

Company number 06591785

Charity number 1125893

ONSIDE YOUTH ZONES

Annual Report and Financial Statements

Year Ended 31 March 2017

ONLINE YOUTH ZONES

Trustees' Report and Financial Statements
Year Ended 31 March 2017

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ONSIDE YOUTH ZONES

*Directors' Report for the purposes of section 417 of the Companies Act 2006 and
Trustees' Report for the purposes of Part 8 of the Charities Act 2011
For the year ended 31 March 2017*

The Trustees (who are also the Directors for the purpose of Company Law) have pleasure in presenting their annual report and the financial statements for the year ended 31 March 2017. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the Charity.

Reference and Administrative details

Charity Name:	OnSide Youth Zones
Charity Registration:	1125893
Company Registration:	06591785 (England and Wales)
Registered Office:	Suite GB Atria Spa Road Bolton Lancashire BL1 4AG
Bankers:	Royal Bank of Scotland plc 38 Mosley Street Manchester M60 2BE
Auditors:	Kay Johnson Gee LLP 1 City Road East Manchester M15 4PN
Solicitors:	Hill Dickinson LLP No.1 St Paul's Square Liverpool L3 9SJ

The following people served as directors/trustees of the charity during the period:

James Edward Smith
Christopher George Oglesby
William George Richard Lees-Jones Resigned on 10 January 2017
Charles William Holroyd CBE
William Ross Warburton MBE
Wendy Karen Cecilia Griffiths
Daniel Charles Joseph Hall
John Roderick Marsh
Nigel John Richens
Charles Mindenhall
John Charles Roberts

Kathryn Morley acted as Chief Executive throughout the period.

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*Directors' Report for the purposes of section 417 of the Companies Act 2006 and Trustees' Report for the purposes of Part 8 of the Charities Act 2011 (continued)
For the year ended 31 March 2017*

Structure, Governance and Management

Governing Document

OnSide Youth Zones is a company limited by guarantee without share capital and registered under the Companies Act 1985, registration number 06591785. The company is governed by its Memorandum and Articles of Association dated 9 May 2008, as amended by special resolution dated 8 September 2008. Management of the company's affairs is vested in the co-directors. The charity's objects and the company name were amended by a further special resolution on the 18 July 2013. The change of name was lodged with Companies House on the 4 September 2013.

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 one pound each.

Recruitment and Appointment of Trustees

New trustees will be recruited according to the needs of the charity and the suitability of possible candidates. A unanimous approval of existing Trustees would lead to their appointment.

The Memorandum and Articles of Association states that the number of members shall have no maximum and shall not be less than three.

Full details of the rules are contained in the company's Memorandum and Articles of Association, dated on incorporation on 9 May 2008, which may be inspected at the OnSide premises.

Induction of Trustees

Newly appointed trustees are provided with a comprehensive induction to OnSide Youth Zones through the provision of in-house training.

Organisational Structure

OnSide Youth Zones is governed by its Trustee Board which is responsible for setting the strategic direction of the organisation and the policy of the charity. The trustees carry the ultimate responsibility for the conduct of OnSide Youth Zones and for ensuring that the charity satisfies its legal and contractual obligations. Trustees meet every six weeks and delegate the day-to-day operation of the organisation to senior management. The Trustee Board is independent from management.

Risk management

The trustees have considered the major risks to which the charity is exposed and have established suitable risk management and control procedures.

Related party transactions

Transactions with related parties are disclosed in note 14 to the financial statements and in accordance with paragraph 163 of the SORP (Accounting and reporting by charities: Statement of Recommended Practice (SORP 2005)).

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*Directors' Report for the purposes of section 417 of the Companies Act 2006 and Trustees' Report for the purposes of Part 8 of the Charities Act 2011 (continued)
For the year ended 31 March 2017*

Objectives and Activities

Objectives of the charitable company

The charity's objects are to build, deliver and sustain a network of 21st Century Youth Zones which will give young people top quality, safe and affordable places to go in their leisure time. Participation in a Youth Zone will help young people to develop their full potential in order that they may grow to maturity as individuals and active members of society.

Principal activities and main objectives

OnSide was set up to develop strong local, public and private sector partnerships to act as a catalyst for investment in world class facilities for young people. All OnSide Youth Zones are designed, built and delivered on the successful model, values and ethos embedded in Bolton Lads and Girls Club (BLGC).

