

Charity Registration No. 1163183

Company Registration No. 09267940 (England and Wales)

**WIRRAL YOUTH ZONE
T/A THE HIVE YOUTH ZONE
ANNUAL REPORT AND CONSOLIDATED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

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

Trustees	John Syvret CBE (Chair)	
	Peter Bibby	
	Phillip Garrigan	
	Matthew Noon	
	Sara Stephens	
	Allan Wood	
	Fiona Norcross	
	Kate Eugenl	
	Sandra Kirkham	(Appointed 31 January 2020)
	Charles Hurst	(Appointed 19 July 2020)
Chief Executive Officer	Adam Mellor	(Resigned 1 October 2019)
	Stuart Barnes	(Interim from 7 October 2019 and permanent from 18 January 2020)
Charity number	1163183	
Company number	09267940	
Registered office	Wirral Youth Zone Bright Street Birkenhead England CH41 4EA	
Auditor	McEwan Wallace Limited 68 Argyle Street Birkenhead Wirral CH41 6AF	
Bankers	Barclays 1 Market Street, Bolton, BL1 1XA	
	Handelsbanken Beech House, Oaklands Office Park, Hooton, Cheshire, CH66 7NZ	

WIRRAL YOUTH ZONE T/A THE HIVE YOUTH ZONE CONTENTS

	Page
Trustees' report	1 - 12
Independent auditor's report	13 - 15
Group statement of financial activities	16
Group balance sheet	17
Parent balance sheet	18
Group statement of cash flows	19
Notes to the financial statements	20 - 32

WIRRAL YOUTH ZONE T/A THE HIVE YOUTH ZONE TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2020

The trustees present their report and financial statements for the year ended 31 March 2020.

Wirral Youth Zone, named by young people as "The Hive" is a purpose-built facility for the borough's young people aged 8 – 19 and up to 25 for those with disabilities. Centrally located in Birkenhead, the £6M centre opened on 8 April 2017.

Wirral Youth Zone is part of a growing network of similar independent youth organisations that all share the same principles, developed by the charity OnSide Youth Zones, which is developing 21st Century youth facilities across the UK.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016).

Objectives and activities

Wirral Youth Zone's objectives are to help and educate children and young people resident in Wirral and surrounding area 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 their conditions of life may improve.

The Trustees of Wirral 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.

Strategic report

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

Achievements and performance

The Charity is delivering its objectives by operating a Youth Zone which provides young people with, "somewhere to go, something to do and someone to talk to" in a high quality, safe environment providing a huge range of positive activities and helping them make more positive and constructive use of their leisure time. The Hive is open 7 days per week, 365 days per year including Christmas Day with facilities which include

- A large open recreation area, incorporating a café and informal activity space
- A multi-use four court sports hall
- A fully equipped fitness suite
- A climbing wall
- A boxing and martial arts gym
- A dance and performing arts studio
- Arts and crafts areas
- Music, film and multi-media rooms
- Training facilities
- An enterprise and employability suite
- Other rooms and areas suitable for flexible use and a variety of activities
- An outdoor 3G kick pitch
- Skate Park
- Garden
- Salon
- External areas for informal education

WIRRAL YOUTH ZONE T/A THE HIVE YOUTH ZONE TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

Some of our 2019/20 headlines are;

- Membership sustained above 3,000 across the year.
- 66,927 visits made to the Youth Zone, an average of 1,287 per week (target 1,000)
- Over 15% of members are disabled.
- 4,954 hours of volunteering time given, worth almost £50,000
- 2,316 hours of open access youth work. With a choice of 20 activities every session and an average of 10 taking place at any given time that is over 23,000 hours of activities for young people planned and delivered.
- We have attracted members from all electoral wards within Wirral. Membership of ethnic minorities is also representative of the population in Wirral.
- Partnership working is vital in ensuring we offer the very best opportunities and support to our members and we have maintained and developed over the year a wide range of robust and mutually beneficial partnerships. These include various sports clubs, arts projects, development opportunities, e.g. Princes Trust, Everton in the Community, various NHS teams, Feeding Birkenhead and many more including our founder patron businesses.
- Our partnership with the local police is particularly important to ensure that we are meeting local need and contributing to local reductions in anti-social behaviour.
- A successful Ofsted registered alternative education school operated by Progress Schools is based within The Hive.
- Our café, operated by our subsidiary trading company, continues to provide affordable home cooked meals for young people. A fundraising campaign, "Never Bee Hungry", working with local hospitality venues enables us to provide free meals and other support to some of our most vulnerable members, ensuring they always have access to a nutritious meal.
- Again this year The Hive has been nominated for, and won, several awards, excellent recognition of the hard work of all involved throughout the reporting period;
- 'Highly Commended' in the Volunteer Team of the Year category at the North West Charity Awards
- Overall winner in the "Age" category at the National Diversity Awards in recognition of The Hive's work around inclusion and in particular engagement with disabled young people.

