

Company number 06591785

Charity number 1125893

ON SIDE YOUTH ZONES

Annual Report and Financial Statements

Year Ended 31 March 2018



ONSIDE YOUTH ZONES

Trustees' Report and Financial Statements
Year Ended 31 March 2018

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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 2018*

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 2018. 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	Svenska Handelsbanken AB 6 The Courtyard Calvin St Bolton BL1 8PB
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:

J E Smith	Resigned 28 th November 2017
C G Oglesby	
C W Holroyd CBE	
W R Warburton MBE	
W K C Griffiths	
D C J Hall	Appointed 27 th April 2017, resigned 5 th September 2017 Appointed 20 th February 2018
J R Marsh	
N J Richens	
C Mindenhall	
J C Roberts	
N Hopkinson	
N Sleep	

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 2018*

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 strategic direction, driving the vision of the organisation, governance and policy setting. 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 quarterly and delegate operational management of the charity to the Executive Board. The Executive board meet at least quarterly. 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)).

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 (continued)
For the year ended 31 March 2018*

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

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 based 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.

OUR FOCUS:

- Develop new Youth Zones in other towns and cities
- 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 and protect the OnSide brand

WE STRENGTHEN THE NETWORK THROUGH:

- Providing a framework to ensure consistent high-quality delivery
- leading/supporting network bids to grants givers, trusts and foundations in partnership with the Youth Zone teams to drive income
- Supporting the Youth Zones in recruitment of key staff
- The continuation and expansion of the network wide Talent Development programme, delivering training and placement opportunities for aspiring Chief Executives, Fundraising Managers and Youth Work Managers
- Creating local communication strategies and tools to enable the Youth Zones to raise their public profile
- Developing the impact measurement tool used across the Youth Zones network
- Ensuring young people take a lead in all projects

Volunteers' contribution

Throughout the period all members of the board of Trustees made valuable 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 three full days each calendar month but on occasion are much more.

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 (continued)
For the year ended 31 March 2018*

Achievements and Performance

Charitable Activities

In 2017/18, 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, Wirral and Wolverhampton
- Complete the build and prepare to launch a brand new Youth Zone in Chorley – “Inspire” – which officially opened on the 5th May 2018
- Significant advances made in terms of the development and construction of the next phase of Youth Zones in Barking & Dagenham (“Future”), Barnet (“Unitas”), Croydon (“Legacy”), Warrington & East Manchester
- Moved forward with other opportunities to build Youth Zones in more locations across the UK
- Expanded the Talent Academy, reaching a second cohort of aspiring Chief Executives and Youth Work Managers, as well as developing a new workstream aimed at the Fundraising and Donor Development Managers
- Continued to secure and distribute funding of over £1m to support strategic youth work programmes across the network. This funding enables the network to offer a variety of projects in direct response to the needs of young people, this includes;
 - A highly successful ‘Get A Job’ employability skills programme
 - A LIBOR backed programme aimed at engaging and supporting service and ex-service children and young people and their families
 - Empower, Educate, Empower; a project co-funded through Comic Relief/the BT Supporters Club and the England Footballers Foundation 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
- Continued to work closely with The OnSide Foundation in securing commitments and monitoring the application of capital funding with a consolidated receipt value of £8m and further funding direct to Youth Zones of over £12m
- Cultivating and maintaining close relationships with representatives from both the local private and public sectors to fund, support and promote the 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 and Svenska Handelsbanken AB.

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. When a Youth Zone is established within a city, it becomes a focal point for the community to help support young people through a variety of means, often as volunteers within the Youth Zone. 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 surrounding communities who will be able to enjoy affordable access to all the opportunities that the Youth Zone provides. 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.

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.

