

GRIMSBY YOUTH ZONE

TRUSTEES' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

Charity Number: 1187630
Company Number: 12210018

GRIMSBY YOUTH ZONE

TRUSTEES' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

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GRIMSBY YOUTH ZONE

Reference and Administrative Information for the year ended 31 March 2024

Trustees

H Kanakides
G Alton OBE
C Jensen
Dr M Osman
J Stockwood
S Critchlow
D Cook
M Parker
A Ottley
S Wroot (appointed 26 June 2023)

Key Management Personnel

The Trustees
Lucy Ottewell-Key

Company registered number

12210018

Charity registered number

1187630

Registered office

C/O Wilkin Chapman LLP, Cartergate House, 26 Chantry Lane, Grimsby DN31 2LJ

Chief executive officer

Lucy Ottewell-Key

Auditor

Jacob Cavenagh & Skeet, 5 Robin Hood Lane, Sutton SM1 2SW

Bankers

Handelsbanken, Grimsby Branch, Unit 7 Europa Park, Appian Way, Grimsby DN31 2UT

Solicitors

Wilkin Chapman LLP, Cartergate House, 26 Chantry Lane, Grimsby DN31 2LJ

Trading name

Horizon Youth Zone

Website

<http://www.horizonyouthzone.org/>

GRIMSBY YOUTH ZONE

Trustees' Report for the year ended 31 March 2024 (continued)

The Trustees, who are also Directors of the company, present their Directors' report for the purposes of section 417 of the Companies Act 2006 and Trustees' Annual Report for the purposes of section 162 of the Charities Act 2011 together with the Financial Statements of the Charity for the year ending 31 March 2024.

Grimsby Youth Zone was incorporated on 16 September 2019 (Company registration number: 12210018) as a company limited by guarantee and registered as a Charity on 28 January 2020 (Charity registration number: 1187630).

Who we are

Grimsby Youth Zone, named by young people as 'Horizon', will be a purpose-built youth zone for young people from Grimsby and the surrounding area. Located in the heart of Grimsby, the new facility will be on the site of the former West Haven Mailings and Migar House buildings, fronting onto the River Freshney. It will be a safe and inspiring place for young people aged 8 - 19, and up to 25 for those with additional needs and disabilities, to enjoy their leisure time and access opportunities to discover their passions and their purpose.

Horizon is based upon the successful OnSide 'Youth Zone' model, where members will have access to state-of-the-art facilities for a cost of £5 per year and only 50p per visit. Inside the Youth Zone young people will have a choice of over 20 fun and engaging activities every session, including sports, arts, music, media, dance, drama, cooking, employability, and enterprise workshops. and much more.

Horizon Youth Zone is being delivered in partnership with OnSide and North East Lincolnshire Council and is supported by a number of businesses, philanthropists, and charitable foundations.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Grimsby Youth Zone is a company limited by guarantee without share capital and registered under the Companies Act 2006, registration number 12210018. The company is governed by its Memorandum and Articles of Association dated 16 September 2019. Management of the company's affairs is vested in the co- Directors. It is a Charity registered with the Charity Commission on 28 January 2020.

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

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 Directors 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.

Trustees are trained through a Board Development Day before the Youth Zone opens, providing a complete overview on Governance, Safeguarding, Fundraising and overseeing the Youth Zone's offer; and also offered a series of monthly masterclasses covering all aspects of a Youth Zone's operations from a Trustee's perspective.

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 Charity's Memorandum and Articles of Association, dated incorporation on 16 September 2019, which may be inspected at the Grimsby Youth Zone registered office.

Organisational Structure

Grimsby Youth Zone is governed by its Trustee Board which is responsible for setting the strategic direction of the organisation and the policy of the Charity. The Trustees carry the ultimate responsibility for the conduct of

GRIMSBY YOUTH ZONE

Trustees' Report for the year ended 31 March 2024 (continued)

Grimsby Youth Zone and for ensuring that the Charity satisfies its legal and contractual obligations. Trustees meet approximately every two to three 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 Chair of the meeting has the casting vote.