The changes and differences that the charity seeks to make are that by leading and supporting the development and sustainment of high quality facilities in many towns and cities, thousands of young people will have a place where they can go, be safe, meet friends, get active, feel at home, learn new skills, enjoy themselves and be inspired.

The main objectives for the period were to:-

- Manage the build and delivery of the Youth Zones
- Develop a local vision that fits with the local strategy for youth provision for all new Youth Zones
- Support the local Youth Zone boards in governance, strategy and delivery
- Strengthen the network through;
 - providing a framework to ensure consistent high quality delivery
 - securing ongoing revenue income from the private sector and trusts and foundations in partnership with the Youth Zone boards
- Support the Youth Zones in recruitment of both staff and volunteers
- Implement a network wide Talent Development programme, delivering training and placement opportunities for aspiring Chief Executives and Youth Work Managers
- Develop local communication strategies and tools to enable the Youth Zones to raise their public profile
- Strengthen the impact measurement tool used across the Youth Zones network
- Develop new Youth Zones in other towns and cities, and
- Increase the brand recognition of OnSide

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 in individual target towns and cities across the region. Such contributions were, on average, equivalent to two full days each calendar month.

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*Directors' Report for the purposes of section 417 of the Companies Act 2006 and Trustees' Report for the purposes of Part 8 of the Charities Act 2011 (continued)
For the year ended 31 March 2017*

Achievements and Performance

Charitable Activities

In 2016/17, the charity's main achievements were:

- Supporting the network of operating Youth Zones to develop the range of services they offer in Blackburn, Bolton, Carlisle, Manchester, Oldham, Wigan and Wolverhampton
- Launched a brand new Youth Zone in Wirral – “The Hive” – which officially opened on the 8th April 2017
- Significant advances made in terms of the development and construction of the next new Youth Zones in Chorley (“Inspire”), Barking & Dagenham (“Future”), Barnet (“Unitas”) and Croydon (“Legacy”)
- Progressed our position on our first conversion; Warrington Youth Club will become Warrington Youth Zone, securing a site for a brand new build in the centre of Warrington
- Launched the Talent Development programme, enrolling 8 colleagues in the first cohort. This is a targeted programme aimed at developing a pool of aspiring Chief Executives and Youth Work Managers, ready to move into opportunities as they arise across the network
- Secured funding to support a record number (13) of youth work delivery programmes enabling the network to offer a variety of projects addressing the needs of young people; generating additional revenue funding streams and practical benefits to Youth Zones. This has built on the significant work we have undertaken over the last 5 years to mainstream inclusion provision (supporting young people with disabilities or additional needs) ensuring this is embedded into our delivery. We aim to have highly trained staff and accessible activities on every session to enable all young people to access the Youth Zone, as well as specific sessions formulated especially for young people with disabilities and their siblings/families.
- Continued working closely with The OnSide Foundation in securing commitments, and monitoring the application of, capital funding with a consolidated value (receipts) of £5.4m
- Securing revenue funding at both future and operating Youth Zones with a consolidated value of over £2.5m, to be applied to Youth Zones over the next 3 years
- Cultivating and maintaining close relationships with representatives from both the local private and public sectors to fund, support and promote the Youth Zones
- Ensuring young people take a lead in all projects
- Developed further firm opportunities across the UK for future Youth Zone locations
- Securing funding for the future network of Youth Zones.

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 objects of the charity. The charity does not currently hold any investments other than cash on deposit with Royal Bank of Scotland plc.

Public Benefits

All the activities of the charity (as summarised above) were undertaken to further its charitable purposes for public benefit. The provision of high quality town and city centre facilities for young people responds to a clear, ongoing demand from young people, parents and wider communities for more and better places for young people to go. Although providing a service to all young people, each of the facilities to be built or developed by OnSide Youth Zones will focus on attendance and participation by young members of disadvantaged communities who will be able to enjoy affordable access to all the opportunities that the facilities will provide. This will lead to improved achievements and enhanced aspirations amongst young members of the local communities. They will be happier, healthier and make more constructive use of their leisure time which will help reduce nuisance and anti-social behaviour. Longer term public benefits will include improved health, reduced crime, enhanced learning and employability and greater community cohesion.

