

DROP ZONE YOUTH PROJECTS

England & Wales · Charity number 1102656

Details

Other names	THE DROP ZONE CAFE
Status	Registered
Legal form	Other
Company number	06332726
Registered	2004-03-16
Register	View on the Charity Commission register

Contact

Address	Drop Zone Youth Projects Lakeland House Duke Street Barrow in Furness Cumbria LA14 1XL
Phone	01229812888
Email	office@dropzonecafe.org.uk
Website	www.dropzone.org.uk

Activities

Objects: TO EDUCATE YOUNG PEOPLE THROUGH THEIR LEISURE TIME ACTIVITIES SO TO DEVELOP THEIR PHYSICAL, MENTAL AND SPIRITUAL CAPACITIES THAT THEY MAY GROW TO FULL MATURITY AS INDIVIDUALS AND MEMBERS OF SOCIETY.

Activities: Drop Zone Youth Projects provides services for young people in the Furness area of cumbria. The project promotes activities to raise the aspirations of young people, helping young people gain access to services and access to advice and guidance.

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information, Other Charitable Activities
- **What:** General Charitable Purposes, Education/training, The Advancement Of Health Or Saving Of Lives, Arts/culture/heritage/science, Amateur Sport
- **Who:** Children/young People, Other Defined Groups

Geography

- **Area of benefit:** NOT DEFINED. IN PRACTICE LOCALLY IN BARROW-IN-FURNESS, CUMBRIA.
- Cumbria

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£480,203	£267,669	-	-
2023-12-31	£275,267	£279,130	-	-
2022-12-31	£318,560	£296,776	-	-
2021-12-31	£280,735	£262,063	-	-
2020-12-31	£243,278	£178,129	-	-

Trustees

Name	Role	Appointed
MICHAEL CHARLES CUMMING	Chair	2011-03-22
ANTHONY CALLISTER		2022-01-10
Caroline Vernon		2022-02-11
David Coverdale		2020-01-13
Robert O'Connor		2018-01-31
Valerie Ritchie		2024-09-03

DROP ZONE YOUTH PROJECTS

England & Wales - Charity number 1102656

Accounts

REGISTERED COMPANY NUMBER: 06332726 (England and Wales)
REGISTERED CHARITY NUMBER: 1102656

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024
FOR
DROP ZONE YOUTH PROJECTS LTD.
(A COMPANY LIMITED BY GUARANTEE)**

J F Hornby & Co
Chartered Accountants
The Tower
Daltongate Business Centre
Daltongate
Ulverston
Cumbria
LA12 7AJ

DROP ZONE YOUTH PROJECTS LTD.

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FOR THE YEAR ENDED 31 DECEMBER 2024**

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DROP ZONE YOUTH PROJECTS LTD.

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 DECEMBER 2024**

TRUSTEES	Mr M C Cumming Mr R O'Connor Mr D Coverdale Mr A Callister Mrs C Vernon Mrs V Ritchie Director (appointed 3.9.24)
REGISTERED OFFICE	Lakeland House Abbey Road Barrow in Furness Cumbria LA14 1XL
REGISTERED COMPANY NUMBER	06332726 (England and Wales)
REGISTERED CHARITY NUMBER	1102656
INDEPENDENT EXAMINER	J F Hornby & Co Chartered Accountants The Tower Daltongate Business Centre Daltongate Ulverston Cumbria LA12 7AJ
BANKERS	HSBC Bank plc 104 Duke Street Barrow in Furness Cumbria LA14 0LR
SENIOR MANAGEMENT	Sue Johnson (Deceased 24.06.25) Youth & Finance Manager Please see Chairman's report for further details Cath Corkill Education Manager

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2024**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2024. The trustees have adopted the provisions of 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).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objectives of the charity, as contained within the memorandum and articles of association, is to educate young people through their leisure time activities so to develop their physical, mental and spiritual capacities that they may grow to full maturity as individuals and members of society.

The charity also works closely with schools and children's services to enable the charity to reach young people who are identified as being at risk of exclusion or are not currently on roll at school. An alternative education facility is also provided, which has identified that this group of young people have very limited access to sports and recreation facilities and often have complex needs including mental health issues. The charity aims to support young people to understand triggers and the pressure of their daily lives which in some circumstances can be chaotic and to teach stress management methods. Additionally, activities are promoted to raise the aspirations of young people, helping them to gain access to services, advice and guidance.

Public benefit

Drop Zone supports the young people of Furness through their leisure time, and within the extended education provision, to learn and to develop their physical, mental and spiritual capacities. This will enable young people to grow to full maturity as individuals and members of society making informed decisions and positive life choices.

The trustees confirm that they have complied with their duty under section 4(2) of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission and consider that the pursuit of the organisations aims through the activities described above is consistent therewith.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2024**

ACHIEVEMENTS AND PERFORMANCE

Chairman's Report

I am happy to report that the Drop Zone Youth Projects Organisation has again gone from strength to strength. This last year has seen us make many advances in many areas all of which results in young people getting the best possible opportunities that they can. From an organisational point of view, we have managed to strengthen our already strong board with the appointment of Val Ritchie. Val is well known in our sector and brings not only that wealth of knowledge but also with her vast experience in safeguarding we are happy to welcome such a valuable person to our board. Coupled with this we went through an exercise with Pilotlight throughout the year which helped us do a 'deep dive' into the organisation that enabled us to have a good look at ourselves and to develop a strategy for the future. This was an arduous process at times but was well worth it in the end. During this period we also worked to try and get the Youth Investment Fund up and running to enable works to start in upgrading our premises at Lakeland House. Through many frustrating hurdles the contracts to start work were awarded towards the end of the year and works have now started and are progressing well. This is a huge investment by the government, the Youth Investment Fund, together with our partners in this venture, Westmorland and Furness Council, we anticipate a successful outcome by the end of Q1 2025. We have also received great support with our Accountants J F Hornby and towards the end of the year moved to put our relationship on a firmer footing with additional resources to improve our processes and strengthen our financial status. Sue Johnson and Cath Corkill are still providing inspirational leadership and have now, a dedicated team to help support our young people. It is with pride that we can say that our staff are second to none. We could not deliver without them. I'm sure this will be recognised when reading the annual report. Once again, we are leading the way in focussing on the ever increasing dangers to young people, noting that following on from the Knife Angel Cath managed to get a visit to the town from the Manchester Bee. An incredible sculpture if not a little frightening considering the number of firearms that went into building it, once you have seen the Bee it leaves an indelible memory and hopefully the works that follows on from this will impress the lessons on people. As always we would like to thank everyone who has supported and funded us over the last 12 months, alongside all our young people, parents, schools and partner organisations.

Mike Cumming - Chair.

Education

Our extended education provision continued to grow and referrals were consistent throughout the year. In 2024 we supported 42 young people in Lakeland House. We trained all our staff to be invigilators and were able to facilitate 19 GCSE exams for year 11 students, alongside Maths and English Functional Skills assessments throughout the year. Alongside essential core subjects we have continued to teach young people essential, transferable life skills so they are prepared for post 16 provision. All our year 11's who left us in the summer of 2024 have secured intended destinations in employment, training, apprenticeships and college. The organisation has been through NCFE moderation and an annual monitoring review, both were successful, which showcases how important it is for us, as an education provision to adhere to everything our awarding body requires. We continued to offer more opportunities for the young people who attended our provision and this included a day residential to Rookhow, visits to the Dock Museum and the library.

As part of our ongoing knife crime delivery, we were able to secure a visit to Barrow for the Manchester Bee. The Bee arrived in early November and resided outside the Town Hall for 3 weeks. During this period of time we were able to bring The JJ Effect to deliver educational workshops to 300 secondary school students from four schools, South Cumbria PRU, Furness College, Moorfield and Drop Zone. Alongside this our partners from the PRU, YJS and the Child Centred Policing Team delivered age appropriate sessions in the Forum for 358 Primary students from 6 schools. From this we secured support from the Police and Fire Crime Commissioner to continue our preventative approach.

We were also a key partner in 2024's Junior Citizenship Scheme, which supports young people making the transition from year 6 to year 7. Twenty four primary schools accessed the project at Barrow Fire Station and took part in a round robin of educational presentations and activities. Topics covered were hate crime, drug, alcohol and vaping awareness, online safety, fire safety and anti social behaviour. As always we value the continued support from local schools, the Local Authority, parents, partner organisations. Our local children and young people need more opportunities to engage in and more avenues of support. During 2024 we continued, alongside valued partners to do this and we are looking forward to continuing and developing educational projects in 2025.

Youthwork

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2024**

Our youth work delivery continued to address growing need across the local area and we have been involved in a number of initiatives to support, educate and develop young people. Following on from our successful detached delivery in 2023, we worked with WAF and secured £25k for Furness Youth Work Partnership to continue to work with young people in their own environments. We supported a pilot in the summer holidays at Barrow Leisure Centre, which enabled young people to access the astro turf football pitches on Friday evenings alongside support from youth workers. We were also invited to the Better Tomorrow's celebration at Barrow Town Hall. At this event we showcased youth work in Furness and were able to link in with partners from the North of the County. We received HAF alongside our partner Youthability to deliver projects in the Easter and Summer holidays and together we reached 300 young people. We celebrated National Youth Work week in November and were able to create a video and poem highlighting our young people's achievement alongside the positive work we deliver. We were also invited to present at one of Sir John Fisher's Trustee meetings about our youth work delivery, organisation and partnerships. This was really important as it highlights our impact and the recognition we receive. Unfortunately due to losing our building in Ormsgill our delivery is coming to an end, however, we worked with WAF and Family Action to develop an exit strategy, this includes supporting local community groups to continue to support children and young people moving forward.

Community

Our community work continues and in 2024 we supported numerous local events. Barrow's contribution to the Unity Festival, Barrow BID's Soapbox Derby and Christmas Unwrapped, WAF's Christmas Market at Barrow Library, The Theatre Factory's Queer Evening, Turning The Tide, Barrow Trumps and Ulverston's first Pride event. Our fifth Pride event took place in May 2024 and was another success. We were able to extend the parade, offer opportunities for local performers and local organisations to promote what they do locally. Without the continued support of Forum 28, Holiday Inn Express, local emergency services and our steering group, the event wouldn't be able to go ahead. We continued to deliver LGBTQ+ and Trans Awareness training throughout 2024 and as part of our Pride event, inclusive businesses, organisations and people could request window stickers that showed everyone was welcome in their buildings and establishments. These addresses were added to an inclusivity map which was shared. We continued to be a patron of the Love Barrow Awards which continues to recognise amazing local people and organisations. By supporting these events we, not only, create opportunities for children, young people and families, we strengthen our partnerships and share resources. DZ is proud to be part of this and will continue to build on this and find long term sustainable funding so all the positive work can continue.

Organisation going forward

Tragically on the 24th June 2025 we suddenly lost Sue Johnson who collapsed and passed away. To be taken so young was a dreadful impact on her family and work colleagues after 20 years of dedicated service. As part of the key leadership team along with Cath Corkill it has left an enormous gap in the organisation.

Over the summer period we have decided to take our time in deciding the shape of the organisation going forward, and to this end, to see us through to the end of the year there has been some reorganisation of staff to support Cath Corkill and to ensure that our primary focus still remains in supporting our young people. The board will meet in October to assess the best way forward. In the meantime the Board of Trustees will provide cover for Cath in the operation of the Drop Zone whenever necessary.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2024**

FINANCIAL REVIEW

Financial position

The levels of restricted, designated and unrestricted funds are detailed in note 11 to the accounts. Unrestricted reserve levels allow us to have some flexibility whilst pursuing new funding.

Restricted funds are held to fulfil the requirements of funders.

Designated funds at the year end were £44,247 support programme development and new salary post costs and £42,556 to compliment the Youth Investment Capital Funds in the renovation of the building. Other designated funds of £4,559 relate to donations being applied to specific purposes.

A Message from our Treasurer Rob O'Connor

The 2024 accounts show a significantly higher income than in previous years.

In 2019 income was £209,093, in 2020 it was £243,278, in 2021 it was £280,735, in 2022 it was £318,560, and in 2023 it was £275,267.

Income for 2024 is shown as £480,203. This is due to monies received from the Youth Investment Fund.

In July 2023, Drop Zone were successful in securing a grant award from the Youth Investment Fund of £607,636 to refurbish Lakeland House, where Drop Zone operates from.

From this grant award, £541,644 was capital funding, and £65,992 revenue funding.

Due to the time taken to draw up legal agreements and renegotiation of the lease period for the building, works did not start until October 2024, and were completed in March 2025.