During the period ending March 31st, 2024, a Chief Executive Officer was appointed (October 2023).

Risk management

The Trustees have considered and identified the major risks to which the Charity is exposed through the risk register and have established suitable risk management and control procedures. The main risks and controls are as follows:

1. **Fundraising Income Target Not Met:** If income does not meet the required levels before opening, the first year's operating budget may fall into deficit. **Mitigating actions** include the employment of a Senior Philanthropy Manager (currently in post), supported by OnSide's Head of Fundraising, and the establishment of clear Key Performance Indicators (KPIs) to manage and assess progress.
2. **Cost of Living and Inflation:** Rising costs, particularly for wages and utilities, could increase the Youth Zone's operational expenses. **Mitigating actions** include conducting a wage benchmarking exercise that will be reviewed regularly and revising the operating model based on learnings from the OnSide network of Youth Zones to ensure the most sustainable delivery model is implemented.
3. **Project Delays Due to Complications:** Delays in the project could potentially jeopardize the timely use of restricted capital funding. Mitigating actions involve profiling restricted capital to be spent ahead of unrestricted funds and ensuring expenditure occurs within the funders' specified timelines. OnSide's Property and Construction team has a project manager in place to monitor contractor progress and manage potential delays.

OBJECTIVE AND ACTIVITIES

Grimsby Youth Zone will be a safe and inspiring provision for the young people of Grimsby and wider North East Lincolnshire region. Providing a positive and ambitious environment to have fun, make friends, try new activities and develop new skills, raising aspirations in order that they may grow to maturity as individuals and positive members of society, and that their conditions in life may improve.

ACHIEVEMENTS AND PERFORMANCE

Construction began in September 2023, a major milestone. Although a slow start due to the requirement in gaining Environment Agency approval, work outside of the 8m exclusion zone (around the river wall) was ongoing. Environment Agency approval was received in January 2024 and the build is now progressing well with drainage, ground working and foundations for the sports hall underway and structural steel work erected. River wall work commenced late February 24. Ongoing liaison with Historic England and North East Lincolnshire Council with regards to heritage and listed building planning and consent conditions.

Over £13.5 million has been secured from a range of funders towards the capital project costs. These include the Architectural Heritage Fund, Department for Culture, Media & Sport's Youth Investment Fund, Greencoat UK Wind, Historic England, the National Lottery Heritage Fund, North East Lincolnshire Council, Ørsted, St James's Place Charitable Foundation, as well as several anonymous donors. The Horizon Youth Zone Board and project team are hugely grateful for this substantial support which has this year enabled the construction phase to begin.

The board is also grateful to the growing Founder Patron family which provides essential operating revenue for the Youth Zone. We are very grateful to Allied Protek Engineering Ltd, the Bentham family, Dee Bee Wholesale Ltd, DFDS Seaways, Evergreen, the Francis Arthur Brookes Charitable Trust, Greencoat UK Wind, the Humberside Police & Crime Commissioner, Myenergi Ltd, Ørsted, Andrew Pettit, Prax Roots Foundation, Simon Smith and Lorna and Jason Stockwood, who have all pledged generous long-term commitments to Horizon. Financial support from Novartis UK, Wilkin Chapman and Walwyn Chapman Charitable Trust has also been committed towards Horizon's operating costs.

GRIMSBY YOUTH ZONE

Trustees' Report for the year ended 31 March 2024 (continued)

Together, these philanthropic partners continue to be instrumental in setting the Youth Zone up on a sustainable footing and in helping to attract further funding.

A 'Stand on the land' event was held on the 29th of February 2024 to celebrate the construction milestone and thank patrons, trustees and project supporters and demonstrate project progress.

The voice of young people has continued to shape and influence the project to ensure it meets the needs of local young people, through the "Young People's Development Group," a participation and leadership group for local youth. This group plays a crucial role in guiding the project's direction, ensuring that it remains relevant and responsive to the unique challenges and aspirations of the young people in the community.