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*Directors' Report for the purposes of section 417 of the Companies Act 2006 and
Trustees' Report for the purposes of Part 8 of the Charities Act 2011 (continued)
For the year ended 31 March 2017*

The trustees 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.

Financial Review

A summary of the income and expenditure for the year ended 31 March 2017 is as follows:

	Unrestricted Funds 2017 £	Restricted Funds 2017 £	Total Funds 2017 £
Total incoming resources	2,158,254	1,353,451	3,511,705
Total resources expended	(1,807,766)	(1,832,556)	(3,640,322)
Net movement in funds for the year	350,488	(479,105)*	(128,617)

* the deficit movement in restricted funds reflects grant income received in 2015/16 and expended in 2016/17.

Balance Sheet extract

As at the 31st March 2017, the restricted funds comprised:

	£
Fixed assets relating to the construction and development of the Youth Zone in Manchester. The aim remains to transfer these net assets and related retentions to the respective independent Youth Zone charity (The Factory) during 2017/18.	4,024,580
Other net assets representing funding received in advance of specific expenditure against revenue projects.	483,123
	4,507,703

Reserve's Policy

The Board of Trustees of OnSide Youth Zones 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 does not consider expenditure which is linked to restricted projects and therefore covered by restricted funds.

OnSide now operates a model that results in funds received and expenditure incurred for the development and construction of new Youth Zones being held and defrayed by a separate charity specific to each Youth Zone project and overseen by the OnSide Foundation.

Only Manchester Youth Zone remains in the fixed assets held under OnSide Youth Zones and plans are in place to complete this final transfer. The purpose of the unrestricted funds is to support all day to day activities necessary at OnSide to support the existing Youth Zones, and the development of future prospects; due consideration has been given to these activities in the annual review of the reserves policy.

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*Directors' Report for the purposes of section 417 of the Companies Act 2006 and
Trustees' Report for the purposes of Part 8 of the Charities Act 2011 (continued)
For the year ended 31 March 2017*

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 running costs. The Trustees manage OnSide's finances so that an adequate level of reserves can be maintained in compliance with the reserves policy. Following a concerted effort to build up the reserves fund, at 31 March 2017 this was £587,466, this amounts to approximately 4 months' cover.

Principal Funding Sources

The Directors record their thanks to all those individuals and companies who have made donations to support the work of the charity. Project specific funding was received from the BIG Lottery, Sport England, the Oglesby Charitable Trust, Porticus UK, the Accenture Corporate Citizenship programme & the AO Smile Foundation, Comic Relief (administering funds on behalf of the BT Supporters Club) and the England Footballers Foundation, the Careers & Enterprise Co., the LIBOR fund administered by HM Treasury and the National Citizen Service (NCS); all supporting multi-partner revenue projects across the OnSide network. We are also grateful to the ever-growing number of funders who have given substantial capital commitments to enable future Youth Zones projects, without their support for the OnSide movement, the progress made to date would not have been possible. Thank you also to the key investors John & Sally Roberts, The Holroyd Foundation and The Stone Family Foundation who have enabled significant capacity building at OnSide, preparing us for future expansion.

Investment Policy

As required in its Memorandum paragraph 4.13, in furtherance of its objects, and for no other purposes, the company has the power to invest or deposit the monies of the company not immediately required for its purposes in or upon such investments, securities or property as may be thought fit, subject nevertheless to such conditions and such consents as may for the time being be imposed or required by law.

Plans for Future Periods

OnSide Youth Zones aims to:

- Proceed with the development of Youth Zones.
- Continue to offer a high quality and comprehensive support service to the various cross-sector partnerships which OnSide has been instrumental in creating and to further their ambitions to build world-class facilities for young people.
- Transfer the facility and responsibility of the remaining Youth Zone held within our fixed assets over to The Factory Youth Zone board of trustees, whilst continuing to provide operational support to each of the Youth Zones in order to sustain their success.
- Employ its resources generally in support and promotion of the health, happiness and welfare of children and young people by improving the range of facilities and opportunities available to them.
- Secure new investors into OnSide.
- Secure capital funding to expand the network of Youth Zones.

