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Company no : 10236576  
Charity no : 1172247

**Barking & Dagenham Youth Zone**

Trustees' Report and Financial Statements  
For the year ended 31 March 2019



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COMPANIES HOUSE

# **Barking & Dagenham Youth Zone**

## **Trustees' Report and Financial Statements For the year ended 31 March 2019**

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### **CONTENTS**

	<b>Page</b>
<b>Chair's report</b>	<b>1</b>
<b>Trustees' report</b>	
1 Reference and administrative details	3
2 Who we are	4
3 Structure, governance and management	4
3.1 Governing Document	4
3.2 Recruitment and appointment of Trustees (Directors)	4
3.3 Organisational Structure	5
4 Objective and activities	5
5 Achievements during the period	6
6 Public benefit	6
7 Financial review	6
8 Principal Funding Sources	7
9 Future plans	7
10 Statement of Trustees' responsibilities	8
11 Auditors	8
<b>Independent auditor's report</b>	<b>9</b>
<b>Statement of financial activities</b>	<b>11</b>
<b>Balance sheet</b>	<b>12</b>
<b>Statement of cash flows</b>	<b>13</b>
<b>Notes to the financial statements</b>	<b>14</b>

**Trustees' Report and Financial Statements  
For the year ended 31 March 2019****Chair's report**

We are delighted to welcome you to Future Youth Zone (in Barking and Dagenham) and our first Trustees' Report and set of Financial Statements since we opened in May 2019.

While this document reviews the historic position of Future, we hope that it also gives you a flavour of how excited we are to be operating in Barking and Dagenham, and to be given the opportunity to help transform young people's lives here in the borough. We would like to extend huge thanks and appreciation to the London Borough of Barking and Dagenham, the Queens Trust, the Sir Jack Petchey Foundation, and the Seroussi Foundation for their very substantial support and generosity in coming together to fund the building of the Youth Zone, and "make it all happen". We are also very grateful to our amazing Founder Patrons who are generously supporting the ongoing operating costs to run the Youth Zone without which we would just be a very nice but empty building. We wanted to highlight particularly the Lord Mayor's Appeal who have been championing the charity across London over a 3 year period.

Once built and opened, the success of a Youth Zone is driven by the amazing staff team who deliver great experiences to our young people on a day to day basis. This is augmented by the generosity of our volunteers – who give their time and energy for free to help our young people grow and develop. And crucially, by a fantastic array of local organisations also dedicated to supporting young people, who partner with us to deliver activities and support to young people. Under Gavin Evans' leadership, we feel we are off to a great start, and would like to thank the whole team who work in our Youth Zone for their commitment and dedication.

Since we opened (and as of October 1st, 2019) we now have over 5,500 members signed up to Future Youth Zone, and have averaged 1,505 visits per week by young people, or 215 every day. The Youth Zone has quickly become a safe and inspirational setting for all young people, with over 70% of our members of black, asian, or minority ethnic heritage; over 300 have additional needs; 20% have said they are eligible for free school meals; and with young people coming in numbers from every part of the borough, puts paid to the notion that young people do not travel in London to access support and activities.

While we are new to Barking and Dagenham, society as a whole knows how to do Youth Zones (our name for OnSide's youth hubs). The genesis of OnSide Youth Zones (or OnSide for short) can be traced back to Victorian mill owners who built the Bolton Lads Club. Youth Zones worked then and they work today. Youth Zones are purpose built, iconic buildings that are designed and equipped to make our members feel valued and important. We offer at least twenty activities a night (there is a climbing wall, boxing ring, arts, craft, drama, dance, a sensory room, a recording studio, kitchen, sports hall, and kick pitch in each Youth Zone), and we offer mentoring, employment and health & wellbeing services too. In addition to these enriching aspirational activities, Future provides an opportunity for young people to make new friends, from right across their community, build relationships with positive role models and get help for the things they need. Future is helping young people grow into happier, healthier young adults with more to offer themselves, their family and their community.

This charity – Future Youth Zone – delivers OnSide's DNA, albeit with a local flavour, and as its own legally separate charity, with its own board of trustees and Chief Executive. As a result, it has been given its own name by local young people – Future.