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 (continued)
For the year ended 31 March 2018*

Financial Review (continued)

A summary of the income and expenditure for the year ended 31 March 2018 is as follows:

	Unrestricted Funds 2018 £	Restricted Funds 2018 £	Total Funds 2018 £
Total incoming resources	2,428,083	1,197,871	3,625,954
Total resources expended	(2,411,656)	(1,240,313)	(3,651,969)
Net movement in funds for the year	16,427	(42,442)*	(26,015)

** the deficit movement in restricted funds is made up of grant income received in 2016/17 and expended in FY 17/18 and applies specifically to restricted funded projects*

Fund balances

Fund balances at 31 March 2018	603,893	4,465,261	5,069,154
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Balance Sheet extract

As at the 31st March 2018, 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 (Manchester Youth Zone).	3,952,486
Other net assets representing funding received in advance of specific expenditure against revenue projects.	512,775
	4,465,261

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 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 prospects; due consideration has been given to these activities in the annual review of the reserves policy.

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 (continued)
For the year ended 31 March 2018*

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 2018 this was £597,535 this amounts to approximately 3.5 months' cover.

Principal Funding Sources

The Directors wish to record their thanks to all those individuals and companies who have made donations to support the work of the charity. Project specific funding targeted at grassroots activity within the Youth Zone network was received from Accenture, AO Smile, AKO, the Careers & Enterprise Co., City Bridge Trust, Comic Relief (administering funds on behalf of the BT Supporters Club) and the England Footballers Foundation, Jamie Oliver Ministry of Food Foundation, the LIBOR fund, the Oglesby Charitable Trust, National Citizen Service (NCS) and NESTA These funders gave vital support to multi-partner revenue projects across the OnSide network.

We are also grateful to the ever-growing number of funders who have made substantial capital commitments to enable new Youth Zones projects, in 2017/18 these included; The Queen's Trust, the Eric Wright Charitable Trust, the Sorrell Foundation, the Jack Petchey Foundation, the I.G.Y. Foundation, the Stone Family Foundation, Fidelity UK Foundation, the Johnson Foundation, the MariaMarina Foundation, Carrington Workwear and the UBS Optimus Foundation, (comprising donations from the Holroyd Foundation, John & Sally Roberts and Martin & Judith Ainscough). Without their support for the OnSide movement, the progress made to date would not have been possible. We are overwhelmed by the group of strategic funders who have invested their belief and finances into the OnSide team, this too has been critical to progress made.

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 recognises that meeting the needs of young people across the UK is becoming an ever-increasing challenge due to decreasing budgets, diminishing infrastructures and the continued high prevalence and complexity of the needs in this generation. Our vision within that spectrum is to build Youth Zones – giving young people somewhere safe and inspiring to go in their leisure time. We face daily barriers relating to the establishment of Youth Zones in new geographies and, once we have overcome these and found a site and the funding for the capital project, our focus moves to raising funds to sustain each c£1m+ operation. Under this vision, throughout 2018/19 we will continue to deliver this by;

- Proceeding with the development of existing and future Youth Zones
- Continuing 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
- Employ 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
- Securing new investors into OnSide
- Securing capital funding to expand the network of Youth Zones
- Broadening the remit of the successful Talent Academy (currently delivering skills, training and placement opportunities to aspiring Chief Executives, Youth Work Managers and Fundraising Managers)

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 (continued)
For the year ended 31 March 2018*

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;
- 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

Date: 12 November 2018

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

Opinion

We have audited the financial statements of OnSide Youth Zones (the 'charitable company') for the year ended 31 March 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2018 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to 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 charitable company'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 Trustees' 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 this fact.

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

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

- the information given in the Trustees' report (incorporating the directors report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ONside YOUTH ZONES

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 directors' 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 Trustees responsibilities statement 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, 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 addressing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

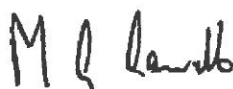
Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered to be 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: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the 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.