Horizon Youth Zone benefits from the support of OnSide (charity number 1125893) in its development and will become a member of the growing OnSide network of Youth Zones.

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 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.

The Trustees of Grimsby Youth Zone 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.

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 one full day each calendar month. In addition, the engagement work with young people has been supported by a pool of dedicated volunteers, giving on average 9 hours a week of volunteer time to support the Youth Development Group.

Investment Activities

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 objectives of the Charity. Currently, the Charity does not currently hold any investments other than cash on deposit with Handelsbanken.

FINANCIAL REVIEW

A summary of the results for the year is shown below:

	2024
	£
Incoming resources	3,090,035
Outgoing resources	(245,825)
	<hr/>
Net incoming resources	2,844,210
	<hr/> <hr/>

The charity is set up and in its pre-opening phase with donations being received to fund the design and construction of the Youth Zone and recruitment of the CEO.

Reserves Policy

The Board of Trustees of Grimsby Youth Zone have determined that unrestricted, 'free', reserves should be maintained at a minimum of 3 to 6 months of day to day running costs, plus any designated funds for specific projects at the Trustees discretion. Trustees feel this reserves policy appropriately reflects the risks to which the Charity is exposed. Due consideration has been given to these activities in the annual review of the reserves policy and, currently, these costs remain minimal in the pre-opening phase. Once Grimsby Youth Zone is operational, running costs for 3 months (minimum) and 6 months (maximum) will be calculated, and reserves will be maintained within the two figures.

GRIMSBY YOUTH ZONE

Trustees' Report for the year ended 31 March 2024 (continued)

Total reserves as at 31 March 2024, the charity had total funds of £4,165,638 (2023: £1,321,428), of which £587,630 were unrestricted (2023: £228,549) and £3,578,008 were restricted (2023: £1,092,879). Free reserves were a surplus of £587,630 (2023: 228,549). This amount of free reserves amounts to over 12 months' cover of cost given the current stage of the project during the pre-opening stage. The policy will be reviewed by the Board annually, to assess whether the current level is still appropriate.

Future plans

Over the next year, we will begin recruiting the senior leadership team, including the Head of Youth Work, Head of HR and Operations, and Head of Fundraising and Marketing. These key roles will support the pre-opening phase alongside the Chief Executive (currently in post). Additionally, we aim to expand the Youth Zone's family of revenue funders to ensure that the pre-opening and the first three years of operational costs are fully funded.

We anticipate that the building work will be completed by July/August 2025, with a goal of full opening and operation by the end of 2025. Ahead of opening, our focus will be on recruiting and training a wider team of staff and volunteers, and developing a safe, positive, and enriching program for young people to be delivered post-opening.

Fundraising statement

OnSide works in collaboration with Horizon Youth Zone Board and CEO to secure the first three years of revenue funding. This funding is secured through a combination of public and private sector contributions, with support from the Local Authority (Northeast Lincolnshire Council) alongside revenue donations typically received from philanthropic individuals and corporations.

Our fundraising efforts focus on securing gifts of £25,000 per annum (or higher) for four years. Donors who contribute at this level are known as Founder Patrons, and their gifts are unrestricted and support the revenue costs of Horizon Youth Zone, some of which may also be allocated to the Youth Zone's reserves. These funds are primarily raised through one-on-one meetings between the OnSide Senior Philanthropy Manager for Horizon and prospective donors. Occasionally, we host events to bring together groups of donors and prospective donors.

Horizon does not directly contact the public for fundraising; however, some key stakeholders, such as trustees or supporters, may undertake their own challenges to raise money for the Youth Zone. Horizon has also secured funding from the Heritage Lottery to support local young people in learning about their local heritage and beyond, both before and after the Youth Zone's opening.

Upon opening, the Head of Fundraising and Marketing, with the support of the CEO, will develop a new fundraising strategy to steward existing donors and diversify income streams.