Our Youth Work programme

Continuing to focus on providing "somewhere to go, something to do and someone to talk to" the team worked hard to ensure that each day we offer a choice of 20 activities, that we continually ensure that the offer is fresh, varied and relevant, that we incorporate special events and that we also maintain a balance of recreational and development activities. Additionally, we have a wide range of targeted support activity designed to support young people to achieve their potential. With over 23,000 hours of planned activities per year it would be impossible to include everything, but examples include;

**WIRRAL YOUTH ZONE
T/A THE HIVE YOUTH ZONE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)
(CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2020

- In **Sport** we have activities including dodgeball, football and wheelchair rugby. We have also introduced some teams, including, at young people's request, a basketball team, "Hive Heat" which competes in the North Wales League. One of our members has now been offered a scholarship development opportunity. Across all areas of the organisation we take young people on residential which see them take part in activities, including kayaking, gorge walking etc. This includes amazing opportunities like Snow Camp; skiing and snowboarding in Manchester leading to a trip to France.
- Within our **Arts** offer, all forms of music are amongst our most popular activities, from bands rehearsing to instrument tuition, from lyric writing to karaoke and not forgetting our choir and vocal harmony groups. We have many young people regularly rehearsing and performing as soloists or in bands. This year one of our groups, and another individual were chosen to perform at The Royal Albert Hall in London in the presence of the Duke of Sussex, Prince Harry.
- **Employability** and enterprise are at the heart of our work and wholly fit with our aims of helping young people raise aspirations and realise their dreams. We have a range of programmes, including courses for those aged 16+ who are not in education or work to other programmes for a younger age who are considered to be at risk of not going into work or continuing their education. We incorporate varied sessions including team building skills and confidence for the workplace as well as an outdoor residential and work placement. Several of our patron companies support with placement, delivering modules and recruiting apprentices from our cohorts. To date we have a success rate of over 90% moving into education, employment or training following completion of courses
- **Inclusion** is very important to The Hive and we are delighted that so many active disabled members. Our dedicated weekly "Hiveability" session regularly attracts up to 100 young people and on average >15%+ of our attendance across all sessions is by disabled young people. Throughout the week as we have an inclusion support member of staff on every session. We are proud to have already achieved Autism Champion Status in recognition of our work with young people who have autism.
- We plan an ongoing programme of special events and projects throughout the year. A few highlights have been;
 - **Hiveageddon** – Our flagship fully interactive horror experience featuring live actors and extensive props and technology. One of the highest attended weeks at The Hive with a significant impact on ASB locally
 - **Junior Prom** – requested and planned by our junior council members this as the most attended evening of the year, with a roller disco, luxury cars, American diner, best dressed awards and much more.
 - **Eco week** – again planned by members themselves, a week of themed activities highlighting eco and environmental issues.
 - **"Hive against Knives"** and **"Hard Hitters"** are two projects delivered with the Violence Reduction Partnership and police, providing both diversionary activities for young people at risk of engagement with anti-social behaviour and educational initiatives, e.g. young people writing, filming and producing their own videos and drama.
- As well as having lots of fun activities in our general **recreation area**, each week we look at different subjects and issues through interactive activities. We have included; remembrance week, mental health, elections and much more, raising awareness and prompting discussion.
- Our **mentoring** programme through which volunteer mentors support individual young people over a prolonged period provides weekly support over 6 - 12 months gradually building up confidence, resilience, aspiration or whatever a young person needs. For many they do not receive this consistent care and attention at home. Volunteers are carefully recruited for these programmes and receive bespoke training and ongoing support. This has now completed its second year and we have many stories of success and changed lives.
- Over 80 of our young people have now completed an 8-week **Young Leaders** programme. Many are now volunteering at The Hive, working with juniors, planning activities, supporting fundraising and much more. We are also encouraging and facilitating their involvement with other community projects in Wirral.

**WIRRAL YOUTH ZONE
T/A THE HIVE YOUTH ZONE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)
(CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2020

- **Young people** have always been involved in the planning and decision-making processes at The Hive and we continue to operate three forums; the Hive Ambassadors, our seniors, the Hive Junior council and the Hiveability council. Each group meets weekly and their contribution to The Hive is significant and varied. They continue to interview staff, they feedback comments and ideas, they produce promotional material and film and represent The Hive, for example supporting Wirral Council Children's Services improvement process and other consultations and working with the National Children's Museum, Eureka, with regard to their planned expansion to Merseyside. The Hive is also represented on the OnSide network Youth Voice group.

Impact and monitoring

We are committed to the use of monitoring and evaluation as a tool for driving continuous improvement. Using a range of methods, this helps our work remain relevant and provides a measurable impact.

- Informally, feedback and observations are gathered at the end of each session during a team debrief. We also collate and review anecdotal case studies and extensive feedback via social media from young people and parents, the vast majority of which has been wholly positive.
- We monitor and produce a timeline of young people's perceptions of themselves and track changes into how young people feel. This can provide us with evidence as to the value of our programmes and considers;
 - Confidence
 - Communication
 - Social and Emotional Wellbeing
 - Dealing with Issues
 - Raising Aspiration
 - Motivation
 - Reducing Risk Taking Behaviours
- Extensive statistical data is gathered which influences planning, marketing and much more
- This year we have continued work with Big Lottery to pilot several new approaches to monitoring and evaluation within the youth sector. Some methods were more successful than others but learning and feedback has influenced the development of standardised monitoring frameworks which will be used by Big Lottery grantees in future
- At the end of the reporting period we worked through an extensive self-evaluation excellence framework which had been created specifically for the Youth Zone network. In addition to quality of youth work this included sections on governance, finance, facilities, health and safety, safeguarding, partnerships and diversity. The findings from this were used to create an action plan and to contribute to the business plan for the subsequent year.
- During the year we received an externally written report, "Ambitious for Young People" – A study of the impact of universal youth provision at OnSide Youth Zones The Hive was one of the three youth zones selected for a "Deep Dive" approach and as such the results can be considered as applicable to The Hive. The report evidences success against the following goals;
 - To give young people a safe place to grow and have fun
 - Help young people lead healthier, happier lives
 - Enable young people to better face life's challenges
 - Help young people to raise their aspirations and achieve in education and employment
 - Strengthen communities by supporting young people to be empowered, active, caring citizens

