

Charity Registration No. 1163183

Company Registration No. 09267940 (England and Wales)

**WIRRAL YOUTH ZONE**  
**T/A THE HIVE**  
**ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**



An **OnSide** Youth Zone



**McIntocks**  
Xeinadin Group

**WIRRAL YOUTH ZONE  
T/A THE HIVE  
LEGAL AND ADMINISTRATIVE INFORMATION**

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<b>Trustees</b>	Charles Hurst (Chair) John Syvret CBE Peter Bibby Phillip Garrigan Matthew Noon Fiona Norcross Katherine Eugeni Sandra Kirkham Jonathan Schofield	(Appointed 6 September 2022)
<b>Chief Executive Officer</b>	Mark Easdown	
<b>Charity number</b>	1163183	
<b>Company number</b>	09267940	
<b>Registered office</b>	Wirral Youth Zone Bright Street Birkenhead CH41 4EA	
<b>Auditor</b>	Xeinadin Audit Limited 2 Hilliards Court Chester Business Park Chester Cheshire CH4 9QP	
<b>Bankers</b>	Handelsbanken Beech House Oaklands Office Park Hooton Cheshire CH66 7NZ	

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**WIRRAL YOUTH ZONE  
T/A THE HIVE  
CHAIRMAN'S REPORT**

**FOR THE YEAR ENDED 31 MARCH 2022**

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Our Trustees have been on hand to offer a high level of guidance, challenge, and support throughout the last year to ensure the Charity remains on course to achieve its strategic objectives. We would like to place on record our thanks to Sara Stephens and Allan Wood who both resigned during the period, both equally have played a large part in our success. Stuart Barnes, Chief Executive, continued to lead the operational team at the Youth Zone over the past year with passion and commitment. Stuart resigned on the 31st March 2022 and we would like to wish him well with his future endeavors. Our team of staff continue to be dedicated to putting young people first and have shown a commitment to their own ongoing learning and development.

We are indebted to our dependable volunteers who give up their time to support young people. They have shown that there is a huge appetite for volunteering and supporting communities and it is important that we harness that enthusiasm over the coming months to further our work with young people and positive impact on the community.

We are proud to be part of the OnSide Network that continues to grow across the country. Sharing best practice and collaborating with peers from other Youth Zones will continue to ensure we remain at the forefront of providing the best support for young people.

Whilst this year has been challenging recovering from the COVID pandemic we continue to be inspired by those organisations and people that have stepped up to make a positive difference in their communities. We are proud of the accomplishments and efforts made in the past year given the extraordinary circumstances we have been working within and are optimistic that the Youth Zone will continue to ensure that children and young people from Wirral get the very best opportunities.

In collaboration with the Government, the National Youth Agency (NYA) have supported the Youth Sector across England throughout the pandemic; providing regular guidance to allow us to continue to work safely with young people. Like many other youth organisations, Wirral Youth Zone has developed new ways of working and engaging with young people to ensure we continue to provide positive opportunities for connection, learning and development. We were also able to work in partnership with Wirral Council to ensure that young people who needed positive activities and healthy meals in the school holidays could access it at the Youth Zone via our Holiday Club. In total we engaged with young people 25,815 times in 2021-2022 and our membership continued to grow to over 3,000 young people.



Charles Hurst  
Chairman

Date: *22<sup>nd</sup> December, 2022*



# **WIRRAL YOUTH ZONE**

## **T/A THE HIVE**

### **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)**

#### **FOR THE YEAR ENDED 31 MARCH 2022**

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

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's [governing document], the Companies Act 2006 and "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**

Wirral Youth Zone, named by young people as "The Hive" is a purpose-built facility for the borough's young people aged 8 – 19 and up to 25 for those with disabilities. Centrally located in Birkenhead, the £6M centre opened on 8 April 2017. Wirral Youth Zone is part of a growing network of similar independent youth organisations that all share the same principles, developed by the charity OnSide Youth Zones, which is developing 21st Century youth facilities across the UK.

Youth Zones are based upon a proven model, which has been established in several other towns and cities across the country, and young people from across Wirral have access to a variety of fantastic activities for a cost of only £5 for an annual membership and 50p per visit. The Youth Zone provides a safe environment, where young people can spend their leisure time, helping each young person to raise their aspirations, as well as improve their physical and mental health. Up to 20 different activities take place each night, such as football, boxing, dancing, climbing, creative arts, music, drama and employability training—all for just 50p per visit. Whilst Wirral Youth Zone is proud to be part of the OnSide Network it is important that we are an independent Charity which ensures that we can respond to the needs of the local young people and the surrounding community.

Our vision is that young people are healthier, happier and thrive within their communities.

To achieve this vision the Charity worked towards 6 strategic goals in 2021/22:

- **1 - Governance:** We will work to ensure that our Board is comprised of dedicated, experienced, and appropriately qualified trustees offering suitable challenge, rigour and support for our senior management team and wider workforce. In order to further increase the effectiveness of the Board we will seek to further tighten our training and induction for Board members so that all are aware of their responsibilities in ensuring the Hive continues to be a safe and inspiring place for children and young people.
- **2 - Income Generation:** We will endeavour to develop our financial sustainability through increased diversification of income streams without losing a major focus on high level donors. We'll seek to ensure that we are fully compliant with charity and company law and seek to at least maintain unrestricted reserves in line with Charity Commission guidance. A core focus will be to expand upon our patron recognition scheme and increase funding from charitable trusts.
- **3 - People:** In order to build upon the successes of The Hive we recognise that we need to further invest in our people through a thorough dedicated workforce development programme. Retaining good staff will mean we will have to cultivate a workplace culture that values, rewards and invests in our people, through employee recognition, their continuing professional development and ongoing job satisfaction. We will harness a high challenge and high support culture that creates a dynamic and vibrant environment for our people, and in turn, our young people. In the coming year we need to be cost effective and will focus on inhouse training, peer to peer support and closer relationships across the Network to enhance our team's skills. In light of continued financial pressures, we will work to increase both the size and level of engagement of our volunteer team, without compromising quality or safeguarding.