The charity operates in compliance with the Fundraising Regulator's Code of Practice. We do not employ third parties for fundraising, nor do we engage in mass fundraising campaigns, cold calling, or street-based collections. To date, we have received zero complaints about our fundraising activities.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also directors of Grimsby Youth Zone for the purposes of company law) are responsible for preparing the Trustees' Report (incorporating the directors' report) and the financial statements in accordance with 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).

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 year. In preparing these financial statements, the trustees are required to:

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

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Trustees' Report for the year ended 31 March 2024 (continued)

The trustees are responsible for maintaining proper accounting records which 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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

The Trustees' Report was prepared in accordance with the special provisions relating to small companies.

The Trustees report was approved and was signed on behalf of the Trustees by:



C Jensen
Trustee

Date: 11 September 2024

GRIMSBY YOUTH ZONE

Independent auditor's report to the members of Grimsby Youth Zone

Opinion

We have audited the financial statements of Grimsby Youth Zone (the 'charity') for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the 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 incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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 Charity's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report, including the trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, 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.

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Independent auditor's report to the members of Grimsby Youth Zone (continued)

Matters on which we are required to report by exception

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

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

- adequate and proper 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; 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 trustees' responsibilities statement, 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 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 company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Based on our understanding of the charity, we identified that the principal risks of non-compliance with laws and regulations related to company, employment and financial reporting legislation and we considered the extent to which non-compliance might have a material effect on the financial statements. We considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and Charities Act 2011.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management, considering the internal controls in place and discussion amongst the engagement team.

We determined that the principal risks were related to the recognition of income and expenditure on fixed assets.

In response to the risks identified we designed procedures which included, but were not limited to reviewing Trustees meeting minutes, examining the donation records, and examining the lease agreement and expenditure invoices for the development.

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

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

GRIMSBY YOUTH ZONE

Independent auditor's report to the members of Grimsby Youth Zone (continued)

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and regulations made under that Act. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' 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 members as a body, for our audit work, for this report, or for the opinions we have formed.



**Paul Newton FCA (Senior Statutory Auditor)
for and on behalf of Jacob Cavenagh & Skeet
Statutory Auditor
Chartered Accountants**

5 Robin Hood Lane
Sutton
Surrey
SM1 2SW

Dated: 11 September 2024

GRIMSBY YOUTH ZONE

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

	Notes	2024			2023		
		Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
Income from							
Donations and legacies	2	342,118	2,729,537	3,071,655	158,178	306,002	464,180
Other trading activities	3	-	440	440	-	4,363	4,363
Investments	4	17,940	-	17,940	612	-	612
Total income		360,058	2,729,977	3,090,035	158,790	310,365	469,155
Expenditure on							
Raising funds	5	15	4,902	4,917	2,039	6	2,045
Charitable activities	6	962	239,946	240,908	5,487	39,732	45,219
Total expenditure		977	244,848	245,825	7,526	39,738	47,264
Net income		359,081	2,485,129	2,844,210	151,264	270,627	421,891
Transfers between funds		-	-	-	-	-	-
Net movement in funds		359,081	2,485,129	2,844,210	151,264	270,627	421,891
Reconciliation of funds							
Total funds brought forward		228,549	1,092,879	1,321,428	77,285	822,252	899,537
Total funds carried forward		587,630	3,578,008	4,165,638	228,549	1,092,879	1,321,428

All of the above results are derived from continuing activities and include all gains and losses recognised in the year.

The notes of pages 13 to 20 form part of these financial statements.