**WIRRAL YOUTH ZONE
T/A THE HIVE YOUTH ZONE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)
(CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2020

Specific Challenges

The CEO, Adam Mellor, left the organisation unexpectedly in September 2019. As a result the board asked the previous CEO, Stuart Barnes, if he could return on a part time interim basis until such time as a new permanent appointment could be made. Stuart had previously left The Hive in order to take a national role with OnSide Youth Zones, the network of Youth Zones of which The Hive is a member. OnSide Youth Zones agreed to the secondment.

At this time a detailed review of the financial position of the Charity revealed issues that could affect its long-term financial stability. Supported by the board, Stuart implemented a focused strategy to improve the long term outlook which included driving up the success rate of Grants & Trusts applications and a stewardship programme for patrons. The quality of youth work and engagement of young people was not adversely impacted by the challenges. The senior team worked together to address the concerns;

- Re-engaged the Head of Fundraising who had very successfully led the initial revenue fundraising campaign for The Hive who agreed to join The Hive team to support and reinvigorate the fundraising activity.
- All expenditure was rigorously reviewed and cost savings implemented.
- A restructure process was undertaken to reduce staff costs.

These steps have had a positive impact, but sadly not in time to avoid a significant deficit for the year and reduction of unrestricted reserves compared to the previous year.

Despite the further financial challenges of Covid-19 the charity has, at the time of writing, now significantly improved its financial position and sustainability with unrestricted reserves replenished to the target level of c. 3 months operational costs target.

Following a robust recruitment process, Stuart Barnes was permanently appointed to the role of CEO from 18th January 2020. A new major donor fundraiser, with extensive local experience and an excellent track record has also now been appointed.

**WIRRAL YOUTH ZONE
T/A THE HIVE YOUTH ZONE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)
(CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2020

Covid-19, Impact and Response

Just days before the end of the reporting period The Hive, in common with most, was forced to close its doors in response to the Covid-19 pandemic. The Hive has always provided young people with "somewhere to go, something to do and someone to talk to" and saw no reason for this to fundamentally change. As such, the "somewhere to go" became online and for the most part, the daily programme of activities and support for young people was redesigned as a digital programme, "Hive at Home". This offer comprised a combination of activities to follow and join in, arts, sports workouts, cooking etc. live broadcasts facilitating interaction between young people and youth workers, themed input, e.g. strategies for promoting positive mental health and small video conference groups, e.g. young leaders, LGBTQ+ group, media workshops. Hive at Home proved successful engaging hundreds of young people, ensuring connections were maintained and is continuing despite now reopening the building. This offer has been complemented by other activity to support young people;

- Proactive 'phone calls to members identified as vulnerable
- A new dedicated email address for young people to contact team members with questions and concerns
- 'Phone lines being manned every day
- Delivery of food and other essential supplies, e.g. sanitary products, initially to young people previously practically supported at The Hive.
- Delivery of activity resources, e.g. art materials
- Provision of IT equipment and internet for isolated young people without this facility
- Welfare visits

Now reopen, the programme of activities has been reimagined and adapted to comply with all Covid related safety measures and NYA (National Youth Agency) guidance. Activities are also being adapted and added to, in order to address specific priority issues identified as impacting many young people including;

- Mental Health
- Employability due to reduced opportunities for young people and many having to rethink choices and plans
- Outreach work, increased presence on streets, in parks etc. as social distancing measures have reduced capacity in centres and other places young people may go.
- Reductions in household income

On financially reforecasting at the outset of the Covid-19 lockdown a further reduction in income of c.£0.25 million was predicted for the new financial year as a result of reduced income from young people, venue hire and business patrons, themselves negatively impacted. A dual approach was immediately adopted comprising a further increase in fundraising activity led by the CEO combined with a further review and restructure process.

Sadly, a reduction in our offer has proved necessary but this has been managed in such a way as to still include all component parts, even if for fewer hours, in order to still serve impactfully as many young people as possible. A small number of posts have been lost, there was no annual salary rise and c. one third of staff have accepted reduced hours.

At the same time, we have experienced a degree of fundraising success, including generous government contributions, both to cover the additional work undertaken during the lockdown period as well as to ensure a surplus position for the current year. The charity has quickly regained a stronger financial position with every reason to be optimistic in terms of being able to provide a quality service for young people moving forward.

**WIRRAL YOUTH ZONE
T/A THE HIVE YOUTH ZONE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)
(CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2020

Financial review

A summary of the results is shown below:

	2020 £	2019 £
Income	1,457,904	1,789,734
Expenditure	(1,970,850)	(1,968,997)
Net Income/(expenditure)	(512,946)	(179,263)

Total Income for the year was £1,457,904 (2019: £1,789,734). Of this £423,908 (2019: £518,000) was received from Patrons who have pledged to support the charity for at least 3 years; £400,000 (2019: £414,885) from the Local Authority and £285,317 (2019: £260,811) from grants and trusts. Income from Young People contributed a further £79,314 (2019: £76,394).

