

THE ZONE YOUTH CLUB
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2022

THE ZONE YOUTH CLUB

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mrs T Dickinson Mr I Curtis Mrs V Suchak Mrs T Brazil
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Charity number	1161470
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Independent examiner	MMP Limited 64 High Street Broadstairs Kent England CT10 1JT
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THE ZONE YOUTH CLUB

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THE ZONE YOUTH CLUB

TRUSTEES' REPORT

FOR THE YEAR ENDED 28 FEBRUARY 2022

The trustees present their annual report and financial statements for the year ended 28 February 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

To advance in life and relieve needs of young people in thanet through:

- (a) the provision of recreational and leisure time activities provided in the interest of social welfare, designed to improve their conditions of life;
- (b) providing support and activities which develop their skills, capacities and capabilities to enable them to participate in society as mature and responsible individuals.

The Charity will put particular emphasis on reaching young people who have poorer access to physical activities and learning because of poverty, disability or ethnicity in an area of high deprivation and levels of unemployment.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

We have continued to provide a high quality level of provision for the young people of our community. We have secured funding to enable us to expand our services to include the wider community as well, including older people, families, and younger children. We provide free meals during school holidays and all our activities remain free to users unless there is a necessity to charge for use of resources, external fees, or additional sessional workers. We have employed 2 new staff members on a part time basis.

Financial review

The club's income increased this year mainly due to the additional grants awarded, but also due to the increase in numbers of people using the club and café. As a result of this staff and refreshments cost also increased.

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Structure, governance and management

The charity is a Charitable Incorporated Organisation.

The trustees who served during the year and up to the date of signature of the financial statements were:

Mrs T Dickinson
Mr I Curtis
Mrs V Suchak
Mrs T Brazil

None of the trustees has any beneficial interest in the charity. All of the trustees are members of the charity and guarantee to contribute £1 in the event of a winding up.

THE ZONE YOUTH CLUB

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2022

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

Mrs T Dickinson

Trustee

15 September 2022

THE ZONE YOUTH CLUB

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE ZONE YOUTH CLUB

I report to the trustees on my examination of the financial statements of The Zone Youth Club (the charity) for the year ended 28 February 2022.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

MMP Limited

64 High Street
Broadstairs
Kent
CT10 1JT
England

Dated: 15 September 2022

THE ZONE YOUTH CLUB

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 28 FEBRUARY 2022

		Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
	Notes						
<u>Income and endowments from:</u>							
Donations and legacies	2	8,217	-	8,217	699	-	699
Charitable activities							
The Pavilion Youth & Community Café	3	32,059	50,255	82,314	20,590	9,125	29,715
Other income	4	12,763	-	12,763	19,515	-	19,515
Total income		<u>53,039</u>	<u>50,255</u>	<u>103,294</u>	<u>40,804</u>	<u>9,125</u>	<u>49,929</u>
<u>Expenditure on:</u>							
Charitable activities	5	<u>50,388</u>	<u>25,235</u>	<u>75,623</u>	<u>20,283</u>	<u>15,353</u>	<u>35,636</u>
Net income for the year/ Net movement in funds		2,651	25,020	27,671	20,521	(6,228)	14,293
Fund balances at 1 March 2021		<u>37,226</u>	<u>1,368</u>	<u>38,594</u>	<u>16,705</u>	<u>7,596</u>	<u>24,301</u>
Fund balances at 28 February 2022		<u><u>39,877</u></u>	<u><u>26,388</u></u>	<u><u>66,265</u></u>	<u><u>37,226</u></u>	<u><u>1,368</u></u>	<u><u>38,594</u></u>

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

All income and expenditure derive from continuing activities.

THE ZONE YOUTH CLUB

BALANCE SHEET

AS AT 28 FEBRUARY 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	9		1,000		4,030
Current assets					
Debtors	10	4,200		4,200	
Cash at bank and in hand		63,131		30,870	
		<u>67,331</u>		<u>35,070</u>	
Creditors: amounts falling due within one year	11	<u>(2,066)</u>		<u>(506)</u>	
Net current assets			65,265		34,564
Total assets less current liabilities			<u>66,265</u>		<u>38,594</u>
Income funds					
Restricted funds			26,388		1,368
Unrestricted funds - general			39,877		37,226
			<u>66,265</u>		<u>38,594</u>

The financial statements were approved by the Trustees on 15 September 2022

Mrs T Dickinson
Trustee

THE ZONE YOUTH CLUB

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28 FEBRUARY 2022

1 Accounting policies

Charity information

The Zone Youth Club is a charitable incorporated organisation registered with the Charity Commission 29 April 2015.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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.