Trustees' Responsibilities

The charity's trustees are responsible for preparing the Annual Report and financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the charity's trustees to prepare financial statements for each financial year that give a true and fair view of the state of the charity's incoming resources and application of resources during the period and of its state of affairs at the end of the year. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;

ONSHIRE YOUTH ZONES

*Directors' Report for the purposes of section 417 of the Companies Act 2006 and
Trustees' Report for the purposes of Part 8 of the Charities Act 2011 (continued)
For the year ended 31 March 2017*

- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charity will continue in operation.

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

The trustees confirm that so far as they are aware, there is no relevant audit information of which the charity's auditors are unaware. The trustees have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Compliance with accounting standards

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

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

N J Richens
Company Secretary, Director & Trustee

26 October 2017

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ON-SIDE YOUTH ZONES

We have audited the financial statements of OnSide Youth Zones for the year ended 31 March 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees' Responsibilities set out on page 7, 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

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 2017 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

1 City Road East
Manchester
M15 4PN


Michael Garrett (Senior Statutory Auditor)
For and on behalf of
Kay Johnson Gee LLP
Statutory Auditor

ONSIDE YOUTH ZONES

Statement of Financial Activities (including Income and Expenditure account)

Year Ended 31 March 2017

	Note	Unrestricted Funds 2017 £	Restricted Funds 2017 £	Total Funds 2017 £	Total Funds 2016 £
INCOME					
Donations and legacies					
- Donations	3	1,618,384	77,010	1,695,394	531,615
Other trading activities					
- Fundraising	3	155,046	-	155,046	1,279,936
Income from investments	3	2,047	-	2,047	2,505
Income from Charitable Activities					
- Project development grants	4	35,693	1,276,441	1,312,134	1,513,023
- Fees receivable		347,084	-	347,084	322,659
Total income and endowments		2,158,254	1,353,451	3,511,705	3,649,738
EXPENDITURE					
Expenditure on raising funds					
- Fundraising events		49,363	-	49,363	371,251
Expenditure on Charitable Activities	8				
- Youth Zone Development & Prospecting		1,384,488	1,667,776	3,052,264	2,075,915
- Youth Zone Support		123,357	-	123,357	276,128
- OnSide Fundraising		118,330	-	118,330	51,863
- Fundraising distributions		-	164,780	164,780	711,819
- Onside Administration		126,312	-	126,312	85,664
- Governance Costs	8	5,916	-	5,916	6,172
Total expenditure		1,807,766	1,832,556	3,640,322	3,578,812
Net income/(expenditure) and net movement in funds		350,488	(479,105)	(128,617)	70,926
Fund balances at 1 April 2016		226,101	4,997,685	5,223,786	10,668,319
Transfer	12	10,877	(10,877)	-	-
Transfer to Blackburn Youth Zone	12	-	-	-	(5,515,459)
Fund balances at 31 March 2017	12	587,466	4,507,703	5,095,169	5,223,786

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

All income and expenditure derive from continuing activities.

ONSIDE YOUTH ZONES

Balance Sheet
As at 31 March 2017

Company registration number: 06591785
Charity registration number: 1125893

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	9	4,035,303	4,120,494
Current assets			
Debtors	10	103,792	141,948
Cash at bank and in hand		1,271,672	1,341,270
		1,375,464	1,483,218
Creditors: amounts falling due within one year	11	(315,598)	(379,926)
Net current assets		1,059,866	1,103,292
Net assets		5,095,169	5,223,786
FUNDS			
Unrestricted funds			
- General funds	12	587,466	226,101
Restricted funds	12	4,507,703	4,997,685
Total charity funds		5,095,169	5,223,786

The financial statements on pages 9 to 20 were approved by the Trustees and signed on their behalf by:



N J Richens
Director & trustee

26 October 2017

ONSHORE YOUTH ZONES

Statement of Cash Flows Year Ended 31 March 2017

	Note	2017 £	2016 £
Cash flow from operating activities	16	(62,972)	323,137
Cash flow from investing activities			
Interest received		2,047	2,505
Payments to acquire tangible fixed assets		(8,673)	(6,007)
Increase/(decrease) in cash and cash equivalents		(69,598)	319,635
Transfers out		-	-
Cash and cash equivalents at 1 April 2016		1,341,270	1,021,635
Cash and cash equivalents at 31 March 2017		1,271,672	1,341,270
Cash and cash equivalents consists of:			
Cash at bank and in hand		1,271,672	1,341,270

ONSIDE YOUTH ZONES

Notes to the financial statements
Year Ended 31 March 2017

1 General information

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

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

2 Accounting policies

i. Basis of preparation

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity.

