

EMPOWER YOUTH ZONES LTD

England & Wales - Charity number 1179712

Details

Other names MANCHESTER YOUTH ZONE - EAST

Status Registered

Legal form Charitable company

Company number [11309137](#)

Registered 2018-08-29

Register [View on the Charity Commission register](#)

Contact

Address Hideout Youth Zone
1 Queens Avenue
Manchester
M12 5PX

Phone 0161 511 5777

Email enquiries@hideoutyouthzone.org

Website HideOutYouthZone.org

Activities

Objects: To help and educate children and young people resident in Manchester, Salford and surrounding areas through their leisure time activities by promoting their full physical and spiritual potential in order that they may grow to full maturity as individuals and members of society and that their conditions of life may improve.

Activities: Open 7 days per week Empower Youth Zones provides safe, inclusive places for young people to explore creative and sporting activities, whilst finding support for their practical, social and emotional needs to help them grow into happier, healthier adults.

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives, Disability, Arts/culture/heritage/science, Amateur Sport, Recreation
- **Who:** Children/young People

Geography

- Manchester City
- Salford City

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£11,596,739	£2,096,940	£21,925,601	79
2024-03-31	£3,980,455	£1,604,140	£12,445,728	63
2023-03-31	£1,665,864	£1,419,706	£9,923,377	58
2022-03-31	£1,396,263	£1,125,338	£9,815,237	62
2021-03-31	£3,362,921	£832,500	£9,549,414	51

Trustees

Name	Role	Appointed
Sean Turner	Chair	2024-09-25
Jonathan Boyers		2024-12-05
Lee-Ann Igbon		2024-09-25
Paul Francis David Medicott		2019-08-14
Rachel Coaker		2025-12-04
Ruth Kemp		2024-09-25
Ryan Hallworth		2024-12-04
Teresa Christina Pepper		2023-02-16

EMPOWER YOUTH ZONES LTD

England & Wales - Charity number 1179712

Accounts

Company registration number: 11309137

Charity registration number: 1179712

Empower Youth Zones Ltd

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2025

Empower Youth Zones Ltd

Strategic Report for the Year Ended 31 March 2025

The trustees (who are also the Directors for the purposes of company law) have pleasure in presenting their strategic report for the year ended 31 March 2025, in compliance with s414C of the Companies Act 2006. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the Charity.

Who we are

Empower Youth Zones, operates two purpose-built facilities for Manchester and Salford's young people aged 8 - 19, and up to 25 for those with additional needs.

HideOut Youth Zone is located on Hyde Road in Gorton, Manchester and officially opened its doors in September 2020. Salford Youth Zone also operated by Empower officially opened in July 2025. Salford Youth Zone is located on Belvedere Road in Salford.

Empower Youth Zones is part of a network of similar independent youth organisations that all share the same principles, developed by the charity OnSide Youth Zones (Reg No: 1125893). The Youth Zones provide 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 will take place each night, including football, boxing, dancing, climbing, creative arts, music, drama and employability training - all for just 50p per visit!

Our vision is that Children and Young People in Manchester and Salford are inspired to lead healthy, happy, safe and successful lives.

Our mission is to ensure Empower Youth Zones provides children and young people with somewhere safe to go, something positive to do and someone trusted to talk to.

To realise this vision, Empower Youth Zones has worked towards 4 strategic goals in 2024/25

- 1. Young people** - Provide the highest-quality offer for all children and young people
- 2. Our people** - Become an employer of choice for both existing and potential new employees
- 3. Sustainability** - Achieve longer term financial security which allows us to be ambitious and plan confidently into the future
- 4. Reputation** - All stakeholders are aware of Empower's vital impact and successes

Objects and activities

Empower Youth Zone's charitable objects are to help and educate children and young people resident in the Cities of Manchester, Salford and surrounding areas through their leisure time activities by promoting their full physical and spiritual potential in order that they may grow to maturity as individuals and active members of society and their conditions of life may improve.

Empower Youth Zones Ltd

Strategic Report for the Year Ended 31 March 2025

Achievements during the period

In 2024/25 the Charity's main achievements included:

- Practical completion of Empower's second provision - Salford Youth Zone in March 2025.
- Membership campaign for Salford Youth officially went live in March 2025 with a target of 1,000 member sign-ups by the official opening date of 5th July 2025.
- Growing our total membership of young people at HideOut since official opening in 2020 to over 9,000.
- 3,000 being active in the past 12 months. 45% of these identified as female vs 55% male. 21% identified as having additional needs. 90% are from the top 20% most deprived communities in the UK as per the IMD rankings (75% are in the top 10%).
- Providing over 30,000 meals across the year. 100% of these meals were provided at no cost.
- Securing over 1,000 hours of corporate volunteering support.
- Growing our partnership offer in the year working with over 25 local partners across music, art, sports, employment and health. These partnerships continue to grow and enhance the offer and create further pathways for children and young people attending the Youth Zone.
- Facilitating 9 weeks of school holiday provision with over 50 Staff and Volunteers contributing to 70 activities, over 2,500 visits were recorded with over 4,000 hot meals provided during the school holidays supported via 'Holiday Activity Fund' grants.
- Providing over 100 formal training opportunities to staff and volunteers, including a new young leaders programme.
- 22 young people completing our Young Leaders Award.
- Hosting our fourth Annual Patrons Dinner with over 90 patrons and supporters attending. The evening was completely led by young people from HideOut and Salford Youth Zones including the MC/host, the catering, performances, tours, keynote speakers etc.
- In August, HideOut welcomed Home Secretary Yvette Cooper on her first ministerial visit. During her visit, the Home Secretary was given a tour of the Youth Zone and held an interview with The Guardian speaking about topics such as knife crime and the governments vision for young people. Our members were also able to raise their concerns with current issues in society including crime, policing and politics.

Financial review

Income for the year was £11,576,739 (2024: £3,980,456). Restricted income for the year was £9,844,244 (2024: £2,587,646), Patron Income (including Gift Aid) for the year totalled £762,388 (2024: £470,865) and £200,000 (2024: £200,000) was received from Manchester City Council towards the ongoing running costs of the Charity. During the year £92,965 (2024: £117,466) was received in the form of Grants.

The reason for the increase in income and restricted income in the year relates to donations received for the construction of the new Salford Youth Zone.

Expenditure for the year increased to £2,059,236 (2024: £1,604,410), with £1,251,783 (2024: £1,083,251) being spent on salaries. This was still less than the original budget due to vacancies.

At the end of the period Unrestricted Reserves were £4,460,920 (2024: £4,094,423).

Empower Youth Zones Ltd

Strategic Report for the Year Ended 31 March 2025

Risk management

The Trustees have considered the major risks to which the Charity is exposed and have established suitable risk management and control procedures. At present the primary risks identified relate to:

- **Financial/Fundraising** - increasing the number of patrons and maintaining a high-quality stewardship experience with existing Patrons remains a high risk due to the new Youth Zone in Salford now being fully operational and the increased income revenue requirements.
- **People - Staffing and Operations** - relating to the recruitment, retention and development of key delivery staff and volunteers as well as operations

Regulatory Risk is the responsibility of the CEO, Director of Operations and Building and Facilities Manager who manage Health and Safety, Fire and other statutory risk areas. The CEO has developed a full risk register including mitigation and control measures which is shared regularly with the board and formal subcommittee for Finance Audit and Risk.

Principal funding sources

The Directors wish to record they're thanks to Mr Fred Done, Department for Culture, Media and Sport, Social Investment Business, Manchester City Council (MCC) and Salford City Council (SCC) for their ongoing support to the Charity.

The Directors also thank the following individuals and businesses who have pledged to support the revenue campaign (in 2024/25); ANS Group, Paul & Amy Shannon, Godel Technologies, The Bruntwood Charity, The JD Foundation, Alvarez & Marsal, Steve Malone and family, Robbie Hargreaves and family, One Manchester, Hobbycraft, Salix Homes, Manchester Building Society, Eric Wright Charitable Trust, Sandywood Property, National Lottery Community Fund, Peter Harrison. Together Money, Houlihan Lokey, Lendlease, The Manchester Ball, LivingBridge, Inflexion, ATPI Group, Raheem Sterling Foundation, SIS, Zochonis Charitable Trust, Waterland Private Equity, Bank of New York and Savills.

Thanks to the following donors who have raised funds through events and activities; Gamma, ADT, JLL, Prestfield Wealth and Word on the Street.

Thanks to the Onside Foundation for their continued support and to Burberry, Cadent and the Barratt Foundation for support via the Onside Network.

We would also like to Thank Fletchers Engineering and Peninsula Group for their in-kind professional services.

The fundraising priority this year has focused on diversifying the income portfolio for HideOut Youth Zone and driving the Founder Patron campaign for Salford Youth Zone. The charity's Director of Fundraising and Communications has recently been promoted to Deputy Chief Executive and works closely with the CEO and Chair of Empower Youth Zones to plan activity and monitor performance relating to this campaign through a Fundraising Sub Board Committee. Empower Youth Zones is registered with the Fundraising Regulator and complies with the Fundraising Code of Practise.

The charity does not use external fundraisers and there have been no complaints made to the charity about its fundraising methods.

Empower Youth Zones Ltd

Strategic Report for the Year Ended 31 March 2025

Policy on reserves

The Board of Trustees of Empower Youth Zones has established a reserves policy which appropriately reflects the risks to which the Charity is exposed. The Trustees consider that the appropriate reserves range will vary from time to time, and deem it appropriate to review and update the appropriate reserves range when necessary.

The current appropriate reserve range is determined by considering:

- The current level of planned expenditure and the contingencies highlighted below. The annual expenditure is currently circa £3.5m per annum.

- Specific designated contingencies. The Trustees will consider various risks that will impact the appropriate level of reserves to hold, these currently include:

- 'Year 4 risk' -- As a new Youth Zone, many Founder Patrons have pledged a 4-year commitment with many of these initial commitments due to expire at the same time. While the Trustees hope that all Founder Patrons will continue their support, to recognise the risk that not all are able to in the current economic climate and to ensure there is time to secure replacement funding, the Trustees wish to hold a specific contingency related to this risk. This reserve is calculated as multiple of Founder Patrons that are due to renew each year, and this can be amended as Founder Patrons commit beyond their initial term, and/or as the risk of future non-commitment changes. The Trustees currently wish to hold a designated reserve of £500k against this risk, equating to 12 Founder Patron gifts of £25k, plus £200k in annual pledged support from Manchester's local authority which currently is agreed until 2025/26.

- Capital reserve – The Trustees appreciate that as Salford is a new Youth Zone the current capital equipment that is installed in the Youth Zone is of an excellent standard. However HideOut Youth Zone is now 5 years old and in order to maintain our high facility standards, the Trustees believe that a designated capital reserve should be held, to be called up to ensure that any equipment that is in need of repair or replacement can be done so on a timely basis and to the desired standard. The level of this reserve will be regularly reviewed. The Trustees currently feel that a designated capital reserve of £250k is appropriate.

- General contingency. The Trustees currently feel that a general reserve of £1.875m to cover a minimum of 6 months operating costs is appropriate. However, given the nature of our work to support vulnerable children and young people and ideal general contingency would allow us to cover 12 months operating costs to enable a sufficient exit strategy and forward support plan for service users to be established.

Given the aforementioned reserve requirements, the Trustees believe that total reserves in a range of £2.8m to £4.7m is appropriate. This will be reviewed at least once per annum by the Trustees.

Empower Youth Zones Ltd

Strategic Report for the Year Ended 31 March 2025

Investment policy and objectives

Under the memorandum and articles of association, the charitable company has the power to make any investment which the Trustees see fit. Investments are made where required to further the aims and objects of the Charity.

In 2024/25 Empower Youth Zones transferred its investment portfolio from Brewin Dolphin to Barclays. The charity has continued its investment with Goldentree Financial Services PLC. The Charity holds 2 investment portfolios across both organisations and as at 31st March 2025 the value of the investments were £2,743,446 (2024: £2,750,659) with income received of £69,977 (2024: £84,667). The investment portfolios decreased in value by £19,929 compared to a increase in value of £146,306 in the March 24 financial year.

Plans for future periods

Going into 2025/26 we have refreshed our 3 years strategic plan to focus on Empower as a growing youth work charity in Greater Manchester which now operates 2 youth zones across 2 Local Authority areas. The four strategic areas of focus remain the same, but the key objectives and goals have evolved:

YOUNG PEOPLE - Grow our offer to evidence increased impact and outcomes for children and young people across Greater Manchester.

We will:

- We will launch the universal core offer from July 2025, 7 days per week
- Recruit up to 8 new Youth Work Level 3 apprentices across HideOut and Salford Youth Zones
- Increase the range of accredited outcomes on offer Create a Young Members Trustee position rotating each year
- Embed monitoring and evaluation in everyday practice to provide clear evidence of impact with young people able to articulate these outcomes
- Develop an integrated partnership approach with other youth providers in Salford
- Develop our outdoor education, residential, outreach and social action offer
- Ensure Equality, Diversity and Inclusion is embedded in all our delivery and decision-making processes
- Continue to offer at least 35 hours of provision across 7 days all year round
- Establish a Trustee Delivery sub-committee to meet 3 times per year

OUR PEOPLE - Invest in the development and wellbeing of staff and volunteers to ensure they have the skills and capacity to support the charity effectively.

We will:

- Recruit a full-time Director of People in addition to a Staff and Volunteer Training Manager
- Ensure team and individual learning and development plans in place, with training needs being delivered (particularly for youth work, management & supervision, planning & project management, budget & finance, E, D & I)
- Become an accredited 'Member' of the GM Good Employment Charity (Currently 'Supporter')
- Continue to attract and recruit employees and volunteers from diverse backgrounds that reflect the local community and promote equal opportunities
- Introduce new apprenticeship programs across Comms and Marketing, Youth Work, Facilities and Admin to enable us to grow
- Review existing Employee Benefits and explore a more flexible approach to reflect the diversity and characteristics of our workforce

Empower Youth Zones Ltd

Strategic Report for the Year Ended 31 March 2025

SUSTAINABILITY - Achieve longer term financial security which allows us to be ambitious and plan confidently into the future

We will:


- Develop a 3-year fundraising and income strategy
- Secure ongoing Local Authority funding of at least £500k per annum for beyond 2026
- Develop diversified private sector income profile through: - growth of unrestricted corporate and sub- £25k income - maintaining current FP level income - grow trust & grant income for targeted projects
- Grow the income realised via regular Facility Hire
- Explore opportunities for commissioning and contracting work via Public Sector Partner i.e. Public Health
- Continue to review commercial and investment opportunities and performance including digital currency

REPUTATION - Grow Empower's Brand as one of the leading youth work charities in Greater Manchester whilst retaining HideOut and Salford Youth Zone's local ownership.

We will:

- Establish youth-led communications and marketing which celebrates young people's successes and achievements
- Create partner-focused comms which clearly shows how we can work together and enhance each other's impact
- Develop our funder-focused comms which builds Empower's brand and emphasises that supporters are part of something great, achieve a great return / impact Build on existing relationships with our media partners including the BBC and Granada to proactively develop a PR/Media storytelling culture plan annually
- Work with the Universities in Manchester and Salford to conduct research related to our impact and outcomes for children and young people

The strategic report was approved by the trustees of the charity on 16/10/25 and signed on its behalf by:


.....
S.A. Turner
Chairman and trustee

Empower Youth Zones Ltd

Trustees' Report

Reference and Administrative Details

Charity Registration Number: 1179712

Company Registration Number: 11309137

The charity was incorporated on 13 April 2018 in England and Wales as a company limited by guarantee and registered as a charity on 29 August 2018,

Registered Office: Hideout Youth Zone
1 Queen's Avenue
Manchester
M12 5PX

Auditor: Alextra Audit Limited
7-9 Macon Court
Crewe
Cheshire
CW1 6EA

Bankers: Handelsbanken
Manchester Spinningfields Branch
4th Floor, 15 Quay Street
Manchester
M3 3HN
Barclays
1 Churchill Place
London
E14 5HP

Empower Youth Zones Ltd

Trustees' Report

Trustees and officers

The trustees and officers serving during the year and since the year end were as follows:

Trustees:	J L Whittaker
	P J Kirszanek
	T C Pepper
	J D V Masraff
	P F D Medlicott
	V J I Braddock
	L M Igbon (appointed 9 July 2024)
	S A Turner (appointed 25 September 2024)
	R J Kemp (appointed 25 September 2024)
	R Hallworth (appointed 4 December 2024)
	J M Boyers (appointed 5 December 2024)
	A J Morrow (resigned 25 April 2024)
Chairman:	S A Turner (appointed 26 June 2025)
	J L Whittaker (resigned 26 June 2025)
Chief Executive Officer:	A Farricker

Structure, governance and management

Nature of governing document

Empower Youth Zones is a company limited by guarantee without share capital and registered under the Companies Act 1985, registration number 11309137. The company is governed by its Memorandum and Articles of Association dated 21 March 2018 and update in January 2023. Management of the company's affairs is vested in the co-Directors. It is a Charity registered with the Charity Commission on 29 August 2018.

In the event of a winding-up, the present members and those who have ceased to be a member within one year of such an event have guaranteed the liabilities of the company to the sum not exceeding ten pounds each.

Empower Youth Zones Ltd

Trustees' Report

Recruitment and appointment of trustees (Directors)

The first Directors were the subscribers to the memorandum as notified to Companies House as the first Directors of the Charity. A person appointed as a Director thereupon becomes a Member of the Charity and a Director who ceases to hold office for any reason thereupon ceases to be a Member of the Charity. Directors have the power to appoint, by ordinary resolution, any person to be a Director who is willing to act as such. New Directors will be recruited according to the needs of the Charity and the suitability of possible candidates. A unanimous approval of existing Directors would lead to their appointment.

The Memorandum and Articles of Association states that the number of members (Directors) shall have no maximum and shall not be less than three. At the first Annual General Meeting all Directors must retire and seek 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 of the Charity are its Directors for the time being and the only persons eligible to be Members of the Charity are its Directors.

Full details of the rules are contained in the company's Memorandum and Articles of Association, dated on incorporation on 21 March 2018, which may be inspected at the Empower Youth Zones registered office.

Induction and training of trustees

All trustees receive a full induction and training inclusive of, safeguarding, risk management, fundraising, role of a trustee and sustainability ahead of formal appointment. All key policies, the organisation structure and articles of association are shared. Training and development needs are reviewed at least annually and as and when any trustees are appointed or resign.

Organisational structure

Empower Youth Zones 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 Empower Youth Zones and for ensuring that the Charity satisfies its legal and contractual obligations. Trustees meet approximately every two months and may delegate the implementation of their decisions or day-to-day operation of the organisation to senior management, any employee of the Charity, person or committee as they see fit. Any committee must include at least one Trustee. The Trustee Board is independent from management.

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

Related party transactions

Transactions with related parties are disclosed in note 25 to the financial statements and in accordance with paragraph 163 of the SORP (Accounting and reporting by charities: Statement of Recommended Practice (SORP 2005)).

Empower Youth Zones Ltd

Trustees' Report

Arrangements for setting key management personnel remuneration

The Directors consider the board of Directors, who are the Charity's trustees, and the senior management team comprise the key management personnel of the Youth Zone in charge of directing and controlling, running and operating the Charity on a day-to-day basis. All Directors give of their time freely and no Director received remuneration in the year. Details of Directors' expenses and related party transactions are disclosed in Note 11 and 25 to the accounts.

The pay of the full staff team is reviewed annually and, if financial resources allow, normally increased in accordance with projected Government inflation rates taking into account CPI and RPI. In view of the nature of the charity, the Directors benchmark against pay levels in other similar charities in the voluntary sector, as well as across the OnSide Youth Zone Network.

Volunteers' contribution

Throughout the period all members of the Board of Trustees made invaluable voluntary contributions to the Charity's work in terms of governance, professional and business experience, financial planning, fundraising and leading initiatives across the project. Such contributions were, on average, equivalent to two full days each calendar month. 19 registered volunteers have been trained, inducted and active within the period providing on average 160 hours of volunteering per month.

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, centrally located facility for young people responds to a clear, ongoing demand from young people, parents and wider communities for more and better places for young people to go. Although providing a service to all young people, Empower Youth Zones will focus on attendance and participation by young members of disadvantaged communities who will be able to enjoy affordable access to all the opportunities that the facilities will provide. This will lead to improved achievements and enhanced aspirations amongst young members of the local community. They will be happier, healthier and make more constructive use of their leisure time which consequently will help reduce nuisance and anti-social behaviour. Longer term public benefits will include improved health, reduced crime, enhanced learning and employability and greater community cohesion.

Statement of trustees' responsibilities

The trustees (who are also the directors of Empower Youth Zones Ltd for the purposes 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial year. 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 its income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;

Empower Youth Zones Ltd

Trustees' Report

- state whether applicable accounting standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

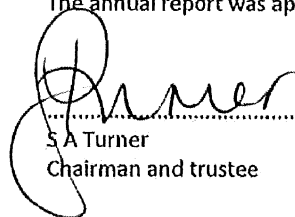
Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Reappointment of auditor

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Alextra Audit Limited as auditors of the charity is to be proposed at the forthcoming Annual General Meeting.

The annual report was approved by the trustees of the charity on 16/10/25 and signed on its behalf by:


S A Turner
Chairman and trustee

Empower Youth Zones Ltd

Independent Auditor's Report to the Members of Empower Youth Zones Ltd

Opinion

We have audited the financial statements of Empower Youth Zones Ltd (the 'charity') for the year ended 31 March 2025, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the 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 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 original financial statements were 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 trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Empower Youth Zones Ltd

Independent Auditor's Report to the Members of Empower Youth Zones Ltd

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our 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 and the Trustees' Report.

