

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

FOR

HUYTON INITIATIVE 4 YOUTH ACTIVITIES

(A company limited by guarantee)

HUYTON INITIATIVE 4 YOUTH ACTIVITIES

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FOR THE YEAR ENDED 31 MARCH 2021**

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HUYTON INITIATIVE 4 YOUTH ACTIVITIES

**LEGAL AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 MARCH 2021**

TRUSTEES:	Lee Hope Paul Woods Margaret Rose O'Mara
REGISTERED OFFICE:	Hillywood Hillside Neighbourhood Centre Hillside Avenue Huyton Liverpool Merseyside L36 8DS
COMPANY NUMBER:	05443270 (England and Wales)
CHARITY NUMBER:	1143622 (England and Wales)
INDEPENDENT EXAMINER:	David S Glover FCA John Kerr - Chartered Accountants 375 Eaton Road West Derby Liverpool Merseyside L12 2AH
BANKERS:	HSBC UK Bank plc 33 Ormskirk Street St Helens Merseyside WA10 2SZ

HUYTON INITIATIVE 4 YOUTH ACTIVITIES**TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021**

The trustees, who are the directors for the purpose of company law, present their annual trustees' report with the financial statements of the charitable company for the year ended 31 March 2021 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes. The legal and administrative details set out on page 1 forms part of this report.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and the 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 - FRS102) issued in October 2019.

OUR PURPOSES AND ACTIVITIES

The purposes of the charity are to act as a resource for young people up to the age of 25 living in Huyton and the surrounding areas by providing advice & assistance and organising programmes of physical, educational and other activities as a means of advancing in life and helping young people by developing their skills, capacities and capabilities to enable them to participate in society as independent, mature and responsible individuals and, advancing education; relieving unemployment and providing recreational and leisure time activities in the interests of social welfare.

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'. The charity relies on the income from grants and fundraising to cover its operating costs. Affordability and access to our facilities is important to us and is reflected in our pricing policy.

ACHIEVEMENTS, PERFORMANCE AND PLANS FOR THE FUTURE

The results for the year and financial position of the charity are as shown in the annexed financial statements. The charity has seen a continued demand for its services and has had some success in obtaining commitments for future funding to enable it to further its aims. The trustees are continuing to seek additional funding to support future operational plans.

During the year the charity operated the Hillside Neighbourhood Centre which benefits the local community by offering a drop-in centre providing advice and assistance on a range of matters. The centre also offers a parents and toddlers group, after school and youth clubs, an older persons' club as well as facilities for a range of keep fit activities, community events and residents' meetings all of which are designed to have a positive impact on the charity's beneficiaries and the local community.

The trustees take this opportunity of recognising the contributions of time and effort made by the many friends, volunteers and supporters without whom the achievements to date would not have happened and to all funders for providing the much needed funding and support during the period.

RESERVES POLICY AND GOING CONCERN

Reserves are needed to bridge the gap between the spending and receiving of income and to cover unplanned expenditure. The trustees consider that the ideal level of reserves would be in the region of £90,000. The charity's reserves at 31 March 2021 amounted to £17,237. This situation is largely attributable to the past accumulated operating deficits caused by a lack of funding. The trustees acknowledge the continued financial support and patience of the various creditors and consider that, providing the financial support continues, the charity should be able to continue operations for the foreseeable future. The trustees continue to consider ways in which additional unrestricted funds can be raised.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Huyton Initiative 4 Youth Activities is a charitable company limited by guarantee, incorporated on 4 May 2005 and registered as a charity on 1 September 2011. Members of the charitable company guarantee to contribute an amount not exceeding £1 in the event of the charity winding up.

The company is governed by the policies made from time to time by the trustees together with the terms of its Memorandum and Articles of Association which set out the objects and powers of the company. The procedures for the appointment, retirement and removal of trustees are set out in the Articles. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

The day-to-day operational aspects of the charity have been delegated to the Manager and her team.

RELATED PARTIES

None of the trustees receive remuneration or other financial benefit from their work with the charity and any contractual relationship with a related party must be disclosed to the full board of trustees. In the current year, no such related party transactions were reported.