A new Youth Zone can signal real change in an area, and they become valuable community platforms for other organisations such as sexual health services or young parents' groups. Evidence suggests a meaningful improvement in antisocial behaviour, petty crime rates, aspirations and wellbeing after a new Youth Zone opens. When interviewed, young people say that they benefit from improved physical and mental health, confidence, well-being and the list goes on. (See [www.onsideyouthzones.org](http://www.onsideyouthzones.org) for some truly inspirational video testimonies and further reading).

Youth Zones are best seen as part of the infrastructure of society, like hospitals, roads and bridges and, like our infrastructure, they require first class management and support, proper long term financial planning, and a strong local partnerships, particularly with local Councils. This can be a big ask of local communities to deliver from scratch without prior experience, and besides, there are costs, know-how, fund raising, support and controls that are often most efficiently provided centrally. It is for this reason that the OnSide Youth Zones network has been set up to establish new Youth Zones and ensure, once open, they continue to deliver a high level of support and activities to hundreds of young people every night – or OnSide's DNA.

**Trustees' Report and Financial Statements  
For the year ended 31 March 2019**

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**Chair's report (continued)**

OnSide is the capacity building charity that supports the creation of Youth Zones in local communities: designing, building, finding supporters, training staff and generally bringing the new Youth Zone charity to life; once the new Youth Zones are open, providing ongoing performance measurement and support for the very long-term. A network agreement between OnSide Youth Zones and the local Youth Zones sets performance and governance standards, as well as the help that a local Youth Zone can expect from OnSide. The OnSide Foundation, a third legally separate charity, provides a layer of independent financial scrutiny, governance and long-term financial planning.

Youth Zones are good value for money but who is to pay? Membership fees (£5 per annum), attendance fees (50p per visit) and the price paid for a nutritious hot meal (roughly a pound) only cover around ten percent of running costs. So, the young people can't fund it on their own. Our Youth Zones are deliberately located in areas where need is highest and whilst local businesses and business leaders are hugely generous, the running costs can be a big ask for our poorest neighbourhoods. Politicians, both national and local and of all parties, have proved to be enthusiastic supporters and we are grateful for their support, and particularly to the London Borough of Barking & Dagenham for so quickly embracing the idea to develop a Youth Zone here and for its bravery in doing so before any other Council in London. Finally, we are indebted to the Youth Zone's Founder Patrons – businesses and philanthropists who have committed to give significant donations, for a minimum of three years. Together they are giving Future the solid financial start it deserves.

Every Youth Zone's, and indeed every charity's, financial position is subject to economic downturns and political swings which tend to discourage long-term planning. Therefore Future Youth Zone is working hard with its sister Youth Zones around the country to bring together a group of funders over the longer term which includes businesses, national and local government, foundations and philanthropists, who will enable this work to be sustained into the future. We are working closely with OnSide nationally and the OnSide Foundation to make this happen.

The OnSide model is a best-of-both-worlds approach, understanding and responding to the needs of local communities and benefitting from the efficiency and pooled learning of an overarching national body. Information and learning flows in both directions. At its heart the OnSide model is a collaboration between young people, the community, private enterprise and charities, and public bodies. All these people coming together to give young people somewhere to go, something to do and someone to talk to strikes us as the world working properly.

So, if you have given time or money to Future Youth Zone in Barking & Dagenham or any other OnSide Youth Zone for that matter, in some important respects that Youth Zone belongs to you as much as it does the young people. Thank you for getting us going this year, and we hope you feel proud of Future Youth Zone. We are certainly proud to have you along with us.



C. Mindenhall

Chair

Future Youth Zone in Barking and Dagenham

Date: 15/11/19

**Trustees Report and Financial Statements  
For the year ended 31 March 2019**

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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 2019. 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.

**1. Reference and administrative details**

Barking & Dagenham Youth Zone was incorporated on 16 June 2016 (Company registration number 10296576) as a company limited by guarantee and registered as a Charity on 24 March 2017 (Charity registration number 1172247).