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

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

Responsibilities of trustees

As explained more fully in the Statement of trustees' responsibilities (set out on page 10 and 11), the trustees 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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor 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:

Empower Youth Zones Ltd

Independent Auditor's Report to the Members of Empower Youth Zones Ltd

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks and irregularities.

We obtained an understanding of the legal and regulatory framework that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act, tax legislation, pension legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These included GDPR, employment law, health and safety and building regulations.

We discussed among the audit engagement team the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations that have a direct effect on the financial statement;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and in-house / external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

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.

Empower Youth Zones Ltd

Independent Auditor's Report to the Members of Empower Youth Zones Ltd

Use of our report

This report is made solely to the charitable company's trustees, 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 charity's trustees 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 its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Alextra Audit Limited

Mr Damien Wayne Riley FCCA (Senior Statutory Auditor)
For and on behalf of Alextra Audit Limited, Statutory Auditor

7-9 Macon Court
Crewe
Cheshire
CW1 6EA

Date: *10/4/25*

Empower Youth Zones Ltd

**Statement of Financial Activities for the Year Ended 31 March 2025
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)**

	Note	Unrestricted funds £	Restricted funds £	Total 2025 £
Income and Endowments from:				
Donations and legacies	3	1,436,395	9,844,244	11,280,639
Other trading activities	4	156,003	-	156,003
Investment income	5	160,097	-	160,097
Total Income		<u>1,752,495</u>	<u>9,844,244</u>	<u>11,596,739</u>
Expenditure on:				
Investment costs	6	(37,704)	-	(37,704)
Charitable activities	7	(1,319,965)	(730,871)	(2,050,836)
Governance costs	8	(8,400)	-	(8,400)
Total expenditure		<u>(1,366,069)</u>	<u>(730,871)</u>	<u>(2,096,940)</u>
Gains/losses on investment assets		<u>(19,929)</u>	-	<u>(19,929)</u>
Net income		<u>366,497</u>	<u>9,113,373</u>	<u>9,479,870</u>
Net movement in funds		366,497	9,113,373	9,479,870
Reconciliation of funds				
Total funds brought forward		<u>4,094,423</u>	<u>8,351,308</u>	<u>12,445,731</u>
Total funds carried forward	22	<u>4,460,920</u>	<u>17,464,681</u>	<u>21,925,601</u>

The notes on pages 20 to 34 form an integral part of these financial statements.

Empower Youth Zones Ltd

**Statement of Financial Activities for the Year Ended 31 March 2025
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)**

	Note	Unrestricted funds £	Restricted funds £	Total 2024 £
Income and Endowments from:				
Donations and legacies	3	1,079,293	2,587,646	3,666,939
Other trading activities	4	174,782	-	174,782
Investment income	5	138,735	-	138,735
Total income		<u>1,392,810</u>	<u>2,587,646</u>	<u>3,980,456</u>
Expenditure on:				
Charitable activities	7	(1,275,893)	(320,685)	(1,596,578)
Governance costs	8	(7,830)	-	(7,830)
Total expenditure		<u>(1,283,723)</u>	<u>(320,685)</u>	<u>(1,604,408)</u>
Gains/losses on investment assets		146,306	-	146,306
Net income		255,393	2,266,961	2,522,354
Transfers between funds		202,980	(202,980)	-
Net movement in funds		458,373	2,063,981	2,522,354
Reconciliation of funds				
Total funds brought forward		<u>3,636,050</u>	<u>6,287,327</u>	<u>9,923,377</u>
Total funds carried forward	22	<u>4,094,423</u>	<u>8,351,308</u>	<u>12,445,731</u>

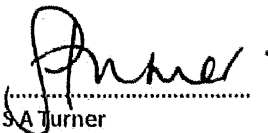
All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown for 2024 is shown in note 22.

The notes on pages 20 to 34 form an integral part of these financial statements.

Empower Youth Zones Ltd
(Registration number: 11309137)
Balance Sheet as at 31 March 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	14	17,622,113	8,496,033
Current assets			
Stocks	15	1,200	1,435
Debtors	16	169,952	287,578
Investments	17	2,743,446	2,750,659
Cash at bank and in hand	18	<u>3,533,213</u>	<u>2,551,639</u>
		6,447,811	5,591,311
Creditors: Amounts falling due within one year	19	<u>(2,144,323)</u>	<u>(1,641,613)</u>
Net current assets		<u>4,303,488</u>	<u>3,949,698</u>
Net assets		<u>21,925,601</u>	<u>12,445,731</u>
Funds of the charity:			
Restricted income funds			
Restricted funds	22	17,464,681	8,351,308
Unrestricted income funds			
Unrestricted funds		<u>4,460,920</u>	<u>4,094,423</u>
Total funds	22	<u>21,925,601</u>	<u>12,445,731</u>

The financial statements on pages 16 to 34 were approved by the trustees, and authorised for issue on 16/10/25 and signed on their behalf by:


 SA Turner
 Chairman and trustee

The notes on pages 20 to 34 form an integral part of these financial statements.

Empower Youth Zones Ltd

Statement of Cash Flows for the Year Ended 31 March 2025

	Note	2025 £	2024 £
Cash flows from operating activities			
Net cash income		9,479,870	2,522,354
Adjustments to cash flows from non-cash items			
Depreciation	6, 8	82,613	91,580
Investment income	5	(160,097)	(138,735)
Loss/(profit) on disposal of investments		19,929	(146,306)
		<u>9,422,315</u>	<u>2,328,893</u>
Working capital adjustments			
Decrease in stocks	15	235	949
Decrease/(increase) in debtors	16	117,626	(225,206)
Increase in creditors	19	502,710	178,654
Net cash flows from operating activities		<u>10,042,886</u>	<u>2,283,290</u>
Cash flows from investing activities			
Interest receivable and similar income	5	160,097	138,735
Purchase of tangible fixed assets	14	(9,208,693)	(1,745,599)
Purchase of investments		(2,743,471)	(776,701)
Sale of investments		2,730,755	731,563
Net cash flows from investing activities		<u>(9,061,312)</u>	<u>(1,652,002)</u>
Net increase in cash and cash equivalents		981,574	631,288
Cash and cash equivalents at 1 April		<u>2,551,639</u>	<u>1,920,351</u>
Cash and cash equivalents at 31 March		<u>3,533,213</u>	<u>2,551,639</u>

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 20 to 34 form an integral part of these financial statements.

Empower Youth Zones Ltd

Notes to the Financial Statements for the Year Ended 31 March 2025

1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Hideout Youth Zone
1 Queen's Avenue
Manchester
M12 5PX

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with 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)) (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.

Basis of preparation

Empower Youth Zones Ltd 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.

These financial statements are prepared in Sterling, which is the functional currency of the company. All monetary amounts are rounded to the nearest £.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Empower Youth Zones Ltd

Notes to the Financial Statements for the Year Ended 31 March 2025

Judgements

In the application of the company's accounting policies, the directors 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 revision affects only that period, or in the period of revision and future periods where the revision affects both current and future periods.

Income and endowments

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

For donations to be recognised the Charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfillment of those conditions is within the control of the Charity and it is probable that they will be fulfilled.

Investment income represents amounts receivable in respect of the period. Accrued income is recognised on investments up to the balance sheet date.

Grants in connection with the job retention scheme are recognised in the period to which the underlying staff costs relate to.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Grant expenditure

Grants payable are payments made to third parties in the furtherance of the charitable objectives. Where the charity gives a grant with conditions for its payment being a specific level of service or output to be provided, such grants are only recognised in the Statement of Financial Activities once the recipient of the grant has provided the specific service or output.

Grants payable without performance conditions are recognised in the accounts when a commitment has been made and communicated to the recipient, and there are no conditions to be met relating to the grant which remain in the control of the charity.

Grant provisions

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

Empower Youth Zones Ltd

Notes to the Financial Statements for the Year Ended 31 March 2025

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £250 or more are initially recorded at cost. These reflect the initial planning and development costs of the asset under construction.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Leasehold property	0.8% based on a lease of 125 years
Fixtures and fittings	10% - 25% reducing balance
Computer equipment	33% straight line
Gym equipment	20% straight line
Catering equipment	33% straight line
Plant and machinery	25% reducing balance
Motor vehicles	20% straight line

Current asset investments

Listed investments are shown at market value at the balance sheet date.

Stock

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

Debtors and creditors receivable / payable within one year

Trade debtors and creditors with no stated interest rate and receivable or payable within one year are recognised initially at the transaction price. Any losses arising from impairment are recognised in expenditure.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Empower Youth Zones Ltd

Notes to the Financial Statements for the Year Ended 31 March 2025

Fund structure

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Pensions and other post retirement obligations

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Empower Youth Zones Ltd

Notes to the Financial Statements for the Year Ended 31 March 2025

3 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total funds £
Donations - capital	-	9,195,752	9,195,752
Donations - other	368,139	621,030	989,169
Local authority	212,903	-	212,903
Founder patrons	761,899	-	761,899
Grants, trusts & foundation	92,965	27,462	120,427
Gift aid	489	-	489
Total for 2025	<u>1,436,395</u>	<u>9,844,244</u>	<u>11,280,639</u>
Total for 2024	<u>1,079,293</u>	<u>2,587,646</u>	<u>3,666,939</u>

4 Income from other trading activities

	Unrestricted funds General £	Total funds £
Young People's activity sessions	58,613	58,613
Facility hire	97,390	97,390
Total for 2025	<u>156,003</u>	<u>156,003</u>
Total for 2024	<u>174,782</u>	<u>174,782</u>

5 Investment income

	Unrestricted funds General £	Total funds £
Income from investments	69,977	69,977
Bank interest received	90,120	90,120
Total for 2025	<u>160,097</u>	<u>160,097</u>
Total for 2024	<u>138,735</u>	<u>138,735</u>

Empower Youth Zones Ltd

Notes to the Financial Statements for the Year Ended 31 March 2025

6 Expenditure on Investments

a) Investment management costs

	Note	Unrestricted funds General £	Total funds £
Administration of the investments		37,704	37,704
Total for 2025		37,704	37,704

7 Expenditure on charitable activities

	Note	Unrestricted funds General £	Restricted funds £	Total funds £
Freelance and agency staff		9,343	-	9,343
Staff training		18,692	-	18,692
Staff uniform		6,765	-	6,765
Staff travel expenses		3,968	-	3,968
Staff and volunteers DBS checks		3,682	-	3,682
Legal and professional fees		28,311	108,090	136,401
Fundraising and events		32,398	-	32,398
Advertising		14,539	25,237	39,776
Recruitment		31,541	15,487	47,028
Sundry expenses		12,639	-	12,639
Premises costs		175,531	-	175,531
Insurance		29,576	-	29,576
Telephone and fax		5,198	-	5,198
Computer software and maintenance costs		34,976	-	34,976
Printing, postage and stationery		4,904	-	4,904
Hospitality		1,907	-	1,907
Licences		13,763	-	13,763
Bank charges		5,587	-	5,587
Bad debts written off		891	-	891
Depreciation		5,333	77,281	82,614
Wages and salaries		760,426	491,357	1,251,783
Catering equipment		58,729	-	58,729

Empower Youth Zones Ltd

Notes to the Financial Statements for the Year Ended 31 March 2025

	Note	Unrestricted funds General £	Restricted funds £	Total funds £
Trips and residentials		15,865	-	15,865
Youth work costs		<u>45,401</u>	<u>13,419</u>	<u>58,820</u>
Total for 2025		<u><u>1,319,965</u></u>	<u><u>730,871</u></u>	<u><u>2,050,836</u></u>
Total for 2024		<u><u>1,275,893</u></u>	<u><u>320,685</u></u>	<u><u>1,596,578</u></u>

8 Governance costs

	Note	Unrestricted funds General £	Total funds £
Audit fees			
Audit of the financial statements		<u>8,400</u>	<u>8,400</u>
Total for 2025		<u><u>8,400</u></u>	<u><u>8,400</u></u>
Total for 2024		<u><u>7,830</u></u>	<u><u>7,830</u></u>

9 Net incoming/outgoing resources

Net incoming resources for the year include:

	2025 £	2024 £
Audit fees	8,400	7,830
Depreciation of fixed assets	<u>82,612</u>	<u>91,581</u>

Empower Youth Zones Ltd

Notes to the Financial Statements for the Year Ended 31 March 2025

10 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

11 Staff costs

The aggregate payroll costs were as follows:

	2025 £	2024 £
Staff costs during the year were:		
Wages and salaries	1,158,493	1,008,543
Social security costs	77,765	61,453
Pension costs	15,525	13,255
	<u>1,251,783</u>	<u>1,083,251</u>

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year was as follows:

	2025 Number	2024 Number
Average number of employees	<u>79</u>	<u>63</u>

The number of employees whose emoluments fell within the following bands was:

	2025 No	2024 No
£60,001 - £70,000	1	-
£70,001 - £80,000	<u>1</u>	<u>1</u>

The aggregate remuneration of the Key Management Personnel, comprising of the Chief Executive, Head of finance, Director of operations and Director of fundraising & communications was £245,224 (2024: £215,244)

12 Auditors' remuneration

	2025 £	2024 £
Audit of the financial statements	<u>8,400</u>	<u>7,830</u>

13 Taxation

Empower Youth Zones Ltd is a registered Charity. All the company's income is applied to its charitable objectives and the Company is therefore exempt under current legislation from most forms of taxation.

Empower Youth Zones Ltd

Notes to the Financial Statements for the Year Ended 31 March 2025

14 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Assets under construction £	Total £
Cost					
At 1 April 2024	6,347,395	311,635	10,000	2,214,550	8,883,580
Additions	-	270,255	-	8,938,438	9,208,693
At 31 March 2025	<u>6,347,395</u>	<u>581,890</u>	<u>10,000</u>	<u>11,152,988</u>	<u>18,092,273</u>
Depreciation					
At 1 April 2024	177,886	203,983	5,678	-	387,547
Charge for the year	50,779	29,834	2,000	-	82,613
At 31 March 2025	<u>228,665</u>	<u>233,817</u>	<u>7,678</u>	<u>-</u>	<u>470,160</u>
Net book value					
At 31 March 2025	<u>6,118,730</u>	<u>348,073</u>	<u>2,322</u>	<u>11,152,988</u>	<u>17,622,113</u>
At 31 March 2024	<u>6,169,509</u>	<u>107,652</u>	<u>4,322</u>	<u>2,214,550</u>	<u>8,496,033</u>

15 Stock

	2025 £	2024 £
Stocks	<u>1,200</u>	<u>1,435</u>

16 Debtors

	2025 £	2024 £
Trade debtors	43,135	16,746
Prepayments	61,267	29,340
Accrued income	30,369	241,492
Other debtors	35,181	-
	<u>169,952</u>	<u>287,578</u>

17 Current asset investments

	2025 £	2024 £
Listed investments	2,243,446	2,250,659
Interest bearing deposits	500,000	500,000
	<u>2,743,446</u>	<u>2,750,659</u>

Empower Youth Zones Ltd

Notes to the Financial Statements for the Year Ended 31 March 2025

	Listed Investments £
Cost or Valuation	
At 1 April 2024	2,250,658
Revaluation	(19,929)
Additions	2,743,472
Disposals	<u>(2,730,755)</u>
At 31 March 2025	<u><u>2,243,446</u></u>

18 Cash and cash equivalents

	2025 £	2024 £
Cash on hand	621	1,452
Cash at bank	3,519,540	2,510,609
Short-term deposits	<u>13,052</u>	<u>39,578</u>
	<u><u>3,533,213</u></u>	<u><u>2,551,639</u></u>

19 Creditors: amounts falling due within one year

	2025 £	2024 £
Trade creditors	762,822	626,045
Other taxation and social security	53,669	32,734
Other creditors	109,073	66,925
Accruals and deferred income	<u>1,218,759</u>	<u>915,909</u>
	<u><u>2,144,323</u></u>	<u><u>1,641,613</u></u>

20 Pension and other schemes

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £15,525 (2024 - £13,255).

Contributions totalling £4,899 (2024 - £2,654) were payable to the scheme at the end of the year are included in Other creditors.

Empower Youth Zones Ltd

Notes to the Financial Statements for the Year Ended 31 March 2025

21 Commitments

Capital commitments

The total amount contracted for but not provided in the financial statements was £835,086 (2024 - £10,030,838).

Empower Youth Zones Ltd

Notes to the Financial Statements for the Year Ended 31 March 2025

22 Funds

	Balance at 1 April 2024 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 March 2025 £
Unrestricted funds					
<i>General</i>					
Unrestricted Funds	4,094,423	1,732,295	(1,345,869)	(19,929)	4,460,920
Restricted funds					
Fixed Asset	8,346,210	9,195,752	(77,281)	-	17,464,681
Operational & activities	5,098	648,492	(653,590)	-	-
Total restricted funds	<u>8,351,308</u>	<u>9,844,244</u>	<u>(730,871)</u>	<u>-</u>	<u>17,464,681</u>
Total funds	<u>12,445,731</u>	<u>11,576,539</u>	<u>(2,076,740)</u>	<u>(19,929)</u>	<u>21,925,601</u>

Empower Youth Zones Ltd

Notes to the Financial Statements for the Year Ended 31 March 2025

	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 March 2024 £ (As restated)
Unrestricted funds						
<i>General</i>						
Unrestricted Funds	3,636,050	1,392,810	(1,283,723)	202,980	146,306	4,094,423
Restricted						
Fixed Asset	6,287,327	2,587,646	(320,685)	(208,078)	-	8,346,210
Operational & activities	-	-	-	5,098	-	5,098
Total restricted funds	<u>6,287,327</u>	<u>2,587,646</u>	<u>(320,685)</u>	<u>(202,980)</u>	<u>-</u>	<u>8,351,308</u>
Total funds	<u>9,923,377</u>	<u>3,980,456</u>	<u>(1,604,408)</u>	<u>-</u>	<u>146,306</u>	<u>12,445,731</u>
Prior year adjustment						

During the preparation of the financial statements a fundamental error was found in the prior period. It was discovered that the allocation of income and expenditure in relation to restricted and unrestricted funds had been incorrectly allocated.

As a result, the financial statements for the Year Ended 31 March 2024 have been restated thus;

Restricted funds have decreased by £202,980

Unrestricted funds have increased by £202,980

There has been no effect on profit for the current or prior year.

Empower Youth Zones Ltd

Notes to the Financial Statements for the Year Ended 31 March 2025

23 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 March 2025 £
Tangible fixed assets	14,117	17,607,997	17,622,114
Net current assets	4,446,803	(143,316)	4,303,487
Total net assets	<u>4,460,920</u>	<u>17,464,681</u>	<u>21,925,601</u>
	Unrestricted funds General £	Restricted funds £	Total funds at 31 March 2024 £ (As restated)
Tangible fixed assets	4,911	8,491,123	8,496,034
Net current assets	4,089,512	(139,815)	3,949,697
Total net assets	<u>4,094,423</u>	<u>8,351,308</u>	<u>12,445,731</u>

24 Analysis of net funds

	At 1 April 2024 £	Financing cash flows £	Changes in market value £	At 31 March 2025 £
Cash at bank and in hand	2,551,639	981,574	-	3,533,213
Current asset investments	2,750,658	12,717	(19,929)	2,743,446
Net debt	<u>5,302,297</u>	<u>994,291</u>	<u>(19,929)</u>	<u>6,276,659</u>
	At 1 April 2023 £	Financing cash flows £	Changes in market value £	At 31 March 2024 £
Cash at bank and in hand	1,862,283	689,356	-	2,551,639
Current asset investments	2,559,216	45,136	146,306	2,750,658
Net debt	<u>4,421,499</u>	<u>734,492</u>	<u>146,306</u>	<u>5,302,297</u>

Empower Youth Zones Ltd

Notes to the Financial Statements for the Year Ended 31 March 2025

25 Related party transactions

Waterland Private Equity Ltd

Waterland Private Equity Ltd is considered to be a related party by virtue of its relationship with Ryan Hallworth (Trustee).

During the year, Waterland Private Equity Ltd made donations of £25,500 (2024: £25,000).

At the end of the financial year £nil (2024: £nil) was due from Waterland Private Equity Ltd.

OnSide Youth Zones

OnSide Youth Zones is considered to be a related party by virtue of its relationship with James Masraff (Trustee).

During the year, income and donations of £94,360 (2024: £211,810) were received.

At the end of the financial year £10,601 (2024: £42,279) was due from OnSide Youth Zones.

During the year, goods and services were provided to the charity of £236,951 (2024: £266,305)

At the end of the financial year £64,341 (2024: £15,859) was due to OnSide Youth Zones.

The Bank of New York Mellon

The Bank of New York Mellon is considered to be a related party by virtue of its relationship with Sean Turner (Trustee).

During the year, The Bank of New York Mellon made donations of £16,870 (2024: £nil).

At the end of the financial year £nil (2024: £nil) was due from The Bank of New York Mellon.

Alvarez & Marsal Europe LLP

Alvarez & Marsal Europe LLP is considered to be a related party by virtue of its relationship with Jonathan Boyers (Trustee).

During the year, income and donations of £25,264 (2024: £nil) were received.

At the end of the financial year £264 (2024: £nil) was due from Alvarez & Marsal Europe LLP.

26 Control

There is no ultimate controlling party.

EMPOWER YOUTH ZONES LTD

England & Wales - Charity number 1179712

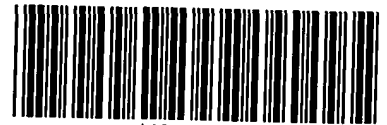
Accounts

Company no : 11309137
Charity no : 1179712

Empower Youth Zones Ltd

Trustees' Report and Financial Statements
For the year ended 31 March 2024

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COMPANIES HOUSE



An OnSide Youth Zone

Empower Youth Zones Ltd

Trustees' Report and Financial Statements
For the year ended 31 March 2024

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Trustees' Report and Financial Statements (including Strategic Report)

For the year ended 31 March 2024

The Trustees (who are also the Directors for the purpose of Company Law) have pleasure in presenting their annual report and the financial statements for the year ended 31 March 2024. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the Charity.