HUYTON INITIATIVE 4 YOUTH ACTIVITIES**TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021 (CONTINUED)**

RISK MANAGEMENT & COVID-19

The trustees have a risk management strategy which comprises: an annual review of the principal risks and uncertainties that the charity faces and the establishment of policies, systems and procedures to mitigate those risks identified in the annual review; and the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

Financial sustainability is the major financial risk for the charity. A key element in the management of financial risk is a regular review of available liquid funds to settle debts as they fall due and active management of trade debtors and creditor balances to ensure sufficient working capital is available.

Attention has also been focused on non-financial risks arising from fire, health and safety and food hygiene. These risks are managed by ensuring procedures and accreditations are up to date, having robust policies and procedures in place, and regular awareness training for staff and volunteers in these operational areas.

The COVID-19 pandemic has continued to create a major challenge with a high level of uncertainty for many charities. The trustees took prompt action to protect cash flow including reducing outgoings and taking advantage of Government grants and support measures. Whilst the impact of the COVID-19 situation cannot be accurately predicted and it is not possible to assess all possible implications for the charitable company, based on the assessments carried out, the company believes that it has a financial position that will enable it to navigate through the current disruptions to the operation of the community centre.

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing the financial statements, they are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue on that basis.

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

BY ORDER OF THE BOARD OF TRUSTEES:

Margaret Rose O'Mara – Trustee

20 January 2022

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
HUYTON INITIATIVE 4 YOUTH ACTIVITIES**

I report to the charity trustees on my examination of the accounts of the charitable company for the year ended 31 March 2021 which are set out on pages 5 to 8.

This report is made to the charity's trustees, as a body, in accordance with the terms of the engagement. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charitable company and the trustees, as a body, for my work or for this report.

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 report

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:

- accounting records were not kept in respect of the company as required by section 386 of 2006 Act; or
- the accounts do not accord with those accounting records, or
- 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
- the accounts have not been prepared in accordance with the methods and principles of the 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)) (issued in October 2019).

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.

David S Glover FCA
John Kerr - Chartered Accountants
375 Eaton Road
West Derby
Liverpool
Merseyside
L12 2AH

20 January 2022

HUYTON INITIATIVE 4 YOUTH ACTIVITIES

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2021

Unrestricted funds:	31.3.2021	31.3.2020
	£	£
Income:		
Grant income and funds raised – operating neighbourhood centre	119,346	83,074
Coronavirus Job Retention Scheme grants	9,493	-
Total income	128,839	83,074
Expenditure:		
Charitable activities – operating neighbourhood centre	83,258	76,704
Governance costs – examination fees, accountancy and statutory costs	2,053	2,053
Total expenditure	85,311	78,757
Net income and net movement in funds for the year	43,528	4,317
Reconciliation of funds:		
Total (deficit) funds brought forward	<u>(26,291)</u>	<u>(30,608)</u>
Total funds/(deficit) funds carried forward	<u>17,237</u>	<u>(26,291)</u>

The statement of financial activities includes all gains and losses recognised in the year.

The statement of financial activities incorporates the income and expenditure account.

All income and expenditure derives from continuing activities.

HUYTON INITIATIVE 4 YOUTH ACTIVITIES

BALANCE SHEET
31 MARCH 2021

	Notes	31.3.2021 £	31.3.2020 £
CURRENT ASSETS			
Debtors	4	7,613	391
Cash at bank and in hand		<u>43,226</u>	<u>11,615</u>
		50,839	12,006
LIABILITIES			
Creditors falling due within one year	5	<u>33,602</u>	<u>38,297</u>
NET CURRENT LIABILITIES		<u>17,237</u>	<u>(26,291)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>17,237</u>	<u>(26,291)</u>
THE FUNDS OF THE CHARITY			
Unrestricted income funds/(deficit)	6	<u>17,237</u>	<u>(26,291)</u>
TOTAL CHARITY FUNDS/(DEFICIT)		<u>17,237</u>	<u>(26,291)</u>

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

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

The trustees acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Section 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 company as at the end of each financial year and of its income and expenditure for each financial year in accordance with the requirements of Section 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 company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The financial statements were approved by the Board of Trustees and authorised for issue on 20 January 2022 and were signed on its behalf by:

Margaret Rose O'Mara - Trustee

The notes form part of these financial statements

HUYTON INITIATIVE 4 YOUTH ACTIVITIES**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021****1. ACCOUNTING POLICIES**

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of preparation

The financial statements have been prepared in accordance with the 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)) (issued in October 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. Huyton Initiative 4 Youth Activities meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Preparation of the accounts on a going concern basis

In preparing the accounts, the trustees have taken account of the continued financial support and patience of the various creditors and consider that, providing this financial support continues, the charity should be able to continue operations for the foreseeable future. The trustees continue to consider ways in which additional unrestricted funds can be raised.