In late 2024, Drop Zone were in receipt of tranche payments for the refurbishment (capital), and also drew down some of the revenue monies from the Youth Investment Fund. All the capital monies were forwarded, on receipt of invoice, to Westmorland and Furness Council who project managed the refurbishment.

In 2024, £210,376 was received in both capital and revenue funding from the Youth Investment Fund, hence features in the 2024 accounts. This therefore impacted on the income for 2024 with it being shown as over £480,000, significantly higher than in previous years.

If the Youth Investment Fund monies are removed from the income, this gives a "general" income for 2024 of £270,150, which accords more with previous years.

Therefore, 2024 will in effect show a higher than normal income, and we will also see an impact on the 2025 accounts when they are filed due to the Youth Investment Fund monies straddling two financial / accounting years.

Reserves policy

It is the trustee's policy that unrestricted reserves should cover three months operating costs, currently calculated at £115,000. The unrestricted reserves at 31st December 2024 and 31st December 2023 exceeded the policy requirement, this is now at the right level.

Going concern

The financial statements have been prepared on a going concern basis. No material circumstances regarding the charity's ability to continue exist.

FUTURE PLANS

The funding secured from the Youth Investment Funds of £607k, together with the funds designated by the trustees of £45k will enable the refurbishment to the building to be commenced in the autumn of 2024. This will provide stability for our services to grow and develop ensuring that we continue to provide the experiences and opportunities to the young people in the Furness area.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2024**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The company is incorporated under the Companies Act 1985 as a company limited by guarantee and not having any share capital, its trustees being the directors and is governed by the Memorandum and Articles of Association.

Each trustee is a member of the company. The members have guaranteed the liability of the company to a limit of £1 each.

Recruitment and appointment of new trustees

New Trustees are appointed by the board of trustees at the Annual General Meeting and serve until they resign or retire. New members are invited to meet with board members and directors and take part in an induction process to ensure information is current and relevant.

Organisational structure

The charity is governed by a board of trustees/directors which meet on a quarterly basis to formulate and approve policy and review the current financial position.

Delegation of Responsibility

Responsibility for day-to-day management of the charity is delegated under authority by the board of trustees to the Youth and Education Directors.

Risk management

The trustees in accordance with their duty have identified and reviewed the risks to which the charity is exposed and ensured appropriate controls are in place to provide a reasonable assurance against fraud and error. The key risk and the controls in place are detailed below:

- Safeguarding of young people and vulnerable people. All of the directors, officers and volunteers hold valid certificates from the Disclosure and Barring Service.
- Continuity and development of services and funding by having a lease for our main building which is furnished to provide a full range of services. The charity has a lease with the council for Lakeland House and funding has been secured for the refurbishment of the site, which will commence in 2024.

The charity ongoingly reviews the Charity Governance Code to incorporate good governance into the organisational practices.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 23 September 2025 and signed on its behalf by:

Mr M C Cumming - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
DROP ZONE YOUTH PROJECTS LTD.**

Independent examiner's report to the trustees of Drop Zone Youth Projects Ltd. ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2024.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under Section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under Section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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

1. accounting records were not kept in respect of the Company as required by Section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of Section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

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.

P Hornby, FCA

J F Hornby & Co
Chartered Accountants
The Tower
Daltongate Business Centre
Daltongate
Ulverston
Cumbria
LA12 7AJ

23 September 2025

DROP ZONE YOUTH PROJECTS LTD.

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Notes	Unrestricted funds £	Restricted funds £	31.12.24 Total funds £	31.12.23 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	426	1,095	1,521	4,852
Charitable activities					
Youth Activities and Services		108,857	363,094	471,951	262,822
Other trading activities	3	1,660	1,898	3,558	5,262
Investment income	4	3,173	-	3,173	2,331
Total		<u>114,116</u>	<u>366,087</u>	<u>480,203</u>	<u>275,267</u>
EXPENDITURE ON					
Charitable activities					
Youth Activities and Services		<u>130,042</u>	<u>137,627</u>	<u>267,669</u>	<u>279,130</u>
NET INCOME/(EXPENDITURE)		(15,926)	228,460	212,534	(3,863)
RECONCILIATION OF FUNDS					
Total funds brought forward		226,921	88,717	315,638	319,501
TOTAL FUNDS CARRIED FORWARD		<u><u>210,995</u></u>	<u><u>317,177</u></u>	<u><u>528,172</u></u>	<u><u>315,638</u></u>

The notes form part of these financial statements

DROP ZONE YOUTH PROJECTS LTD. (REGISTERED NUMBER: 06332726)

**BALANCE SHEET
31 DECEMBER 2024**

	Notes	Unrestricted funds £	Restricted funds £	31.12.24 Total funds £	31.12.23 Total funds £
FIXED ASSETS					
Tangible assets	8	749	-	749	320
CURRENT ASSETS					
Debtors	9	6,166	-	6,166	10,364
Cash at bank and in hand		213,883	317,326	531,209	311,848
		<u>220,049</u>	<u>317,326</u>	<u>537,375</u>	<u>322,212</u>
CREDITORS					
Amounts falling due within one year	10	(9,802)	(150)	(9,952)	(6,894)
NET CURRENT ASSETS		<u>210,247</u>	<u>317,176</u>	<u>527,423</u>	<u>315,318</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		210,996	317,176	528,172	315,638
NET ASSETS		<u>210,996</u>	<u>317,176</u>	<u>528,172</u>	<u>315,638</u>
FUNDS					
Unrestricted funds	11			210,996	226,921
Restricted funds				317,176	88,717
TOTAL FUNDS				<u>528,172</u>	<u>315,638</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2024.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2024 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 23 September 2025 and were signed on its behalf by:

Mr M C Cumming - Trustee

The notes form part of these financial statements

DROP ZONE YOUTH PROJECTS LTD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

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

Grants received are credited to profit and loss account in the financial period on a receivable basis.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 20% on cost
Computer equipment	- 33% on cost

Tangible fixed assets costing more than £500 are capitalised and recognised when future economic benefits are probable and the cost of the asset can be measured reliably.

Taxation

As a charity, Drop Zone Youth Projects Ltd is exempt from tax on income and gains falling within sections 472-474 of the Corporation Tax Act 2010, sections 478-489 of the Corporation Tax Act 2010, or section 258 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Designated funds are unrestricted funds that have been set aside by the Trustees for a particular purpose.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

DROP ZONE YOUTH PROJECTS LTD.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2024**

2. DONATIONS AND LEGACIES

	31.12.24	31.12.23
	£	£
Donations	1,521	4,852
	<u> </u>	<u> </u>

3. OTHER TRADING ACTIVITIES

	31.12.24	31.12.23
	£	£
Room hire	3,558	5,262
	<u> </u>	<u> </u>

4. INVESTMENT INCOME

	31.12.24	31.12.23
	£	£
Deposit account interest	3,173	2,331
	<u> </u>	<u> </u>

5. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.12.24	31.12.23
	£	£
Depreciation - owned assets	645	748
Deficit on disposal of fixed assets	-	45
	<u> </u>	<u> </u>

6. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2024 nor for the year ended 31 December 2023.

Trustees' expenses

	31.12.24	31.12.23
	£	£
Trustees' expenses	233	59
	<u> </u>	<u> </u>

Trustee expenses relate to travel costs reimbursed to one trustee.

7. STAFF COSTS

The average monthly number of employees during the year was as follows:

	31.12.24	31.12.23
Staff	13	11
	<u> </u>	<u> </u>

No employees received emoluments in excess of £60,000.

The key management personnel of the charity comprise the Trustees and the senior management team as listed on page 1. Total key management personnel remuneration and benefits (including employer pension contributions and employer national insurance contributions) for their services to the charity was £99,751 (2023: £103,393).

DROP ZONE YOUTH PROJECTS LTD.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2024**

8. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 January 2024	721	51,878	52,599
Additions	-	1,074	1,074
	<hr/>	<hr/>	<hr/>
At 31 December 2024	721	52,952	53,673
	<hr/>	<hr/>	<hr/>
DEPRECIATION			
At 1 January 2024	577	51,702	52,279
Charge for year	144	501	645
	<hr/>	<hr/>	<hr/>
At 31 December 2024	721	52,203	52,924
	<hr/>	<hr/>	<hr/>
NET BOOK VALUE			
At 31 December 2024	-	749	749
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 December 2023	144	176	320
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.24 £	31.12.23 £
Trade debtors	6,166	8,103
Other debtors	-	2,261
	<hr/>	<hr/>
	6,166	10,364
	<hr/> <hr/>	<hr/> <hr/>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.24 £	31.12.23 £
Trade creditors	2,191	3,868
Social security and other taxes	2,526	-
Other creditors	2,212	-
Accruals and deferred income	3,023	3,026
	<hr/>	<hr/>
	9,952	6,894
	<hr/> <hr/>	<hr/> <hr/>

DROP ZONE YOUTH PROJECTS LTD.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2024**

11. MOVEMENT IN FUNDS

	At 1.1.24 £	Net movement in funds £	At 31.12.24 £
Unrestricted funds			
General fund	20,786	(16,152)	4,634
Designated funds - reserves policy	115,000	-	115,000
Designated funds - building	45,000	(2,444)	42,556
Designated funds - development	45,000	(753)	44,247
Designated - other	1,135	3,424	4,559
	<hr/>	<hr/>	<hr/>
	226,921	(15,925)	210,996
Restricted funds			
Equipment and resources	1,943	672	2,615
Expanding horizons	23,910	(6,485)	17,425
Investing in future development of charity	6,021	(6,021)	-
Improving health and wellbeing	6,140	(1,948)	4,192
LGBTQ+ support	10,651	(2,759)	7,892
Supporting core costs	40,052	24,266	64,318
Youth Investment Fund	-	220,734	220,734
	<hr/>	<hr/>	<hr/>
	88,717	228,459	317,176
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>315,638</u>	<u>212,534</u>	<u>528,172</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	109,115	(125,267)	(16,152)
Designated funds - building	-	(2,444)	(2,444)
Designated funds - development	-	(753)	(753)
Designated - other	5,001	(1,577)	3,424
	<hr/>	<hr/>	<hr/>
	114,116	(130,041)	(15,925)
Restricted funds			
Equipment and resources	2,299	(1,627)	672
Expanding horizons	14,021	(20,506)	(6,485)
Investing in future development of charity	1	(6,022)	(6,021)
Improving health and wellbeing	-	(1,948)	(1,948)
LGBTQ+ support	10,001	(12,760)	(2,759)
School holiday provision	18,868	(18,868)	-
Supporting core costs	89,174	(64,908)	24,266
Youth Investment Fund	231,723	(10,989)	220,734
	<hr/>	<hr/>	<hr/>
	366,087	(137,628)	228,459
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>480,203</u>	<u>(267,669)</u>	<u>212,534</u>

DROP ZONE YOUTH PROJECTS LTD.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2024**

11. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.1.23 £	Net movement in funds £	Transfers between funds £	At 31.12.23 £
Unrestricted funds				
General fund	111,261	10,935	(101,410)	20,786
Designated funds - reserves policy	-	(505)	115,505	115,000
Designated funds - building	-	-	45,000	45,000
Designated funds - development	-	-	45,000	45,000
Designated - other	-	-	1,135	1,135
	<u>111,261</u>	<u>10,430</u>	<u>105,230</u>	<u>226,921</u>
Restricted funds				
Restricted	98,070	-	(98,070)	-
Equipment and resources	2,560	(445)	(172)	1,943
Expanding horizons	20,388	3,522	-	23,910
Investing in future development of charity	-	6,021	-	6,021
Improving health and wellbeing	32,939	(20,213)	(6,586)	6,140
LGBTQ+ support	6,462	4,189	-	10,651
School holiday provision	434	(434)	-	-
Supporting core costs	47,387	(6,933)	(402)	40,052
	<u>208,240</u>	<u>(14,293)</u>	<u>(105,230)</u>	<u>88,717</u>
TOTAL FUNDS	<u>319,501</u>	<u>(3,863)</u>	<u>-</u>	<u>315,638</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	112,880	(101,945)	10,935
Designated funds - reserves policy	-	(505)	(505)
	<u>112,880</u>	<u>(102,450)</u>	<u>10,430</u>
Restricted funds			
Equipment and resources	6,199	(6,644)	(445)
Expanding horizons	17,575	(14,053)	3,522
Investing in future development of charity	6,500	(479)	6,021
Improving health and wellbeing	399	(20,612)	(20,213)
LGBTQ+ support	15,630	(11,441)	4,189
School holiday provision	21,774	(22,208)	(434)
Supporting core costs	89,226	(96,159)	(6,933)
Other funding	5,084	(5,084)	-
	<u>162,387</u>	<u>(176,680)</u>	<u>(14,293)</u>
TOTAL FUNDS	<u>275,267</u>	<u>(279,130)</u>	<u>(3,863)</u>

DESIGNATED FUNDS

Details on the designated funds currently held are provided below:

DROP ZONE YOUTH PROJECTS LTD.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2024**

11. MOVEMENT IN FUNDS - continued

Reserve Policy - funds set aside by the trustee to meet 3 months anticipated expenditure in line with the reserves policy

Building improvements - funds set aside to support fitting and furnishings and other costs unable to be grant funded when the building is redeveloped.