Total expenditure for the year was £1,970,850 (2019: £1,968,997), with the resulting deficit being £512,946 (2019: £179,263), after £181,855 (2019: £184,335) depreciation charges.

At the end of the year total funds were £5,163,281 (2019: £5,676,227) with unrestricted funds being £93,698 (2019: £313,672).

The trustees would like to thank the Patrons, Local Authority and the various grant making bodies for their continued support of The Hive Youth Zone this year. These include:

- Wirral Council
- Bibby Line Group
- Youth Investment Fund
- Boulting Group
- Cammell Laird
- Peter, Geoffrey & Christine Bibby
- The Contact Company
- Russell Taylor Group
- The Selwyn Lloyd Charitable Trust
- Hill Dickinson
- B & M Waste
- Appreciate Group
- West Wallasey Car & Van Hire
- Andrew Collinge Hairdressing
- The Barton Family
- Progress to Excellence
- Hugh & Cathy Frost
- Peel Land and Property
- Albert Gubay Charitable Trust
- Birkenhead Business Improvement District
- Steve Morgan Foundation
- Richard Yorke
- OnSide Youth Zones
- Mediacash

**WIRRAL YOUTH ZONE
T/A THE HIVE YOUTH ZONE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)
(CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2020

Reserves policy

The Board of Trustees has established a reserves policy which appropriately reflects the risks to which the Charity is exposed. In compliance with such policy, it will review regularly both the sum it wishes to hold in reserves in the unrestricted budget and the basis for that figure. The reserves policy considers ongoing fixed costs and excludes variable costs and does not consider expenditure which is linked to restricted projects and therefore covered by restricted funds.

In reviewing the potential costs that could arise should a significant reduction in income be incurred, the Trustees have determined that unrestricted, 'free', reserves should be maintained at approximately 3 months of these day to day running costs. The Trustees agree that the purpose of the unrestricted funds is to support all day to day activities necessary at Wirral Youth Zone to support the universal service; due consideration has been given to these activities in the annual review of the reserves policy. As mentioned, the reserves policy considers ongoing fixed costs and excludes variable costs and other one-off additional/discretionary items; during the period, 3 months of fixed costs are determined as £326,816

The Trustees manage the Charity's finances so that an adequate level of reserves can be maintained in compliance with the reserves policy; at 31 March 2020 this was £93,698 this amounts to 0.86 months' cover. The Trustees recognise that this is well below the stated policy but are confident that, with the reduction in costs and increased fundraising, the situation will improve during the new financial year. Indeed, at the point of writing unrestricted reserves have increased significantly to give 2.81 months cover. The Trustees will continue to review the amount to be held in reserves during 2020/21 to ensure this continues to reflect increasing fixed costs throughout the period.

Fundraising Declaration

- All of Wirral Youth Zone's fundraising activity is carried out in line with Charity Commission guidelines and relevant legislation.
- There were no complaints made against the charity.
- The Charity approves all requests for fundraising by assessing whether it is in line with legislation and best practice guidance. This includes where and how the funds are raised.
- All fundraising activities are structured and in Wirral Youth Zone's control, there is no fundraising that is completed by a third party.

Review of risks

The Trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable reports to be produced so that the necessary steps can be taken to lessen them.

At this stage the principal risks are considered to be:

- Building/health and safety issues which may prevent full operation
- Reputational damage
- Failure to maintain target membership/attendance numbers and diversity
- Maintaining sufficient income levels
- Further detrimental impact of the Covid-19 pandemic

WIRRAL YOUTH ZONE T/A THE HIVE YOUTH ZONE TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

Plans for future periods

We subscribe to the culture of every session being better than the last and commit to ongoing review, evaluation and individual commitment to this. This is underpinned by our business plan and strategy. Utilising The OnSide Network's "Excellence Framework" the following have been identified as areas of specific focus for development in the coming year;

- Governance
- Income Generation
- People
- Membership and Attendance
- Monitoring and Evaluation

Governance: We will work to ensure that our Board is comprised of dedicated, experienced and appropriately qualified trustees offering suitable challenge, rigour and support for our senior management team and wider workforce. In order to further increase the effectiveness of the Board we will seek to further tighten our training and induction for Board members so that all are aware of their responsibilities in ensuring the Hive continues to be a safe and inspiring place for children and young people.

Income Generation: We will endeavour to develop our financial sustainability through continued but limited diversification of income streams without losing a major focus on high level donors. We'll seek to ensure that we are fully compliant with charity and company law and seek to achieve unrestricted reserves in line with Charity Commission guidance. A core focus will be to expand upon our patron recognition scheme and increase funding from charitable trusts. An income generation plan has been produced detailing targets and strategies for the achievement of these.

People: In order to build upon the successes of The Hive we recognise that we need to further invest in our people through a thorough dedicated workforce development programme. Retaining good staff will mean we will have to cultivate a workplace culture that values, rewards and invests in our people, through employee recognition, their continuing professional development and ongoing job satisfaction. We will harness a high challenge and high support culture that creates a dynamic and vibrant environment for our people, and in turn, our young people. In the coming year we need to be cost effective and will focus on inhouse training, peer to peer support and closer relationships across the Network to enhance our team's skills. In light of financial pressures, we will work to increase both the size and level of engagement of our volunteer team, without compromising quality or safeguarding. A plan has been developed for the achievement of recruitment and engagement targets

Membership and Attendance: OnSide Youth Zones target each Youth Zone with a membership of 3,000 and average attendances of at least 100 per session and 1,000 weekly. The Hive has consistently exceeded these since opening with attendance currently c. 25% above target but membership just 3-5% above target. The Hive performs well compared to others in the network with attendance above most others including some with higher membership numbers indicating that our members make a higher number of visits.