**Trading name**

Future

**Registered office**

201-225 Porters Avenue  
Dagenham  
Essex  
England  
RM9 5YX

**Directors & Trustees**

The Directors and Trustees of the Charity who served during the period and were:

G. Mindenhall

A. Bristow

Resigned 15 May 2018

J. Masraff

F. Jokic

D. Phillips

Cliff M. Worby

Appointed 5 July 2018

B. Fletcher

Appointed 15 October 2018

M. Fowler

Appointed 15 October 2018

M. Rantell

Appointed 15 October 2018

A. Siddique

Appointed 3 December 2018

**Chief Executive**

Gavin Evans acted as Chief Executive throughout the period

**Auditor**

Kay Johnson Gee Limited  
1 City Road East  
Manchester  
M15 4PN

**Bankers**

Handelsbanken plc  
Romford Branch  
Ground Floor, 3-5 Eastern Road  
Romford  
RM1 3NH

Web-site [www.futureyouthzone.org](http://www.futureyouthzone.org)

**Trustees' Report and Financial Statements  
For the year ended 31 March 2019**

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**2 Who we are**

Barking & Dagenham Youth Zone, named by young people as 'Future', is a purpose-built facility for the borough's young people aged 8 – 19, and up to 25 for those with disabilities.

The Youth Zone is located in Parsloes Park, where Porters Avenue meets Gale Street, and the build was completed in March 2019. Future Youth Zone joins a network of similar independent youth organisations that all share the same principles, developed by the charity OnSide Youth Zones, which is building 21st century youth facilities across the UK.

Youth Zones are based upon a proven model, which has been established in several other towns and cities across the country, and young people from Barking and Dagenham now have access to a variety of fantastic activities for a cost of only £5 for an annual membership and 50p per visit. The Youth Zone provides a safe environment, where young people can spend their leisure time; helping each young person to raise their aspirations, as well as improve their physical and mental health. Up to 20 different activities will take place each night, such as football, boxing, dancing, climbing, creative arts, music, drama and employability training—all for just 50p per visit!

The OnSide Youth Zone model uses a unique partnership approach; drawing together the Local Authority, private sector businesses, young people and the wider local community. This partnership approach aims to establish the Youth Zone right in the heart of the community in the long term, whilst meeting the needs of young people today. We are delighted to say that Future Youth Zone opened its doors to local young people on 18 May 2019, following a period of intense activity in the lead up to opening—focusing on completion of the building works, recruitment and training of the full staff and volunteer team, continuation of the revenue fundraising campaign (to help financially support the Youth Zone during the first 3 years of operation), and putting in place all the other foundations for successful sustainability of the Youth Zone. The Youth Zone was formally opened by His Royal Highness, the Duke of Sussex on 11 April 2019 during an event attended by a range of organisations and young people from across the borough.

**3 Structure, governance and management****3.1 Governing Document**

Future Youth Zone is a company limited by guarantee without share capital and registered under the Companies Act 2006, registration number 10236576. The company is governed by its Memorandum and Articles of Association dated 16 June 2016. Management of the company's affairs is vested in the co-Directors. It is a Charity registered with the Charity Commission on 24 March 2017.

In the event of a winding-up, the present members and those who have ceased to be a member within one year of such an event have guaranteed the liabilities of the company to the sum not exceeding ten pounds each.

**3.2 Recruitment and appointment of Trustees (Directors)**

The first Directors were the subscribers to the memorandum as notified to Companies House as the first Directors of the Charity. A person appointed as a Director thereupon becomes a Member of the Charity and a Director who ceases to hold office for any reason thereupon ceases to be a Member of the Charity. Directors have the power to appoint, by ordinary resolution, any person to be a Director who is willing to act as such. New Directors will be recruited according to the needs of the Charity and the suitability of possible candidates. A unanimous approval of existing Directors would lead to their appointment.

The Memorandum and Articles of Association states that the number of members (Directors) shall have no maximum and shall not be less than three. At the first Annual General Meeting all Directors must retire and seek re-election. At each subsequent Annual General Meeting one third of the Directors are required to retire by rotation and seek re-appointment if they wish to continue.

The Members of the Charity are its Directors for the time being and the only persons eligible to be Members of the Charity are its Directors.

Full details of the rules are contained in the company's Memorandum and Articles of Association, dated on incorporation on 16 June 2016, which may be inspected at the Future Youth Zone registered office.

**Trustees' Report and Financial Statements  
For the year ended 31 March 2019**

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**3.3 Organisational Structure**

Future Youth Zone is governed by its Trustee Board which is responsible for setting the strategic direction of the organisation and the policy of the Charity. The Trustees carry the ultimate responsibility for the conduct of Future Youth Zone and for ensuring that the Charity satisfies its legal and contractual obligations. Trustees meet approximately every two months and may delegate the implementation of their decisions or day-to-day operation of the organisation to senior management, any employee of the Charity, person or committee as they see fit. Any committee must include at least one Trustee. The Trustee Board is independent from management.