Development - funds set aside to support staffing and project development

12. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2024.

13. GENERAL INFORMATION

Drop Zone Youth Projects Ltd is a company limited by guarantee and incorporated in England. It's registered office is Lakeland House, Abbey Road, Barrow In Furness, Cumbria, United Kingdom, LA14 1XL.

The financial statements are presented in sterling, which is the functional currency of the company.

DROP ZONE YOUTH PROJECTS

England & Wales - Charity number 1102656

Accounts

REGISTERED COMPANY NUMBER: 06332726 (England and Wales)
REGISTERED CHARITY NUMBER: 1102656

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023
FOR
DROP ZONE YOUTH PROJECTS LTD.
(A COMPANY LIMITED BY GUARANTEE)**

J F Hornby & Co
Chartered Accountants
The Tower
Daltongate Business Centre
Daltongate
Ulverston
Cumbria
LA12 7AJ

DROP ZONE YOUTH PROJECTS LTD.

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

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Detailed Statement of Financial Activities	17 to 18

DROP ZONE YOUTH PROJECTS LTD.

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 DECEMBER 2023**

TRUSTEES	Mr M C Cumming Mr R O'Connor Mr D Coverdale Mr A Callister Mrs C Vernon
REGISTERED OFFICE	Lakeland House Abbey Road Barrow in Furness Cumbria LA14 1XL
REGISTERED COMPANY NUMBER	06332726 (England and Wales)
REGISTERED CHARITY NUMBER	1102656
INDEPENDENT EXAMINER	J F Hornby & Co Chartered Accountants The Tower Daltongate Business Centre Daltongate Ulverston Cumbria LA12 7AJ
BANKERS	HSBC Bank plc 104 Duke Street Barrow in Furness Cumbria LA14 0LR
SENIOR MANAGEMENT	Sue Johnson Youth & Finance Manager Cath Corkill Education Manager

DROP ZONE YOUTH PROJECTS LTD.
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2023. The trustees have adopted the provisions of 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).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objects of the charity, as contained within the memorandum and articles of association, is to educate young people through their leisure time activities so to develop their physical, mental and spiritual capacities that they may grow to full maturity as individuals and members of society.

The charity also works closely with schools and children's services to enable the charity to reach young people who are identified as being at risk of exclusion or are not currently on roll at school. An alternative education facility is also provided, which has identified that this group of young people have very limited access to sports and recreation facilities and often have complex needs including mental health issues. The charity aims to support young people to understand triggers and the pressure of their daily lives which in some circumstances can be chaotic and to teach stress management methods. Additionally, activities are promoted to raise the aspirations of young people, helping them to gain access to services, advice and guidance.

Public benefit

The trustees confirm that they have complied with their duty under section 4(2) of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission and consider that the pursuit of the association's aims through the activities described above is consistent therewith.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

In 2023 Drop Zone had 1907 interactions with young people, who took part in a variety of education and youth work projects. All young people finishing extended education with us in 2023 had an intended destination to move on to.

We were successful in securing funding from various streams with the most notable being the Youth Investment Fund, which will enable Drop Zone to move forward with plans to develop its centre to become a one stop facility for young people.

We were also successful in receiving a Garfield Weston Award which comes with 12 months strategic support from Pilotlight and we have developed partnerships with Furness Youth Work Partnership, Barrow AFC and Barrowful with one of our directors joining them on a trip to Kolkata India as part of their Jute Root project.

We delivered Furness Pride 2023 bringing together the community to celebrate inclusion and diversity with a footfall of 7,000 people enjoying the event and continue to support community events and initiatives such as World Suicide Prevention Day, Party in the Park and the Unity Festival.

DROP ZONE YOUTH PROJECTS LTD.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

ACHIEVEMENT AND PERFORMANCE

CHAIRMAN'S REPORT - as reported in January 2024

I am pleased to report another successful year for the Drop Zone. The finances have stabilised such that we are currently in a strong position. This is no small part to the two directors on their fund-raising efforts. A significant award came from the Garfield Foundation with their Pilot Light programme which was awarded in the summer of 2023 but took some time to get kicked off in early december. This is a prestigious award which will enable Drop Zone to benefit from their experience in helping organisations achieve goals.

With Westmorland and Furness Council (W&F) taking over from Barrow Borough Council and Cumbria County Council, there has been a bit of disruption which resulted in the Barrow Borough Council bid for the refurbishment of Lakeland House coming to the Drop Zone to implement. However it has also resulted in a 25-year lease of Lakeland House which will inevitably give stability for the future. Whilst there are several issues to work through, it must be acknowledged that W&F have continued to support and believe in the vision for Lakeland House. The award for refurbishment and youth organisation support from the Youth Investment Fund signifies an appreciation for the works that Drop Zone undertake in the area and will provide a very important resource for Furness in the future.

Our financial processes are now supported by an external agency, ensuring that everything is in place for the forthcoming investment. Our office manager, alongside our treasurer and management are instrumental in managing all our financial procedures.

We now have a settled board of trustees who are all very proactive and a great support, with each one taking responsibility for various aspects of the organisation.

This year we again held a Pride event, which continues to grow each year and continues to have a positive impact. Congratulations again to the staff for the hard work they have put into making this event the success that it is.

Finally, and I repeat myself every year, Drop Zone would not be where it is today without the inspired and excellent leadership of Cath Corkill and Sue Johnson. Between them they epitomise everything good about the organisation and continue to drive the organisation into new and innovative areas.

Mike Cumming - Chair

EDUCATION

Our extended education provision continued to grow, and over the last 12 months we have supported 46 young people. Our young people have had a really successful and positive year, sitting 19 GCSE's alongside Functional Skills Assessments. We currently have a pass rate of 84% which is amazing and a testament to how hard our staff work.

Alongside our delivery in Lakeside House we were also asked to continue to delivery in Dalton Drill Hall for 3 Dowdales students. We continue to support home educated young people, so they have the same opportunities as their peers. Alongside essential core subjects, we have continued to teach young people essential, transferable life skills so they are prepared for post-16 provision. All our year 11s who left us in the summer of 2023 have secured intended destinations in employment training, apprenticeships and college.

DROP ZONE YOUTH PROJECTS LTD.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

ACHIEVEMENT AND PERFORMANCE

The organisation has been through NCFE moderation and an annual monitoring review. Both were successful, which showcases how important it is for us as an education provision to adhere to everything our awarding body requires. Due to this we were able to add new qualifications to our timetable; Level 1 Award in Health & Social Care and Level 2 in Sexual Health Awareness. Both these were identified by our young people as qualifications they wanted to achieve. We were also able to offer a Level 2 Food Hygiene qualification for 2 of our young people who were interested in pursuing a career in catering. We strive to offer our young people the same opportunities as young people who are in schools, so continually invite external agencies into our session to educate around a number of different topics. Last year we were able to work with a local artist who supported our young people in a printing project and their canvases were showcased at Printfest in Ulverston. Jessica from the Wildlife Trust worked with our young people around the environment and due to this they were able to achieve the John Muir Award. We also supported young people in gaining work experience placements, part time employment and a volunteer position at our local radio station. As always we are extremely grateful to all our schools and Local Authority for their continued support and belief in what we do and look forward to continuing to work alongside them over the coming years.

We have continued to deliver Knife Crime education in local schools, alongside education around vaping. In June 23 we delivered on the Junior Citizenship Scheme with local partners to 700 primary children from across Furness. This was a really positive piece of work that supports young people's transition from year 6 to 7. Topics covered were hate crime, vaping, online safety, water safety, fire safety and anti-social behaviour. As always we value the continued support from local schools, the Local Authority, parents and partner organisations. Our next generation deserve a range of opportunities and this was showcased in 2023.

YOUTH WORK

Our youth work delivery continued to address the growing need across the local area and we have been involved in a number of initiatives to support, educate and develop young people. Our support in Barrow AFC's ground continued but due to some funding constraints we have had to pause at the end of the year. We have, however, continued to support the club and recently sponsored a So Legal event, presented to a range of attendees and showcased our organisation. Throughout the year we had 1,907 interactions with young people through the PCC and Edge NE, however, the funding ended and isn't continuing. However, we have submitted a collaborative bid to the Lottery and WAF to plug this gap, so hopefully our capacity will increase again in 2024. We celebrated National Youth Work week in November 23 and hosted an amazing information event at Lakeland House with our 15 partners. We welcomed the Police, funders, health representatives and the High Sheriff. Events like this are really important to showcase what is on offer in the local area and how unique Barrow is in the way we work together. We delivered across Furness with provision in Barrow, Ormsgill, Dalton and Askam offering a range of projects for children and young people from 8 years up.

COMMUNITY

Our community work continues and we have supported a number of events locally. Barrow's contribution to the Unity Festival, World Suicide Prevention Day, Party in the Park (an alcohol free awareness event), Dalton Day and attended some of our partners AGMs. In February 23, one of our directors travelled to Kolkata, India, alongside Barrowful, Women's Community Matters and local creatives. This trip was to creatively explore Barrow's historic links to the Jute trade. Whilst there we were able to make links with some amazing organisations including All Bengal Women's Union, St James's School, Destiny Foundation and Future Hope. We hosted our second face to face pride event in May 23 which attracted over 7,000 people. Our aim around pride is to educate and 2023 saw an increase in requests for LGBTQ+ and Trans Awareness training, following on from the event. Fourteen performers entertained the crowds alongside two art exhibitions, a methodist service and a talk about surrogacy. We hosted over 14 information and advice stalls; the library facilitated pride themed arts, crafts and storytelling; emergency vehicles were present and all the tech was covered by Cando FM. Diversity and inclusion is so important across all our communities, so we are proud that the event is growing and educating across the county. We became a patron for the Love Barrow Awards which recognises all the amazing work that local organisations deliver and feel by supporting this event we can build new and strengthen current partnerships.

DROP ZONE YOUTH PROJECTS LTD.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

FINANCIAL REVIEW

Financial position

The levels of restricted, designated and unrestricted funds are detailed in note 12 to the accounts. Unrestricted reserve levels allow us to have some flexibility whilst pursuing new funding.

Restricted funds are held to fulfil the requirements of funders.

Designated funds of £90,000 have been implemented by the trustees this year to include £45k support programme development and new salary post costs and £45k to compliment the Youth Investment Capital Funds in the renovation of the building. Other designated funds of £1,135 relate to donations being applied to specific purposes.

Reserves policy

It is the trustees policy that unrestricted reserves should cover three months operating costs, currently calculated at £115k. The unrestricted reserves at 31st December 2023 and 31st December 2022 exceeded the policy requirement.

Going concern

The financial statements have been prepared on a going concern basis. No material circumstances regarding the charity's ability to continue exist.

FUTURE PLANS

The funding secured from the Youth Investment Funds of £607k, together with the funds designated by the trustees of £45k will enable the refurbishment to the building to be commenced in the summer of 2024. This will provide stability for our services to grow and develop ensuring that we continue to provide the experiences and opportunities to the young people in the Furness area.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The company is a company limited by guarantee and a registered charity. It is governed by its Memorandum and Articles of Association.

Each trustee is a member of the company. The members have guaranteed the liability of the company to a limit of £1 each.

Recruitment and appointment of new trustees

New Trustees are appointed by the board of trustees at the Annual General Meeting and serve until they resign or retire. New members are invited to meet with board members and directors and take part in an induction process to ensure information is current and relevant.

Risk management

The trustees in accordance with their duty have identified and reviewed the risks to which the charity is exposed and ensured appropriate controls are in place to provide a reasonable assurance against fraud and error. The key risk and the controls in place are detailed below:

- Safeguarding of young people and vulnerable people. All of the directors, officers and volunteers hold valid certificates from the Disclosure and Barring Service.

- Continuity and development of services and funding by having a lease for our main building which is furnished to provide a full range of services. The charity is currently negotiating a lease with the council for Lakeland House and funding has been secured for the refurbishment of the site, which will commence in 2024.

The charity is currently reviewing the Charity Governance Code to incorporate good governance into the organisational practices.

DROP ZONE YOUTH PROJECTS LTD.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2023**

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 3 September 2024 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'M.C. Cumming', is written over a horizontal line.