We are keen to ensure we use our facility and resources to ensure maximum benefit for young people and to demonstrate good value for money to funders and supporters. As such, consideration has been given to the setting of increased local targets and strategies for achieving these. In light of Covid restrictions and limited capacity in the centre due to social distancing measures these targets are no longer relevant. Further work will be undertaken to determine realistic, yet aspirational targets for engagement, both within the centre and via other work. Alongside numeric targets we will also work to ensure membership is representative of the local community. Appendix 3 sets out strategies and actions for the achievement of these targets

Monitoring and Evaluation: We need to develop and implement a plan, making better use of data and evidence to drive improvement and to support fundraising and marketing activity. We will work to use a range of tools and data more effectively enabling us to evidence positive impact.

Youth Work Quality and Programme Content: Further to Covid restrictions systems will be developed to ensure that ongoing work is creative, relevant and compliant yet still impactful. Continued work outside of the youth zone and digitally will be developed further to ensure maximise engagement with young people. Initial digital activity was a success in terms of retaining existing members but work will be undertaken to explore how new members can be recruited and successfully engaged in a digital environment.

**WIRRAL YOUTH ZONE
T/A THE HIVE YOUTH ZONE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)
(CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2020

Structure, governance and management

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

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

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

John Syvret CBE (Chair)

Peter Bibby

Phillip Garrigan

Matthew Noon

Sara Stephens

Allan Wood

Fiona Norcross

Kate Eugeni

Cllr Phillip Davies

(Resigned 24 May 2019)

Sandra Kirkham

(Appointed 31 January 2020)

Charles Hurst

(Appointed 19 July 2020)

Recruitment and appointment of Trustees (Directors)

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

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

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

Organisational Structure

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

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

Remuneration Committee

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

**WIRRAL YOUTH ZONE
T/A THE HIVE YOUTH ZONE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)
(CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2020

Statement of trustees' responsibilities

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

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

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

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

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

Auditor

In accordance with the company's articles, a resolution proposing that McEwan Wallace Limited be reappointed as auditor of the company will be put at a General Meeting.

Public benefit

The Trustees of Wirral 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. We meet these requirements as we offer our core activities to young people aged 8-19 (up to 25 with a disability) regardless of race, sexual orientation, disability and gender.

Fundraising declaration

All of Wirral Youth Zone's fundraising activity is carried out in line with Charity Commission guidelines and relevant legislation. All activities are approved, authorised and supervised by a Head of Fundraising that is employed by Wirral Youth Zone. There were no complaints made against the charity.

The Charity approves all requests for fundraising by assessing whether it is in line with legislation and best practice guidance. This includes where and how the funds are raised. All fundraising activities are structured and in Wirral Youth Zone's control, there is no fundraising that is completed by a third party.

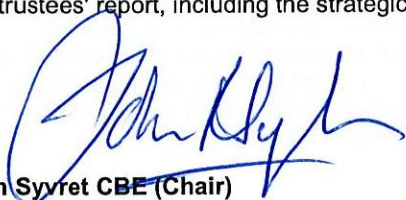
Disclosure of information to auditor

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

**WIRRAL YOUTH ZONE
T/A THE HIVE YOUTH ZONE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)
(CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2020

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

A handwritten signature in blue ink, appearing to read 'John Syvret', is written over the printed name.

John Syvret CBE (Chair)

Dated: 9 December 2020

WIRRAL YOUTH ZONE T/A THE HIVE YOUTH ZONE INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF WIRRAL YOUTH ZONE

Opinion

We have audited the consolidated financial statements for the year ended 31 March 2020 which comprise of the consolidated statement of financial activities, the group and charity balance sheets, the statement of cash flows and the notes to the consolidated 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 consolidated financial statements:

- give a true and fair view of the state of the charitable group's affairs as at 31 March 2020 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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.

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 and the strategic 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 strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.
-

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

TO THE MEMBERS OF WIRRAL YOUTH ZONE

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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.

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

TO THE MEMBERS OF WIRRAL YOUTH ZONE

Use of our report

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



**Alastair Gould FCA (Senior Statutory Auditor)
for and on behalf of McEwan Wallace Limited**

9 December 2020

**Chartered Accountants
Statutory Auditor**

68 Argyle Street
Birkenhead
Wirral
CH41 6AF

**WIRRAL YOUTH ZONE
T/A THE HIVE YOUTH ZONE
GROUP STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT**

FOR THE YEAR ENDED 31 MARCH 2020

		Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
	Notes						
<u>Income and endowments from:</u>							
Donations and legacies	3	891,176	285,317	1,176,493	1,224,844	279,061	1,503,905
Charitable activities	4	246,211	-	246,211	258,541	-	258,541
Other income	5	35,200	-	35,200	27,288	-	27,288
Total Income		1,172,587	285,317	1,457,904	1,510,673	279,061	1,789,734
<u>Expenditure on:</u>							
Raising funds	6	74,275	-	74,275	54,533	-	54,533
Charitable activities	7	1,318,286	578,289	1,896,575	1,456,786	457,678	1,914,464
Total resources expended		1,392,561	578,289	1,970,850	1,511,319	457,678	1,968,997
Gross transfers between funds		-	-	-	77,231	(77,231)	-
Net expenditure for the year/ Net movement in funds		(219,974)	(292,972)	(512,946)	76,585	(255,848)	(179,263)
Fund balances at 1 April 2019		313,672	5,362,555	5,676,227	237,087	5,618,403	5,855,490
Fund balances at 31 March 2020		93,698	5,069,583	5,163,281	313,672	5,362,555	5,676,227

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

All income and expenditure derive from continuing activities.