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

**Risk management**

The Trustees have considered the major risks to which the Charity is exposed and have established suitable risk management and control procedures. This includes a review of Future Youth Zone's risk register at each Board meeting and a biannual detailed analysis of the risk register.

**Related party transactions**

There were no transactions with related parties required to be disclosed in the financial statements.

**4 Objective and activities**

Future Youth Zone's objects are to help and educate children and young people resident in Barking & Dagenham and surrounding areas through their leisure time activities by promoting their full physical and spiritual potential in order that they may grow to full maturity as individuals and members of society and their conditions of life may improve.

**5 Achievements during the period**

We are indebted to the capital funders and founder patrons who have committed to support the Youth Zone during this period. London Borough of Barking & Dagenham (LBBD) have committed their support to the capital project and have provided half of the finances needed for the construction of the facility, as well as providing leadership in their role as a major strategic partner. The Queen's Trust and The Jack Petchey Foundation have also each committed an amazing £1.5m of capital funds; with the Seroussi Foundation (in partnership with the UBS Optimus Foundation) and the Lord Mayor's Appeal also providing crucial capital funding. Thanks to the support of our capital funders, a fantastic new Youth Zone has been built, containing the amazing array of facilities common to all Youth Zones, and has been handed over to the local team in March 2019.

The Founder Patron campaign, which provides operating revenue for the Youth Zone, has continued throughout the last 12 months. This group is growing, and we are moving positively towards securing more Founder Patrons.

In 2018/19, the Charity's main achievements were:

- To appoint new Trustees/Directors with the skills and capabilities required to oversee the Charity;
- To construct the new Youth Zone complete with the facilities and equipment required by young people;
- To recruit a team of suitably qualified staff and volunteers to deliver over 40 hours of activities and support every week;
- To raise awareness of the offer available within the Youth Zone and prepare for opening through a series of pre-opening events involving local schools and community groups;
- To take significant strides in the revenue fundraising campaign to secure the funds required to cover the first three years of operation, taking the total raised to £3.1m;
- To develop partnership arrangements with local youth organisations who will deliver activities within the Youth Zone;
- To maintain a communications platform for the new Charity including a website, twitter account and other social media activities, and to start to recruit members for the new Youth Zone in advance of opening

**Trustees' Report and Financial Statements  
For the year ended 31 March 2019**

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

**6 Public benefit**

All the activities of the Charity (as summarised above) were undertaken to further its charitable purposes for public benefit. The provision of a high-quality borough-centre facility for young people responds to a clear, ongoing demand from young people, parents and wider communities for more and better places for young people to go. Although providing a service to all young people, Barking & Dagenham Youth Zone will focus on attendance and participation by young members across the entire community 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 community. They will be happier, healthier and make more constructive use of their leisure time which consequently 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 of Future Youth Zone believe they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission.

**Volunteers' contribution**

Throughout the period all members of the Board of Trustees made invaluable voluntary contributions to the Charity's work in terms of governance, professional and business experience, financial planning, fundraising and leading initiatives across the project. Such contributions were, on average, equivalent to one full day each calendar month.

**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. Currently, the Charity does not currently hold any investments other than cash on deposit with Svenska Handelsbanken AB.

**7 Financial review**

A summary of the results is shown below :

	2019	2018
	£	£
Incoming resources	5,782,960	828,657
Outgoing resources	(284,013)	(177,344)
<b>Net Incoming resources</b>	<b>5,498,947</b>	<b>651,313</b>

**Reserves Policy**

The construction of the Youth Zone is now complete and the Founder Patron (revenue) campaign is well underway. The Board of Trustees of Future Youth Zone has established a reserves policy which appropriately reflects the risks to which the charity is exposed. Now that the Youth Zone is operating and 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.

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 to 6 months running costs. The Trustees manage Future Youth Zones' finances so that an adequate level of reserves can be maintained in compliance with the reserves policy. At 31 March 2019 the charity has accumulated unrestricted free reserves of £613,481 prior to opening.



