March 2022	79,445	55,633

15. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £Nil (2021: £297).

16. Analysis of charitable funds

Unrestricted funds

	At 1 April 2021 £	Income £	Expenditure £	At 31 March 2022 £
Unrestricted Funds	48,076	836	(13,427)	35,485

	At 1 April 2020 £	Income £	Expenditure £	At 31 March 2021 £
Unrestricted Funds	47,623	14,514	(14,061)	48,076

Restricted funds

	At 1 April 2021 £	Income £	Expenditure £	At 31 March 2022 £
Restricted Funds	187,738	235,912	(178,384)	245,266

	At 1 April 2020 £	Income £	Expenditure £	At 31 March 2021 £
Restricted Funds	129,297	228,015	(169,574)	187,738

17. Analysis of changes in net debt

	At 1 Apr 2021 £	Cash flows £	At 31 Mar 2022 £
Cash at bank and in hand	294,413	73,230	367,643

Blue Watch Youth Centre

Management Information

Year ended 31 March 2022

The following pages do not form part of the financial statements.

Blue Watch Youth Centre

Detailed Statement of Financial Activities

Year ended 31 March 2022

	2022 £	2021 £
Income and endowments		
Donations and legacies		
Donations	808	1,833
Grants and subsidies	221,935	171,267
COVID grants	13,977	68,986
	<u>236,720</u>	<u>242,086</u>
Investment income		
Bank interest receivable	28	443
	<u>28</u>	<u>443</u>
Total income	<u>236,748</u>	<u>242,529</u>
Expenditure		
Expenditure on charitable activities		
Wages and salaries	124,972	107,584
Employer's NIC	7,907	5,049
Pension costs	–	297
Rates and water	1,054	390
Light and heat	3,752	1,700
Repairs and maintenance	1,276	4,079
Insurance	1,018	1,022
Other motor/travel costs	1,341	2,076
Legal and professional fees	2,254	2,576
Other office costs	93	122
Direct programme costs	42,316	33,826
Training	804	471
Equipment costs	400	2,527
Licences	555	161
Youth investment fund – YIF projects	–	11,697
Equipment lease	–	5,405
Volunteering expenses	824	1,034
Internet and telephone	3,245	3,404
	<u>191,811</u>	<u>183,420</u>
Other expenditure		
Loss on disposal of tangible fixed assets held for charity's own use	–	215
	<u>–</u>	<u>215</u>
Total expenditure	<u>191,811</u>	<u>183,635</u>
Net income	<u>44,937</u>	<u>58,894</u>

Blue Watch Youth Centre

Notes to the Detailed Statement of Financial Activities

Year ended 31 March 2022

	2022 £	2021 £
Expenditure on charitable activities		
<i>Activities undertaken directly</i>		
Direct Programme Costs	42,316	33,826
Equipment Costs	400	2,527
Youth Investment Fund-YIF Projects	–	11,696
Volunteering Expenses	824	1,035
	<u>43,540</u>	<u>49,084</u>
<i>Support costs</i>		
Wages/salaries	124,972	107,584
Employer's NIC	7,907	5,049
Pension costs	–	297
Rates & water	1,054	390
Light & heat	3,752	1,700
Repairs & maintenance	1,276	4,079
Insurance	1,018	1,022
Motor and travel costs	1,341	2,076
Professional Fees	2,254	2,576
Other office costs	93	122
Training	804	471
Licences	555	161
Equipment Lease	–	5,405
Internet and Telephone	3,245	3,404
	<u>148,271</u>	<u>134,336</u>
Expenditure on charitable activities	<u><u>191,811</u></u>	<u><u>183,420</u></u>