1 City Road East
Manchester
M15 4PN

12 November 2018

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 2018

	Note	Unrestricted Funds 2018 £	Restricted Funds 2018 £	Total Funds 2018 £	Total Funds 2017 £
INCOME					
Donations and legacies					
- Donations	3	1,458,537	86,819	1,545,356	1,695,394
Other trading activities					
- Fundraising events	3	160,285	-	160,285	155,046
Income from investments	3	1,060	-	1,060	2,047
Income from Charitable Activities					
- Project development grants	4	-	1,111,052	1,111,052	1,312,134
- Fees receivable		808,201	-	808,201	347,084
Total income and endowments		2,428,083	1,197,871	3,625,954	3,511,705
EXPENDITURE					
Expenditure on raising funds					
- Fundraising events		30,040	-	30,040	49,363
Expenditure on Charitable Activities	8				
- Youth Zone Development & Prospecting		1,910,600	1,240,313	3,150,913	3,052,264
- Youth Zone Support		171,923	-	171,923	123,357
- OnSide Fundraising		60,931	-	60,931	118,330
- Fundraising distributions		100,000	-	100,000	164,780
- Onside Administration		131,260	-	131,260	126,312
- Governance Costs	8	6,902	-	6,902	5,916
Total expenditure		2,411,656	1,240,313	3,651,969	3,640,322
Net income/(expenditure) and net movement in funds		16,427	(42,442)	(26,015)	(128,617)
Fund balances at 1 April 2017		587,466	4,507,703	5,095,169	5,223,786
Fund balances at 31 March 2018	12	603,893	4,465,261	5,069,154	5,095,169

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 2018

Company registration number: 06591785
Charity registration number: 1125893

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	9	3,980,204	4,035,303
Current assets			
Debtors	10	293,243	103,792
Cash at bank and in hand		1,336,743	1,271,672
		1,629,986	1,375,464
Creditors: amounts falling due within one year	11	(541,036)	(315,598)
Net current assets		1,088,950	1,059,866
Net assets		5,069,154	5,095,169
FUNDS			
Unrestricted funds			
- General funds	12	603,893	587,466
Restricted funds	12	4,465,261	4,507,703
Total charity funds		5,069,154	5,095,169

The financial statements on pages 10 to 21 were approved by the Trustees and signed on their behalf by:



N J Richens
Director & trustee

12 November 2018

ONside YOUTH ZONES

Statement of Cash Flows Year Ended 31 March 2018

	Note	2018 £	2017 £
Cash flow from operating activities	16	110,809	(62,972)
Cash flow from investing activities			
Interest received		1,060	2,047
Payments to acquire tangible fixed assets		(46,798)	(8,673)
Increase/(decrease) in cash and cash equivalents		65,071	(69,598)
Cash and cash equivalents at 1 April 2017		1,271,672	1,341,270
Cash and cash equivalents at 31 March 2018		1,336,743	1,271,672
Cash and cash equivalents consists of:			
Cash at bank and in hand		1,336,743	1,271,672

ONSIDE YOUTH ZONES

Notes to the financial statements
Year Ended 31 March 2018

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 2018

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.

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.