1 WHO WE ARE

Empower Youth Zones, operates purpose-built facilities for Manchester and Salford's young people aged 8 – 19, and up to 25 for those with additional needs.

The existing 'HideOut' Youth Zone site is located on Hyde Road in Gorton, Manchester and officially opened its door in September 2020. A second youth zone operated by Empower is due to open in early 2025.

Empower Youth Zones is part of a network of similar independent youth organisations that all share the same principles, developed by the charity OnSide Youth Zones (Reg No: 1125893). The Youth Zones provide 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 will take place each night, including football, boxing, dancing, climbing, creative arts, music, drama and employability training – all for just 50p per visit!

Our vision is that Children and Young People in Manchester and Salford are inspired to lead healthy, happy, safe and successful lives

Our mission is to ensure HideOut Youth Zone provides children and young people with somewhere safe to go, something positive to do and someone trusted to talk to.

To realise this vision, HideOut Youth Zone has worked towards 4 strategic goals in 2023/24:

1. **YOUNG PEOPLE** - Provide the highest-quality offer for all children and young people
2. **OUR PEOPLE** - Become an employer of choice for both existing and potential new employees
3. **SUSTAINABILITY** - Achieve longer term financial security which allows us to be ambitious and plan confidently into the future
4. **REPUTATION** - All stakeholders are aware of HideOut's vital impact and successes

Trustees' Report and Financial Statements (including Strategic Report)
For the year ended 31 March 2024

2 STRATEGIC REPORT

2.1 Objects and activities

Empower Youth Zone's charitable objects are to help and educate children and young people resident in the Cities of Manchester, Salford and surrounding areas through their leisure time activities by promoting their full physical and spiritual potential in order that they may grow to maturity as individuals and active members of society and their conditions of life may improve.

2.2 Achievements during the period

In 2023/24 the Charity's main achievements included:

- Securing planning permission for the new Salford Youth Zone development due to open in 2025.
- Starting the development of Salford Youth Zone, breaking ground in January 2024.
- Establishing a Young People Development Group for Salford Youth Zone which has enabled them to design and create a new name and brand for the youth zone and be involved in the exterior and interior design of the youth zone, participate in public events and develop their campaigning and public speaking skills.
- Growing our membership of children young people to over 8000, with over 3000 being active in the past 12 months. 44% of these identified as female vs 56% male. 19% identified as having additional needs. 90% are from the top 20% most deprived communities in the UK as per the IMD rankings (75% are in the top 10%)
- Providing on average over 400 meals per week with a total of just over 20,000 across the year. 100% of these meals were provided at no cost for some of our more vulnerable children and young people on free school meals.
- Securing over 1000 hours of corporate volunteering support.
- Growing our partnership offer in the year working with over 25 local partners across music, art, sports, employment and health. These partnerships continue to grow and enhance the offer and create further pathways for children and young people attending the Youth Zone.
- Facilitating 9 weeks of school holiday provision with over 50 Staff and Volunteers contributing to 65 activities, 2861 visits were recorded with over 4000 hot meals provided during the school holidays supported via 'Holiday Activity Fund' grants.
- Providing 144 formal training opportunities to staff and volunteers, including a new young leaders programme.
- 17 young people receiving their Duke of Edinburgh Bronze Award.
- 22 young people completing our Young Leaders Award.
- Hosting our third Annual Patrons Dinner with over 90 patrons and supporters attending. The evening was completely led by young people from the host, the catering, performances, tours, keynote speakers etc.

2.3 Financial review

Financial summary

A summary of the results is shown below :

	2024	2023
	£	£
Incoming resources	3,980,455	1,665,864
Outgoing resources	(1,604,410)	(1,419,706)
Net incoming resources (before investment gains and losses)	<u>2,376,045</u>	<u>246,158</u>

Income for the year was £3,980,455 (2023: £1,665,864). Restricted income for the Salford Capital Project for the year total £2,587,645. Patron income (including Gift Aid) for the year totalled £470,865 (2023: £761,592) and £200,000 (2023: £200,000) was received from Manchester City Council towards the ongoing running costs of the Charity. During the year £117,466 (2023: £133,382) was received in the form of Grants.

Expenditure for the year increased to £1,604,410 (2023: £1,419,706), with £1,083,251 (2023: £849,669) being spent on salaries. This was still less than the original budget due to vacancies.

At the end of the period Unrestricted Reserves were £3,662,337 (2023: £3,636,050).

Trustees' Report and Financial Statements (including Strategic Report)
For the year ended 31 March 2024

2.4 Risk Management

The Trustees have considered the major risks to which the Charity is exposed and have established suitable risk management and control procedures. At present the primary risks identified relate to:

- **Fundraising** - increasing the number of patrons and maintaining a high-quality stewardship experience with existing Patrons remains a high risk due to ongoing gaps in our Fundraising Team. The appointment of our new Director of Fundraising and Comms will help to mitigate this risk
- **Staffing and Operations** - relating to the recruitment, retention and development of key delivery staff and volunteers as well as operations

Regulatory Risk is the responsibility of the CEO, Director of Operations and Building and Facilities Manager who manage Health and Safety, Fire and other statutory risk areas. The CEO has developed a full risk register including mitigation and control measures which is shared regularly with the board.

2.5 Principal Funding Sources and Fundraising Statement

The Directors wish to record their thanks to Mr Fred Done, Manchester City Council (MCC) and Salford City Council (SCC) for their ongoing support to the Charity. The Directors also thank the following individuals and businesses who have also pledged to support the revenue campaign (in 2023/24); ANS Group, Paul Shannon, Godel Technologies, Theo Paphitis Foundation, Bruntwood, The JD Foundation, Beyond Corporate and the This Is Manchester Awards, Steve Malone and family, Robbie Hargreaves and family, One Manchester, Eric Wright Charitable Trust, Together Money, AO Foundation, Mission Mars, Houlihan Lokey, David M Robinson Ltd, Lendlease, Penelope Cheshire Foundation, Onside Foundation, The Manchester Ball, LivingBridge, Inflexion, ATPI Group, Raheem Sterling Foundation, SIS, Zochonis Charitable Trust, Waterland, Bank of New York, JLL and Mr Investa.

The fundraising priority this year has focused on diversifying the income portfolio for HideOut Youth Zone and launching the Founder Patron campaign for Salford Youth Zone. To support this, a senior Philanthropy Manager and a Corporate Fundraising Manager were recruited. The charity's Director of Fundraising and Communications works closely with the CEO and Chair of Empower Youth Zones to plan activity and monitor performance relating to this campaign through a Fundraising Sub Board Committee. Empower Youth Zones is registered with the Fundraising Regulator and complies with the Fundraising Code of Practice.

The Charity does not use external fundraisers and there have been no complaints made to the Charity about its fundraising methods.

2.6 Reserves Policy

The Board of Trustees of Empower Youth Zones has established a reserves policy which appropriately reflects the risks to which the Charity is exposed.

The current appropriate reserve range is determined by considering:

- The current level of planned expenditure as we grow to have 2 youth zones fully operational from 2025. The current annual expenditure is circa £2.3m set to increase to £3.2m when Salford Youth Zone opens in 2025. The Trustees consider that the appropriate reserves range should be in the region of a multiple in the range of 1-1.5 years' worth of the overheads i.e. £3m to £4.5m. This will create a level of endowment fund that could be invested to generate considerable amounts of annual income from these investment portfolios to reduce reliance on short-term funding sources.
- Specific designated contingencies. The Trustees will consider various risks that will impact the appropriate level of reserves to hold, these currently include:
 - 'Year 4 risk' – As a new Youth Zone, many Founder Patrons have pledged a 4-year commitment with many of these initial commitments due to expire at the same time. While the Trustees hope that all Founder Patrons will continue their support, to recognise the risk that not all are able to in the current economic climate and to ensure there is time to secure replacement funding, the Trustees wish to hold a specific contingency related to this risk. This reserve is calculated as multiple of Founder Patrons that are due to renew each year, and this can be amended as Founder Patrons commit beyond their initial term, and/or as the risk of future non-commitment changes. The Trustees currently wish to hold a designated reserve of £500k against this risk, equating to 12 Founder Patron gifts of £25k, plus £200k in annual pledged support from the Local Authority.
 - Capital reserve – The Trustees appreciate that as a new Youth Zone the current capital equipment that is installed in the Youth Zone is of an excellent standard. In order to maintain that standard, the Trustees believe that a designated capital reserve should be held, to be called up to ensure that any equipment that is in need of repair or replacement can be done so on a timely basis and to the desired standard. The level of this reserve will be regularly reviewed. The Trustees currently feel that a designated capital reserve of £250k is appropriate.
- General contingency. The Trustees currently feel that a general reserve of £375k to cover a minimum of 3 months operating costs is appropriate.

Given the aforementioned reserve requirements, the Trustees believe that total reserves in a range of £1.5m to £4.125m is appropriate. This will be reviewed at least once per annum by the Trustees.

Trustees' Report and Financial Statements (including Strategic Report)
For the year ended 31 March 2024

2.7 Investment Policy

Under the memorandum and articles of association, the charitable company has the power to make any investment which the Trustees see fit. Investments are made where required to further the aims and objects of the Charity.

In 2023/24 HideOut Youth Zone continued to hold investment portfolios totalling £2,750,658 with Brewin Dolphin and Goldentree Financial Services PLC. The Charity holds 3 investment portfolios across both organisations (2 with Brewin Dolphin and 1 with GoldenTree) and as at 31st March 2023 the value of the investment was £2,559,216.

2.8 Future Plans & Covid Recovery

Going into 2024/25 which is the final year of the current strategic plan period (2022-25) we will continue to work towards our 4 strategic objectives:

YOUNG PEOPLE - Provide the highest-quality offer for all children and young people

We will:

- Build on our Duke of Edinburgh and AQA unit programmes to offer certificates of achievement, bronze and silver awards.
- Continue to deliver at least 35 hours of open access universal provision weekly.
- Maintain active membership of 2000 young people with an average of 900 weekly visits, average of 113 young people per session.
- Deliver at least 9 weeks of school holiday provision during the day with up to 50 places offered free for those on FSM.
- Continue to work with local partners to maintain an integrated and engaging offer.
- Build on our strategic position with regards to local partnership and safeguarding forums.
- Facilitate at least 3 overnight residential experiences for Juniors, Seniors and Inclusion members.

OUR PEOPLE - Become an employer of choice for both existing and potential new employees

We will:

- Progress to a 'Member' of the GM Good Employment charter.
- Facilitate at least 2 all staff and volunteer values/development days.
- Secure an average of 200 volunteer hours per month.
- Offer at least 2 staff/volunteers a level 2 youth work qualification.
- Support at least 2 staff to complete management training.
- Launch new HR Kronos System.
- Implement new HR and H&S advisory service with Peninsula.
- Provide 2x apprenticeships.
- Recruit new People and Business Manager and Training Manager.

SUSTAINABILITY - Achieve longer term financial security which allows us to be ambitious and plan confidently into the future

We will:

- Add capacity by recruiting to the existing Fundraising team to include a Data Insights Manager shared with Wigan Youth Zone.
- Establish a 3-year income generation strategy.
- Maintain and grow the current Patron supporter group for both Salford and HideOut Youth Zones.
- Launch new corporate giving programme.
- Continue to review investment portfolios to ensure unrestricted reserves are adding value and are being protected against growing interest rates.
- Recruit FT Senior Finance Manager that will oversee Empower's financial management functions across both sites.

REPUTATION - All stakeholders are aware of HideOut's vital impact and successes

We will:

- Establish youth-led communications and marketing which celebrates young people's successes & achievements.
- Secure 1-2 media opportunities each month.
- Plan and deliver at least 4 youth-led campaigns that elevate their voices.
- Grow following, interactions and engagements across all social media platforms via targeted and generic communication campaigns.
- Secure 4-5 Award nominations.

SALFORD YOUTH ZONE

- Host groundbreaking and first look events with key stakeholders and supporters.
- Practical completion by the end of April 2025.
- Create year-round opportunities for the Young People's development group to influence and shape decision making relating to facilities design, recruitment, fundraising and partners engagement.
- Build on existing and develop new key relationships with VCS, Public and Private sector partners across Salford.
- Secure 20 new patrons by April 2025.

3 GOVERNANCE

3.1 Reference and administrative details

Empower Youth Zones was incorporated on 13 April 2018 (Company registration number: 11309137) as a company limited by guarantee and registered as a charity on 29 August 2018 (Charity registration number: 1179712).

Trading names

Empower Youth Zones
HideOut Youth Zone
Salford Youth Zone

Registered office

1 Queen's Avenue
Manchester
M12 5PX

Directors & Trustees

The Directors and Trustees of the Charity who served during the period and were:

J Whittaker	Chair
P Kirszanek	
T Pepper	
J Masraff	
P Medlicott	
B Sheikh	
V Braddock	
J Atkins	

Chief Executive

A Farricker

Auditor

Michael Garrett FCA
Xeinadin Audit Limited
100 Barbirolli Square
Manchester
M2 3BD

Web-site

www.hideoutyouthzone.org

Bankers

Handelsbanken
Manchester Spinningfields Branch
4th Floor, 15 Quay Street
Manchester
M3 3HN

Barclays
1 Churchill Place
London
E14 5HP

**Trustees' Report and Financial Statements (including Strategic Report)
For the year ended 31 March 2024**

3.2 Structure, governance and management***Governing Document***

Empower Youth Zones is a company limited by guarantee without share capital and registered under the Companies Act 1985, registration number 11309137. The company is governed by its Memorandum and Articles of Association dated 21 March 2018 and update in January 2023. Management of the company's affairs is vested in the co-Directors. It is a Charity registered with the Charity Commission on 29 August 2018.

In the event of a winding-up, the present members and those who have ceased to be a member within one year of such an event have guaranteed the liabilities of the company to the sum not exceeding ten pounds each.

Recruitment and appointment of Trustees (Directors)

The first Directors were the subscribers to the memorandum as notified to Companies House as the first Directors of the Charity. A person appointed as a Director thereupon becomes a Member of the Charity and a Director who ceases to hold office for any reason thereupon ceases to be a Member of the Charity. Directors have the power to appoint, by ordinary resolution, any person to be a Director who is willing to act as such. New Directors will be recruited according to the needs of the Charity and the suitability of possible candidates. A unanimous approval of existing Directors would lead to their appointment.

The Memorandum and Articles of Association states that the number of members (Directors) shall have no maximum and shall not be less than three. At the first Annual General Meeting all Directors must retire and seek 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 of the Charity are its Directors for the time being and the only persons eligible to be Members of the Charity are its Directors.

Full details of the rules are contained in the company's Memorandum and Articles of Association, dated on incorporation on 21 March 2018, which may be inspected at the Empower Youth Zones registered office.

Trustees induction and training

All trustees receive a full induction and training inclusive of, safeguarding, risk management, fundraising, role of a trustee and sustainability ahead of formal appointment. All key policies, the organisation structure and articles of association are shared. Training and development needs are reviewed at least annually and as and when any trustees are appointed or resign.

Organisational Structure

Empower Youth Zones 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 Empower Youth Zones and for ensuring that the Charity satisfies its legal and contractual obligations. Trustees meet approximately every two months and may delegate the implementation of their decisions or day-to-day operation of the organisation to senior management, any employee of the Charity, person or committee as they see fit. Any committee must include at least one Trustee. The Trustee Board is independent from management.

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

Related party transactions

Transactions with related parties are disclosed in note 15 to the financial statements and in accordance with paragraph 163 of the SORP (Accounting and reporting by charities: Statement of Recommended Practice (SORP 2005)).

Remuneration Policy

The Directors consider the board of Directors, who are the Charity's trustees, and the senior management team comprise the key management personnel of the Youth Zone in charge of directing and controlling, running and operating the Charity on a day-to-day basis. All Directors give of their time freely and no Director received remuneration in the year. Details of Directors' expenses and related party transactions are disclosed in Note 18 to the accounts.

The pay of the full staff team is reviewed annually and, if financial resources allow, normally increased in accordance with projected Government inflation rates taking into account CPI and RPI. In view of the nature of the charity, the Directors benchmark against pay levels in other similar charities in the voluntary sector, as well as across the OnSide Youth Zone Network.

3.3 Volunteers' contribution

Throughout the period all members of the Board of Trustees made invaluable voluntary contributions to the Charity's work in terms of governance, professional and business experience, financial planning, fundraising and leading initiatives across the project. Such contributions were, on average, equivalent to two full days each calendar month. 15 registered volunteers have been trained, inducted and active within the period providing on average 150 hours of volunteering per month.

3.4 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, centrally located facility for young people responds to a clear, ongoing demand from young people, parents and wider communities for more and better places for young people to go. Although providing a service to all young people, Empower Youth Zones will focus on attendance and participation by young members of disadvantaged communities who will be able to enjoy affordable access to all the opportunities that the facilities will provide. This will lead to improved achievements and enhanced aspirations amongst young members of the local community. They will be happier, healthier and make more constructive use of their leisure time which consequently will help reduce nuisance and anti-social behaviour. Longer term public benefits will include improved health, reduced crime, enhanced learning and employability and greater community cohesion.

**Trustees' Report and Financial Statements (including Strategic Report)
For the year ended 31 March 2024**

3.5 Statement of Trustees' responsibilities

The Trustees (who are also the Directors of Empower Youth Zones for the purpose of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- 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 in business.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In so far as the Trustees are aware at the time of approving our Trustees' annual report:

- There is no relevant information, being information needed by the auditor in connection with preparing their report, of which the Charity's auditor is unaware; and
- The Trustees, having made enquiries of fellow Directors and the Charity's auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Compliance with accounting standards

In accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Directors Report) Regulations 2013, the company has prepared a strategic report, which includes information that would previously been included in the Trustees' Report.

The financial statements comply with current statutory requirements, the company's Memorandum and Articles of Association and the Charities SORP.

Auditors

A proposal to reappoint Xeinadin Audit Limited as auditor of the Charity will be put to the Annual General Meeting.

The Trustees Report, including the Strategic Report, was approved and was signed on behalf of the Trustees by :



J Whittaker
Chair, Company Director and Trustee

Date : 24 October 2024

**Independent Auditor's Report to the Members
For the year ended 31 March 2024**

We have audited the financial statements of Empower Youth Zone (the 'charitable company') for the year ended 31 March 2024 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 Company's affairs as at 31 March 2024 and of its income and expenditure, for the period 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 charitable company 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 Charitable Company'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 Trustees are responsible for the other information. The other information comprises the information included in the Trustees' report other than the financial statements and our auditor's report thereon.

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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 the audit:

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

Independent Auditor's Report to the Members (continued)
For the year ended 31 March 2024

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

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

- the information given in the Trustee's Annual Report is inconsistent in any material respect with the financial statements; or
- the Charitable Company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.
- the Trustees' were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 9, the Trustees (who are also the Directors of the Charitable Company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 charitable company'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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities including fraud and non-compliance with laws and regulations we have considered the following:

- The nature of the industry and sector, control environment and business performance including the Charitable Company's remuneration policies;
- Results of the enquiries of management about their own identification and assessment of the risks of irregularities;
- Any matters we have identified having obtained and reviewed the company's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
 - the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas: income recognition. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

**Independent Auditor's Report to the Members (continued)
For the year ended 31 March 2024**

We also obtained an understanding of the legal and regulatory frameworks that the Charitable Company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included UK Companies Act, Charities Act, Health and Safety Laws and Environmental Regulations.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

Audit response to risks identified

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing correspondence with HMRC; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

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

Use of our report

This report is made solely to the Charity'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 Charity'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 Charity and the Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



Michael Garrett (Senior Statutory Auditor)
For and on behalf of Xeinadin Audit Limited
100 Barbirolli Square
Manchester
M2 3BD

Date : 24 October 2024

Statement of Financial Activities (including Income and Expenditure Report)
For the year ended 31 March 2024

	Note	Unrestricted 2024 £	Restricted 2024 £	TOTAL 2024 £	TOTAL 2023 £
INCOME FROM					
- Donations and legacies	3	1,079,294	2,587,645	3,666,939	1,404,996
- Charitable activities	4	174,782	-	174,782	197,598
- Investments	5	138,734	-	138,734	63,270
Total income		1,392,810	2,587,645	3,980,455	1,665,864
EXPENDITURE					
<i>Expenditure on Charitable Activities</i>					
- Operating costs	6	1,275,893	320,687	1,596,580	1,413,066
- Governance costs		7,830	-	7,830	6,640
Total Expenditure		1,283,723	320,687	1,604,410	1,419,706
Net income (expenditure) before gains on investments		109,087	2,266,958	2,376,045	246,158
Net gains (losses) on investments	13	146,306	-	146,306	(138,018)
Net income (expenditure)	7	255,393	2,266,958	2,522,351	108,140
Fund balance at 31 March 2023		3,636,050	6,287,327	9,923,377	9,815,237
Fund balance at 31 March 2024	16	3,891,443	8,554,285	12,445,728	9,923,377

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

All income and expenditure derive from continuing activities.