GRIMSBY YOUTH ZONE
Balance Sheet as at 31 March 2024

		2024		2023	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	10		3,812,265		1,159,769
Current assets					
Debtors	11	62,036		55,878	
Cash at bank and in hand		2,177,867		1,289,882	
		<u>2,239,903</u>		<u>1,345,760</u>	
Creditors: Amounts falling due within one year	12	<u>(1,886,530)</u>		<u>(1,184,101)</u>	
Net current assets			353,373		161,659
Net assets	15		<u>4,165,638</u>		<u>1,321,428</u>
Funds					
Unrestricted Funds	14		587,630		228,549
Restricted Funds	14		3,578,008		1,092,879
Total funds			<u>4,165,638</u>		<u>1,321,428</u>

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

These financial statements were approved by the board of trustees and authorised for issue on 11 / 9 / 2024 and are signed on behalf of the board by:



C Jensen
Trustee

Company registered number: 12210018

The notes on pages 13 to 20 form part of these financial statements.

GRIMSBY YOUTH ZONE
Statement of Cash Flows for the year ended 31 March 2024

	2024		2023	
	£	£	£	£
Cash flows from operating activities				
Cash generated from operations (i)		3,453,756		1,505,997
Investing activities				
Investment income	17,940		612	
Purchase of tangible fixed assets	(2,583,711)		(441,327)	
Cash flows (used in) investing activities		(2,565,771)		(440,715)
Net increase in cash		887,985		1,065,282
Cash brought forward at 1 April		1,289,882		224,600
Cash carried forward at 31 March		2,177,867		1,289,882
(i) Cash flows from operating activities				
Net income		2,844,210		421,891
Adjustments for:				
Investment income		(17,940)		(612)
Depreciation		371		-
(Increase) in debtors		(6,158)		(55,878)
Increase in creditors		633,273		1,140,596
Cash generated from operations		3,453,756		1,505,997

GRIMSBY YOUTH ZONE

Notes to the Financial Statements for the year ended 31 March 2024 (continued)

1 Accounting Policies

Grimsby Youth Zone is a private charitable company limited by guarantee. The charitable company is incorporated in England and Wales. The address of the registered office is: C/O Wilkin Chapman LLP, Cartergate House, 26 Chantry Lane, Grimsby DN31 2LJ

1.1 Basis of preparation

The financial statements have been prepared under the Companies Act 2006 and the Charities Act 2011, and in accordance with the Charities Statement of Recommended Practice (Charities SORP (FRS 102)), and Financial Reporting Standard 102 (FRS 102).

The financial statements are prepared in sterling, rounded to the nearest pound. The charity is a public benefit entity as defined by FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Going concern

The Charity has maintained a financially stable state over the last financial year. The Trustees have taken a number of steps to assess the Youth Zone's ability to continue as a going concern; all key donors have been contacted in order to identify any challenges for them in maintaining their support and Trustees were delighted that all the parties remain fully committed to the project. The Trustees believe we are well on track to securing the Founder Patrons required prior to opening, as well as working towards raising the full capital requirement needed to complete the build.

Whilst it is never possible to be certain of the future, the Trustees consider that the steps taken are sufficient to classify the charity as a going concern and are confident in the Youth Zone's ability to meet its short and medium term obligations.

1.3 Income

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 income receivable can be measured reliably.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to donations is recognised at the time the donation is receivable.

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities, events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

GRIMSBY YOUTH ZONE

Notes to the Financial Statements for the year ended 31 March 2024 (continued)

ACCOUNTING POLICIES (continued)

1.5 Tangible fixed assets

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

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

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

Computer equipment – 3 years

Assets in the course of construction are included at costs incurred to date. Depreciation on these assets is not charged until they are brought into use.

1.6 Debtors

Debtors are included at the settlement amount due. Prepayments are valued at the amount prepaid.

1.7 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.8 Creditors

Creditors are recognised where the charity has a present obligation arising from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are recognised at their settlement amount.

1.9 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.10 Funds

Unrestricted funds are those which are not subject to any special restrictions and they can be used as the Trustees decide in furtherance of the general objectives of the charity.

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 aim and use of each restricted fund is set out in the notes to the financial statements. Investment income is allocated to the appropriate fund.

1.11 Accounting estimates and judgements

There were no significant estimates and judgements made by the charity.