**Trustees' Report and Financial Statements  
For the year ended 31 March 2019**

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**8 Principal Funding Sources**

The Directors wish to record their thanks to all those individuals and companies who have made donations or pledged their support to the work of the Charity; the London Borough of Barking & Dagenham (LBBD), The Queen's Trust, the Jack Petchey Foundation, the Seroussi Foundation (in partnership with UBS) and the Lord Mayor's Appeal Charity for capital funding towards the project. We also wish to thank Fresh Wharf Estates, Squibb Group, Bridges Impact Foundation, the MariaMarina Foundation, Paula Hawkins, L&Q, Mullaley, The Drapers' Company, the Lord Mayor's Appeal Charity, Ocorlan Trustees, the AKO Foundation, the Distillers Charity, Peter and Lindy Estlin, the Edward and Catherine Wray Charitable Trust, the Mullinger Family, the Abrahart Family, the MIndenhall Family, the Seroussi Foundation and The Queen's Trust for becoming Founder Patrons for the new Youth Zone, and for the support of other funders including the Youth Investment Fund (funding via DCMS and the National Lottery) and Dream Point Homes.

**9 Future plans**

Following the official opening of the Youth Zone on 18 May 2019, we are now open every evening to all young people, providing at least 20 activities a night.

At the point of opening, the Youth Zone employed a staff team of around 50 individuals and around the same number of volunteers – a number that will continue to grow throughout the first year.

For the majority of the first year, the focus of the Youth Zone will be on delivering a high-quality youth offer that engages at least 150 young people every evening in positive, inspiring activities, from a membership of over 4,000 young people. At the same time, further funding will be sought to further secure the long-term future of the charity and to allow additional activities to be offered, such as mentoring and support for health & wellbeing from the latter part of the year.

**Trustees' Report and Financial Statements  
For the year ended 31 March 2019**

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**10 Statement of Trustees' responsibilities**

The Trustees (who are also the Directors of Barking & Dagenham Youth Zone for the purpose of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

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

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

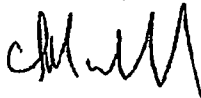
The Trustees confirm that so far as they are aware, there is no relevant audit information of which the charity's auditors are unaware. The Trustees have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish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

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

**11 Auditors**

In accordance with section 489 of the Companies Act 2006, a resolution to re-appoint Kay Johnson Gee Limited will be proposed at the Annual General Meeting.

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



C. Mindenhall  
Chair: Company Director and Trustee

Date: 15/11/19

**Independent Auditor's Report to the Members  
For the year ended 31 March 2019**

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**Opinion**

We have audited the financial statements of Barking & Dagenham Youth Zone (the 'charitable company') for the year ended 31 March 2019 which comprise the Statement of Financial Activities, Balance Sheet, 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 2019 and of its income and expenditure, for the period 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 which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the 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' report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' report, which includes the Directors' report prepared for company law purposes, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report included within the Trustees' report has been prepared in accordance with applicable legal requirements.

**Independent Auditor's Report to the Members (continued)  
For the year ended 31 March 2019**

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**Matters on which we are required to report by exception**

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

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 Trustee's 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.
- the Trustees' were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

**Responsibilities of Trustees**

As explained more fully in the Statement of Trustees' Responsibilities set out on page 6, the Trustees (who are also the Directors of the Charitable Company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the 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 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: <https://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 Charity'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 Charity'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 Charity and the Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Michael Garrett (Senior Statutory Auditor)  
For and on behalf of  
Kay Johnson Gee Limited  
Statutory Auditors and Chartered Accountants

1 City Road East  
Manchester  
M15 4PN

Date: 15<sup>th</sup> November 2019

Statement of Financial Activities (Including Income & Expenditure account)  
For the year ended 31 March 2019

	Note	Unrestricted 2019 £	Restricted 2019 £	TOTAL 2019 £	2018 £
<b>INCOME</b>					
<i>Donations and legacies</i>					
- Donations	3	736,960	5,024,094	5,761,054	828,457
<i>Investment Income</i>					
- Bank interest		1,789	96	1,885	200
<i>Other Income</i>					
		20,021	-	20,021	-
<b>Total income</b>		<b>758,770</b>	<b>5,024,190</b>	<b>5,782,960</b>	<b>828,657</b>
<b>EXPENDITURE</b>					
<i>Expenditure on Charitable Activities</i>					
- Project costs		106,965	-	106,965	121,081
- Trips & residentials		1,233	-	1,233	1,080
- Operating costs	4	169,787	1,528	171,315	52,683
- Governance costs		4,500	-	4,500	2,500
<b>Total Expenditure</b>		<b>282,485</b>	<b>1,528</b>	<b>284,013</b>	<b>177,344</b>
<b>Net income</b>	8	<b>476,285</b>	<b>5,022,662</b>	<b>5,498,947</b>	<b>651,313</b>
Fund balance at 1 April 2018		137,196	1,016,000	1,153,196	501,883
<b>Fund balance at 31 March 2019</b>		<b>613,481</b>	<b>6,038,662</b>	<b>6,652,143</b>	<b>1,153,196</b>

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

All income and expenditure derive from continuing activities.