Balance Sheet
As at 31 March 2024

Company no : 11309137
Charity no : 1179712

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	11	8,496,034	6,842,016
Current assets			
Stock		1,435	2,384
Debtors	14	327,155	120,439
Investments	13	2,750,658	2,559,216
Cash at bank and in hand		2,512,061	1,862,283
		5,591,309	4,544,322
Creditors : amounts falling due within one year	15	(1,641,615)	(1,462,961)
Net current assets		3,949,694	3,081,361
Net assets		12,445,728	9,923,377
FUNDS			
Unrestricted funds	17	3,891,443	3,636,050
Restricted funds	17	8,554,285	6,287,327
		12,445,728	9,923,377

The financial statements on pages 13 to 21 were approved and authorised for issue by the Board of Trustees and signed on its behalf by:



J Whittaker
Chair, Company Director and Trustee

Date : 24 October 2024

Statement of Cashflows
For the year ended 31 March 2024

	2024	2023
	£	£
Cash flow from operating activities	2,283,289	1,645,584
Cash flow from investing activities		
Interest received	54,067	8,824
Investment income	84,667	54,446
Purchase of investments	(776,699)	(1,131,415)
Disposal of investments	731,563	1,094,762
Payments to acquire tangible fixed assets	(1,745,599)	(665,505)
Increase in cash and cash equivalents	631,288	1,006,696
Cash and cash equivalents at 1 April 2023	1,920,351	913,655
Cash and cash equivalents at 31 March 2024	2,551,639	1,920,351
Cash and cash equivalents consists of:		
Short term deposits	39,578	58,068
Cash at bank and in hand	2,512,061	1,862,283
	2,551,639	1,920,351
Reconciliation of net income to net cash flow from operating activities	2024	2,023
	£	£
Net income for the year	2,522,351	108,140
Depreciation	91,581	112,623
(Gains) / losses on investments	(146,306)	138,018
Investment income	(138,734)	(63,270)
Decrease / (increase) in stock	949	(661)
(Increase) / decrease in debtors	(225,206)	20,759
Increase in creditors	178,654	1,329,975
Net cash flow from operating activities	2,283,289	1,645,584

Notes to the Financial Statements
For the year ended 31 March 2024

1 General information

Empower Youth Zone, formerly known as Manchester Youth Zone - East, is a charitable company limited by guarantee in the United Kingdom. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the Charity. The address of the registered office is given in the Charity information on page 1 of these financial statements. The nature of the Charity's operations and principal activities are to build, deliver and sustain a Youth Zone in the East Manchester area.

The Charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

2 Accounting policies**i. Basis of preparation**

The financial statements are prepared on a going concern basis under the historical cost convention. The financial statements are prepared in sterling which is the functional currency of the Charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

ii. Funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

iii. Income recognition

All income is included in the Statement of Financial Activities (SoFA) when the Charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the Charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the Charity and it is probable that they will be fulfilled.

Investment income represents amounts receivable in respect of the period. Accrued income is recognised on investments up to the balance sheet date.

Grants in connection with the job retention scheme are recognised in the period to which the underlying staff costs relate to.

iv. Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred.

Charitable expenditure

Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities and services. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs

Governance costs include those 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.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis.

Notes to the Financial Statements
For the year ended 31 March 2024

v. **Tangible fixed assets**

Fixed assets costing more than £250 are capitalised and included on the balance sheet at cost. These reflect the initial planning and development costs of the asset under construction.

Fixed assets are depreciated so as to write off the cost or valuation, less anticipated residual value, over their anticipated useful lives, subject to annual review, as follows:

Leasehold property	0.8% based on a lease of 125 years
Fixtures and fittings	25% reducing balance
Computer equipment	33% straight line
Gym equipment	20% straight line
Catering equipment	33% straight line
Plant & machinery	25% reducing balance

vi. **Investments**

Listed investments are shown at market value at the balance sheet date.

vii. **Debtors and creditors receivable/payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

viii. **Tax**

The Charity is an exempt Charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

ix. **Going concern**

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the Charity to be able to continue as a going concern.

x. **Pensions**

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

3 Income from Donations and Legacies

	Unrestricted	Restricted	TOTAL	TOTAL
	2024	2024	2024	2023
	£	£	£	£
Donations - capital	24	2,214,550	2,214,574	141,628
Donations - other	274,239	373,095	647,334	132,092
Grants, trusts & foundations	117,466	-	117,466	133,382
OnSide Foundation - DCMS Community Matched Funding	-	-	-	30
Local Authority	206,700	-	206,700	200,000
Founder patrons	470,865	-	470,865	761,592
Gift Aid	10,000	-	10,000	36,272
	1,079,294	2,587,645	3,666,939	1,404,996

Notes to the Financial Statements
For the year ended 31 March 2024

4 Income from Charitable Activities	Unrestricted	Restricted	TOTAL	TOTAL
	2024	2024	2024	2023
	£	£	£	£
Young People's activity sessions	106,541	-	106,541	110,985
Facility hire	68,241	-	68,241	86,613
	174,782	-	174,782	197,598
5 Investment Income	Unrestricted	Restricted	TOTAL	TOTAL
	2024	2024	2024	2023
	£	£	£	£
Bank interest received	54,067	-	54,067	8,824
Income from investments	84,667	-	84,667	54,446
	138,734	-	138,734	63,270
6 Operating costs	Unrestricted	Restricted	TOTAL	TOTAL
	2024	2024	2024	2023
	£	£	£	£
Staff wages & salaries	938,229	145,022	1,083,251	849,699
Staff travel expenses	5,695	149	5,844	1,493
Freelance and Agency staff	6,005	-	6,005	5,532
Fundraising & Events	8,349	693	9,042	6,910
Staff and Volunteers DBS checks	3,080	-	3,080	1,535
Staff Uniform	991	-	991	1,643
Telephone	3,306	-	3,306	1,931
Stationery	2,706	-	2,706	3,582
Hospitality	824	-	824	1,342
Computer costs	33,883	11,511	45,394	29,683
Office supplies	(33,035)	-	(33,035)	33,035
Donations	21,876	3,124	25,000	25,000
Sundry Expenses	5,585	-	5,585	3,893
Insurance	26,786	-	26,786	17,585
Marketing costs	2,191	1,250	3,441	4,811
Legal & professional	20,230	56,673	76,903	16,982
Licences	6,827	-	6,827	5,313
Training	8,314	1,080	9,394	8,585
Trips and Residentials	8,608	365	8,973	4,602
Youth Work costs	23,618	664	24,282	37,362
Catering Supplies	42,092	-	42,092	44,536
Catering Equipment	196	-	196	160
Recruitment	13,055	8,574	21,629	20,438
Premises Costs	124,511	-	124,511	173,735
Depreciation	-	91,581	91,581	112,623
Bank charges	1,972	-	1,972	1,056
	1,275,893	320,687	1,596,580	1,413,066

Notes to the Financial Statements
For the year ended 31 March 2024

7 Net income (expenditure)	2024	2023
	£	£

Net income / movement in funds is stated after charging :

Depreciation	91,581	112,623
Audit Fee	7,830	6,640

8 Taxation

Empower Youth Zone is a registered Charity. All the company's income is applied to its charitable objectives and the Company is therefore exempt under current legislation from most forms of taxation.

9 Staff costs and numbers	2024	2023
	£	£
Wages	1,008,543	789,439
Social security	61,453	48,473
Pensions	13,255	11,787
	1,083,251	849,699

No employee earned more than £71,500 in the year (2023: £64,583)

	2024	2023
	Number	Number
Average number of employees	63	58

The aggregate remuneration of the Key Management Personnel, comprising the Chief Executive, Business Administration Manager, Head of Youth Work & Head of Fundraising was £215,244 (2023: £166,100)

10 Trustee remuneration and expenses

Expenses of £Nil have been paid to the Trustees during this period (2023: £14)

11 Tangible fixed assets

	<i>Assets Under Construction</i>	<i>Leasehold Land & Buildings</i>	<i>Computer Equipment</i>	<i>Fixtures & Equipment</i>	<i>Motor Vehicles</i>	<i>TOTAL</i>
	£	£	£	£	£	£
Cost						
At 1 April 2023	-	6,816,346	61,692	249,944	10,000	7,137,982
Additions	-	1,745,599	-	-	-	1,745,599
Reclassification	2,214,550	(2,214,550)	-	-	-	-
Disposals	-	-	-	-	-	-
At 31 March 2024	2,214,550	6,347,395	61,692	249,944	10,000	8,883,581
Depreciation						
At 1 April 2023	-	127,012	57,186	108,094	3,674	295,966
Charge for the year	-	50,874	4,506	34,197	2,004	91,581
Disposals	-	-	-	-	-	-
At 31 March 2024	-	177,886	61,692	142,291	5,678	387,547
Net book value						
At 31 March 2024	2,214,550	6,169,509	-	107,653	4,322	8,496,034
At 1 April 2023	-	6,689,334	4,506	141,850	6,326	6,842,016

Notes to the Financial Statements
For the year ended 31 March 2024

12 Capital commitments		2024	2023	
		£	£	
Contracted for		10,030,838	-	
13 Investments		2024	2023	
		£	£	
The Charity has invested surplus funds as follows:				
Interest bearing deposits		500,000	500,000	
Listed investments		2,250,658	2,059,216	
		2,750,658	2,559,216	
		2024	2023	
		£	£	
At 1 April 2023		2,559,216	2,660,581	
Additions		776,699	1,131,415	
Disposals		(731,563)	(1,094,762)	
Change in market value		146,306	(138,018)	
At 31 March 2024		2,750,658	2,559,216	
14 Debtors		2024	2023	
		£	£	
Trade debtors		56,324	16,401	
Prepayments and accrued income		270,831	45,970	
		327,155	62,371	
15 Creditors : amounts falling due within one year		2024	2023	
		£	£	
Trade creditors		626,045	73,316	
Other creditors		99,662	79,914	
Accruals		28,833	53,731	
Deferred Income		887,075	1,256,000	
		1,641,615	1,462,961	
16 Movement in funds				
The movement in funds for the year is as follows:				
	<i>Opening</i>	<i>Income</i>	<i>Expenditure</i>	<i>Closing</i>
	<i>Balance</i>			<i>Balance</i>
	£	£	£	£
Unrestricted Funds	3,636,050	1,539,116	(1,283,723)	3,891,443
Restricted funds				
- Restriced Funds - Fixed assets	i. 6,287,327	2,587,645	(320,687)	8,554,285
	6,287,327	2,587,645	(320,687)	8,554,285
	9,923,377	4,126,761	(1,604,410)	12,445,728

i. All of the fixed assets restricted funds represent amounts received for the construction and development of the new Youth Zone facilities.

Notes to the Financial Statements
For the year ended 31 March 2024

16 Movement in funds (continued)

The movement in funds for the prior year is as follows:

	<i>Opening Balance</i>	<i>Income</i>	<i>Expenditure</i>	<i>Closing Balance</i>
	£	£	£	£
Unrestricted Funds	3,483,287	1,459,846	(1,307,083)	3,636,050
Restricted funds	6,331,950	68,000	(112,623)	6,287,327
	9,815,237	1,527,846	(1,419,706)	9,923,377

17 Analysis of net assets between funds

	<i>Unrestricted funds 2024</i>	<i>Restricted funds 2024</i>	<i>Total funds 2024</i>	<i>Total funds 2023</i>
	£	£	£	£
Tangible fixed assets	-	8,496,034	8,496,034	6,842,016
Net current assets	3,891,443	58,251	3,949,694	3,081,361
	3,891,443	8,554,285	12,445,728	9,923,377
	<i>Unrestricted funds 2023</i>	<i>Restricted funds 2023</i>	<i>Total funds 2023</i>	<i>Total funds 2022</i>
	£	£	£	£
Tangible fixed assets	-	6,842,016	6,842,016	6,289,134
Net current assets	3,636,050	(554,689)	3,081,361	3,526,103
	3,636,050	6,287,327	9,923,377	9,815,237

18 Related party transactions

There were no Related Party transactions during the year (2023: Nil)

19 Control

There is no ultimate controlling party.

EMPOWER YOUTH ZONES LTD

England & Wales - Charity number 1179712

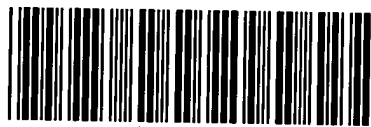
Accounts

Company no : 11309137
Charity no : 1179712

Empower Youth Zones
formerly Manchester Youth Zone - East

Trustees' Report and Financial Statements
For the year ended 31 March 2023

THURSDAY



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COMPANIES HOUSE

EMPOWER
MANCHESTER · SALFORD

HIDE
OUT
An **OnSide** Youth Zone

Empower Youth Zones

Trustees' Report and Financial Statements
For the year ended 31 March 2023

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Trustees' Report and Financial Statements (including Strategic Report) For the year ended 31 March 2023

The Trustees (who are also the Directors for the purpose of Company Law) have pleasure in presenting their annual report and the financial statements for the year ended 31 March 2023. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the Charity.

1 WHO WE ARE

Empower Youth Zones, operates purpose-built facilities for Manchester and Salford's young people aged 8 – 19, and up to 25 for those with additional needs.

The existing 'HideOut' Youth Zone site is located on Hyde Road in Gorton, Manchester and officially opened its doors in September 2020. A second youth zone operated by Empower is due to open in early 2025.

Empower Youth Zones is part of a network of similar independent youth organisations that all share the same principles, developed by the charity OnSide Youth Zones (Reg No: 1125893). The Youth Zones provide 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 will take place each night, including football, boxing, dancing, climbing, creative arts, music, drama and employability training – all for just 50p per visit!

Our vision is that Children and Young People in Manchester and Salford are inspired to lead healthy, happy, safe and successful lives.

Our mission is to ensure HideOut Youth Zone provides children and young people with somewhere safe to go, something positive to do and someone trusted to talk to.

To realise this vision, HideOut Youth Zone has worked towards 4 strategic goals in 2022/23:

1. **YOUNG PEOPLE** - Provide the highest-quality offer for all children and young people
2. **OUR PEOPLE** - Become an employer of choice for both existing and potential new employees
3. **SUSTAINABILITY** - Achieve longer term financial security which allows us to be ambitious and plan confidently into the future
4. **REPUTATION** - All stakeholders are aware of HideOut's vital impact and successes

2 STRATEGIC REPORT

2.1 Objects and activities

Empower Youth Zone's charitable objects are to help and educate children and young people resident in the Cities of Manchester, Salford and surrounding areas through their leisure time activities by promoting their full physical and spiritual potential in order that they may grow to maturity as individuals and active members of society and their conditions of life may improve.

2.2 Achievements during the period

In 2022/23 the Charity's main achievements included:

- Securing £16.3m towards a new Youth Zone in Salford. This will be the first time in the Onside Network that a single youth zone Charity will operate 2 youth zones. As a result, the Charity legally changed its name to Empower Youth Zones and the Charity Objects to include the City of Salford. The mix of Capital and Revenue funding was secured via existing major capital donor Fred Done, Salford City Council and the final capital funding was secured via the DCMS Youth Investment Fund.
- Growing our membership of children young people to over 6000, with over 3000 being active in the past 12 months. 44% of these identified as female vs 56% male. 18% identified as having additional needs. 90% are from the top 20% most deprived communities in the UK as per the IMD rankings (75% are in the top 10%).
- Providing on average over 400 meals per week with a total of just over 20,000 across the year. 45% of these meals were provided at no cost for some of our more vulnerable children and young people on free school meals.
- Launching as a Duke of Edinburgh licenced centre with 96 young people completing their Certificate of Achievement with 22 completing their full Bronze award.
- Growing our partnership offer in the year working with over 25 local partners across music, art, sports, employment and health. These partnerships continue to grow and enhance the offer and create further pathways for children and young people attending the Youth Zone.
- Facilitating 13 weeks of school holiday provision with over 41 Staff and Volunteers contributing to 65 activities, 2861 visits were recorded with over 4000 hot meals provided during the school holidays supported via 'Holiday Activity Fund' grants.
- Becoming a Real Living Wage Employer, launching a new, staff and volunteer recognition and Employee Assistance Programme.
- Being accredited as a 'Supporter' of the Greater Manchester Good Employment Charter to support our strategic aim of becoming an employer of choice.
- Providing 144 formal training opportunities to staff and volunteers, including a new young leaders programme.
- Winning our first ever 3 awards in 2022: The Duke of Edinburgh NW challenge Award, the Spirit of Manchester - Tackling Inequalities and promoting Diversity Award and the Manchester Be Proud Award - Organisation of the Year.
- Hosting our second Annual Patrons Dinner with over 90 patrons and supporters attending. The evening was completely led by young people from the MC/host, the catering, performances, tours, keynote speakers etc.

Trustees' Report and Financial Statements (including Strategic Report)
For the year ended 31 March 2023

2.3 Financial review

Financial summary

A summary of the results is shown below :

	2023	2022
	£	£
Incoming resources	1,665,864	1,396,263
Outgoing resources	<u>(1,419,706)</u>	<u>(1,125,338)</u>
Net incoming resources (before investment gains and losses)	<u>246,158</u>	<u>270,925</u>

Income for the year was £1,665,864 (2022: £1,396,263). Patron income (including Gift Aid) for the year totalled £761,592 (2022: £744,493) and £200,000 (2022: £200,000) was received from Manchester City Council towards the ongoing running costs of the Charity. During the year £133,382 (2022: £151,062) was received in the form of Grants including £59,934 from the Holiday Activity and Food (HAF) programme to provide free meals and activity during holiday periods for young people on Free School Meals.

Expenditure for the year increased to £1,419,706 (2022: £1,125,338), with £849,669 (2022: £711,960) being spent on salaries. This was still less than the original budget due to vacancies. Utility costs increased to £102,229 (2022: £42,416).

At the end of the period Unrestricted Reserves were £3,636,050 (2022 - £3,483,287).

2.4 Risk Management

The Trustees have considered the major risks to which the Charity is exposed and have established suitable risk management and control procedures. At present the primary risks identified relate to:

- **Fundraising** - increasing the number of patrons and maintaining a high-quality stewardship experience with existing Patrons remains a high risk due to ongoing gaps in our Fundraising Team. The appointment of our new Director of Fundraising and Comms will help to mitigate this risk
- **Staffing and Operations** - relating to the recruitment, retention and development of key delivery staff and volunteers as well as operations

Regulatory Risk is the responsibility of the CEO, Business Admin Manager and Building and Facilities Manager who manage Health and Safety, Fire and other statutory risk areas. The CEO has developed a full risk register including mitigation and control measures which is shared regularly with the board.

2.5 Principal Funding Sources and Fundraising Statement

The Directors wish to record their thanks to Mr Fred Done and Manchester City Council (MCC) for their ongoing support to the Charity. The Directors also thank the following individuals and businesses who have also pledged to support the revenue campaign (in 2022/23); Transforming Lives, ANS Group, Paul Shannon, Godel Technologies, Theo Paphitis Foundation, Bruntwood, The JD Foundation, Beyond Corporate and the This Is Manchester Awards, Steve Malone and family, Robbie Hargreaves and family, One Manchester, Eric Wright, Together Money, AO Foundation, Mission Mars, Houlihan Lokey, David M Robinson Ltd, Anthony Morrow/Open Money, Lendlease, Penelope Cheshire Foundation, Onside Foundation, The Manchester Ball, Livingbridge, Inflexion, Equistone, ATP Group, Raheem Sterling Foundation, SIS, Zochonis Charitable Trust, Salford City Council.

The fundraising priority this year has continued to focus on Hideout's Patron Campaign but with a view to diversifying the income portfolio. To support this a philanthropy Manager and a Grants and Trusts Manager were recruited. A further priority was given to the Capital campaign for Salford Youth Zone. This campaign has now ended and the Founder Patron/Revenue campaign is due to launch in mid 2023. The Charity's Director of Fundraising and Communications works closely with the CEO and Chair of Empower Youth Zones to plan activity and monitor performance relating to this campaign through a Fundraising Sub Board Committee. Empower Youth Zones is registered with the Fundraising Regulator and complies with the Fundraising Code of Practise.

The Charity does not use external fundraisers and there have been no complaints made to the Charity about its fundraising methods.

**Trustees' Report and Financial Statements (including Strategic Report)
For the year ended 31 March 2023**

2.6 Reserves Policy

The Board of Trustees of Empower Youth Zones has established a reserves policy which appropriately reflects the risks to which the Charity is exposed.

The current appropriate reserve range is determined by considering:

- The current level of planned expenditure and the contingencies highlighted below. The annual expenditure is currently circa £1.5m per annum. This will also create a level of reserves that could be invested to generate considerable amounts of annual income from these investment portfolios to reduce reliance on short term funding sources.
- Specific designated contingencies. The Trustees will consider various risks that will impact the appropriate level of reserves to hold, these currently include:
 - 'Year 4 risk' – As a new Youth Zone, many Founder Patrons have pledged a 4-year commitment with many of these initial commitments due to expire at the same time. While the Trustees hope that all Founder Patrons will continue their support, to recognise the risk that not all are able to in the current economic climate and to ensure there is time to secure replacement funding, the Trustees wish to hold a specific contingency related to this risk. This reserve is calculated as multiple of Founder Patrons that are due to renew each year, and this can be amended as Founder Patrons commit beyond their initial term, and/or as the risk of future non-commitment changes. The Trustees currently wish to hold a designated reserve of £500k against this risk, equating to 12 Founder Patron gifts of £25k, plus £200k in annual pledged support from the Local Authority.
 - Capital reserve – The Trustees appreciate that as a new Youth Zone the current capital equipment that is installed in the Youth Zone is of an excellent standard. In order to maintain that standard, the Trustees believe that a designated capital reserve should be held, to be called up to ensure that any equipment that is in need of repair or replacement can be done so on a timely basis and to the desired standard. The level of this reserve will be regularly reviewed. The Trustees currently feel that a designated capital reserve of £250k is appropriate.
- General contingency. The Trustees currently feel that a general reserve of £375k to cover a minimum of 3 months operating costs is appropriate.

Given the aforementioned reserve requirements, the Trustees believe that total reserves in a range of £1.5m to £4.125m is appropriate. This will be reviewed at least once per annum by the Trustees.

2.7 Investment Policy

Under the memorandum and articles of association, the charitable company has the power to make any investment which the Trustees see fit. Investments are made where required to further the aims and objects of the Charity.