ONside YOUTH ZONES

Notes to the financial statements
Year Ended 31 March 2018

2 Accounting policies (continued)

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 2018 £	Restricted Funds 2018 £	Total Funds 2018 £	Total Funds 2017 £
	<i>Donations and legacies</i>				
	- J & S Roberts via the OnSide Foundation	515,000	-	515,000	1,265,000
	- Holroyd Foundation via the OnSide Foundation	375,000	-	375,000	-
	- Other donations	568,537	86,819	655,356	430,394
		1,458,537	86,819	1,545,356	1,695,394
	<i>Other trading activities - fundraising</i>				
	- Summer Ball 2016	-	-	-	121,807
	- Golf Day	29,355	-	29,355	23,175
	- Bowling Event	10,930	-	10,930	10,064
	- Summer Event 2017	120,000	-	120,000	-
		160,285	-	160,285	155,046
	<i>Income from investments</i>				
	- Bank interest receivable	1,060	-	1,060	2,047
4	Income from Charitable Activities	Unrestricted Funds 2018 £	Restricted Funds 2018 £	Total Funds 2018 £	Total Funds 2017 £
	<i>Grants receivable</i>				
	Youth Zones				
	- Barnet Youth Zone	-	239,720	239,720	250,000
	- Croydon Youth Zone	-	139,447	139,447	150,000
	- Wirral Youth Zone	-	5,104	5,104	187,019
	- Future Youth Zone projects	-	275,000	275,000	-
	Other restricted funds				
	- AO Smile foundation	-	32,500	32,500	97,500
	- AKO Foundation	-	25,000	25,000	-
	- NCS Trust	-	37,478	37,478	77,511
	- City Bridge Trust	-	25,000	25,000	25,000
	- EFF & Comic Relief	-	121,589	121,589	94,875
	- LIBOR Fund	-	150,000	150,000	-
	- NESTA Project	-	60,214	60,214	-
	- Accenture Foundation	-	-	-	90,000
	- BIG Lottery: ALPF	-	-	-	222,134
	- John Ellerman Foundation	-	-	-	35,693
	- Sport England	-	-	-	82,402
		-	1,111,052	1,111,052	1,312,134

ONSHIRE YOUTH ZONES

Notes to the financial statements (continued)
Year Ended 31 March 2018

5	Net income for the year	2018	2017
		£	£
	Net income is stated after charging:		
	Depreciation of tangible fixed assets	101,897	93,864
	Auditor's remuneration in respect of: - audit fees	6,902	5,916
6	Staff costs and numbers	2018	2017
		£	£
	Wages and salaries	1,302,179	1,073,529
	Social security costs	142,435	124,973
	Pension costs	54,438	29,961
		1,499,052	1,228,463

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

	2018	2017
	Number	Number
£60,000 to £69,999	1	1
£70,000 to £79,999	1	-
£80,000 to £89,999	1	3
£90,000 to £99,999	1	-
£100,000 to £109,999	-	1
£110,000 to £119,999	1	-

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

	2018	2017
	Number	Number
Full Time		
Chief executive	1	1
Fundraising	2	3
Organisational development (including facilities)	13	12
Marketing and public relations	6	3
Finance	2	1
Youth and project work	4	4
Administrative	2	2
	30	26

The charity makes contributions into eligible 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 £54,438 (2017: £29,961). At the balance sheet date the charity owed £9,650 (2017: £5,517) to the pension

7 **Trustee remuneration**

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

Notes to the financial statements (continued)