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

ii. Funds

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

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

iii. Income recognition

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

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

Income from charitable activities includes grants to finance specific, mainly restricted, projects and fees receivable for the development and continued support of Youth Zones.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

ONSIDE YOUTH ZONES

Notes to the financial statements
Year Ended 31 March 2017

2 Accounting policies (continued)

iv. Expenditure recognition

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

Charitable expenditure

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

Governance costs

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

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis eg. Floor area, per capita or estimated usage as set out in Note 8 to the financial statements.

v. Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Fixed assets costing more than £250 are capitalised and included on the balance sheet at cost.

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

Youth Zone leasehold property	Over the period to which the lease relates
Computer equipment	33.3% straight line
Fixtures and fittings	33.3% straight line

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since the last annual reporting date.

Residual value is based on prices prevailing at the date of acquisition or subsequent valuation. Where, because of high estimated residual value, depreciation is immaterial, no depreciation is charged but an annual review for impairment is performed. Both residual values and useful lives are reviewed and adjusted, if appropriate, at each financial year end.

The carrying amounts of the charity's assets are reviewed for impairment when events or changes in circumstances indicate that the carrying amount of the fixed asset may not be recoverable. If any such indication exists, the asset's recoverable amount is estimated.

vi. Debtors and creditors receivable/payable within one year

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

vii. Employee benefits

The charity makes contributions into certain individual employees' personal pension plans. Contributions paid are charged to the Statement of Financial Activities in the year to which they relate.

viii. Leases

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities in the year in which they accrue.

ONSIDE YOUTH ZONES

Notes to the financial statements
Year Ended 31 March 2017

2 Accounting policies (continued)

ix. Tax

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

x. Going concern

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

3 Income from Generated Funds

	Unrestricted Funds 2017 £	Restricted Funds 2017 £	Total Funds 2017 £	Total Funds 2016 £
<i>Donations and legacies</i>				
J & S Roberts via UBS Optimus Foundation	1,265,000	-	1,265,000	-
John Paul Getty Foundation	66,668	-	66,668	66,667
Other donations	286,716	77,010	363,726	464,948
	1,618,384	77,010	1,695,394	531,615
<i>Other trading activities - fundraising</i>				
Summer Ball	121,807	-	121,807	1,254,524
Golf Day	23,175	-	23,175	14,065
Bowling event	10,064	-	10,064	11,347
	155,046	-	155,046	1,279,936
<i>Income from investments</i>				
Bank interest receivable	2,047	-	2,047	2,505

4 Income from Charitable Activities

	Unrestricted Funds 2017 £	Restricted Funds 2017 £	Total Funds 2017 £	Total Funds 2016 £
<i>Grants receivable</i>				
Sport England	-	82,402	82,402	417,598
Holroyd Foundation	-	-	-	348,845
Accenture Foundation	-	90,000	90,000	75,000
BIG Lottery: ALPF	-	222,134	222,134	399,048
NCS	-	77,511	77,511	-
City Bridge Trust	-	25,000	25,000	-
EEF & Comic Relief	-	94,875	94,875	27,881
John Ellerman Foundation	35,693	-	35,693	-
AO Smile foundation	-	97,500	97,500	-
Grants - other	-	587,019	587,019	244,651
	35,693	1,276,441	1,312,134	1,513,023

ONSIDE YOUTH ZONES

Notes to the financial statements (continued)
Year Ended 31 March 2017

5	Net income for the year	2017	2016
		£	£
	Net income is stated after charging:		
	Depreciation of tangible fixed assets	93,864	92,230
	Auditor's remuneration in respect of:		
	- audit fees	5,916	6,172
6	Staff costs and numbers	2017	2016
		£	£
	Wages and salaries	1,073,529	825,936
	Social security costs	124,973	92,091
	Pension costs	29,961	14,172
		1,228,463	932,199

The number of staff whose emoluments on a per annum basis fell within each of the following bands was:

	2017	2016
	Number	Number
£70,000 to £79,999	-	1
£80,000 to £89,999	3	1
£100,000 to £109,999	1	1

The average number of employees, analysed by function, was:

	2017	2016
	Number	Number
Full Time		
Chief executive	1.0	1.0
Fundraising	3.0	3.5
Organisational development (including facilities)	12.0	4.0
Marketing and public relations	3.0	2.0
Finance	1.0	1.5
Youth and project work	4.0	4.0
Administrative	2.0	1.0
	26.0	17.0

The charity makes contributions into certain individual employees' personal pension plans. The assets of the schemes are held in separate trustee administered funds. The pension cost charge represents contributions payable by the charity and amounted to £29,961 (2016: £14,172). At the balance sheet date the charity owed £5,517 (2016: £3,018) to the pension plans.

7 **Trustee remuneration**

None of the trustees received any remuneration or expenses during the above years.

ONSIDE YOUTH ZONES

Notes to the financial statements (continued)

Year Ended 31 March 2017

8 Expenditure

	Basis of allocation	Fundraising events	Youth Zone Development and Prospecting	Youth Zone Support	OnSide Fundraising	Fundraising distributions	Administration	Governance costs	Total 2017	Total 2016
		£	£	£	£	£	£	£	£	£
Costs directly allocated to activities										
Recruitment charges	Direct	-	-	-	-	-	43,828	-	43,828	10,124
Website costs	Direct	-	-	396	-	-	-	-	396	14,283
Insurance	Direct	-	-	-	-	-	3,840	-	3,840	2,578
Bank charges	Direct	-	-	-	-	-	1,471	-	1,471	1,101
General repairs and maintenance	Direct	-	-	-	-	-	2,264	-	2,264	2,545
Audit fees	Direct	-	-	-	-	-	-	5,916	5,916	6,172
Legal and professional fees	Direct	-	61,817	-	-	-	-	-	61,817	245,692
YZ Support costs	Direct	-	-	7,778	-	-	-	-	7,778	185,815
Events	Direct	49,363	-	-	-	-	-	-	49,363	371,251
Fundraising distributions	Direct	-	-	-	-	164,780	-	-	164,780	711,819
Marketing	Direct	-	185,255	-	-	-	-	-	185,255	156,751
Staff welfare	Direct	-	-	-	-	-	7,170	-	7,170	19,905
Staff training	Direct	-	56,036	-	-	-	-	-	56,036	11,771
YZ Development costs	Direct	-	554,841	-	-	-	-	-	554,841	-
Youth Zone Regional Projects	Direct	-	970,505	-	-	-	-	-	970,505	708,728
Support costs allocated to activities										
Room hire	Usage	-	15,149	-	-	-	1,683	-	16,832	5,140
Computer costs	Usage	-	11,752	-	979	-	6,856	-	19,587	5,560
Telephone and internet charges	Usage	-	3,809	-	317	-	2,222	-	6,348	4,270
Water and electricity	Usage	-	1,876	-	156	-	1,095	-	3,127	4,205
Rent, Rates and service charge	Usage	-	19,590	-	1,633	-	11,427	-	32,650	11,322
Publications and subscriptions	Usage	-	1,850	-	206	-	-	-	2,056	2,506
Computer equipment depreciation	Usage	-	2,265	-	-	-	1,190	-	3,455	2,169
Furniture and fittings depreciation	Usage	-	589	-	-	-	-	-	589	371
Property depreciation	Usage	-	89,820	-	-	-	-	-	89,820	89,690
Travel, subsistence and accommodation	Usage	-	93,456	-	14,303	-	2,761	-	110,520	63,135
Wages and salaries	Usage	-	853,506	100,656	87,523	-	31,844	-	1,073,529	825,936
National insurance	Usage	-	99,359	11,718	10,189	-	3,707	-	124,973	92,091
Pension contributions	Usage	-	23,820	2,809	2,443	-	889	-	29,961	14,172
Printing, stationery and postage	Usage	-	6,969	-	581	-	4,065	-	11,615	9,710
		49,363	3,052,264	123,357	118,330	164,780	126,312	5,916	3,640,322	3,578,812

ONSIDE YOUTH ZONES

Notes to the financial statements (continued)