In 2022/23 HideOut Youth Zone continued to hold investment portfolios totalling £2,559,216 with Brewin Dolphin and Goldentree Financial Services PLC. The Charity holds 3 investment portfolios across both organisations (2 with Brewin Dolphin and 1 with GoldenTree) and as at 31st March 2022 the value of the investment was £2,660,581.

2.8 Future Plans & Covid Recovery

Going into 2023/24 we have launched our new 3-year strategic plan which will see us continue to work towards our 4 strategic objectives:

YOUNG PEOPLE - Provide the highest-quality offer for all children and young people

We will:

- Build on our Duke of Edinburgh programme to offer certificates of achievement, bronze and silver awards.
- Maintain active membership of 2500 Young People.
- Deliver at least 9 weeks of school holiday provision during the day with up to 50 places offered free for those on FSM.
- Continue to work with local partners to maintain and integrated and engaging offer.
- Build on our strategic position with regards to local partnership and safeguarding forums.

OUR PEOPLE - Become an employer of choice for both existing and potential new employees

We will:

- Progress to a 'Member' of the GM Good Employment charter.
- Facilitate at least 2 all staff and volunteer values/development days.
- Celebrate and promote ourselves as a new Real Living Wage Employer.
- Transition all staff over to new salary PayScale and banding system.
- Offer at least 2 staff/volunteers a lever 2 youth work qualification.
- Support at east 2 staff to complete management training

SUSTAINABILITY - Achieve longer term financial security which allows us to be ambitious and plan confidently into the future

We will:

- Add capacity by recruiting to the existing Fundraising team to include, community, corporate and a Senior Philanthropy Manager.
- Establish a 3 year income generation strategy.
- Maintain and grow the current Patron supporter group.
- Launch the Founder Patron Campaign for Salford Youth Zone.
- Secure ongoing revenue commitment from Local Authority for a further 3 years minimum.

REPUTATION - All stakeholders are aware of HideOut's vital impact and successes

We will:

- Establish Youth-led communications and marketing which celebrates young people's successes & achievements.
- Secure 1-2 media opportunities each month.
- Plan and deliver at least 4 youth led campaigns that elevate their voices.
- Grow following, interactions and engagements across all social media platforms via targeted and generic communication campaigns.
- Secure 4-5 Award nominations.

SALFORD YOUTH ZONE

- Securing planning permission from the Local Authority to develop the youth zone in central Salford.
- Start development on site by Q3 2023.
- Establishing a young people's development group that will support the interior design of the centre, the brand development and naming, recruitment of the senior leadership team and act as ambassadors at public events.
- Launch Founder Patron revenue campaign in Q2 2023.

3 GOVERNANCE

3.1 Reference and administrative details

Empower Youth Zones was incorporated on 13 April 2018 (Company registration number: 11309137) as a company limited by guarantee and registered as a charity on 29 August 2018 (Charity registration number: 1179712).

Trading names

Empower Youth Zones
HideOut Youth Zone
Salford Youth Zone

Registered office

1 Queen's Avenue
Manchester
M12 5PX

Directors & Trustees

The Directors and Trustees of the Charity who served during the period and were:

J Whittaker	Chair
P Kirszanek	
T Pepper	
J Masraff	
P Medicott	
B Sheikh	
V Braddock	
J Atkins	

Chief Executive

A Farricker

Auditor

Michael Garrett FCA
Xeinadin Audit Limited
100 Barbirolli Square
Manchester
M2 3BD

Web-site www.hideoutyouthzone.org

Bankers

Handelsbanken
Manchester Spinningfields Branch
4th Floor, 15 Quay Street
Manchester
M3 3HN

Barclays
1 Churchill Place
London
E14 5HP

3.2 Structure, governance and management***Governing Document***

Empower Youth Zones is a company limited by guarantee without share capital and registered under the Companies Act 1985, registration number 11309137. The company is governed by its Memorandum and Articles of Association dated 21 March 2018 and updated in January 2023. Management of the company's affairs is vested in the Directors. It is a Charity registered with the Charity Commission on 29 August 2018.

In the event of a winding-up, the present members and those who have ceased to be a member within one year of such an event have guaranteed the liabilities of the company to the sum not exceeding ten pounds each.

Recruitment and appointment of Trustees (Directors)

The first Directors were the subscribers to the memorandum as notified to Companies House as the first Directors of the Charity. A person appointed as a Director thereupon becomes a Member of the Charity and a Director who ceases to hold office for any reason thereupon ceases to be a Member of the Charity. Directors have the power to appoint, by ordinary resolution, any person to be a Director who is willing to act as such. New Directors will be recruited according to the needs of the Charity and the suitability of possible candidates. A unanimous approval of existing Directors would lead to their appointment.

The Memorandum and Articles of Association states that the number of members (Directors) shall have no maximum and shall not be less than three. At the first Annual General Meeting all Directors must retire and seek 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 of the Charity are its Directors for the time being and the only persons eligible to be Members of the Charity are its Directors.

Full details of the rules are contained in the company's Memorandum and Articles of Association, dated on incorporation on 21 March 2018, which may be inspected at the Empower Youth Zones registered office.

Trustees induction and training

All trustees receive a full induction and training inclusive of, safeguarding, risk management, fundraising, role of a trustee and sustainability ahead of formal appointment. All key policies, the organisation structure and articles of association are shared. Training and development needs are reviewed at least annually and as and when any trustees are appointed or resign.

Organisational Structure

Empower Youth Zones 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 Empower Youth Zones and for ensuring that the Charity satisfies its legal and contractual obligations. Trustees meet approximately every two months and may delegate the implementation of their decisions or day-to-day operation of the organisation to senior management, any employee of the Charity, person or committee as they see fit. Any committee must include at least one Trustee. The Trustee Board is independent from management.

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

Related party transactions

Transactions with related parties are disclosed in note 15 to the financial statements and in accordance with paragraph 163 of the SORP (Accounting and reporting by charities: Statement of Recommended Practice (SORP 2005)).

Remuneration Policy

The Directors consider the board of Directors, who are the Charity's trustees, and the senior management team comprise the key management personnel of the Youth Zone in charge of directing and controlling, running and operating the Charity on a day-to-day basis. All Directors give of their time freely and no Director received remuneration in the year. Details of *Directors' expenses and related party transactions are disclosed in Note 18 to the accounts.*

The pay of the full staff team is reviewed annually and, if financial resources allow, normally increased in accordance with projected Government inflation rates taking into account CPI and RPI. In view of the nature of the charity, the Directors benchmark against pay levels in other similar charities in the voluntary sector, as well as across the OnSide Youth Zone Network.

3.3 Volunteers' contribution

Throughout the period all members of the Board of Trustees made invaluable voluntary contributions to the Charity's work in terms of governance, professional and business experience, financial planning, fundraising and leading initiatives across the project. Such contributions were, on average, equivalent to two full days each calendar month. 15 registered volunteers have been trained, inducted and active within the period providing on average 150 hours of volunteering per month.

3.4 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, centrally located facility for young people responds to a clear, ongoing demand from young people, parents and wider communities for more and better places for young people to go. Although providing a service to all young people, Empower Youth Zones will focus on attendance and participation by young members of disadvantaged communities who will be able to enjoy affordable access to all the opportunities that the facilities will provide. This will lead to improved achievements and enhanced aspirations amongst young members of the local community. They will be happier, healthier and make more constructive use of their leisure time which consequently will help reduce nuisance and anti-social behaviour. Longer term public benefits will include improved health, reduced crime, enhanced learning and employability and greater community cohesion.

**Trustees' Report and Financial Statements (including Strategic Report)
For the year ended 31 March 2023**

3.5 Statement of Trustees' responsibilities

The Trustees (who are also the Directors of Empower Youth Zones for the purpose of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- 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 in business.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In so far as the Trustees are aware at the time of approving our Trustees' annual report:

- There is no relevant information, being information needed by the auditor in connection with preparing their report, of which the Charity's auditor is unaware; and
- The Trustees, having made enquiries of fellow Directors and the Charity's auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Compliance with accounting standards

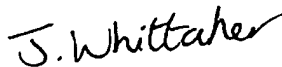
In accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Directors Report) Regulations 2013, the company has prepared a strategic report, which includes information that would previously been included in the Trustees' Report.

The financial statements comply with current statutory requirements, the company's Memorandum and Articles of Association and the Charities SORP.

Auditors

A proposal to reappoint Xeinadin Audit Limited as auditor of the Charity will be put to the Annual General Meeting.

The Trustees Report, including the Strategic Report, was approved and was signed on behalf of the Trustees by :



J Whittaker
Chair, Company Director and Trustee

Date : 20 September 2023

**Independent Auditor's Report to the Members
For the year ended 31 March 2023**

We have audited the financial statements of Empower Youth Zones (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 Company's affairs as at 31 March 2023 and of its income and expenditure, for the period 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 charitable company 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 Charitable Company'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 Trustees are responsible for the other information. The other information comprises the information included in the Trustees' report other than the financial statements and our auditor's report thereon.

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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 the audit:

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

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

- the information given in the Trustee's Annual Report is inconsistent in any material respect with the financial statements; or
- the Charitable Company has not kept adequate accounting records; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees' were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 11, the Trustees (who are also the Directors of the Charitable Company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 charitable company'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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities including fraud and non-compliance with laws and regulations we have considered the following:

- The nature of the industry and sector, control environment and business performance including the Charitable Company's remuneration policies;
- Results of the enquiries of management and assessment of the risks of irregularities;
- Any matters we have identified having obtained and reviewed the company's documentation of their policies and procedures relating to:
- identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
- the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

Independent Auditor's Report to the Members (continued)
For the year ended 31 March 2023

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas: income recognition. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the Charitable Company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included UK Companies Act, Charities Act, Health and Safety Laws and Environmental Regulations.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

Audit response to risks identified

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing correspondence with HMRC; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

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

Use of our report

This report is made solely to the Charity'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 Charity'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 Charity and the Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



Michael Garrett (Senior Statutory Auditor)
For and on behalf of Xeinadin Audit Limited
100 Barbirolli Square
Manchester
M2 3BD

Date : 20 September 2023

Statement of Financial Activities (including Income and Expenditure Report)
For the year ended 31 March 2023

	Note	Unrestricted 2023 £	Restricted 2023 £	TOTAL 2023 £	TOTAL 2022 £
INCOME FROM					
- Donations and legacies	3	1,336,996	68,000	1,404,996	1,181,968
- Charitable activities	4	197,598	-	197,598	159,199
- Investments	5	63,270	-	63,270	55,096
Total income		1,597,864	68,000	1,665,864	1,396,263
EXPENDITURE					
<i>Expenditure on Charitable Activities</i>					
- Operating costs	6	1,300,443	112,623	1,413,066	1,118,838
- Governance costs		6,640	-	6,640	6,500
Total Expenditure		1,307,083	112,623	1,419,706	1,125,338
Net income (expenditure) before gains on Investments		290,781	(44,623)	246,158	270,925
Net (losses) gains on investments	13	(138,018)	-	(138,018)	(5,102)
Net income (expenditure)	7	152,763	(44,623)	108,140	265,823
Fund balance at 31 March 2022		3,483,287	6,331,950	9,815,237	9,549,414
Fund balance at 31 March 2023	16	3,636,050	6,287,327	9,923,377	9,815,237

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

All income and expenditure derive from continuing activities.

Empower Youth Zones

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Balance Sheet
As at 31 March 2023Company no : 11309137
Charity no : 1179712

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	11	6,842,016	6,289,134
Current assets			
Stock		2,384	1,723
Debtors	14	62,371	83,130
Investments	13	2,559,216	2,660,581
Cash at bank and in hand		1,862,283	820,445
Short term deposits		58,068	93,210
		4,544,322	3,659,089
Creditors : amounts falling due within one year	15	(1,462,961)	(132,986)
Net current assets		3,081,361	3,526,103
Net assets		9,923,377	9,815,237
FUNDS			
Unrestricted funds	17	3,636,050	3,483,287
Restricted funds	17	6,287,327	6,331,950
		9,923,377	9,815,237

The financial statements on pages 14 to 22 were approved and authorised for issue by the Board of Trustees and signed on its behalf by:



J Whittaker
Chair, Company Director and Trustee

Date : 20 September 2023

Statement of Cashflows
For the year ended 31 March 2023

	2023	2022
	£	£
Cash flow from operating activities	1,645,584	300,369
Cash flow from investing activities		
Interest received	8,824	76
Investment income	54,446	55,020
Purchase of investments	(1,131,415)	(750,000)
Disposal of investments	1,094,762	93,210
Payments to acquire tangible fixed assets	(665,505)	(63,918)
	1,006,696	(365,243)
Cash and cash equivalents at 1 April 2022	913,655	1,278,898
Cash and cash equivalents at 31 March 2023	1,920,351	913,655
Cash and cash equivalents consists of:		
Short term deposits	58,068	93,210
Cash at bank and in hand	1,862,283	820,445
	1,920,351	913,655
Reconciliation of net income to net cash flow from operating activities	2023	2022
	£	£
Net income for the year	108,140	265,823
Depreciation	112,623	111,912
Losses / (gains) on investments	138,018	5,102
Investment income	(63,270)	(55,096)
(Increase) / decrease in stock	(661)	194
Decrease / (increase) in debtors	20,759	(40,427)
Increase in creditors	1,329,975	12,861
Net cash flow from operating activities	1,645,584	300,369

**Notes to the Financial Statements
For the year ended 31 March 2023**

1 General information

Empower Youth Zone, formerly known as Manchester Youth Zone - East, is a charitable company limited by guarantee in the United Kingdom. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the Charity. The address of the registered office is given in the Charity information on page 1 of these financial statements. The nature of the Charity's operations and principal activities are to build, deliver and sustain Youth Zones in East Manchester and Salford.

The Charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) issued 16 July 2014, the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

2 Accounting policies**i. Basis of preparation**

The financial statements are prepared on a going concern basis under the historical cost convention. The financial statements are prepared in sterling which is the functional currency of the Charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

ii. Funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

iii. Income recognition

All income is included in the Statement of Financial Activities (SoFA) when the Charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the Charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the Charity and it is probable that they will be fulfilled.

Investment income represents amounts receivable in respect of the period. Accrued income is recognised on investments up to the balance sheet date.

Grants in connection with the job retention scheme are recognised in the period to which the underlying staff costs relate to.

iv. Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred.

Charitable expenditure

Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities and services. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs

Governance costs include those 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.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis.

**Notes to the Financial Statements
For the year ended 31 March 2023**

v. Tangible fixed assets

Fixed assets costing more than £250 are capitalised and included on the balance sheet at cost. These reflect the initial planning and development costs of the asset under construction.

Fixed assets are depreciated so as to write off the cost or valuation, less anticipated residual value, over their anticipated useful lives, subject to annual review, as follows:

Leasehold property	0.8% based on a lease of 125 years
Fixtures and fittings	25% reducing balance
Computer equipment	33% straight line
Gym equipment	20% straight line
Catering equipment	33% straight line
Plant & machinery	25% reducing balance

vi. Investments

Listed investments are shown at market value at the balance sheet date.

vii. Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

viii. Tax

The Charity is an exempt Charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

ix. Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the Charity to be able to continue as a going concern.

x. Pensions

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

3 Income from Donations and Legacies	Unrestricted	Restricted	TOTAL	TOTAL
	2023	2023	2023	2022
	£	£	£	£
Donations - capital	73,628	68,000	141,628	-
Donations - other	132,092	-	132,092	86,416
Grants, trusts & foundations	133,382	-	133,382	151,062
OnSide Foundation - DCMS Community Matched Funding	30	-	30	-
Local Authority	200,000	-	200,000	200,000
Founder patrons	761,592	-	761,592	684,493
Gift Aid	36,272	-	36,272	60,000
	1,336,996	68,000	1,404,996	1,181,968

Notes to the Financial Statements
For the year ended 31 March 2023

4	Income from Charitable Activities	Unrestricted	Restricted	TOTAL	TOTAL
		2023	2023	2023	2022
		£	£	£	£
	Young People's activity sessions	110,985	-	110,985	96,497
	Facility hire	86,613	-	86,613	62,702
		197,598	-	197,598	159,199
5	Investment Income	Unrestricted	Restricted	TOTAL	TOTAL
		2023	2023	2023	2022
		£	£	£	£
	Bank interest received	8,824	-	8,824	76
	Income from investments	54,446	-	54,446	55,020
		63,270	-	63,270	55,096
6	Operating costs	Unrestricted	Restricted	TOTAL	TOTAL
		2023	2023	2023	2022
		£	£	£	£
	Staff wages & salaries	849,699	-	849,699	711,960
	Staff travel expenses	1,493	-	1,493	611
	Freelance and Agency staff	5,532	-	5,532	5,024
	Fundraising & Events	6,910	-	6,910	4,553
	Staff and Volunteers DBS checks	1,535	-	1,535	1,040
	Staff Uniform	1,643	-	1,643	3,339
	Telephone	1,931	-	1,931	2,220
	Stationery	3,582	-	3,582	3,683
	Hospitality	1,342	-	1,342	1,111
	Computer costs	29,683	-	29,683	26,717
	Office supplies	33,035	-	33,035	2,628
	Fee to OnSide	25,000	-	25,000	21,000
	Sundry Expenses	3,893	-	3,893	1,620
	Insurance	17,585	-	17,585	18,100
	Marketing costs	4,811	-	4,811	3,198
	Legal & professional	16,982	-	16,982	28,585
	Licences	5,313	-	5,313	2,205
	Training	8,585	-	8,585	3,187
	Trips and Residentials	4,602	-	4,602	-
	Youth Work costs	37,362	-	37,362	26,051
	Catering Supplies	44,536	-	44,536	37,366
	Catering Equipment	160	-	160	393
	Recruitment	20,438	-	20,438	16,175
	Premises Costs	173,735	-	173,735	84,890
	Depreciation	-	112,623	112,623	111,912
	Bank charges	1,056	-	1,056	1,270
		1,300,443	112,623	1,413,066	1,118,838

Notes to the Financial Statements
For the year ended 31 March 2023

7 Net income (expenditure)	2023	2022
	£	£
Net income / movement in funds is stated after charging :		
Depreciation	112,623	111,912
Audit Fee	6,640	6,500
	<u>6,640</u>	<u>6,500</u>

8 Taxation

Empower Youth Zone is a registered Charity. All the company's income is applied to its charitable objectives and the Company is therefore exempt under current legislation from most forms of taxation.

9 Staff costs and numbers	2023	2022
	£	£
Wages	789,439	665,790
Social security	48,473	36,469
Pensions	11,787	9,701
	<u>849,699</u>	<u>711,960</u>

The emoluments of one member of staff including benefits but excluding employer pension costs fell within the range from £60,000 - £70,000. (2022 - Nil).

	2023	2022
	Number	Number
Average number of employees	<u>58</u>	<u>62</u>

The aggregate remuneration of the Key Management Personnel, comprising the Chief Executive, Business Administration Manager, Head of Youth Work & Head of Fundraising was £166,100 (2022: £191,858)

10 Trustee remuneration and expenses

Expenses of £14 have been paid to the Trustees during this period (2022: Nil)

11 Tangible fixed assets	<i>Leasehold Land & Buildings</i>	<i>Computer Equipment</i>	<i>Fixtures & Equipment</i>	<i>Motor Vehicles</i>	<i>TOTAL</i>
	£	£	£	£	£
Cost					
At 1 April 2022	6,150,841	61,692	249,944	10,000	6,472,477
Additions	665,505	-	-	-	665,505
Disposals	-	-	-	-	-
At 31 March 2023	<u>6,816,346</u>	<u>61,692</u>	<u>249,944</u>	<u>10,000</u>	<u>7,137,982</u>
Depreciation					
At 1 April 2022	77,805	37,257	66,611	1,670	183,343
Charge for the year	49,207	19,929	41,483	2,004	112,623
Disposals	-	-	-	-	-
At 31 March 2023	<u>127,012</u>	<u>57,186</u>	<u>108,094</u>	<u>3,674</u>	<u>295,966</u>
Net book value					
At 31 March 2023	<u>6,689,334</u>	<u>4,506</u>	<u>141,850</u>	<u>6,326</u>	<u>6,842,016</u>
At 1 April 2022	<u>6,073,036</u>	<u>24,435</u>	<u>183,333</u>	<u>8,330</u>	<u>6,289,134</u>

Notes to the Financial Statements
For the year ended 31 March 2023

12 Capital commitments	2023	2022
	£	£
Contracted for	-	201,714

13 Investments	2023	2022
	£	£
The Charity has invested surplus funds as follows:		
Interest bearing deposits	500,000	500,000
Listed investments	2,059,216	2,160,581
	2,559,216	2,660,581

	Interest bearing deposits £	Listed investments £	2023 TOTAL £	2022 £
At 1 April 2022	500,000	2,160,581	2,660,581	2,008,893
Additions	-	1,131,415	1,131,415	750,000
Disposals	-	(1,094,762)	(1,094,762)	(93,210)
Change in market value	-	(138,018)	(138,018)	(5,102)
At 31 March 2023	500,000	2,059,216	2,559,216	2,660,581

14 Debtors	2023	2022
	£	£
Trade debtors	16,401	13,336
Prepayments and accrued income	45,970	69,794
	62,371	83,130

15 Creditors : amounts falling due within one year	2023	2022
	£	£
Trade creditors	73,316	47,677
Other creditors	79,914	68,966
Accruals	53,731	16,343
Deferred income	1,256,000	-
	1,462,961	132,986

16 Movement in funds				
The movement in funds for the year is as follows:	<i>Opening Balance</i>	<i>Income</i>	<i>Expenditure</i>	<i>Closing Balance</i>
	£	£	£	£
Unrestricted Funds	3,483,287	1,459,846	(1,307,083)	3,636,050
Restricted funds - fixed assets	6,331,950	68,000	(112,623)	6,287,327
	6,331,950	68,000	(112,623)	6,287,327
	9,815,237	1,527,846	(1,419,706)	9,923,377

All of the fixed assets restricted funds represent amounts received for the construction and development of the new Youth Zone facilities.