Mr M C Cumming - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
DROP ZONE YOUTH PROJECTS LTD.**

Independent examiner's report to the trustees of Drop Zone Youth Projects Ltd. ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2023.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under Section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under Section 145(5) (b) of the 2011 Act.

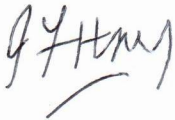
Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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

1. accounting records were not kept in respect of the Company as required by Section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of Section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

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.



J F Hornby, FCA

J F Hornby & Co
Chartered Accountants
The Tower
Daltongate Business Centre
Daltongate
Ulverston
Cumbria
LA12 7AJ

3 September 2024

DROP ZONE YOUTH PROJECTS LTD.

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Notes	Unrestricted funds £	Restricted funds £	31.12.23 Total funds £	31.12.22 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	100	4,752	4,852	1,961
Charitable activities					
Youth Activities and Services		105,187	157,635	262,822	314,613
Other trading activities	3	5,262	-	5,262	1,750
Investment income	4	2,331	-	2,331	236
Total		<u>112,880</u>	<u>162,387</u>	<u>275,267</u>	<u>318,560</u>
 EXPENDITURE ON					
Charitable activities					
Youth Activities and Services		<u>102,448</u>	<u>176,682</u>	<u>279,130</u>	<u>296,776</u>
 NET INCOME/(EXPENDITURE)					
Transfers between funds	12	10,432	(14,295)	(3,863)	21,784
		<u>105,230</u>	<u>(105,230)</u>	<u>-</u>	<u>-</u>
Net movement in funds		115,662	(119,525)	(3,863)	21,784
 RECONCILIATION OF FUNDS					
Total funds brought forward		111,261	208,240	319,501	297,717
 TOTAL FUNDS CARRIED FORWARD		 <u>226,923</u>	 <u>88,715</u>	 <u>315,638</u>	 <u>319,501</u>

The notes form part of these financial statements

DROP ZONE YOUTH PROJECTS LTD.

**BALANCE SHEET
31 DECEMBER 2023**

	Notes	Unrestricted funds £	Restricted funds £	31.12.23 Total funds £	31.12.22 Total funds £
FIXED ASSETS					
Tangible assets	9	320	-	320	1,113
CURRENT ASSETS					
Debtors	10	8,019	2,345	10,364	26,038
Cash at bank and in hand		223,443	88,405	311,848	293,904
		<u>231,462</u>	<u>90,750</u>	<u>322,212</u>	<u>319,942</u>
CREDITORS					
Amounts falling due within one year	11	(4,861)	(2,033)	(6,894)	(1,554)
NET CURRENT ASSETS		<u>226,601</u>	<u>88,717</u>	<u>315,318</u>	<u>318,388</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>226,921</u>	<u>88,717</u>	<u>315,638</u>	<u>319,501</u>
NET ASSETS		<u>226,921</u>	<u>88,717</u>	<u>315,638</u>	<u>319,501</u>
FUNDS	12				
Unrestricted funds				226,921	111,261
Restricted funds				88,717	208,240
TOTAL FUNDS				<u>315,638</u>	<u>319,501</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2023 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The notes form part of these financial statements

DROP ZONE YOUTH PROJECTS LTD.

**BALANCE SHEET - continued
31 DECEMBER 2023**

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 3 September 2024 and were signed on its behalf by:



~~Mr M C Cumming~~ - Trustee

MR R O'CONNOR - TRUSTEE AND
TREASURER

The notes form part of these financial statements

DROP ZONE YOUTH PROJECTS LTD.

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

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

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

Grants received are credited to profit and loss account in the financial period on a receivable basis.

Turnover is the amount derived from the provision of services, net of VAT.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 20% on cost
Computer equipment	- 33% on cost

Tangible fixed assets costing more than £500 are capitalised and recognised when future economic benefits are probable and the cost of the asset can be measured reliably.

Taxation

As a charity, Drop Zone Youth Projects Ltd is exempt from tax on income and gains falling within sections 472-474 of the Corporation Tax Act 2010, sections 478-489 of the Corporation Tax Act 2010, or section 258 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Designated funds are unrestricted funds that have been set aside by the Trustees for a particular purpose.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

DROP ZONE YOUTH PROJECTS LTD.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023**

2. DONATIONS AND LEGACIES	31.12.23	31.12.22
	£	£
Donations	4,852	1,961
	<u> </u>	<u> </u>
3. OTHER TRADING ACTIVITIES	31.12.23	31.12.22
	£	£
Room hire	5,262	1,568
Sundry receipts	-	182
	<u> </u>	<u> </u>
	<u>5,262</u>	<u>1,750</u>
4. INVESTMENT INCOME	31.12.23	31.12.22
	£	£
Deposit account interest	2,331	236
	<u> </u>	<u> </u>
5. NET INCOME/(EXPENDITURE)		
Net income/(expenditure) is stated after charging/(crediting):		
	31.12.23	31.12.22
	£	£
Depreciation - owned assets	748	2,475
Deficit on disposal of fixed assets	45	-
	<u> </u>	<u> </u>
6. TRUSTEES' REMUNERATION AND BENEFITS		
There were no trustees' remuneration or other benefits for the year ended 31 December 2023 nor for the year ended 31 December 2022.		
Trustees' expenses		
	31.12.23	31.12.22
	£	£
Trustees' expenses	59	-
	<u> </u>	<u> </u>
Trustee expenses relate to travel costs reimbursed to one trustee.		

DROP ZONE YOUTH PROJECTS LTD.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023**

7. STAFF COSTS

The average monthly number of employees during the year was as follows:

	31.12.23	31.12.22
Staff	<u>11</u>	<u>11</u>

No employees received emoluments in excess of £60,000.

The key management personnel of the charity comprise the Trustees and the senior management team as listed on page 1. Total key management personnel remuneration and benefits (including employer pension contributions and employer national insurance contributions) for their services to the charity was £103,393 (2022: £90,999)

8. INDEPENDENT EXAMINATION

The preparation of accounts and independent examination has been performed by JF Hornby & Co free of charge as part of their charitable activities.

9. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 January 2023	721	61,860	62,581
Disposals	<u>-</u>	<u>(9,982)</u>	<u>(9,982)</u>
At 31 December 2023	<u>721</u>	<u>51,878</u>	<u>52,599</u>
DEPRECIATION			
At 1 January 2023	432	61,036	61,468
Charge for year	145	603	748
Eliminated on disposal	<u>-</u>	<u>(9,937)</u>	<u>(9,937)</u>
At 31 December 2023	<u>577</u>	<u>51,702</u>	<u>52,279</u>
NET BOOK VALUE			
At 31 December 2023	<u>144</u>	<u>176</u>	<u>320</u>
At 31 December 2022	<u>289</u>	<u>824</u>	<u>1,113</u>

DROP ZONE YOUTH PROJECTS LTD.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023**

10.	DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
		31.12.23	31.12.22
		£	£
	Trade debtors	8,103	26,037
	Other debtors	2,261	1
		<u>10,364</u>	<u>26,038</u>
11.	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
		31.12.23	31.12.22
		£	£
	Trade creditors	3,868	432
	Accruals and deferred income	3,026	1,122
		<u>6,894</u>	<u>1,554</u>
12.	MOVEMENT IN FUNDS		
		Net	Transfers
		movement	between
	At 1.1.23	in funds	funds
	£	£	£
	At 31.12.23		At
	£		£
	Unrestricted funds		
	General fund	111,261	10,935
	Designated funds - reserves policy	-	(505)
	Designated funds - building	-	-
	Designated funds - development	-	-
	Designated - other	-	-
		<u>111,261</u>	<u>10,430</u>
	Restricted funds		
	Restricted	98,070	-
	Equipment and resources	2,560	(445)
	Expanding horizons	20,388	3,522
	Investing in future development of charity	-	6,021
	Improving health and wellbeing	32,939	(20,213)
	LGBTQ+ support	6,462	4,189
	School holiday provision	434	(434)
	Supporting core costs	47,387	(6,933)
		<u>208,240</u>	<u>(14,293)</u>
	TOTAL FUNDS	<u>319,501</u>	<u>(3,863)</u>
		<u>111,261</u>	<u>105,230</u>
		<u>208,240</u>	<u>88,717</u>
		<u>319,501</u>	<u>315,638</u>

DROP ZONE YOUTH PROJECTS LTD.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023**

12. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	112,880	(101,945)	10,935
Designated funds - reserves policy	-	(505)	(505)
	112,880	(102,450)	10,430
Restricted funds			
Equipment and resources	6,199	(6,644)	(445)
Expanding horizons	17,575	(14,053)	3,522
Investing in future development of charity	6,500	(479)	6,021
Improving health and wellbeing	399	(20,612)	(20,213)
LGBTQ+ support	15,630	(11,441)	4,189
School holiday provision	21,774	(22,208)	(434)
Supporting core costs	89,226	(96,159)	(6,933)
Other funding	5,084	(5,084)	-
	162,387	(176,680)	(14,293)
TOTAL FUNDS	275,267	(279,130)	(3,863)

Comparatives for movement in funds

	At 1.1.22 £	Net movement in funds £	At 31.12.22 £
Unrestricted funds			
General fund	120,233	(8,972)	111,261
Restricted funds			
Restricted	177,484	30,756	208,240
	177,484	30,756	208,240
TOTAL FUNDS	297,717	21,784	319,501

DROP ZONE YOUTH PROJECTS LTD.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023**

12. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	88,473	(97,445)	(8,972)
Restricted funds			
Restricted	230,087	(199,331)	30,756
TOTAL FUNDS	<u>318,560</u>	<u>(296,776)</u>	<u>21,784</u>

DESIGNATED FUNDS

Details on the designated funds currently held are provided below:

Reserve Policy - funds set aside by the trustee to meet 3 months anticipated expenditure in line with the reserves policy

Building improvements - funds set aside to support fitting and furnishings and other costs unable to be grant funded when the building is redeveloped.

Development - funds set aside to support staffing and project development

13. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2023.

14. GENERAL INFORMATION

Drop Zone Youth Projects Ltd is a company limited by guarantee and incorporated in England. It's registered office is Lakeland House, Abbey Road, Barrow In Furness, Cumbria, United Kingdom, LA14 1XL.

The financial statements are presented in sterling, which is the functional currency of the company.

DROP ZONE YOUTH PROJECTS LTD.
DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2023

	31.12.23	31.12.22
	£	£
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	4,852	1,961
Other trading activities		
Room hire	5,262	1,568
Sundry receipts	-	182
	5,262	1,750
Investment income		
Deposit account interest	2,331	236
Charitable activities		
Youth work	105,187	84,526
Secondment	5,084	19,366
Grants	152,551	210,721
	262,822	314,613
Total incoming resources	275,267	318,560
EXPENDITURE		
Charitable activities		
Wages	184,154	184,190
Social security	3,659	9,421
Pensions	3,306	3,346
Catering	1,745	717
Travelling	583	881
Youth days and activities	13,923	16,916
Sub-contractors	14,754	39,528
	222,124	254,999
Support costs		
Management		
Trustees' expenses	59	-
Rent and rates	1,251	3,848
Insurance	3,135	3,640
Light and heat	18,152	7,545
Telephone	7,842	5,146
Postage and stationery	1,253	1,297
Carried forward	31,692	21,476

This page does not form part of the statutory financial statements

DROP ZONE YOUTH PROJECTS LTD.

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2023**

	31.12.23	31.12.22
	£	£
Management		
Brought forward	31,692	21,476
Advertising	2,610	2,072
Sundries	102	156
Legal and professional fees	7,524	2,864
Repairs	7,872	1,546
Refuse removal	-	119
Staff training	1,109	1,856
Subscriptions	1,438	2,088
Computer expenses	3,088	3,683
Cleaning	705	1,227
Donations	-	2,140
Depreciation of fixtures & fittings	144	144
Depreciation of computer equipment	603	2,331
Loss on sale of tangible fixed assets	45	-
	<hr/>	<hr/>
	56,932	41,702
Finance		
Bank charges	74	75
	<hr/>	<hr/>
Total resources expended	279,130	296,776
	<hr/>	<hr/>
Net (expenditure)/income	(3,863)	21,784
	<hr/> <hr/>	<hr/> <hr/>

This page does not form part of the statutory financial statements

DROP ZONE YOUTH PROJECTS

England & Wales - Charity number 1102656

Accounts

REGISTERED COMPANY NUMBER: 06332726 (England and Wales)
REGISTERED CHARITY NUMBER: 1102656

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022
FOR
DROP ZONE YOUTH PROJECTS LTD.**

J F Hornby & Co
Chartered Accountants
The Tower
Daltongate Business Centre
Daltongate
Ulverston
Cumbria
LA12 7AJ

DROP ZONE YOUTH PROJECTS LTD.