Year Ended 31 March 2017

9	Tangible fixed assets	Youth Zone leasehold property	Computer equipment	Fixtures & fittings	Total
		£	£	£	£
	Cost				
	At 1 April 2016	4,490,749	133,952	227,011	4,851,712
	Additions	-	8,597	76	8,673
	At 31 March 2017	4,490,749	142,549	227,087	4,860,385
	Depreciation				
	At 1 April 2016	376,349	129,182	225,687	731,218
	Charge for the year	89,820	3,455	589	93,864
	At 31 March 2017	466,169	132,637	226,276	825,082
	Net book value				
	At 31 March 2017	4,024,580	9,912	811	4,035,303
	At 31 March 2016	4,114,400	4,770	1,324	4,120,494

At the end of the grant for each of the *myplace* Youth Zones and on approval from Big Lottery on behalf of the *myplace* programme, the fixed assets recognised in the balance sheet in respect of Youth Zone property will be transferred to the individual Youth Zone charities.

10	Debtors	2017	2016
		£	£
	Trade debtors	46,200	-
	Prepayments	43,773	8,756
	Other debtors	13,819	133,192
		103,792	141,948
11	Creditors: amounts falling due within one year	2017	2016
		£	£
	Trade creditors	100,866	224,604
	Social security costs	41,782	31,480
	VAT	33,414	36,406
	Other creditors	133,473	3,018
	Accruals and deferred income	6,063	84,418
		315,598	379,926

ONSIDE YOUTH ZONES

Notes to the financial statements (continued)
Year Ended 31 March 2017

12	Movement in funds		At 1 April 2016 Restated £	Income £	Expenditure £	Transfers £	At 31 March 2017 £
	Restricted funds						
	Completed Youth Zones	(i)					
	- Manchester		41,311	-	(16)	-	41,295
	- Wirral		20,069	187,019	(164,346)	(504)	42,238
	Youth Zone projects	(ii)					
	- Preston		54,120	95,253	(1,584)	(12,011)	135,778
	- Future Youth Zone projects		73,810	372,239	(372,274)	1,638	75,413
	Other restricted funds						
	- Accenture	(iii)	92,420	90,000	(98,136)	-	84,284
	- Lottery	(iv)	276,102	222,134	(498,236)	-	-
	- St James Place	(iv)	51,500	-	(51,500)	-	-
	- Sport England	(v)	25,955	82,402	(108,357)	-	-
	- Summer Ball	(vi)	59,972	-	(59,972)	-	-
	- Porticus Grant	(vii)	49,993	-	(27,493)	-	22,500
	- Oglesby Health Project	(viii)	45,303	-	(27,902)	-	17,401
	- CBO Development Grant	(ix)	89,500	-	(89,500)	-	-
	- Holroyd Foundation	(x)	1,000	-	(1,000)	-	-
	- NCS Trust	(xi)	-	77,511	(61,376)	-	16,135
	- City Bridge	(xii)	-	25,000	(20,700)	-	4,300
	- EEF Comic Relief	(xiii)	-	94,875	(51,096)	-	43,779
	- AO Smile foundation	(xiv)	-	97,500	(97,500)	-	-
	- Jamie Oliver	(xv)	-	1,478	(1,478)	-	-
	- Careers & Enterprise Fund	(xvi)	-	8,040	(8,040)	-	-
	- Other	(xvii)	2,230	-	(2,230)	-	-
	Fixed asset restricted funds		4,114,400	-	(89,820)	-	4,024,580
	- Total restricted funds		4,997,685	1,353,451	(1,832,556)	(10,877)	4,507,703
	Unrestricted funds						
	General funds		226,101	2,158,254	(1,807,766)	10,877	587,466
	Total funds		5,223,786	3,511,705	(3,640,322)	-	5,095,169

The allocation of opening restricted funds have been restated to provide more detail than that disclosed in the accounts for the previous period.

The transfers from restricted funds to general funds represent payments made by the charity in the previous year relating to specific Youth Zone projects.

Capital expenditure on any further Youth Zones will be accounted for in the individual Youth Zone charities.

Purposes of restricted funds

- (i) Completed Youth Zones These represent funds held on behalf of completed projects which will be transferred to the charities established to operate these Youth Zones
- (ii) Youth Zone projects These represent grants received and costs incurred on current projects. The funds will be transferred when a charity has been established to operate the particular Youth Zone.