## WIRRAL YOUTH ZONE

### T/A THE HIVE

#### TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2022**

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- **4 - Membership and Attendance:** OnSide Youth Zones target each Youth Zone with a membership of 3,000 and average attendances of at least 100 per session and 1,000 weekly. Prior to Covid restrictions The Hive consistently exceeded these targets and performed well compared to others in the network with attendance above most others including some with higher membership numbers indicating that our members made a higher number of visits.  
We are keen to ensure we use our facility and resources to ensure maximum benefit for young people and to demonstrate good value for money to funders and supporters. Since the end of Covid restrictions in June 2021, we have worked hard to return to target levels of membership and attendance by March 2022 we had reached 2500.
- **5 - Monitoring and Evaluation:** We need to develop and implement a plan, making better use of data and evidence to drive improvement and to support fundraising and marketing activity. We will work to use a range of tools and data more effectively enabling us to evidence positive impact.
- **6 - Youth Work Delivery:** We look forward to resuming our comprehensive universal youth work offer but at the same time we will a/ reflect on learning from working in different ways over the last year, continuing to utilise ways of working which will continue to be of benefit to young people and adapt our programme in response to the key issues for and needs of young people arising from the pandemic; mental well-being, poverty, employability ( due to lost opportunities and growing gaps in education) and reduction in other services. Young people's views and opinions will be at the heart of our planning and their contribution to the business planning process.

Through our work, we embrace 4 organisational values:

**Young people first:** young people are at the heart of everything we do, inspiring and challenging us to deliver services that exceed their needs and challenge them to be the best they can be.

**Excellence:** we encourage ourselves and each other to be the best we can be through continuous learning and improvement and a focus on finding solutions.

**Respect:** we act with honesty and integrity, celebrating diversity across the whole organisation and caring about each other, our young people and the Youth Zone environment.

**Ambition:** we are passionate and driven in taking on new challenges, embracing new ideas, and exceeding our ambitions for young people, the Youth Zones and our local communities.

**Collaboration:** we will create and nurture strong, creative partnerships, working together to achieve better results and outcomes for young people.

#### **Strategic report**

The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the trustees to present a strategic report.

# WIRRAL YOUTH ZONE

## T/A THE HIVE

### TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2022**

#### Achievements and performance

We're The Hive, a charity that believe all young people should have the opportunity to discover their passion and their purpose. To find out what they've got and where it could take them.

Despite the restrictions in 2021-22 the organisation has continued to develop strong foundations within the community. Our committed and diverse staff team have been able to continue to develop their relationships with young people and as a result we have achieved the following of successes over the past year:

- In total we engaged with young people a total of 25,815 times during the last year through our face to face, virtual and outreach services.
- A total of 17 young people have been supported into education, employment or training.
- The Youth Zone ensures that it is an affordable space for all young people and 769 of our members are entitled to Free School Meals.
- Collaboration is one of our core values and despite the restrictions we have worked in partnership with 20 organisations and groups.
- Our Young Leaders programme continued to ensure that young people remain at the heart of our offer and 15 new Young Leaders were trained over the last year.
- The Youth Zone is an inclusive place for all young people and 533 of our members have an additional need.
- We have continued to deliver our NHS cadet programme with 75 number of young people completing the course.
- 25 number of young people have been given 1-2-1 mentoring support for twelve months
- Evaluation has shown the Youth Zone offer to have health benefits for young people but throughout the year we have endeavoured to make these benefits intentional as opposed to incidental. This has included investment in mental health first aid training, introduction of targeted programmes focusing on mental wellbeing and resilience, a commitment to encouraging young people to remain active through lockdowns with online sports sessions and provision of equipment as well as a focus on healthy eating, both through provision of food and on-site cooking courses.
- Further time and funding were invested in Youth Voice this year, keeping young people at the heart of decision making throughout a challenging year as well as actively involved in the business planning for the next year. Three youth voice forums meet regularly, and young people's committees have been established to support the arts and sports offers.

#### Financial review

A summary of the results is shown below:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Income	1,197,282	1,851,067
Expenditure	(1,594,542)	1,519,867
Net income/(expenditure)	(397,260)	331,220

The Charity has experienced a difficult financial year during 21/22. We have seen our income drop by £653,000 against a challenging fundraising backdrop with the costs of delivering the Youth Zone services simultaneously suffering upwards pressure; as all costs have increased, but particularly energy. These pressures continue and we have had to take action to protect the long term future of the Charity; this has resulted in a restructure which has been undertaken sensitively with the aim of protecting as many of the Youth Zone services as possible.

The Trustees would like to thank all of our Patrons, corporate supporters' community partners, the Local Authority and the various grant making bodies for their continued support of The Hive Youth Zone this year. With the support of all of these key stakeholders we have been able to continue delivering the vital support our young people need.

**WIRRAL YOUTH ZONE  
T/A THE HIVE  
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)  
(CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2022**

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**Reserves Policy**

The Board of Trustees has established a reserves policy which appropriately reflects the risks to which the Charity is exposed. In compliance with such policy, it will review regularly both the sum it wishes to hold in reserves in the unrestricted budget and the basis for that figure. The reserves policy considers ongoing fixed costs but excludes variable costs and any expenditure which is linked to restricted projects and therefore covered by restricted funds.