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

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DROP ZONE YOUTH PROJECTS LTD.
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2022. The trustees have adopted the provisions of 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).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objects of the charity as contained within its trust constitution is to educate young people through their leisure time activities so to develop their physical, mental and spiritual capacities that they may grow to full maturity as individuals and members of society.

The charity also works closely with schools and children's services to enable the charity to reach young people who are identified as being at risk of exclusion or are not currently on roll at school. The charity provides an alternative education facility, which has identified that this group of young people have very limited access to sports and recreation facilities and often have complex needs including mental health issues. The charity aims to support young people to understand triggers and the pressure of their daily lives which in some circumstances can be chaotic and to teach stress management methods.

The charity aims to promote activities to raise the aspirations of young people, helping those to gain access to services, advice and guidance.

Public benefit

The trustees confirm that they have complied with their duty under section 4(2) of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission and consider that the pursuit of the association's aims through the activities described above is consistent therewith.

DROP ZONE YOUTH PROJECTS LTD.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Whilst 2020 seemed to be a roller coaster 2021 started again with a lockdown and caused us to pick up where we left off in 2020. With a gradual lifting of restriction throughout the year our staff coped remarkably well throughout. Funding increased and helped put us on a viable footing with many of our supporters stepping up during this period to ensure that our young people were not disadvantaged.

The organisation led by Cath and Sue performed minor miracles in this area. Amongst them were negotiations with Barrow Borough Council in purchasing Lakeland House and leasing it to ourselves which allowed us to move out of Bath Street to a more central location. The premises at the Market were returned to the Council. Lakeland House is a far more suitable location, and the intention is that it will become a multi-agency premises to be able to support young people in the region, thus making it easier to tailor total solutions for them.

This could be a new phase in helping our area to improve the outcomes for those that desperately need them.

The organisation is currently in a strong financial position, but we are aware that funding can be very volatile, and we cannot be complacent. In this we have a strong Financial Controller who has introduced measures that allow close monitoring of our finances. Alongside this we would like to thank J F Hornby & Co who have looked after our accounts extremely well over the past few years.

In the next year we will be introducing measures to strengthen our support for the Management and staff.

Finally, I would like to pay tribute to our trustees for their continued support, our management team and to the staff for their dedication, hard work and tireless dedication to the ideals, aims and objectives of the Drop Zone. I would also like to take this opportunity to thank all our funders who have supported us throughout 2021.

YOUTH WORK DELIVERY

2021 was again a bit of an up and down year in terms of our delivery but we managed to still offer provision through both detached and centre based working. We have undertaken several multi agency detached nights with our local partners which have been able to steer a lot of our local delivery. It is very important that our young people are involved in developing their own provision so positive outcomes are achieved. Our young people in Askam suggested, planned and undertook a project within the local graveyard to tidy up certain areas, this was supported by the local vicar and community. They, alongside young people from Dalton have also engaged in 6 weeks programs with local DJ's JD & Swerve, learning about music production, lyric writing and mixing. We were successful in securing funding from Cumbria Community Foundation to renovate a part of Dalton Station alongside Network Rail and Dalton Town Tidy Group. This will be one of our main projects moving into 2022. All our young people who access our youth work provision have taken part in Scarecrow Avenue, designing and creating their own Scarecrows to display and have had the opportunity to access the Battlestation Bus from Blackpool which offers children and young people a unique gaming opportunity. This was a really positive piece of partnership work between Drop Zone, Youthability and Furness Young Carers. The gaming theme continued with a bespoke gaming, pilot project alongside Cumbria County Council, Dalton community Association, DZ and Devoke Studios, offering young people the opportunity to learn basic coding and gaming. The pilot ran for 4 weeks in November and December and was really successful. We will be looking at developing this project this year. We moved into our new premises last September which enabled us to facilitate both our LGBTQ+ groups from Lakeland House. Our groups settled in very well and have been really busy yarn bombing, planning Furness Pride and continuing the BAFTA Award which offers organisations the opportunity to sign up to an inclusivity charter for Trans Awareness. This has been really positive with 44 organisations signing up in 2021. We also were able to take our groups up to Carlisle for Cumbria Pride and host Tabby Lamb in our building, who delivered an amazing creative writing workshop. We also hosted another amazing Pride event in May online, involving other organisations, communities and artists. The event wouldn't have happened without the support of the Forum and Barra Culture who helped create an amazing online event and rainbowed ginnel. Youth Work is a recognised profession and has it's own curriculum, highlighting how important it is for young people's development. 2022 holds a lot of opportunities for DZ and it's partners and we are looking forward to a positive year.

EDUCATION

DROP ZONE YOUTH PROJECTS LTD.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

Our extended education provision, again, has continued, throughout more lockdowns. We have facilitated face to face delivery throughout the year so all young people receive the support they need. We have supported over 30 young people in 2021, most referred into us from local secondary schools but we also strive to support young people who are home educated and looked after. All our young people have undertaken their Functional Skills assessments and have worked really hard to achieve accredited outcomes. Our year 11's left us in the summer term and have moved on to post 16 provision successfully. Funded by the HAF through our County Council, we were able to put a bespoke package together over the summer holidays to support transitions. We worked closely with our partners and were able to offer Functional Skills, Young firefighters, Photography, Gardening and SEN support. This project was really positive and gave young people essential skills to move on. Alongside delivering the school curriculum we also recognise the importance of the transferrable life skills so our young people have the tools to become rounded adults. With this in mind our amazing staff have delivered projects around mental health and well being in Mental Health Awareness week. They have helped develop resources for Anti Bullying week, Alcohol Awareness week and were able to spend a day at Keppleway, which was really positive. Before the summer term ended, ourselves and the local PRU had concerns about an increase in young people carrying knives for protection and felt that it needed addressing. Very quickly we pulled together a 6 week pilot alongside our local Child Centred Policing Team, the NHS and a local teacher who had experience of the devastating effects of knife crime, and delivered it in Furness Academy. It was really successful so we continued to deliver from September in other local Secondary's and some Primary's. Through this work we were able to secure funding to develop a resource and have also organised a visit from the Knife Angel in January 2022. This highlights the importance of preventative education and if funding allows we want to be able to sustain this long term. We have had a few staff changes in 2021, losing some really valued members of the team but also gaining some. All our staff, again, work tirelessly to support young people and we can never thank them enough. Our gratitude extends to all our schools and the Local Authority for continuing to support our bespoke provision and last but not least our parents and amazing young people. Here's to 2022.

FINANCIAL REVIEW

Financial position

The finances show that we have a restricted reserve that will cover all our commitments and supports the reserves policy, and an unrestricted reserve that allows us to have a small amount of flexibility whilst pursuing new funding.

Reserves policy

It is the trustees policy that unrestricted reserves should cover six months operating costs. The unrestricted reserves at 31st December 2021 and 31st December 2020 exceeded the policy requirement.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Drop Zone Youth Projects Ltd was incorporated on 3rd August 2007. The activities of the charitable company were previously carried out by Drop Zone Youth Projects, an unincorporated charity registered 16th March 2004. On 3rd August 2007 the activities of the unincorporated charity, together with its entire assets and liabilities were transferred to the new charitable company.

The charity is a private company limited by guarantee. Each trustee is a member of the company. The members have guaranteed the liability of the company to a limit of £1 each.

Recruitment and appointment of new trustees

New Trustees are appointed by the Board of Trustees at the Annual General Meeting and serve until they resign or retire. The existing Trustees ensure that new Trustees have the necessary skills to contribute to the Charity's management and development.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

DROP ZONE YOUTH PROJECTS LTD.
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

06332726 (England and Wales)

Registered Charity number

1102656

Registered office

Lakeland House
Abbey Road
Barrow in Furness
Cumbria
LA14 1XL

Trustees

Mr M C Cumming
Ms K Hanks
Mr R O'Connor
Mr D Coverdale
Mr A Callister Director (appointed 10.1.22)
Mrs C Vernon (appointed 11.2.22)

Company Secretary

Independent Examiner

J F Hornby, FCA
FCA
J F Hornby & Co
Chartered Accountants
The Tower
Daltongate Business Centre
Daltongate
Ulverston
Cumbria
LA12 7AJ

Bankers

HSBC Bank plc
104 Duke Street
Barrow in Furness
Cumbria
LA14 0LR

Approved by order of the board of trustees on 10 April 2023 and signed on its behalf by:

Mr M C Cumming - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
DROP ZONE YOUTH PROJECTS LTD.**

Independent examiner's report to the trustees of Drop Zone Youth Projects Ltd. ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2022.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under Section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under Section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of FCA which is one of the listed bodies.

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

1. accounting records were not kept in respect of the Company as required by Section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of Section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

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.

J F Hornby, FCA
FCA
J F Hornby & Co
Chartered Accountants
The Tower
Daltongate Business Centre
Daltongate
Ulverston
Cumbria
LA12 7AJ

10 April 2023

DROP ZONE YOUTH PROJECTS LTD.

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	Unrestricted funds £	Restricted fund £	31.12.22 Total funds £	31.12.21 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies		1,959	2	1,961	1,465
Charitable activities					
Youth Activities and Services		84,526	230,087	314,613	278,682
Other trading activities	2	1,750	-	1,750	578
Investment income	3	<u>236</u>	<u>-</u>	<u>236</u>	<u>10</u>
Total		<u>88,471</u>	<u>230,089</u>	<u>318,560</u>	<u>280,735</u>
EXPENDITURE ON					
Charitable activities					
Youth Activities and Services		<u>97,446</u>	<u>199,330</u>	<u>296,776</u>	<u>262,063</u>
NET INCOME/(EXPENDITURE)		(8,975)	30,759	21,784	18,672
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>120,233</u>	<u>177,484</u>	<u>297,717</u>	<u>279,045</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>111,258</u></u>	<u><u>208,243</u></u>	<u><u>319,501</u></u>	<u><u>297,717</u></u>

The notes form part of these financial statements

DROP ZONE YOUTH PROJECTS LTD.

**BALANCE SHEET
31 DECEMBER 2022**

	Notes	Unrestricted funds £	Restricted fund £	31.12.22 Total funds £	31.12.21 Total funds £
FIXED ASSETS					
Tangible assets	7	805	307	1,112	3,109
CURRENT ASSETS					
Debtors	8	16,037	10,000	26,037	26,776
Cash at bank and in hand		<u>95,970</u>	<u>197,935</u>	<u>293,905</u>	<u>270,921</u>
		112,007	207,935	319,942	297,697
CREDITORS					
Amounts falling due within one year	9	(1,553)	-	(1,553)	(3,089)
		<u>110,454</u>	<u>207,935</u>	<u>318,389</u>	<u>294,608</u>
NET CURRENT ASSETS					
		<u>111,259</u>	<u>208,242</u>	<u>319,501</u>	<u>297,717</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>111,259</u>	<u>208,242</u>	<u>319,501</u>	<u>297,717</u>
NET ASSETS					
		<u>111,259</u>	<u>208,242</u>	<u>319,501</u>	<u>297,717</u>
FUNDS	10				
Unrestricted funds				111,259	120,233
Restricted funds				<u>208,242</u>	<u>177,484</u>
TOTAL FUNDS				<u>319,501</u>	<u>297,717</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2022 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The notes form part of these financial statements

DROP ZONE YOUTH PROJECTS LTD.

BALANCE SHEET - continued
31 DECEMBER 2022

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 10 April 2023 and were signed on its behalf by:

Mr M C Cumming - Trustee

The notes form part of these financial statements

DROP ZONE YOUTH PROJECTS LTD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

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

Grants received are credited to profit and loss account in the financial period in which they are received.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 20% on cost
Computer equipment	- 33% on cost

Taxation

As a charity, Drop Zone Youth Projects Ltd is exempt from tax on income and gains falling within sections 472-474 of the Corporation Tax Act 2010, sections 478-489 of the Corporation Tax Act 2010, or section 258 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

DROP ZONE YOUTH PROJECTS LTD.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. OTHER TRADING ACTIVITIES

	31.12.22	31.12.21
	£	£
Room hire	1,568	300
Sundry receipts	<u>182</u>	<u>278</u>
	<u>1,750</u>	<u>578</u>

3. INVESTMENT INCOME

	31.12.22	31.12.21
	£	£
Deposit account interest	<u>236</u>	<u>10</u>

4. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.12.22	31.12.21
	£	£
Depreciation - owned assets	<u>2,476</u>	<u>3,212</u>

5. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2022 nor for the year ended 31 December 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2022 nor for the year ended 31 December 2021.

6. STAFF COSTS

The average monthly number of employees during the year was as follows:

	31.12.22	31.12.21
Staff	<u>11</u>	<u>12</u>

No employees received emoluments in excess of £60,000.