**Barking & Dagenham Youth Zone**

Page 12

Balance Sheet  
As at 31 March 2019

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Tangible assets	9	5,451,435	823,304
<b>Current assets</b>			
Debtors	11	98,934	829
Cash at bank & in hand		1,900,856	345,938
		1,399,790	346,767
Creditors : amounts falling due within one year	12	(199,082)	(16,875)
<b>Net current liabilities</b>		1,200,708	329,892
<b>Net assets</b>		6,652,143	1,153,196
<b>FUNDS</b>			
Unrestricted funds	14	613,481	137,196
Restricted funds	14	6,038,662	1,016,000
		6,652,143	1,153,196

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company

The financial statements on pages 11 to 17 were approved and authorised for issue by the Board of Trustees and signed on its behalf by:



C. Mindenhall  
Chair: Company Director and Trustee

Date: 15/11/19

Statement of Cash Flows  
For the year ended 31 March 2019

	2019 £	2018 £
Cash flow from operating activities	5,582,596	754,892
<b>Cash flow from investing activities</b>		
Interest received	1,885	200
Payments to acquire tangible fixed assets	(4,629,563)	(409,154)
<b>Increase in cash and cash equivalents</b>	<b>954,918</b>	<b>345,938</b>
Cash and cash equivalents at 1 April 2018	345,938	-
<b>Cash and cash equivalents at 31 March 2019</b>	<b>1,300,856</b>	<b>345,938</b>
Cash and cash equivalents consists of:		
Cash at bank and In hand	1,300,856	345,938
<b>Reconciliation of net income to net cash flow from operating activities</b>	<b>2019 £</b>	<b>2018 £</b>
Net income for the year	5,498,947	651,313
Depreciation	1,432	-
Investment income	(1,885)	(200)
(Increase) / decrease in debtors	(98,105)	89,154
Increase in creditors	182,207	14,625
<b>Net cash flow from operating activities</b>	<b>5,582,596</b>	<b>754,892</b>

**Notes to the Financial Statements  
For the year ended 31 March 2019**

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**1 General information**

Barking & Dagenham Youth Zone 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 £10 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. 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.

**iv. Expenditure**

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.



Notes to the Financial Statements  
For the year ended 31 March 2019

v. Tangible fixed assets

The total value of Fixed assets held in the balance sheet at 31 March 2019 reflect the planning and development costs of the asset under construction. These balances comprise of some items where the value is less than £250 as the purchase is deemed to be necessary to bring the project into a fully operational position.

Upon opening of the Youth Zone and in future periods thereafter any purchase costing less than £250 will be expensed in the Statement of Financial Activities at cost and any fixed asset costing more than £250 will be 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% straight line
Fixtures and equipment	33% straight line

Assets under construction are not depreciated until they are brought into use.

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.

3 Donations	Unrestricted	Restricted	TOTAL	
	2019	2019	2019	2018
	£	£	£	£
Donations - capital	-	4,811,520	4,811,520	550,000
Donations - general	52,736	-	52,736	1,900
Grants, trusts & foundations	329,726	212,574	542,300	220,307
Founder patrons	354,498	-	354,498	56,250
	<b>736,960</b>	<b>5,024,094</b>	<b>5,761,054</b>	<b>828,457</b>
4 Operating costs	Unrestricted	Restricted	TOTAL	
	2019	2019	2019	2018
	£	£	£	£
Staff costs	143,814	-	143,814	42,786
Staff travel	2,354	-	2,354	5,318
Staff DBS checks	433	-	433	24
Telephone	1,357	-	1,357	174
Computer costs	1,312	-	1,312	1,769
Legal & professional fees	292	-	292	253
Licences	485	-	485	-
Insurance	1,063	-	1,063	548
Hospitality	677	-	677	35
Marketing costs	967	-	967	1,978
Bank charges	102	96	198	17
Recruitment	8,668	-	8,668	-
Printing, Postage & Stationery	2,090	-	2,090	-
Training	1,983	-	1,983	-
Uniforms	2,658	-	2,658	-
Depreciation	-	1,432	1,432	-
Sundry expenses	1,532	-	1,532	(219)
	<b>169,787</b>	<b>1,528</b>	<b>171,315</b>	<b>52,683</b>

Notes to the Financial Statements  
For the year ended 31 March 2019

**5 Taxation**

Barking & Dagenham Youth Zone is a registered Charity. All the company's income is applied to its charitable objectives and the Company is therefore exempt under current legislation from most forms of taxation.