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

**WIRRAL YOUTH ZONE
T/A THE HIVE YOUTH ZONE
GROUP BALANCE SHEET**

AS AT 31 MARCH 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	12		5,041,165		5,158,933
Current assets					
Stocks	14	2,875		4,032	
Debtors	15	51,675		54,291	
Cash at bank and in hand		234,226		596,980	
		<u>288,775</u>		<u>655,303</u>	
Creditors: amounts falling due within one year	16				
		<u>(166,659)</u>		<u>(138,009)</u>	
Net current assets			122,116		517,294
Total assets less current liabilities			<u>5,163,281</u>		<u>5,676,227</u>
Income funds					
Restricted funds - capital	18	5,041,172		5,307,946	
Restricted funds - revenue	18	28,411		54,609	
Unrestricted funds		93,698		313,672	
		<u>5,163,281</u>		<u>5,855,490</u>	

The financial statements were approved by the Trustees on 9 December 2020

John Syvret CBE (Chair)
Trustee

Company Registration No. 09267940

**WIRRAL YOUTH ZONE
T/A THE HIVE YOUTH ZONE
PARENT BALANCE SHEET**

AS AT 31 MARCH 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	12	5,041,165		5,158,933	
Investments	13	2		2	
		<u>5,041,167</u>		<u>5,158,935</u>	
Current assets					
Debtors	15	67,222		67,363	
Cash at bank and in hand		<u>221,818</u>		<u>579,251</u>	
		<u>289,040</u>		<u>646,614</u>	
Creditors: amounts falling due within one year	16	<u>(166,453)</u>		<u>(128,825)</u>	
Net current assets		<u>122,587</u>		<u>517,789</u>	
Total assets less current liabilities		<u>5,163,754</u>		<u>5,676,724</u>	
Income funds					
Restricted funds - capital	18	5,041,172		5,307,946	
Restricted funds - revenue	18	28,411		54,609	
Unrestricted funds		<u>94,171</u>		<u>314,169</u>	
		<u>5,163,754</u>		<u>5,676,724</u>	

The financial statements were approved by the Trustees on 9 December 2020

John Syvret CBE (Chair)
Trustee

Company Registration No. 09267940

**WIRRAL YOUTH ZONE
T/A THE HIVE YOUTH ZONE
GROUP STATEMENT OF CASH FLOWS**

FOR THE YEAR ENDED 31 MARCH 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	22		(298,666)		12,427
Investing activities					
Purchase of tangible fixed assets		(64,088)		(91,487)	
Net cash used in investing activities			(64,088)		(91,487)
Net cash used in financing activities			-		-
Net decrease in cash and cash equivalents			(362,754)		(79,060)
Cash and cash equivalents at beginning of year			596,980		676,040
Cash and cash equivalents at end of year			<u>234,226</u>		<u>596,980</u>

WIRRAL YOUTH ZONE T/A THE HIVE YOUTH ZONE NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

Charity information

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

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

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

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

1.4 Income

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

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

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

1.5 Expenditure

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis.

Charitable activities comprise of those costs incurred by the charity where the primary aim is the delivery of activities and services within the objects of the charity.

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

**WIRRAL YOUTH ZONE
T/A THE HIVE YOUTH ZONE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

1.6 Tangible fixed assets

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

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

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

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

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

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials.

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

1.9 Cash and cash equivalents

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

1.10 Financial instruments

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

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

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

Basic financial assets

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

**WIRRAL YOUTH ZONE
T/A THE HIVE YOUTH ZONE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020**

1 Accounting policies

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.11 Employee benefits

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

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

1.12 Retirement benefits

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

1.13 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

2 Critical accounting estimates and judgements

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

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

**WIRRAL YOUTH ZONE
T/A THE HIVE YOUTH ZONE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2020

2 Critical accounting estimates and judgements

Key sources of estimation uncertainty

Useful economic lives of assets

Tangible assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of assets and the residual values are assessed annually and may vary depending on a number of factors.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Total
	2020 £	2020 £	2020 £	2019 £
Wirral Borough Council	400,000	-	400,000	414,885
General donations & Founder Patrons	491,176	51,732	534,830	764,209
Bibby Line Group	-	-	-	50,000
BBFC	-	-	-	25,000
Youth Investment Fund	-	218,586	218,586	249,811
Medicash	-	15,000	15,000	-
	<u>891,176</u>	<u>285,317</u>	<u>1,176,493</u>	<u>1,503,905</u>
For the year ended 31 March 2019	<u>1,224,844</u>	<u>279,061</u>		<u>1,503,905</u>

4 Charitable activities

	Total 2020 2019 £	Total 2019 £
Membership & entry fees	79,314	76,394
Catering income	101,325	112,830
Facility hire income	65,572	69,317
	<u>246,211</u>	<u>258,541</u>

**WIRRAL YOUTH ZONE
T/A THE HIVE YOUTH ZONE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2020

5 Other Income

	2020	2019
	£	£
Gift aid	35,200	27,281
Interest received	-	7
	<u>35,200</u>	<u>27,288</u>