DROP ZONE YOUTH PROJECTS LTD.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

7. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 January 2022	721	61,381	62,102
Additions	<u>-</u>	<u>479</u>	<u>479</u>
At 31 December 2022	<u>721</u>	<u>61,860</u>	<u>62,581</u>
DEPRECIATION			
At 1 January 2022	288	58,705	58,993
Charge for year	<u>145</u>	<u>2,331</u>	<u>2,476</u>
At 31 December 2022	<u>433</u>	<u>61,036</u>	<u>61,469</u>
NET BOOK VALUE			
At 31 December 2022	<u>288</u>	<u>824</u>	<u>1,112</u>
At 31 December 2021	<u>433</u>	<u>2,676</u>	<u>3,109</u>

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.22 £	31.12.21 £
Trade debtors	26,037	21,760
Other debtors	<u>-</u>	<u>5,016</u>
	<u>26,037</u>	<u>26,776</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.22 £	31.12.21 £
Trade creditors	432	2,557
Other creditors	-	532
Accruals and deferred income	<u>1,121</u>	<u>-</u>
	<u>1,553</u>	<u>3,089</u>

10. MOVEMENT IN FUNDS

	At 1.1.22 £	Net movement in funds £	At 31.12.22 £
Unrestricted funds			
General fund	120,233	(8,974)	111,259
Restricted funds			
Restricted	<u>177,484</u>	<u>30,758</u>	<u>208,242</u>
TOTAL FUNDS	<u>297,717</u>	<u>21,784</u>	<u>319,501</u>

DROP ZONE YOUTH PROJECTS LTD.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

10. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	88,471	(97,445)	(8,974)
Restricted funds			
Restricted	230,089	(199,331)	30,758
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>318,560</u>	<u>(296,776)</u>	<u>21,784</u>

Comparatives for movement in funds

	At 1.1.21 £	Net movement in funds £	At 31.12.21 £
Unrestricted funds			
General fund	119,247	986	120,233
Restricted funds			
Restricted	159,798	17,686	177,484
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>279,045</u>	<u>18,672</u>	<u>297,717</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	102,768	(101,782)	986
Restricted funds			
Restricted	177,967	(160,281)	17,686
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>280,735</u>	<u>(262,063)</u>	<u>18,672</u>

DROP ZONE YOUTH PROJECTS LTD.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

10. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.21 £	Net movement in funds £	At 31.12.22 £
Unrestricted funds			
General fund	119,247	(7,988)	111,259
Restricted funds			
Restricted	159,798	48,444	208,242
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>279,045</u>	<u>40,456</u>	<u>319,501</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	191,239	(199,227)	(7,988)
Restricted funds			
Restricted	408,056	(359,612)	48,444
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>599,295</u>	<u>(558,839)</u>	<u>40,456</u>

11. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2022.

12. GENERAL INFORMATION

Drop Zone Youth Projects Ltd is a company limited by guarantee and incorporated in England. It's registered office is Lakeland House, Abbey Road, Barrow In Furness, Cumbria, United Kingdom, LA14 1XL.

The financial statements are presented in sterling, which is the functional currency of the company.

DROP ZONE YOUTH PROJECTS LTD.

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2022**

	31.12.22 £	31.12.21 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	1,961	1,463
Legacies	<u>-</u>	<u>2</u>
	1,961	1,465
Other trading activities		
Room hire	1,568	300
Sundry receipts	<u>182</u>	<u>278</u>
	1,750	578
Investment income		
Deposit account interest	236	10
Charitable activities		
Youth work	84,526	81,935
Secondment	19,366	-
Grants	<u>210,721</u>	<u>196,747</u>
	<u>314,613</u>	<u>278,682</u>
Total incoming resources	318,560	280,735
EXPENDITURE		
Charitable activities		
Wages	184,190	155,745
Social security	9,421	7,200
Pensions	3,346	2,751
Catering	717	665
Travelling	881	173
Youth days and activities	16,916	23,686
Sub-contractors	<u>39,528</u>	<u>5,260</u>
	254,999	195,480
Support costs		
Management		
Rent and rates	3,848	8,897
Insurance	3,640	1,606
Light and heat	7,545	1,341
Telephone	5,146	2,600
Postage and stationery	1,298	1,093
Advertising	2,072	1,116
Carried forward	23,549	16,653

This page does not form part of the statutory financial statements

DROP ZONE YOUTH PROJECTS LTD.

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2022**

	31.12.22	31.12.21
	£	£
Management		
Brought forward	23,549	16,653
Sundries	156	366
Accountancy fees	2,690	377
Legal and professional fees	174	2,525
Repairs	1,545	1,235
Refuse removal	119	667
Staff training	1,856	-
Subscriptions	2,088	2,166
Computer expenses	3,683	2,407
Cleaning	1,227	2,185
Donations	2,140	34,688
Fixtures and fittings	144	144
Computer equipment	<u>2,331</u>	<u>3,068</u>
	41,702	66,481
Finance		
Bank charges	<u>75</u>	<u>102</u>
Total resources expended	<u>296,776</u>	<u>262,063</u>
Net income	<u><u>21,784</u></u>	<u><u>18,672</u></u>

This page does not form part of the statutory financial statements

DROP ZONE YOUTH PROJECTS

England & Wales - Charity number 1102656

Accounts

REGISTERED COMPANY NUMBER: 06332726 (England and Wales)
REGISTERED CHARITY NUMBER: 1102656

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
FOR
DROP ZONE YOUTH PROJECTS LTD.**

J F Hornby & Co
Chartered Accountants
The Tower
Daltongate Business Centre
Daltongate
Ulverston
Cumbria
LA12 7AJ

DROP ZONE YOUTH PROJECTS LTD.

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

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Detailed Statement of Financial Activities	13 to 14

DROP ZONE YOUTH PROJECTS LTD.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2021. The trustees have adopted the provisions of 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).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objects of the charity as contained within its trust constitution is to educate young people through their leisure time activities so to develop their physical, mental and spiritual capacities that they may grow to full maturity as individuals and members of society.

The charity also works closely with schools and children's services to enable the charity to reach young people who are identified as being at risk of exclusion or are not currently on roll at school. The charity provides an alternative education facility, which has identified that this group of young people have very limited access to sports and recreation facilities and often have complex needs including mental health issues. The charity aims to support young people to understand triggers and the pressure of their daily lives which in some circumstances can be chaotic and to teach stress management methods.

The charity aims to promote activities to raise the aspirations of young people, helping those to gain access to services, advice and guidance.

Public benefit

The trustees confirm that they have complied with their duty under section 4(2) of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission and consider that the pursuit of the association's aims through the activities described above is consistent therewith.

DROP ZONE YOUTH PROJECTS LTD.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Whilst 2020 seemed to be a roller coaster 2021 started again with a lockdown and caused us to pick up where we left off in 2020. With a gradual lifting of restriction throughout the year our staff coped remarkably well throughout. Funding increased and helped put us on a viable footing with many of our supporters stepping up during this period to ensure that our young people were not disadvantaged.

The organisation led by Cath and Sue performed minor miracles in this area. Amongst them were negotiations with Barrow Borough Council in purchasing Lakeland House and leasing it to ourselves which allowed us to move out of Bath Street to a more central location. The premises at the Market were returned to the Council. Lakeland House is a far more suitable location, and the intention is that it will become a multi-agency premises to be able to support young people in the region, thus making it easier to tailor total solutions for them.

This could be a new phase in helping our area to improve the outcomes for those that desperately need them.

The organisation is currently in a strong financial position, but we are aware that funding can be very volatile, and we cannot be complacent. In this we have a strong Financial Controller who has introduced measures that allow close monitoring of our finances. Alongside this we would like to thank J F Hornby & Co who have looked after our accounts extremely well over the past few years.

In the next year we will be introducing measures to strengthen our support for the Management and staff.

Finally, I would like to pay tribute to our trustees for their continued support, our management team and to the staff for their dedication, hard work and tireless dedication to the ideals, aims and objectives of the Drop Zone. I would also like to take this opportunity to thank all our funders who have supported us throughout 2021.

YOUTH WORK DELIVERY

2021 was again a bit of an up and down year in terms of our delivery but we managed to still offer provision through both detached and centre based working. We have undertaken several multi agency detached nights with our local partners which have been able to steer a lot of our local delivery. It is very important that our young people are involved in developing their own provision so positive outcomes are achieved. Our young people in Askam suggested, planned and undertook a project within the local graveyard to tidy up certain areas, this was supported by the local vicar and community. They, alongside young people from Dalton have also engaged in 6 weeks programs with local DJ's JD & Swerve, learning about music production, lyric writing and mixing. We were successful in securing funding from Cumbria Community Foundation to renovate a part of Dalton Station alongside Network Rail and Dalton Town Tidy Group. This will be one of our main projects moving into 2022. All our young people who access our youth work provision have taken part in Scarecrow Avenue, designing and creating their own Scarecrows to display and have had the opportunity to access the Battlestation Bus from Blackpool which offers children and young people a unique gaming opportunity. This was a really positive piece of partnership work between Drop Zone, Youthability and Furness Young Carers. The gaming theme continued with a bespoke gaming, pilot project alongside Cumbria County Council, Dalton community Association, DZ and Devoke Studios, offering young people the opportunity to learn basic coding and gaming. The pilot ran for 4 weeks in November and December and was really successful. We will be looking at developing this project this year. We moved into our new premises last September which enabled us to facilitate both our LGBTQ+ groups from Lakeland House. Our groups settled in very well and have been really busy yarn bombing, planning Furness Pride and continuing the BAFTA Award which offers organisations the opportunity to sign up to an inclusivity charter for Trans Awareness. This has been really positive with 44 organisations signing up in 2021. We also were able to take our groups up to Carlisle for Cumbria Pride and host Tabby Lamb in our building, who delivered an amazing creative writing workshop. We also hosted another amazing Pride event in May online, involving other organisations, communities and artists. The event wouldn't have happened without the support of the Forum and Barra Culture who helped create an amazing online event and rainbowed ginnel. Youth Work is a recognised profession and has it's own curriculum, highlighting how important it is for young people's development. 2022 holds a lot of opportunities for DZ and it's partners and we are looking forward to a positive year.

EDUCATION

DROP ZONE YOUTH PROJECTS LTD.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

Our extended education provision, again, has continued, throughout more lockdowns. We have facilitated face to face delivery throughout the year so all young people receive the support they need. We have supported over 30 young people in 2021, most referred into us from local secondary schools but we also strive to support young people who are home educated and looked after. All our young people have undertaken their Functional Skills assessments and have worked really hard to achieve accredited outcomes. Our year 11's left us in the summer term and have moved on to post 16 provision successfully. Funded by the HAF through our County Council, we were able to put a bespoke package together over the summer holidays to support transitions. We worked closely with our partners and were able to offer Functional Skills, Young firefighters, Photography, Gardening and SEN support. This project was really positive and gave young people essential skills to move on. Alongside delivering the school curriculum we also recognise the importance of the transferrable life skills so our young people have the tools to become rounded adults. With this in mind our amazing staff have delivered projects around mental health and well being in Mental Health Awareness week. They have helped develop resources for Anti Bullying week, Alcohol Awareness week and were able to spend a day at Keppleway, which was really positive. Before the summer term ended, ourselves and the local PRU had concerns about and increase in young people carrying knives for protection and felt that it needed addressing. Very quickly we pulled together a 6 week pilot alongside our local Child Centred Policing Team, the NHS and a local teacher who had experience of the devastating effects of knife crime, and delivered it in Furness Academy. It was really successful so we continued to deliver from September in other local Secondary's and some Primary's. Through this work we were able to secure funding to develop a resource and have also organised a visit from the Knife Angel in January 2022. This highlights the importance of preventative education and if funding allows we want to be able to sustain this long term. We have had a few staff changes in 2021, losing some really valued members of the team but also gaining some. All our staff, again, work tirelessly to support young people and we can never thank them enough. Our gratitude extends to all our schools and the Local Authority for continuing to support our bespoke provision and last but no means least our parents and amazing young people. Here's to 2022.

FINANCIAL REVIEW

Financial position

The finances show that we have a restricted reserve that will cover all our commitments and supports the reserves policy, and an unrestricted reserve that allows us to have a small amount of flexibility whilst pursuing new funding.

Reserves policy

It is the trustees policy that unrestricted reserves should cover six months operating costs. The unrestricted reserves at 31st December 2021 and 31st December 2020 exceeded the policy requirement.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Drop Zone Youth Projects Ltd was incorporated on 3rd August 2007. The activities of the charitable company were previously carried out by Drop Zone Youth Projects, an unincorporated charity registered 16th March 2004. On 3rd August 2007 the activities of the unincorporated charity, together with its entire assets and liabilities were transferred to the new charitable company.