Income recognition

Items of income are recognised and included in the accounts when all of the following criteria are met: the charity has entitlement to the funds; any performance conditions attached to the item(s) of income have been met or are fully within the control of the charity; there is sufficient certainty that receipt of the income is considered probable; and the amount can be measured reliably. The value of services provided by volunteers has not been included in these accounts.

Expenditure recognition

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Tangible fixed assets

Individual tangible fixed assets costing £3,000 or more are capitalised at cost.

2. ANALYSIS OF STAFF COSTS AND STAFF NUMBERS

	31.3.2021	31.3.2020
	£	£
Wages and salaries (No employees had emoluments in excess of £60,000)	61,308	61,308
Social security costs (Employers National Insurance)	2,036	3,079
Pension contributions	1,465	1,471
	<u>64,809</u>	<u>65,858</u>

The average monthly head count during the year was as follows:

	31.3.2021	31.3.2020
Operation of neighbourhood centre and project work	<u>2</u>	<u>2</u>

3. NET INCOME

This is stated after charging:

	31.3.2021	31.3.2020
	£	£
Accountancy & Independent Examination fees	<u>2,040</u>	<u>2,040</u>

The charity trustees were not paid nor did they receive any other benefits from employment with the charity in the year (2020: £nil) neither were they reimbursed expenses during the year (2020: £nil). No charity trustee received payment for professional or other services supplied to the charity (2020: £nil).

HUYTON INITIATIVE 4 YOUTH ACTIVITIES

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

4. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.2021 £	31.3.2020 £
Prepayments and accrued income	7,613	391
	<u>7,613</u>	<u>391</u>

5. CREDITORS FALLING DUE WITHIN ONE YEAR

	31.3.2021 £	31.3.2020 £
Repayable funding advances and loans	26,129	26,129
Social security and other taxes	2,868	7,777
Accruals and deferred income	4,605	4,391
	<u>33,602</u>	<u>38,297</u>

6. ANALYSIS OF MOVEMENTS IN CHARITABLE FUNDS (DEFICIT)

	General unrestricted fund £
Deficit at 1 April 2020	(26,291)
Incoming resources	128,839
Outgoing resources	<u>(85,311)</u>
Funds at 31 March 2021 – represented by total assets less current liabilities	<u>17,237</u>

7. CORPORATION TAX

The charity is exempt from tax on income and gains to the extent that these are applied to its charitable objects.

8. LEGAL STATUS OF THE CHARITY

The charity is a private company, limited by guarantee, registered in England and Wales, and has no share capital. In the event of the charitable company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company. The company's registered number and registered office address can be found on page 1.

9. FRC ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES

In common with many other charities of our size and nature we use our Independent Examiner to assist with the preparation of the financial statements.

HUYTON INITIATIVE 4 YOUTH ACTIVITIES

DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2021

	31.3.2021		31.3.2020
	£	£	£
Income:			
Grants and funds raised		119,346	83,074
Coronavirus Job Retention Scheme grants		<u>9,493</u>	<u>-</u>
		<u>128,839</u>	<u>83,074</u>
Expenditure:			
Rates & water	-		1,890
Insurances	1,717		1,753
Salaries	61,308		61,308
National insurance	2,036		3,079
Employer pension contributions	1,465		1,471
Equipment and IT costs	1,130		1,379
Maintenance and security	415		160
Outings, activities, travel and residential costs	9,329		4,806
Donations	5,000		-
Legal & professional fees	2,053		2,053
Payroll administration	<u>858</u>		<u>858</u>
		<u>85,311</u>	<u>78,757</u>
Net income		<u><u>43,528</u></u>	<u><u>4,317</u></u>