In reviewing the potential costs that could arise should a significant reduction in income be incurred, the Trustees have determined that unrestricted, 'free', reserves should be maintained at approximately 3-6 months of these day to day running costs. The Trustees agree that the purpose of the unrestricted funds is to support all day-to-day activities necessary at Wirral Youth Zone to support the universal youth provision; due consideration has been given to these activities in the annual review of the reserves policy. As mentioned, the reserves policy considers ongoing fixed costs and excludes variable costs and other one-off additional/discretionary items; during the period, 3-6 months of fixed costs are determined as £275,548 - £551,096.

The Trustees manage the Charity's finances so that an adequate level of reserves can be maintained in compliance with the reserves policy; at 31 March 2022 this was £282,403 this amounts to 3.1 months' cover

**Fundraising statement**

- All of Wirral Youth Zone's fundraising activity is carried out in line with Charity Commission guidelines and relevant legislation.
- There were no complaints made against the Charity during the period.
- The Charity approves all requests for fundraising by assessing whether it is in line with legislation and best practice guidance. This includes where and how the funds are raised.

All fundraising activities are structured and in Wirral Youth Zone's control, there is no fundraising that is completed by a third party.

**Review of Risks**

The Trustees have examined the major strategic, business and operational risks which the Charity faces and confirm that systems have been established to enable reports to be produced so that the necessary steps can be taken to lessen them. At this stage the principal risks are considered to be:

- OPERATIONAL Building/health and safety issues which may prevent full operation
- OPERATIONAL Failure to maintain target membership/attendance numbers and diversity
- FINANCIAL Maintaining sufficient income levels
- REPUTATIONAL damage

# **WIRRAL YOUTH ZONE**

## **T/A THE HIVE**

### **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2022**

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#### **Plans for future periods**

We subscribe to the culture of every session being better than the last and commit to ongoing review, evaluation and individual commitment to this. This is underpinned by our business plan, at the heart of which is an operational plan which directly incorporates key performance areas. We will be relentless in our desire to be the best throughout all of our universal youth provision. In order to achieve this the key areas of focus are:

- Young People
- Sustainability
- Embedded in the Community
- Centre for Excellence

#### **Young People**

It's been a difficult year with regards our offer to young people with the impact of Covid. We have had to reduce the numbers of young people attending, monitor room capacity and close on a number of occasions due to staff shortages due to Covid. Despite all this our offer to young people is the strongest that it has ever been. The quality of youth work is excellent with a variety of new activities across all sessions. Our membership and attendance is strong with great numbers attending sessions and I am confident these will continue to grow.

We need to make sure that we continue to keep our sessions fresh and exciting to sustain the engagement. Opportunities for staff to develop their knowledge and skills needs to continue so that they can offer more to our young people whilst they remain focused and motivated.

#### **Sustainability**

Following a year of uncertainty of what the fundraising landscape would look like, we have been reassured that corporates and patrons are more motivated than ever to support charities. We have worked hard to consolidate and stabilise income streams and laid strong foundations from which we are confident we can grow income next financial year. Our main focus is stewardship of patrons and utilising our growing networks to keep our pipeline refreshed. We have a clear plan of what we need to do and are confident we will get there.

#### **Embedded in the Community**

In light of the challenging circumstances presented to us in 2021-2022 we have largely focussed inward, acting in a largely reactive way to the needs of The Hive. We have maintained positive relationships with existing partners, in some cases strengthening those partnerships and finding new ways to enhance our provision by working collaboratively. We have heard the clear feedback from members of the board, external partners, elected members, community organisations and other key people in the community that we need to significantly improve our external relations and the way we communicate the work we do. Our plans in this area reflect a commitment to build relationships and improve the wider perception of The Hive over the coming year.

#### **Centre for Excellence**

The quality of work and the commitment of the Hive team is absolutely undeniable and has been proven more so than ever over this last year as we have seen the team constantly adapt to ever changing guidelines and face unprecedented challenges. We have made great strides in ensuring this quality remains in particular through the work done improving the recruitment and retention of volunteers and the development of the Hive Awards aimed at recognising this quality work. We have received praise from OnSide for our commitment to monitoring and evaluation although we recognise there is work to be done to embed this across the entire organisation. We recognise that one of the biggest challenges facing us is staff retention as the changes to local landscape mean that staff may find alternative opportunities of interest in the coming year and as such, we have directly addressed this in the plans outlined.

# **WIRRAL YOUTH ZONE**

## **T/A THE HIVE**

### **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)**

#### **(CONTINUED)**

#### **FOR THE YEAR ENDED 31 MARCH 2022**

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#### **Structure, governance and management**

The Charity is a company limited by guarantee and is governed by its memorandum and Articles of Association dated 18 September 2014. It is a charity registered with the Charity Commission on 18 August 2015

In the event of the Company winding-up, the members have guaranteed the liabilities of the Company to the sum not exceeding £10 each.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Charles Hurst (Chair)

John Syvret CBE

Peter Bibby

Phillip Garrigan

Matthew Noon

Sara Stephens

(Resigned 26 January 2022)

Allan Wood

(Resigned 19 October 2021)

Fiona Norcross

Katherine Eugeni

Sandra Kirkham

Jonathan Schofield

(Appointed 6 September 2022)

#### **Recruitment and Appointment of Trustees**

Those persons notified to the Registrar of Companies as the first Directors of the Charity are the first trustees. The Trustees have power to appoint any person to be a trustee. The members may remove or appoint trustees by passing a Special Resolution and if there is a conflict between the members and the Trustees, the members decision is final.

The number of directors should not be less than three and there is no maximum. At the first Annual General Meeting all directors retired and sought re-election. At each subsequent annual general meeting one third of the directors are required to retire by rotation and seek re-appointment if they wish to continue.

The members are the subscribers to the Memorandum and such persons as are approved by the members to become new members.