The charity is a private company limited by guarantee. Each trustee is a member of the company. The members have guaranteed the liability of the company to a limit of £1 each.

Recruitment and appointment of new trustees

New Trustees are appointed by the Board of Trustees at the Annual General Meeting and serve until they resign or retire. The existing Trustees ensure that new Trustees have the necessary skills to contribute to the Charity's management and development.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

06332726 (England and Wales)

DROP ZONE YOUTH PROJECTS LTD.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021**

Registered Charity number

1102656

Registered office

Lakeland House
Abbey Road
Barrow in Furness
Cumbria
LA14 1XL

Trustees

Mr M C Cumming
Mr W L Hall (resigned 1.7.21)
Ms K Hanks
Mr R O'Connor
Mr D Coverdale
Mr A Callister (appointed 10.1.22)
Mrs C Vernon (appointed 11.2.22)

Company Secretary

Ms K Hanks

Independent Examiner

J F Hornby, FCA
FCA
J F Hornby & Co
Chartered Accountants
The Tower
Daltongate Business Centre
Daltongate
Ulverston
Cumbria
LA12 7AJ

Bankers

HSBC Bank plc
104 Duke Street
Barrow in Furness
Cumbria
LA14 0LR

Approved by order of the board of trustees on 23 March 2022 and signed on its behalf by:



Mr M C Cumming - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
DROP ZONE YOUTH PROJECTS LTD.**

Independent examiner's report to the trustees of Drop Zone Youth Projects Ltd. ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2021.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of FCA which is one of the listed bodies.

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

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

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.

J F Hornby, FCA
FCA
J F Hornby & Co
Chartered Accountants
The Tower
Daltongate Business Centre
Daltongate
Ulverston
Cumbria
LA12 7AJ

23 March 2022

DROP ZONE YOUTH PROJECTS LTD.

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	Unrestricted funds £	Restricted fund £	31.12.21 Total funds £	31.12.20 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies		1,464	1	1,465	249
Charitable activities					
Youth Activities and Services		100,716	177,966	278,682	242,615
Other trading activities	2	578	-	578	300
Investment income	3	10	-	10	114
Total		<u>102,768</u>	<u>177,967</u>	<u>280,735</u>	<u>243,278</u>
EXPENDITURE ON					
Charitable activities					
Youth Activities and Services		101,783	160,280	262,063	178,129
NET INCOME		<u>985</u>	<u>17,687</u>	<u>18,672</u>	<u>65,149</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		119,247	159,798	279,045	213,896
TOTAL FUNDS CARRIED FORWARD		<u><u>120,232</u></u>	<u><u>177,485</u></u>	<u><u>297,717</u></u>	<u><u>279,045</u></u>

The notes form part of these financial statements

DROP ZONE YOUTH PROJECTS LTD.

**BALANCE SHEET
31 DECEMBER 2021**

	Notes	Unrestricted funds £	Restricted fund £	31.12.21 Total funds £	31.12.20 Total funds £
FIXED ASSETS					
Tangible assets	7	2,285	824	3,109	4,992
CURRENT ASSETS					
Debtors	8	21,760	5,016	26,776	13,997
Cash at bank and in hand		99,277	171,644	270,921	260,663
		<u>121,037</u>	<u>176,660</u>	<u>297,697</u>	<u>274,660</u>
CREDITORS					
Amounts falling due within one year	9	(3,089)	-	(3,089)	(607)
NET CURRENT ASSETS		<u>117,948</u>	<u>176,660</u>	<u>294,608</u>	<u>274,053</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>120,233</u>	<u>177,484</u>	<u>297,717</u>	<u>279,045</u>
NET ASSETS		<u>120,233</u>	<u>177,484</u>	<u>297,717</u>	<u>279,045</u>
FUNDS	10				
Unrestricted funds				120,233	119,247
Restricted funds				177,484	159,798
TOTAL FUNDS				<u>297,717</u>	<u>279,045</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2021.

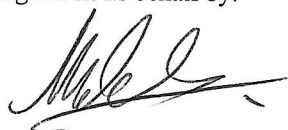
The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2021 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 23 March 2022 and were signed on its behalf by:



Mr M C Cumming - Trustee

The notes form part of these financial statements

DROP ZONE YOUTH PROJECTS LTD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

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

Grants received are credited to profit and loss account in the financial period in which they are received.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 20% on cost
Computer equipment	- 33% on cost

Taxation

As a charity, Drop Zone Youth Projects Ltd is exempt from tax on income and gains falling within sections 472-474 of the Corporation Tax Act 2010, sections 478-489 of the Corporation Tax Act 2010, or section 258 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

DROP ZONE YOUTH PROJECTS LTD.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. OTHER TRADING ACTIVITIES

	31.12.21	31.12.20
	£	£
Room hire	300	300
Sundry receipts	278	-
	<u>578</u>	<u>300</u>

3. INVESTMENT INCOME

	31.12.21	31.12.20
	£	£
Deposit account interest	10	114
	<u>10</u>	<u>114</u>

4. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.12.21	31.12.20
	£	£
Depreciation - owned assets	3,212	3,524
	<u>3,212</u>	<u>3,524</u>

5. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2021 nor for the year ended 31 December 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2021 nor for the year ended 31 December 2020.

6. STAFF COSTS

The average monthly number of employees during the year was as follows:

	31.12.21	31.12.20
Staff	12	11
	<u>12</u>	<u>11</u>

No employees received emoluments in excess of £60,000.

DROP ZONE YOUTH PROJECTS LTD.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021**

7. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 January 2021	721	60,052	60,773
Additions	-	1,329	1,329
	<hr/>	<hr/>	<hr/>
At 31 December 2021	721	61,381	62,102
	<hr/>	<hr/>	<hr/>
DEPRECIATION			
At 1 January 2021	144	55,637	55,781
Charge for year	144	3,068	3,212
	<hr/>	<hr/>	<hr/>
At 31 December 2021	288	58,705	58,993
	<hr/>	<hr/>	<hr/>
NET BOOK VALUE			
At 31 December 2021	433	2,676	3,109
	<hr/>	<hr/>	<hr/>
At 31 December 2020	577	4,415	4,992
	<hr/>	<hr/>	<hr/>

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.21 £	31.12.20 £
Trade debtors	21,760	8,380
Other debtors	5,016	5,617
	<hr/>	<hr/>
	26,776	13,997
	<hr/>	<hr/>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.21 £	31.12.20 £
Trade creditors	2,557	75
Other creditors	532	532
	<hr/>	<hr/>
	3,089	607
	<hr/>	<hr/>

10. MOVEMENT IN FUNDS

	At 1.1.21 £	Net movement in funds £	At 31.12.21 £
Unrestricted funds			
General fund	119,247	986	120,233
Restricted funds			
Restricted	159,798	17,686	177,484
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	279,045	18,672	297,717
	<hr/>	<hr/>	<hr/>

DROP ZONE YOUTH PROJECTS LTD.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021**

10. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	102,768	(101,782)	986
Restricted funds			
Restricted	177,967	(160,281)	17,686
TOTAL FUNDS	<u>280,735</u>	<u>(262,063)</u>	<u>18,672</u>

Comparatives for movement in funds

	At 1.1.20 £	Net movement in funds £	At 31.12.20 £
Unrestricted funds			
General fund	61,795	57,452	119,247
Restricted funds			
Restricted	152,101	7,697	159,798
TOTAL FUNDS	<u>213,896</u>	<u>65,149</u>	<u>279,045</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	87,516	(30,064)	57,452
Restricted funds			
Restricted	155,762	(148,065)	7,697
TOTAL FUNDS	<u>243,278</u>	<u>(178,129)</u>	<u>65,149</u>

DROP ZONE YOUTH PROJECTS LTD.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021**

10. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.20 £	Net movement in funds £	At 31.12.21 £
Unrestricted funds			
General fund	61,795	58,438	120,233
Restricted funds			
Restricted	152,101	25,383	177,484
TOTAL FUNDS	<u>213,896</u>	<u>83,821</u>	<u>297,717</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	190,284	(131,846)	58,438
Restricted funds			
Restricted	333,729	(308,346)	25,383
TOTAL FUNDS	<u>524,013</u>	<u>(440,192)</u>	<u>83,821</u>

11. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2021.

12. GENERAL INFORMATION

Drop Zone Youth Projects Ltd is a company limited by guarantee and incorporated in England. It's registered office is Lakeland House, Abbey Road, Barrow In Furness, Cumbria, United Kingdom, LA14 1XL.

The financial statements are presented in sterling, which is the functional currency of the company.

DROP ZONE YOUTH PROJECTS LTD.

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2021**

	31.12.21	31.12.20
	£	£
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	1,463	250
Grants	2	(1)
	<hr/>	<hr/>
	1,465	249
Other trading activities		
Room hire	300	300
Sundry receipts	278	-
	<hr/>	<hr/>
	578	300
Investment income		
Deposit account interest	10	114
Charitable activities		
Youth work	81,935	58,853
Grants	196,747	183,762
	<hr/>	<hr/>
	278,682	242,615
Total incoming resources	<hr/>	<hr/>
	280,735	243,278
EXPENDITURE		
Charitable activities		
Wages	155,745	121,521
Social security	7,200	2,542
Pensions	2,751	1,796
Catering	665	878
Travelling	173	136
Youth days and activities	23,686	14,295
Sub-contractors	5,260	-
	<hr/>	<hr/>
	195,480	141,168
Support costs		
Management		
Rent and rates	8,897	8,383
Insurance	1,606	1,699
Light and heat	1,341	1,066
Telephone	2,600	2,071
Postage and stationery	1,093	2,027
Advertising	1,116	469
Sundries	366	326
Accountancy fees	377	175
Legal and professional fees	2,525	5,281
Carried forward	19,921	21,497

This page does not form part of the statutory financial statements

DROP ZONE YOUTH PROJECTS LTD.

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2021**

	31.12.21	31.12.20
	£	£
Management		
Brought forward	19,921	21,497
Repairs	1,235	3,262
Refuse removal	667	471
Staff training	-	769
Subscriptions	2,166	953
Computer expenses	2,407	351
Cleaning	2,185	1,490
Donations	34,688	4,548
Fixtures and fittings	144	144
Computer equipment	3,068	3,380
	<hr/>	<hr/>
	66,481	36,865
Finance		
Bank charges	102	96
	<hr/>	<hr/>
Total resources expended	262,063	178,129
	<hr/>	<hr/>
Net income	18,672	65,149
	<hr/> <hr/>	<hr/> <hr/>

This page does not form part of the statutory financial statements

DROP ZONE YOUTH PROJECTS

England & Wales - Charity number 1102656

Accounts

Mr M Cummings
Drop Zone Youth Projects Ltd.
2 Avocet Crescent
Askam in Furness
Cumbria
LA16 7HP

Our Ref: JFH2027

9th June 2021

Dear Mr Cummings

Drop Zone Youth Projects Ltd.

I enclose:

- (a) One copy of the company's financial statements at 31st December 2020, for signature and return, and
- (b) Two bound copies of the company's financial statements at 31st December 2020.

Additional copies are available upon request.

Yours sincerely
for J F Hornby & Co



Encs.

Directors

J F Hornby R F O, BFP FCA, FIOD, FRSA
Paul Hornby BA(Hons), MBA, FCCA, FCA



REGISTERED COMPANY NUMBER: 06332726 (England and Wales)
REGISTERED CHARITY NUMBER: 1102656

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020
FOR
DROP ZONE YOUTH PROJECTS LTD.**

J F Hornby & Co
Chartered Accountants
The Tower
Daltongate Business Centre
Daltongate
Ulverston
Cumbria
LA12 7AJ

DROP ZONE YOUTH PROJECTS LTD.

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

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Detailed Statement of Financial Activities	14 to 15

DROP ZONE YOUTH PROJECTS LTD.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2020. The trustees have adopted the provisions of 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).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objects of the charity as contained within its trust constitution is to educate young people through their leisure time activities so to develop their physical, mental and spiritual capacities that they may grow to full maturity as individuals and members of society.

The charity also works closely with schools and children's services to enable the charity to reach young people who are identified as being at risk of exclusion or are not currently on roll at school. The charity provides an alternative education facility, which has identified that this group of young people have very limited access to sports and recreation facilities and often have complex needs including mental health issues. The charity aims to support young people to understand triggers and the pressure of their daily lives which in some circumstances can be chaotic and to teach stress management methods.

The charity aims to promote activities to raise the aspirations of young people, helping those to gain access to services, advice and guidance.