6 Raising funds

	2020	2019
	£	£
<u>Fundraising and publicity</u>		
Staff costs	74,275	54,533
	<u>74,275</u>	<u>54,533</u>

**WIRRAL YOUTH ZONE
T/A THE HIVE YOUTH ZONE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2020

7 Charitable activities

	Charity	Trading Co	Total	Total
	2020	2020	2020	2019
	£	£	£	£
Staff costs	926,786	-	926,786	966,817
Depreciation	181,855	-	181,855	184,335
Advertising	12,463	-	12,463	18,377
Purchases	39,945	97,266	137,211	197,431
	<u>1,161,049</u>	<u>97,266</u>	<u>1,258,315</u>	<u>1,366,960</u>
Share of support costs (see note 8)	614,263	460	614,723	509,553
Share of governance costs (see note 8)	21,542	1,995	23,537	37,951
	<u>1,796,854</u>	<u>99,721</u>	<u>1,896,575</u>	<u>1,914,464</u>
Analysis by fund				
Unrestricted funds	1,218,565	99,721	1,318,286	1,456,786
Restricted funds	578,289	-	578,289	457,678
	<u>1,796,854</u>	<u>99,721</u>	<u>1,896,575</u>	<u>1,914,464</u>
For the year ended 31 March 2019				
Unrestricted funds	1,326,426	130,360		1,456,786
Restricted funds	457,678	-		457,678
	<u>1,784,104</u>	<u>130,360</u>		<u>1,914,464</u>

**WIRRAL YOUTH ZONE
T/A THE HIVE YOUTH ZONE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2020

8 Support costs

	Support costs	Governance costs	2020	2019
	£	£	£	£
Staff costs	280,202	-	280,202	210,176
Insurance	32,643	-	32,643	26,957
Light and heat	49,389	-	49,389	52,692
Telephone	7,573	-	7,573	10,461
Post and stationary	4,256	-	4,256	8,932
Staff travel	13,564	-	13,564	10,936
Hospitality and consumables	83,398	-	83,398	55,064
Repairs and renewals	45,909	-	45,909	43,735
Computer costs	32,620	-	32,620	29,923
Other expenses	63,525	-	63,525	59,950
Bank charges	1,644	-	1,644	727
Audit fees	-	10,930	10,930	7,900
Legal and professional	-	12,607	12,607	30,051
	<u>614,723</u>	<u>23,537</u>	<u>638,260</u>	<u>547,504</u>
Analysed between				
Charitable activities	<u>614,723</u>	<u>23,537</u>	<u>638,260</u>	<u>547,504</u>

9 Net movement in funds

	2020	2019
	£	£
Net movement in funds is stated after charging/(crediting)		
Fees payable to the company's auditor for the audit of the company's financial statements	10,930	7,900
Depreciation of owned tangible fixed assets	<u>181,855</u>	<u>184,335</u>

10 Trustees

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

**WIRRAL YOUTH ZONE
T/A THE HIVE YOUTH ZONE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2020

11 Employees

Number of employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
	129	104

Employment costs

	2020 £	2019 £
Wages and salaries	1,189,572	1,147,430
Social security costs	69,558	68,445
Other pension costs	22,133	15,651
	1,281,263	1,231,526

There were no employees that were remunerated by an amount greater than, or equal to, £60,000 during the year.

The remuneration of key management personnel totalled £184,742 (2019 - £220,862).

Key management personnel are deemed to be members of the Senior Management team, which consists of the Chief Executive, Head of HR and Business Support, Head of Fundraising, Head of Youth Work, Volunteer & Training, and Communications Manager.

12 Tangible fixed assets

	Leasehold land and buildings £	Plant and equipment £	Fixtures and fittings £	Computers £	Total £
Cost					
At 1 April 2019	5,206,821	100,409	152,684	68,742	5,528,656
Additions	63,566	-	-	522	64,088
At 31 March 2020	5,270,387	100,409	152,684	69,264	5,592,744
Depreciation and Impairment					
At 1 April 2019	204,994	63,556	60,028	41,146	369,724
Depreciation charged in the year	104,755	33,468	20,684	22,948	181,855
At 31 March 2020	309,749	97,024	80,712	64,094	551,579
Carrying amount					
At 31 March 2020	4,960,638	3,385	71,972	5,170	5,041,165
At 31 March 2019	5,001,827	36,853	92,657	27,596	5,158,933

**WIRRAL YOUTH ZONE
T/A THE HIVE YOUTH ZONE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2020

12 Tangible fixed assets

All tangible assets are owned by the parent entity.

13 Investments

The charity has an investment totalling £2 (2019 - £2) in 100% of the share capital of Wirral Youth Zone Trading Company Limited.

14 Stocks

	2020 £	2019 £
Raw materials and consumables	2,875	4,032

All stock is owned by the subsidiary entity Wirral Youth Zone Trading Company Limited.

15 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors	30,923	18,175
Other debtors	1,591	-
Prepayments and accrued income	19,095	36,046
	<u>51,609</u>	<u>54,221</u>

	2020 £	2019 £
Amounts falling due after more than one year:		
Deferred tax asset	64	70

Total debtors	<u>51,673</u>	<u>54,291</u>
----------------------	---------------	---------------

All debtor balances due within one year relate to the parent entity. The deferred tax asset derives from trading losses in the subsidiary entity Wirral Youth Zone Trading Company Limited.