#### **Organisational Structure**

Wirral Youth Zone is governed by its Trustee Board which is responsible for setting the strategic direction of the organisation and the policy of the Charity. The Trustees carry the ultimate responsibility for the conduct of Wirral Youth Zone and for ensuring that the Charity satisfies its legal and contractual obligations. The Trustees may delegate the implementation of their decisions or day-to-day management of the affairs of the Charity to any employee of the Charity, person or committee as they think fit. Any committee must include at least one trustee.

Decisions are determined by a simple majority of votes in the case of an equality of votes the Chair of the meeting has the casting vote.

#### **Remuneration Policy**

The remuneration committee makes recommendations to the board on an annual basis regarding salaries paid, increases and employer benefits. In order to reach a recommendation, the remuneration committee (which is made up of representatives from the board of directors and the CEO) use the wider youth zone network and similar third sector organisations as a benchmark.

#### **Auditor**

The auditors, Xeinadin Audit Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.



## **WIRRAL YOUTH ZONE**

### **T/A THE HIVE**

#### **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2022**

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##### **Public Benefit**

All the activities of the Charity (as summarised above) were undertaken to further its charitable purposes for public benefit. The provision of a high-quality borough-centre Youth Zone for young people responds to a clear, ongoing demand from young people, parents and the wider community for more and better places for young people to go.

The Youth Zone offers all core activities to young people aged 8-19 (up to 25 with a disability) regardless of race, sexual orientation, disability, gender – we focus on attendance and participation by young members of surrounding communities who are able to enjoy affordable access to all the opportunities that the Youth Zone provides.

The Trustees of Wirral Youth Zone have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission.

##### **Going Concern**

The Financial Statements are prepared on a going concern basis.

The ongoing long-term impact of the pandemic has required the Charity to reassess its financial position and the ability to continue to operate as a going concern. After careful analysis of the Charity's income, expenditure, and unrestricted reserves, the Trustees have taken action to reduce the Charity's expenses to a sustainable level. A restructure of the Charity's activities, which is now in place (December 2022) will enable the Charity to continue as a going concern. The Trustees, supported by the Senior Management Team, will continue to closely monitor the financial position of the Charity and will take any further action necessary to balance the books. Therefore, the Trustees do not have any material uncertainties about the Charity's ability to continue as a going concern for a timescale of at least 12 months from the date of signing of the Trustees' Report and Financial Statements.

##### **Disclosure of information to auditor**

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report, including the strategic report, was approved by the Board of Trustees.



Charles Hurst (Chair)

Trustee

Dated: 22/12/2022

**WIRRAL YOUTH ZONE  
T/A THE HIVE  
STATEMENT OF TRUSTEES' RESPONSIBILITIES  
FOR THE YEAR ENDED 31 MARCH 2022**

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The trustees, who are also the directors of Wirral Youth Zone for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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



**WIRRAL YOUTH ZONE  
T/A THE HIVE  
INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF WIRRAL YOUTH ZONE**

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**Opinion**

We have audited the consolidated financial statements of Wirral Youth Zone (the 'charity') for the year ended 31 March 2022 which comprise the consolidated statement of financial activities, the group and charity balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable group's affairs as at 31 March 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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

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

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

**Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report and the strategic report prepared for the purposes of company law, is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

**WIRRAL YOUTH ZONE  
T/A THE HIVE  
INDEPENDENT AUDITOR'S REPORT (CONTINUED)  
TO THE MEMBERS OF WIRRAL YOUTH ZONE**

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**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

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

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

**WIRRAL YOUTH ZONE  
T/A THE HIVE  
INDEPENDENT AUDITOR'S REPORT (CONTINUED)  
TO THE MEMBERS OF WIRRAL YOUTH ZONE**

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**Extent to which the audit was considered capable of detecting irregularities, including fraud**

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the group through discussions with trustees and other management, and from our knowledge and experience of charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the group, including the Companies Act 2006, Charities Act 2011, data protection, anti-bribery, employment, food hygiene and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management team and inspecting legal correspondence; and identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the group's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management team as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and relevant regulators.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

**WIRRAL YOUTH ZONE  
T/A THE HIVE  
INDEPENDENT AUDITOR'S REPORT (CONTINUED)  
TO THE MEMBERS OF WIRRAL YOUTH ZONE**

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**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Helen Furlong FCCA (Senior Statutory Auditor)**  
for and on behalf of Xeinaidin Audit Limited

23.12.22

**Accountants**  
**Statutory Auditor**

2 Hilliards Court  
Chester Business Park  
Chester  
Cheshire  
CH4 9QP

**WIRRAL YOUTH ZONE  
T/A THE HIVE  
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
INCLUDING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
<b>Income and endowments from:</b>							
Donations and legacies	3	800,702	141,561	942,263	1,232,428	510,301	1,742,729
Charitable activities	4	167,291	-	167,291	91,385	-	91,385
Other trading activities	5	36,900	-	36,900	20,468	-	20,468
Other income	6	50,828	-	50,828	27,686	-	27,686
<b>Total income</b>		<b>1,055,721</b>	<b>141,561</b>	<b>1,197,282</b>	<b>1,371,967</b>	<b>510,301</b>	<b>1,882,268</b>
<b>Expenditure on:</b>							
Raising funds	7	96,936	-	96,936	64,436	-	64,436
Charitable activities	8	1,209,698	287,908	1,497,606	853,374	633,240	1,486,614
<b>Total resources expended</b>		<b>1,306,634</b>	<b>287,908</b>	<b>1,594,542</b>	<b>917,810</b>	<b>633,240</b>	<b>1,551,050</b>
<b>Net (outgoing)/ incoming resources before transfers</b>		<b>(250,913)</b>	<b>(146,347)</b>	<b>(397,260)</b>	<b>454,157</b>	<b>(122,939)</b>	<b>331,218</b>
Gross transfers between funds		158	(158)	-	(14,697)	14,697	-
<b>Net (expenditure)/income for the year/ Net movement in funds</b>		<b>(250,755)</b>	<b>(146,505)</b>	<b>(397,260)</b>	<b>439,460</b>	<b>(108,242)</b>	<b>331,218</b>
Fund balances at 1 April 2021		533,158	4,961,341	5,494,499	93,698	5,069,583	5,163,281
<b>Fund balances at 31 March 2022</b>		<b>282,403</b>	<b>4,814,836</b>	<b>5,097,239</b>	<b>533,158</b>	<b>4,961,341</b>	<b>5,494,499</b>