Notes to the Financial Statements
For the year ended 31 March 2023

16 Movement in funds (continued)

The movement in funds for the prior year is as follows:

	<i>Opening Balance</i>	<i>Income</i>	<i>Expenditure</i>	<i>Closing Balance</i>
	£	£	£	£
Unrestricted Funds	3,149,482	1,344,603	(1,010,798)	3,483,287
Restricted funds	6,399,932	46,558	(114,540)	6,331,950
	9,549,414	1,391,161	(1,125,338)	9,815,237

17 Analysis of net assets between funds

	<i>Unrestricted funds 2023</i>	<i>Restricted funds 2023</i>	<i>Total funds 2023</i>	<i>Total funds 2022</i>
	£	£	£	£
Tangible fixed assets	-	6,842,016	6,842,016	6,289,134
Net current assets	3,636,050	(554,689)	3,081,361	3,526,103
	3,636,050	6,287,327	9,923,377	9,815,237

	<i>Unrestricted funds 2022</i>	<i>Restricted funds 2022</i>	<i>Total funds 2022</i>	<i>Total funds 2021</i>
	£	£	£	£
Tangible fixed assets	-	6,289,134	6,289,134	6,337,128
Net current assets	3,483,287	42,816	3,526,103	3,212,286
	3,483,287	6,331,950	9,815,237	9,549,414

18 Related party transactions

There were no Related Party transactions during the year (2022: Nil)

19 Control

There is no ultimate controlling party.

EMPOWER YOUTH ZONES LTD

England & Wales - Charity number 1179712

Accounts

Company no : 11309137
Charity no : 1179712

Manchester Youth Zone - East

Trustees' Report and Financial Statements
For the year ended 31 March 2022



Manchester Youth Zone - East

Trustees' Report and Financial Statements
For the year ended 31 March 2022

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Trustees' Report and Financial Statements (including Strategic Report)

For the year ended 31 March 2022

The Trustees (who are also the Directors for the purpose of Company Law) have pleasure in presenting their annual report and the financial statements for the year ended 31 March 2022. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the Charity.

1 WHO WE ARE

Manchester Youth Zone - East, named by local young people as 'HideOut Youth Zone', is a purpose-built facility for the City's young people aged 8 – 19, and up to 25 for those with additional needs. The Youth Zone is located on Hyde Road in Gorton, Manchester.

Manchester Youth Zone - East is part of a network of similar independent youth organisations that all share the same principles, developed by the Charity OnSide Youth Zones (Reg No: 1125893). 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 will take place each night, including football, boxing, dancing, climbing, creative arts, music, drama and employability training – all for just 50p per visit!

Our vision is that Children and Young People in Manchester are inspired to lead healthy, happy, safe and successful lives.

Our mission is to ensure HideOut Youth Zone provides children and young people with somewhere safe to go, something positive to do and someone trusted to talk to.

To realise this vision, HideOut Youth Zone has worked towards 5 strategic goals in 2021/22:

YOUNG PEOPLE - HideOut Youth Zone is a young person focused, inspirational and inclusive youth provision with a high level of active membership

CULTURE – HideOut Youth Zone is a place where staff, volunteers and service users demonstrate our values.

LEARNING & GROWTH – HideOut Youth Zone is a learning and developing organisation which supports and encourages growth of its workforce and young people.

FINANCE – HideOut Youth Zone is financially sustainable and uses its resources responsibly and effectively.

COMMUNICATIONS & MARKETING – All stakeholders are aware of what HideOut Youth Zone does and can identify its successes and impact.

Trustees' Report and Financial Statements (including Strategic Report)
For the year ended 31 March 2022

2 STRATEGIC REPORT

2.1 Objects and activities

Manchester Youth Zone - East's charitable objects are to help and educate children and young people resident in the City of Manchester and surrounding areas through their leisure time activities by promoting their full physical and spiritual potential in order that they may grow to maturity as individuals and active members of society and their conditions of life may improve.

2.2 Achievements during the period

In 2021/22 the Charity's main achievements were:

- Building on our core offer as we navigated ongoing Covid-19 Government guidance and restrictions to deliver a 7 day a week offer across the 52 weeks of the year.
- Growing our membership of children young people to 4,250. 42% of these identified as female vs 58% male. 15% identified as having additional needs. 90% are from the top 20% most deprived communities in the UK as per the IMD rankings (75% are in the top 10%).
- Providing on average over 300 meals per week with a total of just over 16,000 across the year. 12.5% of these meals were provided at no cost for some of our more vulnerable children and young people on free school meals.
- Launching as a Duke of Edinburgh licenced centre with 39 young people completing their Certificate of Achievement. The Government restrictions around expeditions meant the full Bronze Award could not be completed but it is anticipated that the majority of children completing the Certificate of Achievement will go on to complete their full Bronze award in 2022/23.
- Becoming a AQA delivery centre and supporting 35 Young people to complete 68 AQA unit accreditations across all activity areas within the youth zone offer i.e. Arts, Sports, Life Skills, Communication, Cooking etc.
- 15 Young People completing a first tracks course in skiing and achieving an accredited snow sports award. 6 progressed onto a graduates' program allowing them to gain an ASDAN award and 1 young person completed an Excel course, which included an overseas trip to Italy to complete a level 1 instructor qualification.
- Our partnerships continued to grow in the year working with over 20 local partners across music, art, sports, employment and health. These partnerships continue to grow and enhance the offer and create further pathways for children and young people attending the Youth Zone. One highlight of this partnership work was a new Junior Choir being launched with the support of Manchester Camerata. As part of the Camerata Christmas Festive Happening event in December 2021, the Choir got to perform an original song with the Orchestra to over 600 people.
- In September 2021 we celebrated our 1st Birthday by providing an open community day which saw over 800 local residents come through the youth zone doors and engage in positive activities with their children and families.
- 2 members of staff completing a First Time Management training programme via Onsite Youth Zone's Talent academy. 1 member of staff completed a Level 3 Youth Work NVQ qualification.
- Being shortlisted as finalists in the Manchester Be Proud Awards 2022 under the Promoting Equality and Diversity category. The evening was hosted by Manchester City Council at the Midland Hotel in Manchester.
- Hosting our first ever Annual Patrons Dinner with over 90 patrons and supporters attending. The evening was completely led by young people from the MC/host, the catering, performances, tours, keynote speakers etc.
- Hitting our initial fundraising campaign target of securing the equivalent of 28 Founder Patrons by December 2021. The patron campaign will continue as the offer grows and income needs increase.
- In October 2021 we hosted a visit by the Prime Minister and Home Secretary as part of the Government conference in Manchester. This was a great chance to showcase the great work we have been doing and the impact we have had in the local and wider community since opening in the peak of the pandemic. It also provided us with an opportunity to highlight the need for more Central Government investment in youth work nationally and locally.

Trustees' Report and Financial Statements (including Strategic Report) For the year ended 31 March 2022

2.3 Financial review

Financial summary

A summary of the results is shown below :

	2022	2021
	£	£
Incoming resources	1,396,263	3,362,921
Outgoing resources	(1,125,338)	(832,500)
Net incoming resources (before investment gains and losses)	270,925	2,530,421

Income for the year was £1,396,263 (2021: £3,362,921). This is more representative of a 'normal' year's income after receiving large one-off gifts in 2020-21. Patron income (including Gift Aid) for the year totalled £744,493 (2021: £1,200,600 – including large one-off gift of £400,000) and £200,000 (2021: £200,000) was received from Manchester City Council towards the ongoing running costs of the Charity. During the year £151,062 (2021: £4,000) was received in the form of Grants including £67,899 from the Holiday Activity and Food (HAF) programme to provide free meals and activity during holiday periods for young people on Free School Meals, and a capital donation of £40,932 from the Youth Investment Fund.

Expenditure for the year increased to £1,125,338 (2021: £832,500) as the Youth Zone moved towards normal delivery patterns following the Covid-19 restrictions, with £711,960 (2021: £541,688) being spent on salaries. This was still less than the original budget due to the ongoing impact of COVID-19 on the ability of the Youth Zone to open fully.

At the end of the period Unrestricted Reserves were £3,483,287 (2021 - £3,149,482).

2.4 Risk Management

The Trustees have considered the major risks to which the Charity is exposed and have established suitable risk management and control procedures. At present the primary risks identified relate to:

- **Fundraising** - increasing the number of patrons and maintaining a high-quality stewardship experience with existing Patrons remains a high risk due to ongoing gaps in our Fundraising Team. The appointment of our new Director of Fundraising and Comms will help to mitigate this risk.
- **Staffing and Operations** - relating to the recruitment, retention and development of key delivery staff and volunteers as well as operations staff including Facilities Management and Reception whilst we are waiting for new appointees to start.
- **Building** – outstanding building works still causing operational impact, including the repairing of the Sports Hall walls, the heating system and more recently the Dance Studio's floor damage.

Regulatory Risk is the responsibility of the CEO, Business Admin Manager and Building and Facilities Manager who manage Health and Safety, Fire and other statutory risk areas. The CEO has developed a full risk register including mitigation and control measures which is shared regularly with the board.

Trustees' Report and Financial Statements (including Strategic Report) For the year ended 31 March 2022

2.5 Reserves Policy

The Board of Trustees of Manchester Youth Zone - East has established a reserves policy which appropriately reflects the risks to which the Charity is exposed.

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 running costs. Due to the current uncertainty in the economic climate, shifting restrictions and an anticipated increase in demand for our services, the Trustees have agreed that the Charity will extend the previous financial periods amendment to the reserves policy and carry 6-12 months of unrestricted reserves throughout the next financial period.

As at 31st March 2022 the Charity has accumulated unrestricted 'free' reserves of £3,483,287; this provides cover equivalent to 26.6 months of operating costs. In view of this high level of reserves the Trustees have invested £2,753,791 of unrestricted funds in order to bring in regular income equivalent to two Founder Patrons per annum (around £50k). The balance of 'liquid' reserves of £729,496 provides cover to the equivalent of 5.6 months of operating costs. The Trustees actively manage Manchester Youth Zone - East's finances so that an adequate level of reserves is maintained in compliance with the reserves policy. The reserves policy does not consider expenditure which is linked to restricted projects and therefore covered by restricted funds.

2.6 Principal Funding Sources and Fundraising Statement

The Directors wish to record their thanks to Mr Fred Done and Manchester City Council (MCC) for their ongoing support to the Charity. The Directors also thank the following individuals and businesses who have also pledged to support the revenue campaign (in 2021/22): Transforming Lives, ANS Group, Paul Shannon, Godel Technologies, Theo Paphitis Foundation, The Bruntwood Charity, The JD Foundation, Beyond Corporate and the This Is Manchester Awards, Steve Malone and family, Robbie Hargreaves and family, One Manchester, Eric Wright, Together Money, AO Foundation, Mission Mars, GCA Altium, David M Robinson Ltd, Anthony Morrow, Lendlease, Penelope Cheshire Foundation, The Manchester Ball, LivingBridge, Inflexion, Equistone, ATPi Group.

The fundraising priority this year has continued to focus on our Founder Patron Campaign. The Charity's Director of Fundraising and Communications works closely with the CEO and Chair of Manchester Youth Zone - East to plan activity and monitor performance relating to this campaign through a Fundraising Sub Board Committee. Manchester Youth Zone - East is registered with the Fundraising Regulator and complies with the Fundraising Code of Practice.

The Charity does not use external fundraisers and there have been no complaints made to the Charity about its fundraising methods.

2.7 Investment Policy

Under the memorandum and articles of association, the charitable company has the power to make any investment which the Trustees see fit. Investments are made where required to further the aims and objects of the Charity.

In 2021/22 HideOut Youth Zone continued to hold investment portfolios totalling £2,753,791 with Brewin Dolphin and Goldentree Financial Services PLC. The Charity holds 3 investment portfolios across both organisations, 2 with Brewin Dolphin (total value, £2,253,791) and 1 with Goldentree (£500,000).

Trustees' Report and Financial Statements (including Strategic Report) For the year ended 31 March 2022

2.8 Future Plans & Covid Recovery

Going into 2022/23 we have launched our new 3-year strategic plan which will see us work towards 4 high level objectives:

1. **YOUNG PEOPLE** - Provide the highest-quality offer for all children and young people.

We will:

- Relaunch our Duke of Edinburgh and AQA accreditation programmes.
- Maintain active membership of 2000 Young People.
- Deliver at least 9 weeks of school holiday provision during the day with up to 50 places offered free for those on FSM.
- Continue to work with local partners to maintain an integrated and engaging offer.
- Build on our strategic position with regards to local partnership and safeguarding forums.

2. **OUR PEOPLE** - Become an employer of choice for both existing and potential new employees.

We will:

- Launch a volunteers and staff recognition programme.
- Register as a supporter of the GM Good Employment charter.
- Ensure all staff receive Equality and Inclusion training.
- Facilitate at least 2 all staff and volunteer values/development days.
- Celebrate and promote ourselves as a new Real Living Wage Employer.

3. **SUSTAINABILITY** - Achieve longer term financial security which allows us to be ambitious and plan confidently into the future.

We will:

- Recruit a new Director of Fundraising and Communications who will lead the development of a new central fundraising team (Achieved in April 2022).
- Establish a 3-5 year income generation strategy.
- Maintain and grow the current Patron supporter group.
- Relaunch the 1000 club campaign.
- Secure ongoing revenue commitment from Local Authority for a further 3 years minimum.

4. **REPUTATION** - All stakeholders are aware of HideOut's vital impact and successes.

We will:

- Establish Youth-led communications and marketing which celebrates young people's successes & achievements.
- Launch youth led podcast.
- Secure 1-2 media opportunities each month.
- Launch new supporter newsletter providing quarterly updates.
- Grow following, interactions and engagements across all social media platforms via targeted and generic communication campaigns.
- Secure 4-5 Award nominations.

During 2022/23 we will also explore the possibility of developing a second Youth Zone site in Salford with a major donor that has already reached out to express their interest in partnership with Salford City Council. This could see Manchester Youth Zone – East (HideOut Youth Zone) refresh our Articles of Association and rebrand to operate 2 sites under a single Charity across both Cities.

Further work with Salford City Council will progress throughout 2022/23 with a view to securing capital and revenue financial support from the Local Authority and the Governments Youth Investment Fund when that is launched in August/September 2022, with a view to starting construction on an agreed site in July 2023, pending all planning conditions and funding requirements are secured.

Trustees' Report and Financial Statements (including Strategic Report)
For the year ended 31 March 2022

3 GOVERNANCE

3.1 Reference and administrative details

Manchester Youth Zone - East was incorporated on 13 April 2018 (Company registration number : 11309137) as a company limited by guarantee and registered as a charity on 29 August 2018 (Charity registration number : 1179712).

Trading name

HideOut Youth Zone

Registered office

HideOut Youth Zone
1 Queen's Avenue
Manchester
M12 5PX

Directors & Trustees

The Directors and Trustees of the Charity who served during the period and were:

J Whittaker
Chair

P Kirszanek

J Masraff

P Medicott

B Sheikh

C Wilkinson

V Braddock

J Atkins

Chief Executive

A Farricker

Auditor

Michael Garrett FCA
Xeinadin Audit Limited
1 City Road East
Manchester
M15 4PN

Web-site www.hideoutyouthzone.org

Bankers

Handelsbanken
Manchester Spinningfields Branch
4th Floor, 15 Quay Street
Manchester
M3 3HN

Trustees' Report and Financial Statements (including Strategic Report) For the year ended 31 March 2022

3.2 Structure, governance and management

Governing Document

Manchester Youth Zone - East is a company limited by guarantee without share capital and registered under the Companies Act 1985, registration number 11309137. The company is governed by its Memorandum and Articles of Association dated 21 March 2018. Management of the company's affairs is vested in the co-Directors. It is a Charity registered with the Charity Commission on 29 August 2018.

In the event of a winding-up, the present members and those who have ceased to be a member within one year of such an event have guaranteed the liabilities of the company to the sum not exceeding ten pounds each.

Recruitment and appointment of Trustees (Directors)

The first Directors were the subscribers to the memorandum as notified to Companies House as the first Directors of the Charity. A person appointed as a Director thereupon becomes a Member of the Charity and a Director who ceases to hold office for any reason thereupon ceases to be a Member of the Charity. Directors have the power to appoint, by ordinary resolution, any person to be a Director who is willing to act as such. New Directors will be recruited according to the needs of the Charity and the suitability of possible candidates. A unanimous approval of existing Directors would lead to their appointment.

The Memorandum and Articles of Association states that the number of members (Directors) shall have no maximum and shall not be less than three. At the first Annual General Meeting all Directors must retire and seek 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 of the Charity are its Directors for the time being and the only persons eligible to be Members of the Charity are its Directors.

Full details of the rules are contained in the company's Memorandum and Articles of Association, dated on incorporation on 21 March 2018, which may be inspected at the Manchester Youth Zone - East registered office.

Trustees induction and training

All Trustees receive a full induction and training inclusive of, safeguarding, risk management, fundraising, role of a Trustee and sustainability ahead of formal appointment. All key policies, the organisation structure and articles of association are shared. Training and development needs are reviewed at least annually and as and when any Trustees are appointed or resign.

Organisational Structure

Manchester Youth Zone - East 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 Manchester Youth Zone - East and for ensuring that the Charity satisfies its legal and contractual obligations. Trustees meet approximately every two months and may delegate the implementation of their decisions or day-to-day operation of the organisation to senior management, any employee of the Charity, person or committee as they see fit. Any committee must include at least one Trustee. The Trustee Board is independent from management.

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

Related party transactions

Transactions with related parties are disclosed in note 19 to the financial statements and in accordance with paragraph 163 of the SORP (Accounting and reporting by charities: Statement of Recommended Practice (SORP 2005)).

Remuneration Policy

The Directors consider the board of Directors, who are the Charity's Trustees, and the senior management team comprise the key management personnel of the Youth Zone in charge of directing and controlling, running and operating the Charity on a day to day basis. All Directors give of their time freely and no Director received remuneration in the year. Details of Directors' expenses and related party transactions are disclosed in Note 19 to the accounts.

The pay of the full staff team is reviewed annually and, if financial resources allow, normally increased in accordance with projected Government inflation rates taking into account CPI and RPI. In view of the nature of the Charity, the Directors benchmark against pay levels in other similar charities in the voluntary sector, as well as across the OnSide Youth Zone Network.

Trustees' Report and Financial Statements (including Strategic Report) For the year ended 31 March 2022

3.3 *Volunteers' contribution*

Throughout the period all members of the Board of Trustees made invaluable voluntary contributions to the Charity's work in terms of governance, professional and business experience, financial planning, fundraising and leading initiatives across the project. Such contributions were, on average, equivalent to two full days each calendar month. 15 registered volunteers have been trained, inducted and active within the period. Increasing our volunteering capacity has proved difficult due to ongoing Government restrictions in line with the Charity's strategic Covid Risk Assessment and also a change in staffing which left us without a Volunteer Coordinator for circa 6 months in the period. We successfully recruited to this vacancy in January 2021 and a significant increase in volunteering interest and registration has been evidenced towards the end of the year.

3.4 *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, centrally located facility for young people responds to a clear, ongoing demand from young people, parents and wider communities for more and better places for young people to go. Although providing a service to all young people, Manchester Youth Zone - East will focus on attendance and participation by young members of disadvantaged communities who will be able to enjoy affordable access to all the opportunities that the facilities will provide. This will lead to improved achievements and enhanced aspirations amongst young members of the local community. They will be happier, healthier and make more constructive use of their leisure time which consequently will help reduce nuisance and anti-social behaviour. Longer term public benefits will include improved health, reduced crime, enhanced learning and employability and greater community cohesion.

**Trustees' Report and Financial Statements (including Strategic Report)
For the year ended 31 March 2022**

3.5 Statement of Trustees' responsibilities

The Trustees (who are also the Directors of Manchester Youth Zone - East for the purpose of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- 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 in business.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In so far as the Trustees are aware at the time of approving our Trustees' annual report:

- There is no relevant information, being information needed by the auditor in connection with preparing their report, of which the charity's auditor is unaware; and
- The Trustees, having made enquiries of fellow Directors and the Charity's auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Compliance with accounting standards

In accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Directors Report) Regulations 2013, the company has prepared a strategic report, which includes information that would previously been included in the Trustees' Report.

The financial statements comply with current statutory requirements, the company's Memorandum and Articles of Association and the Charities SORP.

Auditors

A proposal to reappoint Xeinadin Audit Limited as auditor of the Charity will be put to the Annual General Meeting.

The Trustees Report, including the Strategic Report, was approved and was signed on behalf of the Trustees by :



J Whittaker
Chair, Company Director and Trustee

Date: 13/9/22

Independent Auditor's Report to the Members For the year ended 31 March 2022

We have audited the financial statements of Manchester Youth Zone - East (the 'charitable company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 Company's affairs as at 31 March 2022 and of its income and expenditure, for the period 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 charitable company 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 Charitable Company'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 Trustees are responsible for the other information. The other information comprises the information included in the Trustees' report other than the financial statements and our auditor's report thereon.