**WIRRAL YOUTH ZONE
T/A THE HIVE YOUTH ZONE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2020

16 Creditors: amounts falling due within one year

	2020	2019
	£	£
Other taxation and social security	19,698	24,190
Trade creditors	9,881	32,091
Other creditors	46,704	37,600
Accruals and deferred income	90,375	44,128
	<u>166,658</u>	<u>138,009</u>

Creditor balances relating to the subsidiary entity, Wirral Youth Zone Trading Company Limited, are as follows: trade creditors £nil (2019 - £17,541), accruals £1,000 (2019 - £500) and VAT creditor £2,937 (2019 - £2,782). The remaining creditor balances relate to the parent entity, Wirral Youth Zone.

17 Deferred taxation

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

	Assets	Assets
	2020	2019
	£	£
Balances:		
Tax losses	<u>64</u>	<u>70</u>
		2020
		£
Movements in the year:		
Liability/(Asset) at 1 April 2019		(70)
Charge to profit or loss		<u>6</u>
Liability/(Asset) at 31 March 2020		<u>(64)</u>

The deferred tax asset set out above is expected to reverse within 12 months and relates to the utilisation of tax losses against future expected profits of the same period.

**WIRRAL YOUTH ZONE
T/A THE HIVE YOUTH ZONE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2020

18 Restricted funds

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

	Movement in funds			Balance at 31 March 2020 £
	Balance at 1 April 2019 £	Incoming resources £	Resources expended £	
Capital	5,307,946	-	(266,774)	5,041,172
Youth Investment Fund	18,046	218,585	(236,631)	-
BBFC	35,990	-	(12,517)	23,473
Medicash	573	15,000	(15,573)	-
Inspiring Futures	-	9,953	(9,953)	-
Outreach	-	8,454	(8,454)	-
Feeding Britain	-	2,289	(2,289)	-
Peter Harrison	-	512	(512)	-
Radio City	-	2,752	(610)	2,142
Football Foundation	-	1,700	(377)	1,323
DM Thomas	-	608	(608)	-
Duchy of Lancaster	-	2,000	(2,000)	-
Mencap	-	942	(942)	-
Home Office	-	8,500	(7,083)	1,417
Merseyside Police	-	5,584	(5,528)	56
	<u>5,362,555</u>	<u>285,317</u>	<u>(578,289)</u>	<u>5,069,583</u>

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

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

19 Analysis of net assets between funds

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
Fund balances at 31 March 2020 are represented by:						
Tangible assets	-	5,041,165	5,041,165	-	5,158,933	5,158,933
Current assets/(liabilities)	94,158	27,958	122,116	313,672	203,622	517,294
	<u>94,158</u>	<u>5,069,123</u>	<u>5,163,281</u>	<u>313,672</u>	<u>5,362,555</u>	<u>5,676,227</u>

**WIRRAL YOUTH ZONE
T/A THE HIVE YOUTH ZONE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020**

20 Operating lease commitments

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

	2020 £	2019 £
Within one year	2,184	2,184
Between two and five years	2,730	4,914
	<u>4,914</u>	<u>7,098</u>

21 Related party transactions

Transactions with related parties

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

	Sale of goods		Purchase of goods	
	2020 £	2019 £	2020 £	2019 £
Parties connected to Peter Bibby	8,602	2,596	796	1,415
Parties connected to Matthew Noon	-	-	-	720
	<u>8,602</u>	<u>2,596</u>	<u>796</u>	<u>2,135</u>

	2020 £	2019 £	2020 £	2019 £
Parties connected to Peter Bibby	10,000	22,500	-	-
Parties connected to Matthew Noon	12,500	25,000	-	-
Parties connected to John Syvret	25,000	65,000	-	-
	<u>47,500</u>	<u>112,500</u>	<u>-</u>	<u>-</u>

Peter Bibby, who is a trustee, is a director of Nalestar Ltd. During the year this company provided services totalling £796 (2019 - £1,415). He is also a director of Youth Federation Limited who paid £8,602 for services in the year (2019 - £2,596). He also made personal donations through his charitable trust of £nil (2019 - £12,500). Parties related to Peter Bibby donated £10,000 (2019 - £10,000) during the year.

John Syvret, who is a trustee, is a director of Cammell Laird Shiprepairers and Shipbuilders Ltd. During the year this company made donations totalling £25,000 (2019 - £25,000). He also made a personal donation in the year of £nil (2019 - £20,000). Parties related to John Syvret donated £nil (2019 - £20,000) during the year.

Matthew Noon, who is a trustee, is a partner at Hill Dickinson LLP. During the year this partnership provided services totalling £nil (2019 - £720). During the year this partnership made donations totalling £12,500 (2019 - £25,000).

**WIRRAL YOUTH ZONE
T/A THE HIVE YOUTH ZONE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2020

22	Cash generated from operations	2020 £	2019 £
	Deficit for the year	(512,946)	(179,263)
	Adjustments for:		
	Depreciation and impairment of tangible fixed assets	181,855	184,335
	Movements in working capital:		
	Decrease/(increase) in stocks	1,157	(4,032)
	Decrease/(increase) in debtors	2,618	(17,299)
	Increase in creditors	28,650	28,686
	Cash (absorbed by)/generated from operations	(298,666)	12,427
23	Analysis of changes in net funds		
	The charity had no debt during the year.		