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

**WIRRAL YOUTH ZONE  
T/A THE HIVE  
GROUP BALANCE SHEET  
AS AT 31 MARCH 2022**

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Tangible assets	14		4,800,469		4,925,496
<b>Current assets</b>					
Stocks	16	1,890		2,574	
Debtors	17	71,716		68,566	
Cash at bank and in hand		435,741		637,202	
		<u>509,347</u>		<u>708,342</u>	
<b>Creditors: amounts falling due within one year</b>	18	<u>(212,577)</u>		<u>(139,339)</u>	
Net current assets			296,770		569,003
<b>Total assets less current liabilities</b>			<u>5,097,239</u>		<u>5,494,499</u>
<b>Income funds</b>					
Restricted funds - fixed assets	21		4,800,475		4,925,502
Restricted funds - other	21		14,361		35,839
Unrestricted funds			282,403		533,158
			<u>5,097,239</u>		<u>5,494,499</u>

The financial statements were approved by the Trustees on .....

Charles Hurst (Chair)  
Trustee

Company Registration No. 09267940

**WIRRAL YOUTH ZONE  
T/A THE HIVE  
CHARITY BALANCE SHEET  
AS AT 31 MARCH 2022**

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Tangible assets	14	4,800,469		4,925,496	
Investments		2		2	
		<u>4,800,471</u>		<u>4,925,498</u>	
<b>Current assets</b>					
Debtors	17	79,982		75,627	
Cash at bank and in hand		425,223		629,501	
		<u>505,205</u>		<u>705,128</u>	
<b>Creditors: amounts falling due within one year</b>	18	<u>(207,964)</u>		<u>(135,653)</u>	
<b>Net current assets</b>		<u>297,241</u>		<u>569,475</u>	
<b>Total assets less current liabilities</b>		<u>5,097,712</u>		<u>5,494,973</u>	
<b>Income funds</b>					
Restricted funds - fixed assets	21	4,800,475		4,925,502	
Restricted funds - other	21	14,361		35,839	
Unrestricted funds		282,876		533,632	
		<u>5,097,712</u>		<u>5,494,973</u>	

The financial statements were approved by the Trustees on 22<sup>nd</sup> December, 2022

  
.....  
Charles Hurst (Chair)  
Trustee

Company Registration No. 09267940

**WIRRAL YOUTH ZONE  
T/A THE HIVE  
CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	2022 £	£	2021 £	£
<b>Cash flows from operating activities</b>					
Cash (absorbed by)/generated from operations	26		(201,619)		417,675
<b>Investing activities</b>					
Purchase of tangible fixed assets		-		(15,049)	
Proceeds on disposal of tangible fixed assets		158		350	
<b>Net cash generated from/(used in) investing activities</b>			158		(14,699)
<b>Net cash used in financing activities</b>			-		-
<b>Net (decrease)/increase in cash and cash equivalents</b>			(201,461)		402,976
Cash and cash equivalents at beginning of year			637,202		234,226
<b>Cash and cash equivalents at end of year</b>			<u>435,741</u>		<u>637,202</u>



**WIRRAL YOUTH ZONE  
T/A THE HIVE  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**1 Accounting policies**

**Charity information**

Wirral Youth Zone is a private company limited by guarantee incorporated in England and Wales. The registered office is Wirral Youth Zone, Bright Street, Birkenhead, CH41 4EA.

**1.1 Accounting convention**

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

**1.2 Going concern**

The ongoing long-term impact of the pandemic has required the Charity to reassess its financial position and the ability to continue to operate as a going concern. After careful analysis of the Charity's income, expenditure, and unrestricted reserves, the Trustees have taken action to reduce the Charity's expenses to a sustainable level. A restructure of the Charity's activities, which is now in place (December 2022) will enable the Charity to continue as a going concern. The Trustees, supported by the Senior Management Team, will continue to closely monitor the financial position of the Charity and will take any further action necessary to balance the books. Therefore, the Trustees do not have any material uncertainties about the Charity's ability to continue as a going concern for a timescale of at least 12 months from the date of signing of the Trustees' Report and Financial Statements and thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

**1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

**1.4 Income**

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Local government covid-19 related grants are recognised on receipt.

**WIRRAL YOUTH ZONE  
T/A THE HIVE  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2022**

---

**1 Accounting policies**

**(Continued)**

Income from trading activities, includes income from trading activities to raise funds for the charity. Income is recognised when earned and the charity is entitled to the receipt.

**1.5 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Raising funds includes all expenditure incurred by the charity to raise funds for its charitable purposes and includes costs of all fundraising activities, events and non-charitable activities.

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.

Support costs are those that assist the work of the charity but are not directly attributable to the charitable activities. Support costs include office costs, administrative payroll costs and governance costs which support the charity's activities. Where the support costs cannot be attributable to a direct activity they have been allocated to the costs of raising funds and charitable activities on a pro-rata basis.