<b>6 Staff costs and numbers</b>	<b>2019</b>	<b>2018</b>
	£	£
Wages	131,719	40,875
Social security	9,969	1,793
Pensions	2,126	98
	<b>143,814</b>	<b>42,766</b>

No employee earned more than £60,000 in the year (2018: None)

	<b>2019</b>	<b>2018</b>
	Number	Number
Average number of employees	8	1

**7 Trustee remuneration and expenses**

There were no Trustees' remuneration, benefits or expenses paid for the year ended 31 March 2019 nor for the year ended 31 March 2018.

<b>8 Net income</b>	<b>2019</b>	<b>2018</b>
	£	£
Net income / movement in funds is stated after charging :		
Depreciation of tangible fixed assets	1,432	-
Audit / Independent Examiner's Fee	4,500	2,250

<b>9 Tangible fixed assets</b>	<i>Leasehold Property</i>	<i>Computer Equipment</i>	<i>Fixtures &amp; equipment</i>	<b>TOTAL</b>
	£	£	£	£
<b>Cost</b>				
At 1 April 2018	822,322	-	982	823,304
Additions	4,423,964	52,421	153,178	4,629,563
<b>At 31 March 2019</b>	<b>5,246,286</b>	<b>52,421</b>	<b>154,160</b>	<b>5,452,867</b>
<b>Depreciation</b>				
At 1 April 2018	-	-	-	-
Charge for the year	-	1,432	-	1,432
<b>At 31 March 2019</b>	<b>-</b>	<b>1,432</b>	<b>-</b>	<b>1,432</b>
<b>Net book value</b>				
At 31 March 2019	5,246,286	50,989	154,160	5,451,435
At 1 April 2018	822,322	-	982	823,304

As at 31 March 2019, these were amounts under construction and hence not depreciated. Following the opening of the facility in April 2019 these amounts are to be depreciated in future years.

Notes to the Financial Statements  
For the year ended 31 March 2019

<b>10 Capital commitments</b>	<b>2019</b>	<b>2018</b>
	£	£
Contracted for	261,572	3,932,249
<b>11 Debtors</b>	<b>2019</b>	<b>2018</b>
	£	£
OnSide Youth Zone	-	-
Other debtors	200	200
Prepayments and Accrued Income	98,734	629
	<b>98,934</b>	<b>829</b>
<b>12 Creditors : amounts falling due within one year</b>	<b>2019</b>	<b>2018</b>
	£	£
Trade Creditors	7,396	5,572
Capital commitments due within one year	148,699	-
Social Security & other taxes	14,755	-
Wages	21,415	-
Other creditors	2,817	7,217
Accruals	4,000	4,086
	<b>199,082</b>	<b>16,875</b>

**13 Movement in funds**

The movement in funds is shown on the Statement of Financial Activities. All of the restricted funds represent amounts received for the construction and development of the new Youth Zone facilities.

<b>14 Analysis of net assets between funds</b>	<i>Unrestricted</i>	<i>Restricted</i>	<i>Total</i>	<i>Total</i>
	<i>funds</i>	<i>funds</i>	<i>funds</i>	<i>Funds</i>
	2019	2019	2019	2018
	£	£	£	£
Tangible fixed assets	-	5,451,435	5,451,435	823,304
Net current assets	613,481	587,227	1,200,708	329,892
	<b>613,481</b>	<b>6,038,662</b>	<b>6,652,143</b>	<b>1,153,196</b>

All of the restricted funds represent amounts received towards the development and construction of the new Youth Zone.

**15 Related Party Transactions**

During the year, the Charity received £25,000 from Fresh Wharf Estates, a company at which Flavia Jokic is also a Director.

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.

**16 Control**

There is no ultimate controlling party.