Public benefit

The trustees confirm that they have complied with their duty under section 4(2) of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission and consider that the pursuit of the association's aims through the activities described above is consistent therewith.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

In common with previous years, I seem to start this report with the terminology of "another difficult year", however this is a poignant message and one that not only applies to the Drop Zone but the Country and the World in general.

What it has shown is the resilience and ingenuity of our staff. From the start of the pandemic, we have been front and centre in all the combined resilience groups in the Barrow area. From providing support to our young people during lockdown, along with their families, providing activity packs and treats to help them to keep going. Also actively providing advice and support to other groups in ensuring that there were very little areas of well-being support not being covered including but not limited to mental health in support of the NHS. Especially taking the lead in responding to the needs of the young people, for example helping those that were in need, enabling them to get the equipment and connectivity to get online.

Our two managers behaved exemplarily with Cath providing the more public face and raising our profile in the community and showing initiative and leadership in a crisis, to Sue who whilst battling illness worked to gain valuable funding to enable us to provide a lot of the services previously mentioned. Enough cannot be stressed about their teamwork, providing the Drop Zone with such valuable leadership.

Also, special mention to all our wonderful sponsors who really stepped up to the plate in such trying circumstances to do their bit in providing support to the people in our area and especially to the young who are amongst the most vulnerable. This equally applies to both the Barrow Borough Council and Cumbria County Council whose officers provided leadership and help in continuing to see a way through the crisis. Along with our sponsors they really are unsung heroes.

As 2021 starts there is hope that the pandemic will pass in the near future and we can look forward to some sort of normality whatever that may look like. Once again, my thanks to all the staff, to the sponsors and to the board of trustees and look forward to a better year and hopefully, a better community brought together in adversity.

FINANCIAL REVIEW

Financial position

The finances show that we have a restricted reserve that will cover all our commitments and supports the reserves policy, and an unrestricted reserve that allows us to have a small amount of flexibility whilst pursuing new funding.

DROP ZONE YOUTH PROJECTS LTD.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

FINANCIAL REVIEW

Reserves policy

It is the trustees policy that unrestricted reserves should cover six months operating costs. The unrestricted reserves at 31st December 2020 and 31st December 2019 exceeded the policy requirement.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Drop Zone Youth Projects Ltd was incorporated on 3rd August 2007. The activities of the charitable company were previously carried out by Drop Zone Youth Projects, an unincorporated charity registered 16th March 2004. On 3rd August 2007 the activities of the unincorporated charity, together with its entire assets and liabilities were transferred to the new charitable company.

The charity is a private company limited by guarantee. Each trustee is a member of the company. The members have guaranteed the liability of the company to a limit of £1 each.

Recruitment and appointment of new trustees

New Trustees are appointed by the Board of Trustees at the Annual General Meeting and serve until they resign or retire. The existing Trustees ensure that new Trustees have the necessary skills to contribute to the Charity's management and development.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

06332726 (England and Wales)

Registered Charity number

1102656

Registered office

The Annexe
39 Bath Street
Barrow in Furness
Cumbria
LA14 5TS

Trustees

Mr M C Cumming
Mr W L Hall
Ms K Hanks
Mr W McEwan (resigned 13.1.20)
Mr R O'Connor
Mr D Coverdale Trustee (appointed 13.1.20)

Company Secretary

Ms K Hanks

DROP ZONE YOUTH PROJECTS LTD.
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020

REFERENCE AND ADMINISTRATIVE DETAILS

Independent Examiner

J F Hornby, FCA
J F Hornby & Co
Chartered Accountants
The Tower
Daltongate Business Centre
Daltongate
Ulverston
Cumbria
LA12 7AJ

Bankers

HSBC Bank plc
104 Duke Street
Barrow in Furness
Cumbria
LA14 0LR

Approved by order of the board of trustees on 10 June 2021 and signed on its behalf by:



Mr M C Cumming - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
DROP ZONE YOUTH PROJECTS LTD.**

Independent examiner's report to the trustees of Drop Zone Youth Projects Ltd. ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2020.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

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.

J F Hornby, FCA
J F Hornby & Co
Chartered Accountants
The Tower
Daltongate Business Centre
Daltongate
Ulverston
Cumbria
LA12 7AJ

10 June 2021

DROP ZONE YOUTH PROJECTS LTD.

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	Unrestricted funds £	Restricted fund £	31.12.20 Total funds £	31.12.19 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies		249	-	249	7,405
Charitable activities					
Youth Activities and Services		86,853	155,762	242,615	200,544
Other trading activities	2	300	-	300	908
Investment income	3	114	-	114	236
Total		<u>87,516</u>	<u>155,762</u>	<u>243,278</u>	<u>209,093</u>
EXPENDITURE ON					
Charitable activities					
Youth Activities and Services		30,065	148,064	178,129	182,412
NET INCOME		<u>57,451</u>	<u>7,698</u>	<u>65,149</u>	<u>26,681</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		61,795	152,101	213,896	187,215
TOTAL FUNDS CARRIED FORWARD		<u><u>119,246</u></u>	<u><u>159,799</u></u>	<u><u>279,045</u></u>	<u><u>213,896</u></u>

The notes form part of these financial statements

DROP ZONE YOUTH PROJECTS LTD.

**BALANCE SHEET
31 DECEMBER 2020**

	Notes	Unrestricted funds £	Restricted fund £	31.12.20 Total funds £	31.12.19 Total funds £
FIXED ASSETS					
Tangible assets	7	2,469	2,523	4,992	2,625
CURRENT ASSETS					
Debtors	8	8,380	5,617	13,997	12,693
Cash at bank and in hand		109,005	151,658	260,663	199,110
		<u>117,385</u>	<u>157,275</u>	<u>274,660</u>	<u>211,803</u>
CREDITORS					
Amounts falling due within one year	9	(607)	-	(607)	(532)
NET CURRENT ASSETS		<u>116,778</u>	<u>157,275</u>	<u>274,053</u>	<u>211,271</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>119,247</u>	<u>159,798</u>	<u>279,045</u>	<u>213,896</u>
NET ASSETS		<u>119,247</u>	<u>159,798</u>	<u>279,045</u>	<u>213,896</u>
FUNDS	10				
Unrestricted funds				119,247	61,795
Restricted funds				159,798	152,101
TOTAL FUNDS				<u>279,045</u>	<u>213,896</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2020 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The notes form part of these financial statements

DROP ZONE YOUTH PROJECTS LTD.

**BALANCE SHEET - continued
31 DECEMBER 2020**

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 10 June 2021 and were signed on its behalf by:

A handwritten signature in black ink, appearing to read 'M C Cumming', with a horizontal line drawn through it.

Mr M C Cumming - Trustee

The notes form part of these financial statements

DROP ZONE YOUTH PROJECTS LTD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

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

Grants received are credited to profit and loss account in the financial period in which they are received.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 20% on cost
Computer equipment	- 33% on cost

Taxation

As a charity, Drop Zone Youth Projects Ltd is exempt from tax on income and gains falling within sections 472-474 of the Corporation Tax Act 2010, sections 478-489 of the Corporation Tax Act 2010, or section 258 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

DROP ZONE YOUTH PROJECTS LTD.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. OTHER TRADING ACTIVITIES

	31.12.20	31.12.19
	£	£
Room hire	300	908
	<u> </u>	<u> </u>

3. INVESTMENT INCOME

	31.12.20	31.12.19
	£	£
Deposit account interest	114	236
	<u> </u>	<u> </u>

4. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.12.20	31.12.19
	£	£
Depreciation - owned assets	3,524	1,948
	<u> </u>	<u> </u>

5. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2020 nor for the year ended 31 December 2019.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2020 nor for the year ended 31 December 2019.

6. STAFF COSTS

The average monthly number of employees during the year was as follows:

	31.12.20	31.12.19
Staff	11	12
	<u> </u>	<u> </u>

No employees received emoluments in excess of £60,000.

DROP ZONE YOUTH PROJECTS LTD.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

7. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 January 2020	-	54,882	54,882
Additions	721	5,170	5,891
	<hr/>	<hr/>	<hr/>
At 31 December 2020	721	60,052	60,773
	<hr/>	<hr/>	<hr/>
DEPRECIATION			
At 1 January 2020	-	52,257	52,257
Charge for year	144	3,380	3,524
	<hr/>	<hr/>	<hr/>
At 31 December 2020	144	55,637	55,781
	<hr/>	<hr/>	<hr/>
NET BOOK VALUE			
At 31 December 2020	577	4,415	4,992
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 December 2019	-	2,625	2,625
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.20 £	31.12.19 £
Trade debtors	8,380	8,125
Other debtors	5,617	4,568
	<hr/>	<hr/>
	13,997	12,693
	<hr/> <hr/>	<hr/> <hr/>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.20 £	31.12.19 £
Trade creditors	75	-
Other creditors	532	532
	<hr/>	<hr/>
	607	532
	<hr/> <hr/>	<hr/> <hr/>

DROP ZONE YOUTH PROJECTS LTD.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

10. MOVEMENT IN FUNDS

	At 1.1.20 £	Net movement in funds £	At 31.12.20 £
Unrestricted funds			
General fund	61,795	57,452	119,247
Restricted funds			
Restricted	152,101	7,697	159,798
TOTAL FUNDS	<u>213,896</u>	<u>65,149</u>	<u>279,045</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	87,516	(30,064)	57,452
Restricted funds			
Restricted	155,762	(148,065)	7,697
TOTAL FUNDS	<u>243,278</u>	<u>(178,129)</u>	<u>65,149</u>

Comparatives for movement in funds

	At 1.1.19 £	Net movement in funds £	At 31.12.19 £
Unrestricted funds			
General fund	62,812	(1,017)	61,795
Restricted funds			
Restricted	124,403	27,698	152,101
TOTAL FUNDS	<u>187,215</u>	<u>26,681</u>	<u>213,896</u>

DROP ZONE YOUTH PROJECTS LTD.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

10. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	109,509	(110,526)	(1,017)
Restricted funds			
Restricted	99,584	(71,886)	27,698
TOTAL FUNDS	<u>209,093</u>	<u>(182,412)</u>	<u>26,681</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.19 £	Net movement in funds £	At 31.12.20 £
Unrestricted funds			
General fund	62,812	56,435	119,247
Restricted funds			
Restricted	124,403	35,395	159,798
TOTAL FUNDS	<u>187,215</u>	<u>91,830</u>	<u>279,045</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	197,025	(140,590)	56,435
Restricted funds			
Restricted	255,346	(219,951)	35,395
TOTAL FUNDS	<u>452,371</u>	<u>(360,541)</u>	<u>91,830</u>

DROP ZONE YOUTH PROJECTS LTD.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

11. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2020.

12. GENERAL INFORMATION

Drop Zone Youth Projects Ltd is a company limited by guarantee and incorporated in England. It's registered office is The Annexe, 39 Bath Street, Barrow In Furness, Cumbria, United Kingdom, LA14 5TS.

The financial statements are presented in sterling, which is the functional currency of the company.

DROP ZONE YOUTH PROJECTS LTD.

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020**

	31.12.20	31.12.19
	£	£
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	250	7,406
Grants	(1)	(1)
	<hr/>	<hr/>
	249	7,405
Other trading activities		
Room hire	300	908
Investment income		
Deposit account interest	114	236
Charitable activities		
Youth work	58,853	100,961
Grants	183,762	99,583
	<hr/>	<hr/>
	242,615	200,544
	<hr/>	<hr/>
Total incoming resources	243,278	209,093
 EXPENDITURE		
Charitable activities		
Wages	121,521	126,347
Social security	2,542	4,913
Pensions	1,796	1,582
Catering	878	847
Travelling	136	1,358
Youth days and activities	14,295	13,887
	<hr/>	<hr/>
	141,168	148,934
Support costs		
Management		
Rent and rates	8,383	8,329
Insurance	1,699	2,075
Light and heat	1,066	1,354
Telephone	2,071	1,778
Postage and stationery	2,027	1,830
Advertising	469	1,273
Sundries	326	327
Accountancy fees	175	235
Legal and professional fees	5,281	3,441
Carried forward	21,497	20,642

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DROP ZONE YOUTH PROJECTS LTD.

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020**

	31.12.20	31.12.19
	£	£
Management		
Brought forward	21,497	20,642
Repairs	3,262	4,820
Refuse removal	471	684
Staff training	769	1,558
Subscriptions	953	2,324
Computer expenses	351	435
Cleaning	1,490	976
Donations	4,548	-
Fixtures and fittings	144	-
Computer equipment	3,380	1,948
	<hr/>	<hr/>
	36,865	33,387
Finance		
Bank charges	96	91
	<hr/>	<hr/>
Total resources expended	178,129	182,412
	<hr/>	<hr/>
Net income	65,149	26,681
	<hr/> <hr/>	<hr/> <hr/>

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