Governance costs represent costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

**1.6 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold land and buildings	2% straight line
Plant and equipment	33% straightline
Fixtures and fittings	25% reducing balance
Computers	33% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

**WIRRAL YOUTH ZONE  
T/A THE HIVE  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2022**

---

**1 Accounting policies**

**(Continued)**

**1.7 Impairment of fixed assets**

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

**1.8 Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

**1.9 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**1.10 Financial instruments**

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

**Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

**Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

**WIRRAL YOUTH ZONE**  
**T/A THE HIVE**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**1 Accounting policies** **(Continued)**

**1.11 Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**1.12 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

**2 Critical accounting estimates and judgements**

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**3 Donations and legacies**

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022 £	2022 £	2022 £	2021 £	2021 £	2021 £
Wirral Borough Council	300,000	-	300,000	400,000	-	400,000
General donations & founder patrons	498,928	141,561	640,489	654,132	479,074	1,133,206
Government grants	1,774	-	1,774	178,296	-	178,296
Youth Investment Fund	-	-	-	-	31,227	31,227
	<u>800,702</u>	<u>141,561</u>	<u>942,263</u>	<u>1,232,428</u>	<u>510,301</u>	<u>1,742,729</u>

**WIRRAL YOUTH ZONE**  
**T/A THE HIVE**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**4 Charitable activities**

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Membership & entry fees	44,548	16,258
Catering income	46,522	33,927
Facility hire income	76,221	41,200
	<u>167,291</u>	<u>91,385</u>

**5 Other trading activities**

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Fundraising events	<u>36,900</u>	<u>20,468</u>

**6 Other income**

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Net gain on disposal of tangible fixed assets	-	350
Other income	39,064	8,340
Gift aid	11,250	18,949
Interest received	514	47
	<u>50,828</u>	<u>27,686</u>

**WIRRAL YOUTH ZONE**  
**T/A THE HIVE**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**7 Raising funds**

	<b>Unrestricted funds</b>	<b>Unrestricted funds</b>
	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<u>Fundraising and publicity</u>		
Staff costs	96,936	64,436
	<u>96,936</u>	<u>64,436</u>

**8 Charitable activities**

	<b>Charity 2022</b>	<b>Trading Co 2022</b>	<b>Total 2022</b>	<b>Charity 2021</b>	<b>Trading Co 2021</b>	<b>Total 2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Staff costs	633,574	-	633,574	590,194	-	590,194
Depreciation and impairment	124,869	-	124,869	130,720	-	130,720
Advertising	7,857	-	7,857	2,225	-	2,225
Purchases	13,711	43,998	57,709	32,118	30,611	62,729
	<u>780,011</u>	<u>43,998</u>	<u>824,009</u>	<u>755,257</u>	<u>30,611</u>	<u>785,868</u>
Share of support costs (see note 9)	647,680	4,388	652,068	675,604	70	675,674
Share of governance costs (see note 9)	20,029	1,500	21,529	24,572	500	25,072
	<u>1,447,720</u>	<u>49,886</u>	<u>1,497,606</u>	<u>1,455,433</u>	<u>31,181</u>	<u>1,486,614</u>
<b>Analysis by fund</b>						
Unrestricted funds	1,159,812	49,886	1,209,698	822,193	31,181	853,374
Restricted funds	287,908	-	287,908	633,240	-	633,240
	<u>1,447,720</u>	<u>49,886</u>	<u>1,497,606</u>	<u>1,455,433</u>	<u>31,181</u>	<u>1,486,614</u>

**WIRRAL YOUTH ZONE**  
**T/A THE HIVE**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**9 Support costs**

	<b>Support costs</b>	<b>Governance costs</b>	<b>2022</b>	<b>Support costs</b>	<b>Governance costs</b>	<b>2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Staff costs	353,683	-	353,683	346,964	-	346,964
Insurance	24,485	-	24,485	26,156	-	26,156
Light and heat	60,822	-	60,822	52,066	-	52,066
Telephone	12,007	-	12,007	9,830	-	9,830
Post and stationary	5,919	-	5,919	5,997	-	5,997
Staff travel	1,426	-	1,426	3,504	-	3,504
Session consumables	59,950	-	59,950	100,623	-	100,623
Repairs and renewals	38,260	-	38,260	41,021	-	41,021
Computer costs	26,561	-	26,561	32,816	-	32,816
Other expenses	67,239	-	67,239	56,070	-	56,070
Bank charges	1,716	-	1,716	627	-	627
Audit fees	-	9,000	9,000	-	12,180	12,180
Legal and professional	-	12,529	12,529	-	12,892	12,892
	<u>652,068</u>	<u>21,529</u>	<u>673,597</u>	<u>675,674</u>	<u>25,072</u>	<u>700,746</u>
Analysed between						
Charitable activities	<u>652,068</u>	<u>21,529</u>	<u>673,597</u>	<u>675,674</u>	<u>25,072</u>	<u>700,746</u>

**10 Trustees**

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

**11 Net movement in funds**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Net movement in funds is stated after charging/(crediting)		
Fees payable to the company's auditor for the audit of the company's financial statements	9,000	12,180
Depreciation of owned tangible fixed assets	124,869	130,719
Loss/(profit) on disposal of tangible fixed assets	-	(350)
	<u>133,869</u>	<u>142,549</u>

**12 Employees**

The average monthly number of employees during the year was:

<b>2022</b>	<b>2021</b>
<b>Number</b>	<b>Number</b>
<u>78</u>	<u>87</u>

**WIRRAL YOUTH ZONE**  
**T/A THE HIVE**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

<b>12 Employees</b>	<b>(Continued)</b>	
<b>Employment costs</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Wages and salaries	993,576	924,538
Social security costs	67,692	56,582
Other pension costs	22,925	20,474
	<u>1,084,193</u>	<u>1,001,594</u>

The remuneration of key management personnel totalled £204,188 (2021 - £185,416).