	Basis of allocation	Fundraising events £	Youth Zone Development and Prospecting £	Youth Zone Support £	OnSide Fundraising £	Fundraising distributions £	Administration £	Governance costs £	Total 2018 £	Total 2017 £
Costs directly allocated to activities										
Recruitment charges	Direct	-	-	-	-	-	37,862	-	37,862	43,828
Website costs	Direct	-	-	16,952	-	-	-	-	16,952	396
Insurance	Direct	-	-	-	-	-	6,432	-	6,432	3,840
Bank charges	Direct	-	-	-	-	-	1,637	-	1,637	1,471
General repairs and maintenance	Direct	-	-	-	-	-	1,331	-	1,331	2,264
Audit fees	Direct	-	-	-	-	-	-	6,902	6,902	5,916
Legal and professional fees	Direct	-	65,921	-	-	-	-	-	65,921	61,817
YZ Support costs	Direct	-	-	6,625	-	-	-	-	6,625	7,778
Events	Direct	30,040	-	-	-	-	-	-	30,040	49,363
Fundraising distributions	Direct	-	-	-	-	100,000	-	-	100,000	164,780
Marketing	Direct	-	238,031	-	-	-	-	-	238,031	185,255
Staff welfare	Direct	-	-	-	-	-	13,663	-	13,663	7,170
Staff training	Direct	-	171,606	-	-	-	-	-	171,606	56,036
YZ Development costs	Direct	-	781,674	-	-	-	-	-	781,674	554,841
Youth Zone Regional Projects	Direct	-	371,931	-	-	-	-	-	371,931	970,505
Support costs allocated to activities										
Room hire	Usage	-	12,535	-	-	-	1,393	-	13,928	16,832
Computer costs	Usage	-	6,680	-	557	-	3,896	-	11,133	19,587
Telephone and internet charges	Usage	-	4,520	-	377	-	2,636	-	7,533	6,348
Water and electricity	Usage	-	1,681	-	140	-	980	-	2,801	3,127
Rent. Rates and service charge	Usage	-	30,934	-	2,578	-	18,044	-	51,556	32,650
Publications and subscriptions	Usage	-	1,188	-	132	-	-	-	1,320	2,056
Computer equipment depreciation	Usage	-	8,399	-	-	-	1,190	-	9,589	3,455
Furniture and fittings depreciation	Usage	-	2,269	-	-	-	-	-	2,269	589
Property depreciation	Usage	-	90,039	-	-	-	-	-	90,039	89,820
Travel, subsistence and accommodation	Usage	-	88,278	-	13,511	-	2,607	-	104,396	110,520
Wages and salaries	Usage	-	1,103,712	128,864	37,569	-	32,034	-	1,302,179	1,073,529
National insurance	Usage	-	120,726	14,095	4,109	-	3,505	-	142,435	124,973
Pension contributions	Usage	-	46,141	5,387	1,571	-	1,339	-	54,438	29,961
Printing, stationery and postage	Usage	-	4,648	-	387	-	2,711	-	7,746	11,615
		30,040	3,150,913	171,923	60,931	100,000	131,260	6,902	3,651,969	3,640,322

ONside YOUTH ZONES

Notes to the financial statements (continued)
Year Ended 31 March 2018

9	Tangible fixed assets	Youth Zone leasehold property	Computer equipment	Fixtures & fittings	Total
		£	£	£	£
	Cost				
	At 1 April 2017	4,490,749	142,549	227,087	4,860,385
	Additions	17,945	23,401	5,452	46,798
	At 31 March 2018	4,508,694	165,950	232,539	4,907,183
	Depreciation				
	At 1 April 2017	466,169	132,637	226,276	825,082
	Charge for the year	90,039	9,589	2,269	101,897
	At 31 March 2018	556,208	142,226	228,545	926,979
	Net book value				
	At 31 March 2018	3,952,486	23,724	3,994	3,980,204
	At 31 March 2017	4,024,580	9,912	811	4,035,303

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	2018	2017
		£	£
	Trade debtors	54,323	46,200
	Prepayments	217,881	43,773
	Other debtors	21,039	13,819
		293,243	103,792
11	Creditors: amounts falling due within one year	2018	2017
		£	£
	Trade creditors	377,516	100,866
	Social security costs	46,518	41,782
	VAT	65,337	33,414
	Other creditors	9,650	133,473
	Accruals and deferred income	42,015	6,063
		541,036	315,598