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

1.4 Income

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

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

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

THE ZONE YOUTH CLUB

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2022

1 Accounting policies

(Continued)

1.5 Expenditure

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

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

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:

Fixtures and fittings	20% reducing balance
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 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.

2 Donations and legacies

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
Donations and gifts	8,217	699

THE ZONE YOUTH CLUB

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2022

3 Charitable activities

	The Pavilion Youth & Community Café 2022 £	The Pavilion Youth & Community Café 2021 £
Performance related grants	71,916	25,925
Café sales	10,398	3,790
	<u>82,314</u>	<u>29,715</u>
Analysis by fund		
Unrestricted funds - general	32,059	20,590
Restricted funds	50,255	9,125
	<u>82,314</u>	<u>29,715</u>

4 Other income

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
Local authority COVID-19 grants	12,763	18,955
Job Retention Scheme grant	-	560
	<u>12,763</u>	<u>19,515</u>

THE ZONE YOUTH CLUB

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2022

5 Charitable activities

	The Pavilion Youth & Community Café 2022 £	The Pavilion Youth & Community Café 2021 £
Staff costs	46,180	27,233
Depreciation and impairment	3,030	-
Café purchases	6,267	1,668
Games and equipment	4,741	1,361
Activities	6,065	1,951
Rates	159	259
Insurance	726	696
Repairs and maintenance	6,281	340
Telephone	226	250
Internet	-	174
Printing, postage and stationery	107	98
Advertising and promotions	163	130
Travel costs	359	42
Training	99	666
Sundry expenses	20	438
	<u>74,423</u>	<u>35,306</u>
Share of governance costs (see note 6)	1,200	330
	<u>75,623</u>	<u>35,636</u>
Analysis by fund		
Unrestricted funds - general	50,388	20,283
Restricted funds	25,235	15,353
	<u>75,623</u>	<u>35,636</u>

THE ZONE YOUTH CLUB

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2022

6 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Accountancy	-	1,200	1,200	-	330	330
	<u>-</u>	<u>1,200</u>	<u>1,200</u>	<u>-</u>	<u>330</u>	<u>330</u>
	<u>-</u>	<u>1,200</u>	<u>1,200</u>	<u>-</u>	<u>330</u>	<u>330</u>
Analysed between Charitable activities	-	1,200	1,200	-	330	330
	<u>-</u>	<u>1,200</u>	<u>1,200</u>	<u>-</u>	<u>330</u>	<u>330</u>

7 Trustees

One of the trustees received remuneration of £18,650 for their role in the day to day running of the charity. The remuneration is decided by the remaining trustees and they are not involved with this decision.

8 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
	6	5
	<u>6</u>	<u>5</u>
Employment costs	2022 £	2021 £
Wages and salaries	46,180	27,233
	<u>46,180</u>	<u>27,233</u>

There were no employees whose annual remuneration was more than £60,000.

THE ZONE YOUTH CLUB

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2022

9 Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 March 2021	4,030
At 28 February 2022	4,030
Depreciation and impairment	
Depreciation charged in the year	3,030
At 28 February 2022	3,030
Carrying amount	
At 28 February 2022	1,000
At 28 February 2021	4,030

10 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Other debtors	4,200	4,200

11 Creditors: amounts falling due within one year

	2022 £	2021 £
Other taxation and social security	866	176
Accruals and deferred income	1,200	330
	2,066	506

12 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 28 February 2022 are represented by:						
Tangible assets	1,000	-	1,000	4,030	-	4,030
Current assets/(liabilities)	38,877	26,388	65,265	33,196	1,368	34,564
	39,877	26,388	66,265	37,226	1,368	38,594

THE ZONE YOUTH CLUB

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) ***FOR THE YEAR ENDED 28 FEBRUARY 2022***

13 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).