Key management personnel are deemed to be members of the senior management team, which consists of the Chief Executive, Deputy Chief Executive, Head of Youth Work and Head of Fundraising.

The number of employees whose annual remuneration was more than £60,000 is as follows:

	<b>2022</b>	<b>2021</b>
	<b>Number</b>	<b>Number</b>
£70,000 to £80,000	<u>1</u>	<u>-</u>

<b>12 Wirral Youth Zone Trading Co. Limited</b>		
A summary of the results of the subsidiary is shown below:	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Income	58,205	31,181
Expenditure	(58,205)	(31,181)
	<u>-</u>	<u>-</u>
<b>Aggregate assets and liabilities</b>		
Current assets	14,910	14,090
Current liabilities	(15,381)	(14,561)
	<u>(471)</u>	<u>(471)</u>



**WIRRAL YOUTH ZONE  
T/A THE HIVE  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2022**

**14 Tangible fixed assets - group and charity**

	Leasehold land and buildings	Plant and equipment	Fixtures and fittings	Computers	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 April 2021	5,270,388	100,409	156,458	79,168	5,606,423
Disposals	-	-	-	(522)	(522)
At 31 March 2022	5,270,388	100,409	156,458	78,646	5,605,901
<b>Depreciation and impairment</b>					
At 1 April 2021	415,169	100,409	96,780	68,569	680,927
Depreciation charged in the year	105,408	-	15,863	3,598	124,869
Eliminated in respect of disposals	-	-	-	(364)	(364)
At 31 March 2022	520,577	100,409	112,643	71,803	805,432
<b>Carrying amount</b>					
At 31 March 2022	4,749,811	-	43,815	6,843	4,800,469
At 31 March 2021	4,855,219	-	59,678	10,599	4,925,496

**15 Investments**

The charity has an investment totalling £2 (2020 £2) in 100% of the share capital of Wirral Youth Zone Trading Co. Limited.

**16 Stocks - group**

	2022 £	2021 £
Raw materials and consumables	1,890	2,574

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**17 Debtors**

<b>Group</b>	<b>2022</b>	<b>2021</b>
<b>Amounts falling due within one year:</b>	<b>£</b>	<b>£</b>
Trade debtors	31,704	32,248
Prepayments and accrued income	39,948	36,254
	<u>71,652</u>	<u>68,502</u>
	<b>2022</b>	<b>2021</b>
<b>Amounts falling due after more than one year:</b>	<b>£</b>	<b>£</b>
Deferred tax asset	64	64
	<u>64</u>	<u>64</u>
<b>Total debtors</b>	<b>71,716</b>	<b>68,566</b>
	<u>71,716</u>	<u>68,566</u>
<b>Charity</b>	<b>2022</b>	<b>2021</b>
<b>Amounts falling due within one year:</b>	<b>£</b>	<b>£</b>
Trade debtors	28,978	31,425
Amounts owed by subsidiary undertakings	2,737	7,948
Other debtors	-	-
Prepayments and accrued income	48,267	36,254
	<u>79,982</u>	<u>75,627</u>
	<u>79,982</u>	<u>75,627</u>

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**18 Creditors: amounts falling due within one year**

Group	Notes	2022 £	2021 £
Other taxation and social security		29,706	17,905
Deferred income	19	86,394	24,949
Trade creditors		21,329	16,328
Other creditors		29,909	37,714
Accruals		45,239	42,443
		<u>212,577</u>	<u>139,339</u>

Charity	Notes	2022 £	2021 £
Other taxation and social security		28,950	17,957
Deferred income	19	86,394	24,949
Trade creditors		18,722	13,590
Other creditors		29,909	37,714
Accruals		43,989	41,443
		<u>207,964</u>	<u>135,653</u>

**19 Deferred income**

	2022 £	2021 £
Arising from performance related grants	<u>86,394</u>	<u>24,949</u>

Deferred income is included in the financial statements as follows:

	2022 £	2021 £
Deferred income is included within:		
Current liabilities	<u>86,394</u>	<u>24,949</u>
Movements in the year:		
Deferred income at 1 April 2021	24,949	39,028
Amounts received in year	1,258,727	1,868,189
Amounts credited to statement of financial activities	<u>(1,197,282)</u>	<u>(1,882,268)</u>
Deferred income at 31 March 2022	<u>86,394</u>	<u>24,949</u>

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**FOR THE YEAR ENDED 31 MARCH 2022**

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**19 Deferred taxation - group**

Deferred tax assets and liabilities are offset where the charity has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	<b>Assets 2022 £</b>	<b>Assets 2021 £</b>
<b>Balances:</b>		
Tax losses	64	64
	<u>        </u>	<u>        </u>

There were no deferred tax movements in the year.

The deferred tax asset set out above is expected to reverse and relates to the utilisation of tax losses against future expected profits of the same period.

**WIRRAL YOUTH ZONE**  
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**21 Restricted funds - group and company**

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes.

The capital fund represents amounts invested in the building and facilities the charity operates from. These facilities must be used for the objectives of the charity, as stated in the trustees' report.

All other restricted funds are classified as revenue funds to be used by the charity in order to achieve its charitable objectives.