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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 the audit:

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

Independent Auditor's Report to the Members (continued) For the year ended 31 March 2022

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

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

- the information given in the Trustee's Annual Report is inconsistent in any material respect with the financial statements; or
- the Charitable Company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.
- the Trustees' were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 11, the Trustees (who are also the Directors of the Charitable Company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 charitable company'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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities including fraud and non-compliance with laws and regulations we have considered the following:

- The nature of the industry and sector, control environment and business performance including the Charitable Company's remuneration policies, key drivers for remuneration and performance targets;
- Results of the enquiries of management about their own identification and assessment of the risks of irregularities;
- Any matters we have identified having obtained and reviewed the company's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
 - the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

Independent Auditor's Report to the Members (continued) For the year ended 31 March 2022

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas: revenue recognition and the impact of COVID-19. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the Charitable Company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included UK Companies Act, Charities Act, Health and Safety Laws and Environmental Regulations.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

Audit response to risks identified

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing correspondence with HMRC; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

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

Use of our report

This report is made solely to the Charity'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 Charity'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 Charity and the Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Michael Garrett (Senior Statutory Auditor)
For and on behalf of Xeinadin Audit Limited
1 City Road East
Manchester
M15 4PN

Date :

**Statement of Financial Activities (including Income and Expenditure Report)
For the year ended 31 March 2022**

	Note	Unrestricted 2022 £	Restricted 2022 £	TOTAL 2022 £	TOTAL 2021 £
INCOME FROM					
- Donations and legacies	3	1,135,413	46,555	1,181,968	3,303,597
- Charitable activities	4	159,199	-	159,199	26,488
- Investments	5	55,093	3	55,096	13,263
- Other income	6	-	-	-	19,573
Total income		1,349,705	46,558	1,396,263	3,362,921
EXPENDITURE					
<i>Expenditure on Charitable Activities</i>					
- Operating costs	7	1,004,298	114,540	1,118,838	826,530
- Governance costs		6,500	-	6,500	5,970
Total Expenditure		1,010,798	114,540	1,125,338	832,500
Net income (expenditure) before gains on investments		338,907	(67,982)	270,925	2,530,421
Net (losses) gains on investments	14	(5,102)	-	(5,102)	8,893
Net income (expenditure)	8	333,805	(67,982)	265,823	2,539,314
Fund balance at 31 March 2021		3,149,482	6,399,932	9,549,414	7,010,100
Fund balance at 31 March 2022	17	3,483,287	6,331,950	9,815,237	9,549,414

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

All income and expenditure derive from continuing activities.

Manchester Youth Zone - East

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Balance Sheet
As at 31 March 2022

Company no : 11309137
Charity no : 1179712

	2022	2021
	£	£
Fixed assets		
Tangible assets	6,289,134	6,337,128
Current assets		
Stock	1,723	1,917
Debtors	83,130	42,703
Investments	2,753,791	2,008,893
Cash at bank and in hand	820,445	1,278,898
	3,659,089	3,332,411
Creditors : amounts falling due within one year	(132,986)	(120,125)
Net current assets	3,526,103	3,212,286
Net assets	9,815,237	9,549,414
FUNDS		
Unrestricted funds	3,483,287	3,149,482
Restricted funds	6,331,950	6,399,932
	9,815,237	9,549,414

The financial statements on pages 14 to 22 were approved and authorised for issue by the Board of Trustees and signed on its behalf by:

J. Whittaker

J Whittaker
Chair, Company Director and Trustee

Date : 13/9/22

Manchester Youth Zone - East

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Statement of Cashflows For the year ended 31 March 2022

	2022	2021
	£	£
Cash flow from operating activities	300,369	2,807,676
Cash flow from investing activities		
Interest received	55,096	13,263
Purchase of investments	(750,000)	(2,000,000)
Payments to acquire tangible fixed assets	(63,918)	(248,909)
(Decrease) increase in cash and cash equivalents	(458,453)	572,030
Cash and cash equivalents at 1 April 2021	1,278,898	706,868
Cash and cash equivalents at 31 March 2022	820,445	1,278,898
Cash and cash equivalents consists of:		
Cash at bank and in hand	820,445	1,278,898
Reconciliation of net income to net cash flow from operating activities		
Net income for the year	265,823	2,539,314
Depreciation	111,912	70,799
Losses / (gains) on investments	5,102	(8,893)
Investment income	(55,096)	(13,263)
Decrease / (increase) in Stock	194	(1,917)
(increase) / decrease in debtors	(40,427)	962,177
Increase / (decrease) in creditors	12,861	(740,541)
Net cash flow from operating activities	300,369	2,807,676

**Notes to the Financial Statements
For the year ended 31 March 2022****1 General information**

Manchester Youth Zone - East is a charitable company limited by guarantee in the United Kingdom. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the Charity. The address of the registered office is given in the Charity information on page 1 of these financial statements. The nature of the Charity's operations and principal activities are to build, deliver and sustain a Youth Zone in the East Manchester area.

The Charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) issued 16 July 2014, the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

2 Accounting policies**i. Basis of preparation**

The financial statements are prepared on a going concern basis under the historical cost convention. The financial statements are prepared in sterling which is the functional currency of the Charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

ii. Funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

iii. Income recognition

All income is included in the Statement of Financial Activities (SoFA) when the Charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the Charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the Charity and it is probable that they will be fulfilled.

Investment income represents amounts receivable in respect of the period. Accrued income is recognised on investments up to the balance sheet date.

Grants in connection with the job retention scheme are recognised in the period to which the underlying staff costs relate to.

iv. Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred.

Charitable expenditure

Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities and services. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs

Governance costs include those 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.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis.

Notes to the Financial Statements
For the year ended 31 March 2022

v. Tangible fixed assets

Fixed assets costing more than £250 are capitalised and included on the balance sheet at cost. These reflect the initial planning and development costs of the asset under construction.

Fixed assets are depreciated so as to write off the cost or valuation, less anticipated residual value, over their anticipated useful lives, subject to annual review, as follows:

Youth Zone leasehold property	0.8% based on a lease of 125 years
Computer equipment	33% straight line
Fixtures and fittings	25% reducing balance
Computer equipment	33% straight line
Gym Equipment	20% straight line
Catering equipment	33% straight line
Plant & Machinery	25% reducing balance

vi. Investments

Listed investments are shown at market value at the balance sheet date.

vii. Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

viii. Tax

The Charity is an exempt Charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

ix. Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the Charity to be able to continue as a going concern.

x. Pensions

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

3 Income from Donations and Legacies

	Unrestricted 2022	Restricted 2022	TOTAL 2022	TOTAL 2021
	£	£	£	£
Donations - capital	-	-	-	64,000
Donations - other	86,413	-	86,413	109,032
Grants, trusts & foundations	104,507	46,555	151,062	4,000
OnSide Foundation - DCMS Community Matched Funding	-	-	-	450,394
Local Authority	200,000	-	200,000	200,000
Founder patrons	684,493	-	684,493	1,108,500
Gift Aid	60,000	-	60,000	1,367,671
	1,135,413	46,555	1,181,968	3,303,597

4 Income from Charitable Activities

	Unrestricted 2022	Restricted 2022	TOTAL 2022	TOTAL 2021
	£	£	£	£
Young People's activity sessions	96,497	-	96,497	17,900
Facility hire	62,702	-	62,702	8,588
	159,199	-	159,199	26,488

**Notes to the Financial Statements
For the year ended 31 March 2022**

10 Staff costs and numbers

	2022	2021
	£	£
Wages	665,790	503,729
Social security	36,469	29,839
Pensions	9,701	8,120
	711,960	541,688

No employee earned more than £60,000 in the year (2021: £60,000)

Average number of employees

2022	2021
Number	Number
62	51

The aggregate remuneration of the Key Management Personnel, comprising the Chief Executive, Business Administration Manager, Head of Youth Work, Head of Fundraising and Volunteer Recruitment and Training Manager, was £191,858 (2021: £193,726)

11 Trustee remuneration and expenses

No remuneration or expenses have been paid to the Trustees during this period (2021: Nil)

12 Tangible fixed assets

Cost	Leasehold Land & Buildings	Computer Equipment	Fixtures & Equipment	Motor Vehicles	TOTAL
£	£	£	£	£	£
At 1 April 2021	6,146,041	61,692	200,966	-	6,408,699
Additions	4,800	-	49,118	10,000	63,918
Disposals	-	-	(140)	-	(140)
At 31 March 2022	6,150,841	61,692	249,944	10,000	6,472,477

Depreciation

At 1 April 2021	28,598	16,695	26,138	-	71,431
Charge for the year	49,207	20,562	40,473	1,670	111,912
Disposals	-	-	-	-	-

At 31 March 2022

	77,805	37,257	66,611	1,670	183,343
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Net book value

At 31 March 2022	6,073,036	24,435	183,333	8,330	6,289,134
At 1 April 2021	6,117,443	44,997	174,828	-	6,337,268

13 Capital commitments

Contracted for

2022	2021
£	£
201,714	148,232

14 Investments

The Charity has invested surplus funds as follows:
Interest bearing deposits
Listed investments

2022	2021
£	£
500,000	500,000
2,253,791	1,508,893
2,753,791	2,008,893

Notes to the Financial Statements
For the year ended 31 March 2022

14 Investments (continued)	Interest bearing deposits	Listed investments	2022		2021
			£	TOTAL	
At 1 April 2021	500,000	1,508,893	2,008,893		-
Additions	-	750,000	750,000		2,000,000
Change in market value	-	(5,102)	(5,102)		8,893
At 31 March 2022	500,000	2,253,791	2,753,791		2,008,893

15 Debtors	2022		2021
	£		
Trade debtors	13,336		8,588
Prepayments and accrued income	69,794		34,115
	83,130		42,703

16 Creditors : amounts falling due within one year	2022		2021
	£		
Trade creditors	47,677		41,996
Other creditors	68,966		68,067
Accruals	16,343		10,062
	132,986		120,125

17 Movement in funds

The movement in funds for the year is as follows:

	Opening Balance	Income	Expenditure	Closing Balance
Unrestricted Funds	3,149,482	1,344,503	(1,010,798)	3,483,287
Restricted funds				
- Fixed assets	6,393,807	46,558	(114,540)	6,325,825
- Baily Thomas Charity	3,500			3,500
- Ultimate Products	2,625			2,625
	6,399,932	46,558	(114,540)	6,331,950
	9,549,414	1,391,161	(1,125,338)	9,815,237

- i. All of the fixed assets restricted funds represent amounts received for the construction and development of the new Youth Zone facilities.

- ii. Grants and donations to purchase Sensory Room Equipment.

The movement in funds for the prior year is as follows:

	Opening Balance	Income	Expenditure	Closing Balance
Unrestricted Funds	610,489	3,300,694	(761,701)	3,149,482
Restricted funds	6,399,611	71,120	(70,799)	6,399,932
	7,010,100	3,371,814	(832,500)	9,549,414

Notes to the Financial Statements
For the year ended 31 March 2022

18 Analysis of net assets between funds	Unrestricted funds		Restricted funds		Total funds	
	2022	2021	2022	2021	2022	2021
Tangible fixed assets	£ -	£ -	£ 6,289,134	£ 6,289,134	£ 6,289,134	£ 6,337,128
Net current assets	3,483,287	42,816	42,816	3,526,103	3,526,103	3,212,286
	3,483,287	6,331,950	6,331,950	9,815,237	9,815,237	9,549,414

19 Related party transactions	Unrestricted funds		Restricted funds		Total funds	
	2021	2021	2021	2020	2021	2020
Tangible fixed assets	£ -	£ -	£ 6,337,128	£ 6,337,128	£ 6,337,128	£ 6,159,018
Net current assets	3,149,482	62,804	62,804	3,212,286	3,212,286	851,082
	3,149,482	6,399,932	6,399,932	9,549,414	9,549,414	7,010,100

19 Related party transactions

There were no Related Party transactions during the year (2021: Nil)

20 Control

There is no ultimate controlling party.

EMPOWER YOUTH ZONES LTD

England & Wales - Charity number 1179712

Accounts

Company no : 11309137
Charity no : 1179712

Manchester Youth Zone - East

Trustees' Report and Financial Statements
For the year ended 31 March 2021



Manchester Youth Zone - East

Trustees' Report and Financial Statements For the year ended 31 March 2021

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Trustees' Report and Financial Statements (including Strategic Report) For the year ended 31 March 2021

The Trustees (who are also the Directors for the purpose of Company Law) have pleasure in presenting their annual report and the financial statements for the year ended 31 March 2021. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the Charity.

1 WHO WE ARE

Manchester Youth Zone - East, named by local young people as 'HideOut Youth Zone', is a purpose-built facility for the City's young people aged 8 – 19, and up to 25 for those with additional needs.

The Youth Zone is located on Hyde Road in Gorton, Manchester and practical completion took place at the end of March, 2020.

HideOut Youth Zone is part of a network of similar independent youth organisations that all share the same principles, developed by the charity OnSide Youth Zones (Reg No: 1125893). 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 will take place each night, including football, boxing, dancing, climbing, creative arts, music, drama and employability training – all for just 50p per visit!

Our vision is that Children and Young People in Manchester are inspired to lead healthy, happy, safe and successful lives.

Our mission is to ensure HideOut Youth Zone provides children and young people with somewhere safe to go, something positive to do and someone trusted to talk to.

To realise this vision, HideOut Youth Zone has worked towards 5 strategic goals in 2020/21:

YOUNG PEOPLE - HideOut Youth Zone is a young person focused, inspirational and inclusive youth provision with a high level of active membership

CULTURE – HideOut Youth Zone is a place where staff, volunteers and service users demonstrate our values

LEARNING & GROWTH – HideOut Youth Zone is a learning and developing organisation which supports and encourages growth of its workforce and young people

FINANCE – HideOut Youth Zone is financially sustainable and uses its resources responsibly and effectively

COMMUNICATIONS & MARKETING – All stakeholders are aware of what HideOut Youth Zone does and can identify its successes and impact

Trustees' Report and Financial Statements (including Strategic Report)
For the year ended 31 March 2021

2 STRATEGIC REPORT

2.1 Objects and activities

Manchester Youth Zone - East's objects are to help and educate children and young people resident in the City of Manchester and surrounding areas through their leisure time activities by promoting their full physical and spiritual potential in order that they may grow to maturity as individuals and active members of society and their conditions of life may improve.

2.2 Achievements during the period

Despite the Covid-19 pandemic having a detrimental impact on the Charity's original opening and first year delivery plans, we have still realised some incredible achievements and have evidenced a hugely positive impact in the local community and with children and young people across Manchester.

We took the decision early in our Covid-19 recovery planning process, to truly embed our values of putting Young People First, being Ambitious and Striving for Excellence, by focussing on what Government guidance advised we **could do** for young people, rather than what we **couldn't do**.

In 2020/21, the Charity's main achievements were:

- Recruiting, inducting and training over 60 Full-Time and Part-Time staff during the peak of the Covid-19 pandemic. Adapting our approach to use digital and remote techniques wherever possible;
- Adapting our opening schedule to develop partnership opportunities that supported the most vulnerable families in the local area through food provisions, outreach, digital engagement and welfare checks all pre-opening;
- Officially opening the youth zone on 26th September 2020 despite ongoing restrictions with regards to the Governments Covid-19 Guidance;
- Launching our media and digital presence by featuring on CBBC Blue Peter on 1st October 2020 as part of the BBC's Black History Month campaign;
- Supporting the #EATWELLMCR campaign as part of Manchester's response to Covid-19 providing over 50 meals per day to frontline NHS staff and vulnerable families throughout July/August 2020;
- Despite ongoing restrictions, maintaining a 7 day a week offer for vulnerable young people only closing on Christmas Day 2020;
- Growing and maintaining an effective communications platform for the new Charity including a website with accessibility plug-in, twitter account and other social media activities led by young people;
- Not only maintaining the number of Founder Patrons secured pre-covid, but also continuing to secure new founder patrons and diversifying our revenue income model during the period.

2.3 Financial review

Financial summary

A summary of the results is shown below :

	2021	2020
	£	£
Incoming resources	3,362,921	6,436,453
Outgoing resources	(832,500)	(129,080)
Net incoming resources (before investment gains and losses)	2,530,421	6,307,373

Income for the year was £3,362,921 (2020: £6,436,453). £64,120 (2020: £5,850,224) was received to finalise the construction of the Youth Zone whilst £3,298,801 (2020: £586,229) was received towards revenue costs. This was bolstered by the receipt of £1,275,121 of Gift Aid on previous Capital donations and £450,394 from the DCMS Community Match Challenge via The OnSide Foundation. Patron income (including Gift Aid) for the year totalled £1,200,600 (2020: £570,250) and £200,000 (2020: £Nil) was received from Manchester City Council towards the ongoing running costs of the Charity. When lockdown hit in March 2020 the Youth Zone took advantage of the COVID-19 Job Retention Scheme and a total of £19,573 was received towards the costs of furloughed staff.

Expenditure for the year was £832,500 (2020: £129,080) with £556,214 being spent on salaries. This is less than the original budget due to the impact of COVID-19 on the ability of the Youth Zone to open fully.

At the end of the period Unrestricted Reserves were £3,149,482 (2020 - £610,489).

**Trustees' Report and Financial Statements (including Strategic Report)
For the year ended 31 March 2021**

2.4 Risk Management

The Trustees have considered the major risks to which the Charity is exposed and have established suitable risk management and control procedures. At present the primary risks identified relate to:

- Health and Safety risks relating to Covid-19 preventing the operational delivery of services to young people
- Revenue risks relating to the impact on funders brought on by the Covid-19 Pandemic
- Reputational Risk
- Safeguarding of children and young people

Regulatory Risk is the responsibility of the CEO, Business Admin Manager and Building and Facilities Manager whom manage Health and Safety, Fire and other statutory risk areas.

The CEO has developed a full risk register including mitigation and control measures which is shared regularly with the board.

A specific Covid-19 risk assessment relating to budget & finance, the work environment and service delivery has been signed off by the board and is reviewed operational by the CEO and Senior Leadership Team weekly.

2.5 Reserves Policy

The Board of Trustees of Manchester Youth Zone - East has established a reserves policy which appropriately reflects the risks to which the Charity is exposed.

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 running costs once the Youth Zone is fully operational. Due to the current uncertainty in the economic climate, shifting restrictions and an anticipated increase in demand for our services, the Trustees have agreed that the Charity will temporarily amend the reserves policy and carry 6-12 months of unrestricted reserves throughout the next financial period. A proportion of funds raised from the private sector against which the DCMS Community Match Challenge project was 'matched' in 2020/21 are held within the unrestricted reserves. There is an expectation that the Charity will spend this within the next financial period.

At 31st March 2021 the Charity has accumulated unrestricted 'free' reserves of £3,149,482; this provides cover equivalent to 28 months of operating costs. In view of this high level of reserves the Trustees have invested £2m of unrestricted funds in order to bring in regular income equivalent to two Founder Patrons per annum (around £50k). This is a deliberate strategy to develop a long-term return on investment that reduces the reliance on annual funding sources, so improving the sustainability of the Youth Zone for generations to come. The balance of 'liquid' reserves of £1.14m provides cover to the equivalent of 10 months of operating costs. The Trustees actively manage Manchester Youth Zone - East's finances so that an adequate level of reserves is maintained in compliance with the reserves policy. The reserves policy does not consider expenditure which is linked to restricted projects and therefore covered by restricted funds.

The Charity will review regularly both the sum it wishes to hold in reserves in unrestricted funds and the basis for that figure, particularly considering the impact of the Covid-19 pandemic.

2.6 Principal Funding Sources and Fundraising Statement

The Directors wish to record their thanks to Mr Fred Done and Manchester City Council (MCC) for their ongoing support to the Charity. The Directors also thank the following individuals and businesses who have also pledged to support the revenue campaign (in 2020/21); Transforming Lives, ANS Group, Godel Technologies, Theo Paphitis Foundation, The Bruntwood Charity, The JD Foundation, Beyond Corporate and the This Is Manchester Awards, Proseal, One Manchester, Rowan Partners, Eric Wright, Together Money, AO Foundation, Mission Mars, GCA Altium, David M Robinson Ltd, Anthony Morrow, Lendlease, Penelope Cheshire Foundation, Sharpe Ltd, Onside Foundation and The Manchester Ball.

The fundraising priority this year has continued to focus on our Founder Patron Campaign. During the 'pre-opening period' this campaign is supported directly via OnSide Youth Zone's Major Donor Fundraising team. OnSide works closely with the CEO and Chair of Manchester Youth Zone - East to plan activity and monitor performance relating to this campaign through a Fundraising Sub Board Committee. OnSide Youth Zones is registered with the Fundraising Regulator and complies with the Fundraising Code of Practice, it is the intention of Manchester Youth Zone - East to register independently with the Fundraising Regulator once fully operational.

The charity does not use external fundraisers and there have been no complaints made to the charity about its fundraising methods.

**Trustees' Report and Financial Statements (including Strategic Report)
For the year ended 31 March 2021**

2.7 Investment Policy

Under the Memorandum and Articles of Association, the charitable company has the power to make any investment which the Trustees see fit. Investments are made where required to further the aims and objects of the Charity and to provide surety that it will be able to meet its long term commitments in terms of the quality of the provision offered.

In addition to the commercial considerations, the Trustees also consider a number of other objectives when developing the investment portfolio. The Trustees are keen to ensure responsible investment as a strategy so as to incorporate environmental, social and governance (ESG) factors in investment decisions. Sustainability is also considered to identify investments based on the fulfilment of certain sustainability criteria, and to also ensure that ethical standards are upheld.

In 2020/21 HideOut Youth Zone established investment portfolios totalling £2m with Brewin Dolphin and Goldentree Financial Services PLC. The Charity holds 3 investment portfolios across both organisations (2 with Brewin Dolphin and 1 with GoldenTree) and as at 31st March 2021 the value of the investment was £2.08m.

2.8 Future Plans & Covid Recovery

As we move into 2021/22 we are still under significant restrictions in line with the Government's Covid - Recovery guidelines. However, we will continue to keep up to date with guidance changes via the National Youth Agency and DCMS briefings and webinars with an evolving delivery roadmap and risk assessment implemented at each stage. Our priority is to build the offer slowly increasing the number of young people we engage as quickly but as safely as possible.