ONSIDE YOUTH ZONES

Notes to the financial statements (continued)

Year Ended 31 March 2017

12 Movement in funds (continued)

Purposes of restricted funds (continued)

(iii)	Accenture	Advancement of the employability agenda across the youth zone network (project name 'Get A Job')
(iv)	Lottery / St James Place	Advancement of the inclusion agenda across the youth zone network (project name 'A Level Playing Field')
(v)	Sport England	Development of a new monitoring and evaluation system across the network
(vi)	Summer Ball	Fundraising event for the benefit of the entire Youth Zone network
(vii)	Porticus Grant	Support for the delivery, strengthening and sustainability of OnSide Youth Zones mentoring programme across the North West.
(viii)	Oglesby Health Project	Piloting health related 'mini' projects across the Youth Zone network, led by Mahdlo Youth Zone
(ix)	CBO Development Grant	Exploring the viability of a Social Investment Bond model and supporting business plan for The Way Youth Zone, Wolverhampton
(x)	Holroyd Foundation	Donation to The Hive and Carlisle Youth Zones (OnSide Warriors fundraising event)
(xi)	NCS Trust	Delivering the National Citizen Service programme across the network
(xii)	City Bridge	Exploring the viability of a Social Investment Bond model for Barking & Dagenham Youth Zone
(xiii)	EEF Comic Relief	Using the power of sport to engage, inspire and change the lives of disadvantaged young people facing a series of personal and social barriers to employment.
(xiv)	AO Smile foundation	Advancement of the employability agenda across the Youth Zone network (project name 'Get A Job'); co-financed with Accenture
(xv)	Jamie Oliver	Improving cooking/life skills of Youth Zone members across the network
(xvi)	Careers & Enterprise Fund	Career development focused mentoring project delivered across the network
(xvii)	Other	Small ad hoc donations made appended by specific wishes from the donor

13 Analysis of net assets between funds

	<i>General funds £</i>	<i>Restricted funds £</i>	<i>Total funds £</i>
Tangible fixed assets	10,723	4,024,580	4,035,303
Net current assets	576,743	483,123	1,059,866
	587,466	4,507,703	5,095,169

14 Related party transactions

No trustee received any remuneration during the year.

During the year the company received donations which in total amounted to £1,285,000 (2016: £534,148) from various trustees of the charitable company and their associated businesses.

During the year the company received grant funding which in total amounted to £97,500 (2016: £135,000) from the AO Smile Foundation, an organisation in which John Roberts is a director and trustee.

During the year the company made purchases amounting to £21,683 (2016: £15,959) from Bruntwood 2000 (NW Regen) Limited, a company in which Christopher G Oglesby is a director and trustee. At the balance sheet date the company owed £807 (2016: £300) to Bruntwood 2000 (NW Regen) Limited.

During the year the company made purchases amounting to £46,400 (2016: £83,432) from Clear Marketing Communications Limited, a company in which James Smith is a director. At the balance sheet date the company owed £3,481 (2016: £15,876) to Clear Marketing Communications Limited.

No other trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year.

There are no other material related party transactions that require disclosure in the financial statements.

ONSIDE YOUTH ZONES

Notes to the financial statements (continued)
Year Ended 31 March 2017

15 Capital commitments

At the balance sheet date there were no outstanding capital commitments (2016 : £Nil) in respect of amounts contracted for but not provided in these financial statements.

16 Reconciliation of net income (expenditure) to net cash flow from operating activities	2017 £	2016 £
Net (expenditure) income for the year	(128,617)	70,926
Depreciation	93,864	92,230
Investment income	(2,047)	(2,505)
Decrease (increase) in debtors	38,156	(4,827)
(Decrease) increase in creditors	(64,328)	167,313
Net cash flow from operating activities	(62,972)	323,137

17 Financial instruments

Financial assets

Debt instruments measured at amortised cost:

Trade debtors	46,200	-
Other debtors	13,819	133,192
	60,019	133,192

Financial liabilities

Measured at amortised cost:

Trade creditors	100,866	224,604
Other creditors	208,669	70,904
	309,535	295,508

18 Control

There is no ultimate controlling party.