GRIMSBY YOUTH ZONE**Notes to the Financial Statements for the year ended 31 March 2024 (continued)****2 Donations and legacies**

	Unrestricted	Restricted	2024 Total	2023 Total
	£	£	£	£
Donations	330,868	-	330,868	433,178
Grants	5,000	2,729,537	2,734,537	31,002
Gift aid	6,250	-	6,250	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total	342,118	2,729,537	3,071,655	464,180
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

3 Income from other trading activities

	Unrestricted	Restricted	2024 Total	2023 Total
	£	£	£	£
YPDG fundraising event	-	440	440	4,363
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

4 Investment income

	Unrestricted	Restricted	2024 Total	2023 Total
	£	£	£	£
Bank interest	17,940	-	17,940	612
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

5 Expenditure on raising funds

	Unrestricted	Restricted	2024 Total	2023 Total
	£	£	£	£
Advertising and marketing	-	799	799	1,368
PR and networking	15	754	769	671
Fundraising costs	-	3,349	3,349	6
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	15	4,902	4,917	2,045
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

6 Auditor's remuneration

The auditor's remuneration amounts to a fee (excluding VAT) of £4,500 for the audit and £1,100 for accounts preparation (2023: £1,740 net was paid to a previous Independent Examiner).

GRIMSBY YOUTH ZONE**Notes to the Financial Statements for the year ended 31 March 2024 (continued)****7 Expenditure on charitable activities**

	Unrestricted	Restricted	2024 Total	2023 Total
	£	£	£	£
Staff costs (note 8)	-	61,763	61,763	-
Staff DBS checks	-	204	204	43
Insurance	587	932	1,519	352
Bank charges	14	77	91	64
Independent examiner fee	-	-	-	2,088
Audit fee	-	5,400	5,400	-
Accountancy fee	-	1,320	1,320	-
IT website and software	290	1,767	2,057	163
Other supplies and sundry costs	-	1,136	1,136	35
Marketing and comms	-	-	-	259
Recruitment	-	11,700	11,700	-
Training expenses	-	4,579	4,579	465
Trips and activities	30	20,368	20,398	41,750
Telephones	41	587	628	-
Legal and professional	-	180	180	-
Capital project fees	-	129,562	129,562	-
Depreciation	-	371	371	-
	<u>962</u>	<u>239,946</u>	<u>240,908</u>	<u>45,219</u>

8 Staff costs

	2024 £	2023 £
Wages and salaries	58,808	-
Social security costs	1,546	-
Pension costs	1,409	-
	<u>61,763</u>	<u>-</u>
Average number of employees	<u>2</u>	<u>-</u>
Key management personnel remuneration	<u>31,592</u>	<u>-</u>

No member of staff received payments in excess of £60,000 in the current or prior year.

GRIMSBY YOUTH ZONE**Notes to the Financial Statements for the year ended 31 March 2024 (continued)****9 Trustees' remuneration and expenses**

During the year, no trustees received any remuneration or other benefits (2023: £nil).

No trustees were reimbursed expenses in the year (2023: £nil).

10 Tangible fixed assets

	Assets under the course of construction	Computer equipment	Total
	£	£	£
Cost			
At 1 April 2023	1,159,769	-	1,159,769
Additions	2,650,628	2,239	2,652,867
	<u> </u>	<u> </u>	<u> </u>
At 31 March 2024	3,810,397	2,239	3,812,636
	<u> </u>	<u> </u>	<u> </u>
Depreciation			
At 1 April 2023	-	-	-
Charge	-	371	371
	<u> </u>	<u> </u>	<u> </u>
At 31 March 2024	-	371	371
	<u> </u>	<u> </u>	<u> </u>
Net book value			
At 31 March 2024	3,810,397	1,868	3,812,265
	<u> </u>	<u> </u>	<u> </u>
At 31 March 2023	1,159,769	-	1,159,769
	<u> </u>	<u> </u>	<u> </u>

11 Debtors

	2024	2023
	£	£
Trade debtors	54,260	55,000
Prepayments and accrued income	1,526	878
Gift aid receivable	6,250	-
	<u> </u>	<u> </u>
	62,036	55,878
	<u> </u>	<u> </u>

All amounts fall due within one year.