Focus will be given to securing additional statutory funding for provision during Easter and Summer school holidays aimed at children and young people eligible for free school meals but also offering universal places where guidance allows. We will refocus efforts back into our core centre based offer whilst maintaining a phased exit from the ongoing detached, outreach and digital engagement currently being offered. As restrictions ease we also intend to move away from 'pre-booked' activities and our current 'bubble' system, to original open access model, increasing numbers of attendees gradually, with the aim of launching our full core universal offer from mid to late September 2021 (guidance pending)

We are confident of securing our final Founder Patrons to hit the required target of 28 in total by the end of September 2021 to coincide with our 1st Birthday celebrations. In addition we aim to recruit additional resource into our Fundraising Team and diversify our revenue income strategy. We will host our 1st ever Annual Patrons dinner in September with aim of thanking our supporters whilst also providing young people with the platform to showcase their talents and aspirations.

We will continue to build on our existing partnership offer that create further pathways for children and young people with regards to social, leisure, educational development and employment. Equality Diversity and Inclusion will remain central to everything we do both as a service delivery but also as an employer. We will continue to celebrate cultural awareness days and empower young people to lead projects and initiatives that allow them to build their confidence, self esteem and discover their identity.

Finally we will develop a People's plan that outlines our vision of becoming an employer of choice as the Charity develops, with a commitment to review our internal HR functions, processes and employment terms and conditions etc.

Trustees' Report and Financial Statements (including Strategic Report) For the year ended 31 March 2021

3 GOVERNANCE

3.1 Reference and administrative details

Manchester Youth Zone - East was incorporated on 13 April 2018 (Company registration number : 11309137) as a company limited by guarantee and registered as a charity on 29 August 2018 (Charity registration number : 1179712).

Trading name

HideOut Youth Zone

Registered office

HideOut Youth Zone
1 Queen's Avenue
Manchester
M12 5PX

Directors & Trustees

The Directors and Trustees of the Charity who served during the period and were:

J Whittaker	Chair
P Kirszanek	
J Masraff	
P Medicott	
B Sheikh	
C Wilkinson	
V Braddock	
J Atkins	Appointed 7 December 2020

Chief Executive

A Farricker

Auditor

Michael Garrett FCA
Kay Johnson Gee Limited
1 City Road East
Manchester
M15 4PN

Web-site www.hideoutyouthzone.org

Bankers

Handelsbanken
Manchester Spinningfields Branch
4th Floor, 15 Quay Street
Manchester
M3 3HN

**Trustees' Report and Financial Statements (including Strategic Report)
For the year ended 31 March 2021**

3.2 Structure, governance and management***Governing Document***

Manchester Youth Zone - East is a company limited by guarantee without share capital and registered under the Companies Act 1985, registration number 11309137. The company is governed by its Memorandum and Articles of Association dated 21 March 2018. Management of the company's affairs is vested in the co-Directors. It is a Charity registered with the Charity Commission on 29 August 2018.

In the event of a winding-up, the present members and those who have ceased to be a member within one year of such an event have guaranteed the liabilities of the company to the sum not exceeding ten pounds each.

Recruitment and appointment of Trustees (Directors)

The first Directors were the subscribers to the memorandum as notified to Companies House as the first Directors of the Charity. A person appointed as a Director thereupon becomes a Member of the Charity and a Director who ceases to hold office for any reason thereupon ceases to be a Member of the Charity. Directors have the power to appoint, by ordinary resolution, any person to be a Director who is willing to act as such. New Directors will be recruited according to the needs of the Charity and the suitability of possible candidates. A unanimous approval of existing Directors would lead to their appointment.

The Memorandum and Articles of Association states that the number of members (Directors) shall have no maximum and shall not be less than three. At the first Annual General Meeting all Directors must retire and seek 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 of the Charity are its Directors for the time being and the only persons eligible to be Members of the Charity are its Directors.

Full details of the rules are contained in the company's Memorandum and Articles of Association, dated on incorporation on 21 March 2018, which may be inspected at the Manchester Youth Zone - East registered office.

Trustees induction and training

All trustees receive a full induction and training inclusive of, safeguarding, risk management, fundraising, role of a trustee and sustainability ahead of formal appointment. All key policies, the organisation structure and articles of association are shared. Training and development needs are reviewed at least annually and as and when any trustees are appointed or resign.

Organisational Structure

Manchester Youth Zone - East 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 Manchester Youth Zone - East and for ensuring that the Charity satisfies its legal and contractual obligations. Trustees meet approximately every two months and may delegate the implementation of their decisions or day-to-day operation of the organisation to senior management, any employee of the Charity, person or committee as they see fit. Any committee must include at least one Trustee. The Trustee Board is independent from management.

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

Related party transactions

Transactions with related parties are disclosed in note 19 to the financial statements and in accordance with paragraph 163 of the SORP (Accounting and reporting by charities: Statement of Recommended Practice (SORP 2005)).

Remuneration Policy

The directors consider the board of directors, who are the charity's trustees, and the senior management team comprise the key management personnel of the Youth Zone in charge of directing and controlling, running and operating the charity on a day to day basis. All directors give of their time freely and no director received remuneration in the year. Details of directors' expenses and related party transactions are disclosed in Note 19 to the accounts.

The pay of the full staff team is reviewed annually and, if financial resources allow, normally increased in accordance with projected Government inflation rates taking into account CPI and RPI. In view of the nature of the charity, the directors benchmark against pay levels in other similar charities in the voluntary sector, as well as across the OnSide Youth Zone Network.

**Trustees' Report and Financial Statements (including Strategic Report)
For the year ended 31 March 2021**

3.3 Volunteers' contribution

Throughout the period all members of the Board of Trustees made invaluable voluntary contributions to the Charity's work in terms of governance, professional and business experience, financial planning, fundraising and leading initiatives across the project. Such contributions were, on average, equivalent to two full days each calendar month. 35 people have registered as volunteers following an application and interview and received initial inductions and training. However due to ongoing Government restrictions in line with the Charity's strategic Covid Risk Assessment no volunteers have been asked to deliver sessions in this period. This is to keep the number of people in the centre at any time to the minimum required, reducing the risk of increased Covid infections or self isolation requirements.

3.4 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, centrally located facility for young people responds to a clear, ongoing demand from young people, parents and wider communities for more and better places for young people to go. Although providing a service to all young people, Manchester Youth Zone - East will focus on attendance and participation by young members of disadvantaged communities who will be able to enjoy affordable access to all the opportunities that the facilities will provide. This will lead to improved achievements and enhanced aspirations amongst young members of the local community. They will be happier, healthier and make more constructive use of their leisure time which consequently will help reduce nuisance and anti-social behaviour. Longer term public benefits will include improved health, reduced crime, enhanced learning and employability and greater community cohesion.

The Trustees of Manchester Youth Zone - East believe they 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.

**Trustees' Report and Financial Statements (including Strategic Report)
For the year ended 31 March 2021**

3.5 Statement of Trustees' responsibilities

The Trustees (who are also the Directors of Manchester Youth Zone - East for the purpose of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- 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 in business.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In so far as the Trustees are aware at the time of approving our Trustees' annual report:

- There is no relevant information, being information needed by the auditor in connection with preparing their report, of which the charity's auditor is unaware; and
- The Trustees, having made enquiries of fellow directors and the charity's auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Compliance with accounting standards

In accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Directors Report) Regulations 2013, the company has prepared a strategic report, which includes information that would previously been included in the Trustees' Report.

The financial statements comply with current statutory requirements, the company's Memorandum and Articles of Association and the Charities SORP.

Auditors

A proposal to reappoint Kay Johnson Gee Limited as auditor of the charity will be put to the Annual General Meeting.

The Trustees Report, including the Strategic Report, was approved and was signed on behalf of the Trustees by :



J Whittaker
Chair, Company Director and Trustee
9 September 2021

**Independent Auditor's Report to the Members
For the year ended 31 March 2021**

We have audited the financial statements of Manchester Youth Zone - East (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 Company's affairs as at 31 March 2021 and of its income and expenditure, for the period 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 charitable company 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 Charitable Company'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 Trustees are responsible for the other information. The other information comprises the information included in the Trustees' report other than the financial statements and our auditor's report thereon.

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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 the audit:

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

Independent Auditor's Report to the Members (continued)
For the year ended 31 March 2021

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

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

- the information given in the Trustee's Annual Report is inconsistent in any material respect with the financial statements; or
- the Charitable Company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.
- the Trustees' were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 11, the Trustees (who are also the Directors of the Charitable Company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 charitable company'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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities including fraud and non-compliance with laws and regulations we have considered the following:

- The nature of the industry and sector, control environment and business performance including the Charitable Company's remuneration policies, key drivers for remuneration and performance targets;
- Results of the enquiries of management about their own identification and assessment of the risks of irregularities;
- Any matters we have identified having obtained and reviewed the company's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of noncompliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
 - the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

Independent Auditor's Report to the Members (continued)
For the year ended 31 March 2021

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas: revenue recognition and the impact of COVID-19. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the Charitable Company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included UK Companies Act, Charities Act, Health and Safety Laws and Environmental Regulations.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

Audit response to risks identified

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing correspondence with HMRC; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

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

Use of our report

This report is made solely to the Charity'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 Charity'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 Charity and the Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



1 City Road East
Manchester
M15 4PN

9 September 2021

Michael Garrett (Senior Statutory Auditor)
For and on behalf of
Kay Johnson Gee Limited
Statutory Auditors and Chartered Accountants

Statement of Financial Activities (including Income and Expenditure Report)
For the year ended 31 March 2021

	Note	Unrestricted 2021 £	Restricted 2021 £	TOTAL 2021 £	TOTAL 2020 £
INCOME FROM					
- Donations and legacies	3	3,232,597	71,000	3,303,597	6,435,830
- Charitable activities	4	26,488	-	26,488	-
- Investments	5	13,143	120	13,263	623
- Other income	6	19,573	-	19,573	-
Total income		3,291,801	71,120	3,362,921	6,436,453
EXPENDITURE					
<i>Expenditure on Charitable Activities</i>					
- Operating costs	7	755,731	70,799	826,530	123,680
- Governance costs		5,970	-	5,970	5,400
Total Expenditure		761,701	70,799	832,500	129,080
Net income before gains on investments		2,530,100	321	2,530,421	6,307,373
Net gains on investments	15	8,893	-	8,893	-
Net income	8	2,538,993	321	2,539,314	6,307,373
Fund balance at 31 March 2020		610,489	6,399,611	7,010,100	702,727
Fund balance at 31 March 2021	17	3,149,482	6,399,932	9,549,414	7,010,100

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

All income and expenditure derive from continuing activities.

Balance Sheet
As at 31 March 2021

Company no : 11309137
Charity no : 1179712

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	12	6,337,128	6,159,018
Current assets			
Stock		1,917	-
Debtors	14	42,703	1,004,880
Investments	15	2,008,893	-
Cash at bank and in hand		1,278,898	706,868
		3,332,411	1,711,748
Creditors : amounts falling due within one year	16	(120,125)	(860,666)
Net current liabilities		3,212,286	851,082
Net assets		9,549,414	7,010,100
FUNDS			
Unrestricted funds	18	3,149,482	610,489
Restricted funds	18	6,399,932	6,399,611
		9,549,414	7,010,100

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act 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 on pages 13 to 21 were approved and authorised for issue by the Board of Trustees and signed on its behalf by:



J Whittaker
Chair, Company Director and Trustee

9 September 2021

Statement of Cashflows
For the year ended 31 March 2021

	2021 £	2020 £
Cash flow from operating activities	2,807,676	5,932,233
Cash flow from investing activities		
Interest received	13,263	623
Purchase of investments	(2,000,000)	-
Payments to acquire tangible fixed assets	(248,909)	(5,430,148)
Increase in cash and cash equivalents	572,030	502,708
Cash and cash equivalents at 1 April 2020	706,868	204,160
Cash and cash equivalents at 31 March 2021	1,278,898	706,868
Cash and cash equivalents consists of:		
Cash at bank and in hand	1,278,898	706,868
Reconciliation of net income to net cash flow from operating activities	2021 £	2020 £
Net income for the year	2,539,314	6,307,373
Depreciation	70,799	592
(Gains)/losses on investments	(8,893)	-
Investment income	(13,263)	(623)
(Increase) / decrease in Stock	(1,917)	-
Decrease / (increase) in debtors	962,177	(1,004,188)
(Decrease) / increase in creditors	(740,541)	629,079
Net cash flow from operating activities	2,807,676	5,932,233

Notes to the Financial Statements
For the year ended 31 March 2021

1 General information

Manchester Youth Zone - East is a charitable company limited by guarantee in the United Kingdom. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are to build, deliver and sustain a Youth Zone in the East Manchester area.

The Charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) issued 16 July 2014, the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

2 Accounting policies**i. Basis of preparation**

The financial statements are prepared on a going concern basis under the historical cost convention. The financial statements are prepared in sterling which is the functional currency of the Charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

ii. Funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

iii. Income recognition

All income is included in the Statement of Financial Activities (SoFA) when the Charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the Charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the Charity and it is probable that they will be fulfilled.

Investment income represents amounts receivable in respect of the period. Accrued income is recognised on investments up to the balance sheet date.

Grants in connection with the job retention scheme are recognised in the period to which the underlying staff costs relate to.

iv. Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred.

Charitable expenditure

Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities and services. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs

Governance costs include those 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.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis.

Notes to the Financial Statements
For the year ended 31 March 2021

v. Tangible fixed assets

Fixed assets costing more than £250 are capitalised and included on the balance sheet at cost. These reflect the initial planning and development costs of the asset under construction.

Fixed assets are depreciated so as to write off the cost or valuation, less anticipated residual value, over their anticipated useful lives, subject to annual review, as follows:

Youth Zone leasehold property	0.8% based on a lease of 125 years
Computer equipment	33% straight line
Fixtures and fittings	25% reducing balance
Computer equipment	33% straight line
Gym Equipment	20% straight line
Catering equipment	33% straight line
Plant & Machinery	25% reducing balance

vi. Investments

Listed investments are shown at market value at the balance sheet date.

vii. Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

viii. Tax

The Charity is an exempt Charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

ix. Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the Charity to be able to continue as a going concern.

x. Pensions

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

3 Income from Donations and Legacies	Unrestricted	Restricted	TOTAL	TOTAL
	2021	2021	2021	2020
	£	£	£	£
Donations - capital	-	64,000	64,000	5,850,000
Donations - other	106,032	3,000	109,032	10,580
Grants, trusts & foundations	-	4,000	4,000	5,000
OnSide Foundation - DCMS Community Matched Funding	450,394	-	450,394	-
Local Authority	200,000	-	200,000	-
Founder patrons	1,108,500	-	1,108,500	514,000
Gift Aid	1,367,671	-	1,367,671	56,250
	3,232,597	71,000	3,303,597	6,435,830
4 Income from Charitable Activities	Unrestricted	Restricted	TOTAL	TOTAL
	2021	2021	2021	2020
	£	£	£	£
Young People's activity sessions	17,900	-	17,900	-
Facility hire	8,588	-	8,588	-
	26,488	-	26,488	-

Notes to the Financial Statements
For the year ended 31 March 2021

5 Investment Income	Unrestricted 2021 £	Restricted 2021 £	TOTAL 2021 £	TOTAL 2020 £
Bank interest received	1,195	120	1,315	623
Income from investments	11,948	-	11,948	-
	13,143	120	13,263	623
6 Other income	Unrestricted 2021 £	Restricted 2021 £	TOTAL 2021 £	TOTAL 2020 £
Coronavirus furlough scheme	19,573	-	19,573	-
7 Operating costs	Unrestricted 2021 £	Restricted 2021 £	TOTAL 2021 £	TOTAL 2020 £
Staff wages & salaries	541,688	-	541,688	106,298
Staff travel expenses	353	-	353	2,629
Freelance and Agency staff	7,526	-	7,526	-
Fundraising & Events	83	-	83	-
Staff and Volunteers DBS checks	3,333	-	3,333	512
Staff Uniform	3,966	-	3,966	955
Telephone	2,897	-	2,897	985
Stationery	4,284	-	4,284	697
Hospitality	310	-	310	399
Computer costs	14,426	-	14,426	2,414
Office supplies	3,615	-	3,615	-
Donations	9,917	-	9,917	-
Sundry Expenses	2,204	-	2,204	59
Insurance	20,160	-	20,160	1,393
Marketing costs	3,105	-	3,105	1,038
Legal & professional	9,463	-	9,463	405
Licences	1,721	-	1,721	180
Training	12,370	-	12,370	780
Trips and Residentials	-	-	-	2,142
Youth Work costs	44,601	-	44,601	644
Catering Supplies	12,189	-	12,189	-
Catering Equipment	2,037	-	2,037	-
Recruitment	1,370	-	1,370	1,471
Premises Costs	53,711	-	53,711	20
Depreciation	-	70,799	70,799	592
Bank charges	402	-	402	67
	755,731	70,799	826,530	123,680
8 Net income			2021 £	2020 £
Net income / movement in funds is stated after charging :				
Depreciation			70,799	592
Audit Fee			5,970	5,400
9 Taxation				

Manchester Youth Zone - East is a registered Charity. All the company's income is applied to its charitable objectives and the Company is therefore exempt under current legislation from most forms of taxation.

Notes to the Financial Statements
For the year ended 31 March 2021

10 Staff costs and numbers	2021	2020
	£	£
Wages	503,729	97,128
Social security	29,839	6,917
Pensions	8,120	2,253
	541,688	106,298

No employee earned more than £60,000 in the year (2020: Nil)	2021	2020
	Number	Number
Average number of employees	51	3

The aggregate remuneration of the Key Management Personnel, comprising the Chief Executive, Business Administration Manager, Head of Youth Work, Head of Fundraising and Volunteer Recruitment and Training Manager, was £193,726 (2020: £103,830)

11 Trustee remuneration and expenses

No remuneration or expenses have been paid to the Trustees during this period (2020: Nil)

12 Tangible fixed assets

	<i>Leasehold Land & Buildings</i>	<i>Computer Equipment</i>	<i>Fixtures & Equipment</i>	<i>TOTAL</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Cost				
At 1 April 2020	6,010,750	4,988	143,912	6,159,650
Additions	135,291	56,704	56,914	248,909
Disposals	-	-	-	-
At 31 March 2021	6,146,041	61,692	200,826	6,408,559
Depreciation				
At 1 April 2020	-	632	-	632
Charge for the year	28,598	16,063	26,138	70,799
Disposals	-	-	-	-
At 31 March 2021	28,598	16,695	26,138	71,431
Net book value				
At 31 March 2021	6,117,443	44,997	174,688	6,337,128
At 1 April 2020	6,010,750	4,356	143,912	6,159,018

13 Capital commitments	2021	2020
	£	£
Contracted for	148,232	173,479

14 Debtors	2021	2020
	£	£
Trade debtors	8,588	-
Prepayments and accrued income	34,115	1,004,880
	42,703	1,004,880

Notes to the Financial Statements
For the year ended 31 March 2021

15 Investments		2021	2020
		£	£
The Charity has invested surplus funds as follows:			
Interest bearing deposits		500,000	-
Listed investments		1,508,893	-
		2,008,893	-

	Interest bearing deposits	Listed investments	2021 TOTAL	2020
	£	£	£	£
At 1 April 2020	-	-	-	-
Additions	500,000	1,500,000	2,000,000	-
Change in market value	-	8,893	8,893	-
At 31 March 2021	500,000	1,508,893	2,008,893	-

16 Creditors : amounts falling due within one year		2021	2020
		£	£
Trade creditors		41,996	1,333
Capital creditors		-	830,566
Other creditors		68,067	20,152
Accruals		10,062	8,615
		120,125	860,666

17 Movement in funds

The movement in funds for the year is as follows:

	<i>Opening Balance</i>	<i>Income</i>	<i>Expenditure</i>	<i>Closing Balance</i>
	£	£	£	£
Unrestricted Funds	610,489	3,300,694	(761,701)	3,149,482
Restricted funds				
- Fixed assets	6,399,611	64,120	(69,924)	6,393,807
- Baily Thomas Charity	-	4,000	(500)	3,500
- Ultimate Products	-	3,000	(375)	2,625
	6,399,611	71,120	(70,799)	6,399,932
	7,010,100	3,371,814	(832,500)	9,549,414

- i. All of the fixed assets restricted funds represent amounts received for the construction and development of the new Youth Zone facilities.
- ii. Grants and donations to purchase Sensory Room Equipment.

The movement in funds for the prior year is as follows:

	<i>Opening Balance</i>	<i>Income</i>	<i>Expenditure</i>	<i>Closing Balance</i>
	£	£	£	£
Unrestricted Funds	152,748	586,229	(128,488)	610,489
Restricted funds	549,979	5,850,224	(592)	6,399,611
	702,727	6,436,453	(129,080)	7,010,100

Notes to the Financial Statements
For the year ended 31 March 2021

18 Analysis of net assets between funds	<i>Unrestricted funds</i>	<i>Restricted funds</i>	<i>Total funds</i>	<i>Total funds</i>
	2021	2021	2021	2020
	£	£	£	£
Tangible fixed assets	-	6,337,128	6,337,128	6,159,018
Net current assets	3,149,482	62,804	3,212,286	851,082
	3,149,482	6,399,932	9,549,414	7,010,100
	<i>Unrestricted funds</i>	<i>Restricted funds</i>	<i>Total funds</i>	<i>Total funds</i>
	2020	2020	2020	2019
	£	£	£	£
Tangible fixed assets	-	6,159,018	6,159,018	729,462
Net current assets	610,489	240,593	851,082	(26,735)
	610,489	6,399,611	7,010,100	702,727

19 Related party transactions

There were no Related Party transactions during the year (2020: Nil)

20 Control

There is no ultimate controlling party.