ONSIDE YOUTH ZONES

Notes to the financial statements (continued)
Year Ended 31 March 2018

12	Movement in funds		At 1 April 2017 £	Income £	Expenditure £	Transfers £	At 31 March 2018 £
	Restricted funds						
	Completed Youth Zones	(i)					
	- Manchester		41,295	-	-	(19,625)	21,670
	- Wirral		42,238	5,104	(47,342)	-	-
	Youth Zone projects	(ii)					
	- Preston		135,778	-	(6,320)	-	129,458
	- Barnet		10,280	239,720	(250,000)	-	-
	- Croydon		10,553	139,447	(150,000)	-	-
	- Future Youth Zone projects		54,580	275,000	(318,012)	-	11,568
	Other restricted funds						
	- Get A Job : Accenture, AO & AKO	(iii)	84,284	57,500	(70,845)	-	70,939
	- Porticus Grant	(iv)	22,500	-	(18,500)	-	4,000
	- Oglesby Health Project	(v)	17,401	49,182	(40,471)	-	26,112
	- NCS Trust	(vi)	16,135	37,478	(53,613)	-	-
	- City Bridge Trust	(vii)	4,300	25,000	-	-	29,300
	- EFF & Comic Relief	(xiii)	43,779	121,589	(88,928)	-	76,440
	- LIBOR Fund	(ix.)	-	150,000	(73,692)	-	76,308
	- NESTA Project	(x)	-	60,214	(3,662)	-	56,552
	- Jamie Oliver Ministry of Food	(xi)	-	5,904	(5,902)	-	2
	- Careers & Enterprise Fund	(xii)	-	31,326	(21,307)	-	10,019
	- Donations - London		-	407	-	-	407
	Fixed asset restricted funds		4,024,580	-	(91,719)	19,625	3,952,486
	- Total restricted funds		4,507,703	1,197,871	(1,240,313)	-	4,465,261
	Unrestricted funds						
	General funds		587,466	2,428,083	(2,411,656)	-	603,893
	Total funds		5,095,169	3,625,954	(3,651,969)	-	5,069,154

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 2018

12 Movement in funds (continued)

Purposes of restricted funds (continued)

(iii)	Get A Job : Accenture, AO & AKO	Advancement of the employability agenda across the youth zone network (project name 'Get A Job')
(iv)	Porticus Grant	Support for the delivery, strengthening and sustainability of OnSide Youth Zones mentoring programme across the North West.
(v)	Oglesby Health Project	Piloting health related 'mini' projects across the Youth Zone network, led by Mahdlo Youth Zone
(vi)	NCS Trust	Delivering the National Citizen Service programme across the network
(vii)	City Bridge Trust	Exploring the viability of a Social Investment Bond model for Barking & Dagenham Youth Zone
(xiii)	EFF & 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.
(ix.)	LIBOR Fund	A project to engage and support service and ex-service children and young people and their families.
(x)	NESTA Project	Social action programme to improve money management skills and reduce debt for young people aged 14-25 through one to one training with mentors.
(xi)	Jamie Oliver Ministry of Food	Training staff across the network to deliver cooking focused life skills courses
(xii)	Careers & Enterprise Fund	Two separate projects delivering: Career development focused mentoring and an enterprise and employability project for young people at risk of becoming NEET

13 Analysis of net assets between funds

	General funds £	Restricted funds £	Total funds £
Tangible fixed assets	27,718	3,952,486	3,980,204
Net current assets	576,175	512,775	1,088,950
	603,893	4,465,261	5,069,154

14 Related party transactions

No trustee received any remuneration during the year.

During the year the company received donations which in total amounted to £900,000 (2017: £1,265,000) from various trustees of the charitable company or their associated Foundations.

During the year the company received grant funding which in total amounted to £32,500 (2017: £97,500) 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 £21,100 (2017: £21,683) 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 £227 (2017: £807) to Bruntwood 2000 (NW Regen) Limited.

During the year the company made purchases amounting to £43,084 (2017: £46,400) from Clear Marketing Communications Limited, a company in which James Smith is a director. At the balance sheet date the company owed £3,333 (2017: £3,481) 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.

ONSHORE YOUTH ZONES

Notes to the financial statements (continued)
Year Ended 31 March 2018

15 Capital commitments

At the balance sheet date there were no outstanding capital commitments (2017 : £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	2018 £	2017 £
Net expenditure for the year	(26,015)	(128,617)
Depreciation	101,897	93,864
Investment income	(1,060)	(2,047)
Decrease (increase) in debtors	(189,451)	38,156
(Decrease) increase in creditors	225,438	(64,328)
Net cash flow from operating activities	110,809	(62,972)

17 Financial instruments

Financial assets

Debt instruments measured at amortised cost:

Trade debtors	54,323	46,200
Other debtors	21,039	13,819
	75,362	60,019

Financial liabilities

Measured at amortised cost:

Trade creditors	377,516	100,866
Other creditors	121,505	208,669
	499,021	309,535

18 Control

There is no ultimate controlling party.