GRIMSBY YOUTH ZONE**Notes to the Financial Statements for the year ended 31 March 2024 (continued)****12 Creditors: Amounts falling due within one year**

	2024	2023
	£	£
Trade creditors	1,300,101	345,910
Tax and social security	8,472	-
Accruals and deferred income	101,874	48,543
YIF grant repayable	469,019	789,648
Other creditors	7,064	-
	<u>1,886,530</u>	<u>1,184,101</u>

13 Deferred income

	2024	2023
	£	£
Deferred income at 1 April 2023	57,500	-
Release from previous periods	(50,000)	57,500
Deferred in the year	17,500	-
	<u>25,000</u>	<u>57,500</u>

Deferred income consists of pledged donations that were given for future years.

GRIMSBY YOUTH ZONE

Notes to the Financial Statements for the year ended 31 March 2024 (continued)

14 Funds

	Balance at 1 April 2023	Income	Expenditure	Balance at 31 March 2024
Unrestricted funds				
General funds	228,549	360,058	(977)	587,630
Restricted funds				
Capital	1,095,000	-	-	1,095,000
YPDG	806	440	(440)	806
National Lottery Heritage	(33,279)	-	(41,152)	(74,431)
YIF – Social Investment				
Business	30,352	2,729,537	(203,256)	2,556,633
	1,092,879	2,729,977	(244,848)	3,578,008
Total funds	1,321,428	3,090,035	(245,825)	4,165,638
	Balance at 1 April 2022	Income	Expenditure	Balance at 31 March 2023
Unrestricted funds				
General funds	77,285	158,790	(7,526)	228,549
Restricted funds				
Capital	820,000	275,000	-	1,095,000
YPDG	2,252	4,363	(5,809)	806
National Lottery Heritage	-	-	(33,279)	(33,279)
Buckingham Palace Trip	-	650	(650)	-
YIF – Social Investment	-	30,352	-	30,352
Business				
	822,252	310,365	(39,738)	1,092,879
Total funds	899,537	469,155	(47,264)	1,321,428

Capital: these are funds received to be used in the construction of the Horizon Zone in Grimsby.

The National Lottery Heritage Fund is supporting Grimsby Youth Zone with a grant of up to £2,697,727 that will support capital and revenue costs to ensure the Youth Zone's appeal within a Heritage Action Zone. The grant will be claimed in 2024-25.

YIF: The Youth Investment Fund is supporting the Youth Zone with a grant of up to £7,084,170 that will support construction, fees and revenue costs incurred up to 1 April 2025.

YPDG: Young People's Development Group funds raised via challenges are to support the revenue costs towards the young people's activities.

GRIMSBY YOUTH ZONE**Notes to the Financial Statements for the year ended 31 March 2024 (continued)****15 Analysis of net assets between funds**

	Unrestricted £	Restricted £	Total £
Fund balances at 31 March 2024 are represented by:			
Tangible fixed assets	-	3,812,265	3,812,265
Current assets	2,400,052	(160,149)	2,239,903
Creditors due within one year	(1,812,422)	(74,108)	(1,886,530)
Total net assets at 31 March 2024	587,630	3,578,008	4,165,638

	Unrestricted £	Restricted £	Total £
Fund balances at 31 March 2023 are represented by:			
Tangible fixed assets	34,417	1,125,352	1,159,769
Current assets	1,345,760	-	1,345,760
Creditors due within one year	(1,151,628)	(32,473)	(1,184,101)
Total net assets at 31 March 2023	228,549	1,092,879	1,321,428

16 Related party transactions

There were no related party transactions during the year.

17 Capital commitments

At the year end, the charity had the following capital commitments:

	£
Capital commitments at 31 March 2024	8,167,229
Capital commitments at 31 March 2023	-