	<b>Movement in funds</b>				
	<b>Balance at 1 April 2021</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Transfers</b>	<b>Balance at 31 March 2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Capital	4,925,502	-	(124,869)	(158)	4,800,475
BBFC	6,806	-	(6,806)	-	-
Radio City	2,363	-	(2,363)	-	-
Football Foundation	1,323	-	-	-	1,323
Albert Gubbay	5,060	1,000	(6,060)	-	-
Home Office	1,417	-	(1,417)	-	-
Merseyside Police	56	-	(56)	-	-
Inclusion Offer	3,744	-	(3,744)	-	-
Merseyside Waste Authority	2,389	2,609	(4,998)	-	-
Ironmongers	5,409	3,863	(9,272)	-	-
Community Cashback	6,618	12,266	18,884	-	-
Cheshire Community Foundation	654	4,786	(5,440)	-	-
Pavers Charitable Trust	-	2,500	(2,500)	-	-
Road to Recovery	-	1,810	(1,810)	-	-
Toyota Parasport Lottery Fund	-	9,216	(3,600)	-	5,616
Anne Duchess of Westminster	-	10,000	(10,000)	-	-
Summer HAF	-	9,112	(9,112)	-	-
WBC Summer Covid	-	3,300	(3,300)	-	-
Arts Socieity	-	504	(504)	-	-
Thomas Kirkham Foundation	-	2,150	(1,939)	-	211
Liscard - Outreach	-	7,850	(7,850)	-	-
Magenta - Outreach	-	4,749	(3,953)	-	796
National Lottery	-	4,840	(4,840)	-	-
Operation Bangor	-	1,000	(1,000)	-	-
Wirral Household Support	-	12,300	(12,300)	-	-
Youth Diversion Fund	-	1,600	(1,600)	-	-
Edward Gosling	-	4,818	(4,818)	-	-
HAF Christmas	-	1,200	(1,200)	-	-
Onside - Culture of Health	-	12,962	(12,962)	-	-
Orsted	-	1,546	(1,546)	-	-
Nathaniel Ryanor Trust	-	1,000	(1,000)	-	-
Merseyside VIP	-	21,034	(14,619)	-	6,415
Gerald Micklem Charitable Trust	-	3,154	(3,154)	-	-
DM Thomas	-	392	(392)	-	-
	<b>4,961,341</b>	<b>141,561</b>	<b>(287,908)</b>	<b>(158)</b>	<b>4,814,836</b>

**WIRRAL YOUTH ZONE**  
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**21 Restricted funds - group and company**

**(Continued)**

Comparative information in respect of the preceding year is as follows:

	<b>Movement in funds</b>			
	<b>Balance at 1 April 2020</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Transfers</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Capital	5,041,172	-	(130,367)	14,697
BBFC	-	31,227	-	-
Radio City	23,473	-	(16,667)	-
Football Foundation	1,323	2,492	(2,492)	-
Albert Gubbay	5,060	988	(988)	-
Home Office	2,142	2,430	(2,209)	-
Merseyside Police	1,323	-	-	-
Inclusion Offer	3,744	500	(500)	-
Merseyside Waste Authority	-	32,600	(26,540)	-
Ironmongers	1,417	-	-	-
Community Cashback	56	3,000	(3,000)	-
Cheshire Community Foundation	-	12,412	(8,668)	-
Pavers Charitable Trust	-	1,750	(1,750)	-
Road to Recovery	-	500	(500)	-
Toyota Parasport Lottery Fund	-	5,217	(2,828)	-
Anne Duchess of Westminster	-	5,409	-	-
Summer HAF	-	72,559	(72,559)	-
WBC Summer Covid	-	100,000	(100,000)	-
Arts Soceity	-	100,000	(100,000)	-
Community Cashback	-	12,422	(5,804)	-
CMC	-	52,295	(52,295)	-
Cheshire Community Foundation	-	4,533	(3,879)	-
Wirral BC	-	29,673	(29,673)	-
LFC Foundation	-	40,000	(40,000)	-
Pavers Charitable Trust	-	500	(500)	-
HAF Holiday Club	-	794	(794)	-
	<b>5,079,710</b>	<b>510,301</b>	<b>(633,240)</b>	
				<b>4,961,341</b>

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**22 Analysis of net assets between funds**

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 March 2022 are represented by:						
Tangible assets	-	4,800,469	4,800,469	-	4,925,496	4,925,496
Current assets/(liabilities)	282,403	14,367	296,770	533,158	35,845	569,003
	<u>282,403</u>	<u>4,814,836</u>	<u>5,097,239</u>	<u>533,158</u>	<u>4,961,341</u>	<u>5,494,499</u>

**23 Operating lease commitments**

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022 £	2021 £
Within one year	546	2,184
Between two and five years	-	546
	<u>546</u>	<u>2,730</u>

**24 Related party transactions**

During the year the charity entered into the following transactions with related parties:

Peter Bibby, who is a trustee, is a director of Nalestar Ltd. During the year this company provided services totalling £363 (2021 - £763). He is also a director of Youth Federation Ltd who were invoiced £1,357 for services in the year (2021 - £nil) with £254 remaining outstanding at year end.

During the year the charity received donations which in total amounted to £33,000 (2021 - £39,000) from various trustees of the charity, their associated foundations or from companies in which they have significant control.

**25 Analysis of changes in net funds**

The charity had no debt during the year.

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<b>26</b>	<b>Cash generated from operations</b>	<b>2022</b>	<b>2021</b>
		<b>£</b>	<b>£</b>
	(Deficit)/surplus for the year	(397,260)	331,218
	Adjustments for:		
	Gain on disposal of tangible fixed assets	-	(350)
	Depreciation and impairment of tangible fixed assets	124,869	130,718
	Movements in working capital:		
	Decrease in stocks	684	1,157
	Decrease/(increase) in debtors	(3,150)	2,618
	Increase in creditors	11,793	28,650
	Increase in deferred income	61,445	24,949
		<hr/>	<hr/>
	<b>Cash (absorbed by)/generated from operations</b>	<b>(201,619)</b>	<b>518,960</b>
		<hr/>	<hr/>