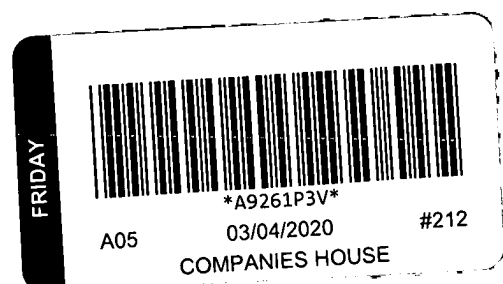


PATCHWORK PROJECT
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
For the year ended 31 May 2019

AMENDED VERSION

Company Registration Number 08510835
Registered Charity Number 1157186



PATCHWORK PROJECT
(A company limited by guarantee)

ANNUAL REPORTS AND FINANCIAL STATEMENTS
For the year ended 31 May 2019

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PATCHWORK PROJECT
(A company limited by guarantee)

Trustees' report
For the year ended 31 May 2019

The trustees have pleasure in presenting their report and the unaudited financial statements of the charity for the year ended 31 May 2019

Reference and administrative details

Registered charity name	Patchwork Project
Company number	8510835
Charity number	1157186
Address	83 Adelaide Terrace Benwell Newcastle upon Tyne NE4 8BB
Trustees	John Pattison – Chair Carol Hunter – Treasurer Mary Shearer – Secretary Carole Pattison Phil Buxton Matt Marshall Donna Partington

Structure, Governance and Management

The Charity is governed by a constitution adopted 30 April 2013.

Trustees are elected by members at the AGM.

Safeguarding, induction and training are provided for new staff and trustees and all are DBS checked. Safeguarding policies are in place.

Patchwork Project is a member of the Neighbourhood Youth Projects that are responsible for the delivery of all neighbourhood based work in the city. They meet regularly and where appropriate act as a body to influence decision making and access funding.

Patchwork Project meet and liaise with a variety of local agencies in order to inform decision making and share information are a more local level.

PATCHWORK PROJECT

(A company limited by guarantee)

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

For the year ended 31 May 2019

I report on the financial statements of Patchwork Project for the year ended 31 May 2019, which are set out on pages 5 to 13.

Respective responsibilities of trustees and examiner

The trustees (who are also directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for the year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act,
- to follow the procedures laid down in the general Directions given by the Charities Commission (under section 145(5)(b) of the 2011 Act), and
- to state whether particular matters have come to my attention.

Basis of independent examiner's statement

In connection with my examination, no matter has come to my attention:

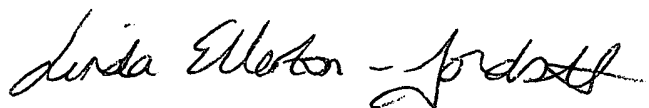
(1) which gives me reasonable cause to believe that, in any material aspect, the requirements:

- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met: or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Linda Ellerton-Goldsmith
Business Matters Accounting Services
5 Spital Terrace
Gosforth, Newcastle upon Tyne NE3 1UT



PATCHWORK PROJECT
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING THE INCOME AND EXPENDITURE ACCOUNT)
For the year ended 31 May 2019

	Note	Unrestricted Funds £	Restricted Funds £	Total 2019 £
		<u> </u>	<u> </u>	<u> </u>
<u>Incoming resources</u>				
From generated funds				
Voluntary income	4	8,027		
Grants and donations	5	1,250	287,513	296,790
Total incoming resources		<u>9,277</u>	<u>287,513</u>	<u>296,790</u>
<u>Resources expended</u>				
Cost of generating funds				
Charitable activities	7	0	227,267	227,267
Governance costs	8	300		300
Other resources expended				
Total resources expended		<u>300</u>	<u>227,267</u>	<u>227,567</u>
Net income/(expenditure for the year)		8,977	60,246	69,223
<u>Funds brought forward</u>				130,599
Total funds carried forward				<u>199,822</u>

The Statement of Financial Activities includes all gains and losses recognised in the year. All incoming resources and resources expended derive from continuing activities.

The Statement of Financial Activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes on pages 7 to 13 form an integral part of these accounts.

PATCHWORK PROJECT
(A company limited by guarantee)
Company Registration Number 08510835

BALANCE SHEET
For the year ended 31 May 2019

<u>Fixed assets</u>		£
Tangible assets	13	
Motor Vehicle		13,846
<i>Total fixed assets</i>		13,846
<u>Current assets</u>		
Debtors and prepayments		0
Cash at bank and in hand	15	247,510
<i>Total current assets</i>		247,510
<u>Less:</u>		
<u>Creditors:</u> amounts falling due within one year	16	26,704
<i>Net current assets</i>		220,806
<i>Total assets less current liabilities</i>		234,652
<u>Funds of the charity</u>		
Reserves		65,130
Unrestricted income funds (allocated)	17	27,288
Restricted income funds		142,234
<i>Funds of the charity</i>		234,652

The trustees are satisfied that the charitable company is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the year by virtue of section 477, and that no member or members have requested an audit pursuant to section 476 of the Act.

The Trustees acknowledge their responsibilities for:

- (I) ensuring that the charitable company keeps proper accounting records which comply with section 380 of the Act.
- (II) preparing financial statements which give a true and fair view of the state of affairs of the

charitable company as at the end of the financial year and of its incoming resources and application of resources, including its surplus or deficit for the financial year in accordance with the requirements of the Act relating to financial statements so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The notes on pages 7 to 13 form an integral part of these accounts.

These financial statements were approved by the Board on:

04-02-2020

and are signed on its behalf by: Carol Hunter
Treasurer

C. Hunter

PATCHWORK PROJECT

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 May 2019

1 Basis of preparation

(a) These financial statements have been prepared under the historical cost convention and in accordance with the special provisions of Part 15 of the Companies Act 2006, the Financial Reporting Standard for Smaller Entities (FRSSE) (effective April 2008) and the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005).

2 Accounting policies

INCOMING RESOURCES

2.1 Form of financial statements

- (a) Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.
- (b) Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal

2.2 Incoming resources

- (a) These are included in the Statement of Financial Activities (SoFA) when:
 - the charity becomes entitled to the resources; and
 - the trustees are virtually certain they will receive the resources; and
 - the monetary value can be measured with sufficient reliability.
- (b) Grants and donations are only included in the SoFA when the charity has unconditional entitlement to the resources.
- (c) Bank interest is recognised when it is credited to the account.

EXPENDITURE AND LIABILITIES

2.3 Liability recognition

- (a) Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources

2.4 Governance costs

- (a) Include costs of the preparation and examination of statutory accounts, the cost of trustee meetings and cost of any legal advice to the trustees on governance or constitutional matters.

ASSETS

2.5 Tangible fixed assets for use by the charity

- (a) Fixed Assets are stated at cost less accumulated depreciation, the costs of minor additions or those costing below £250 are not capitalised. Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life which is estimated as follows:

Office furniture	-20% straight line
Office & computer equipment	-25% straight line
Additions to leasehold property	- over life of lease

PATCHWORK PROJECT
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 May 2019

3 Exceptional item

As at 1 June 2014 the assets of Benwell Young People's Development Group charity number 1086704 were transferred to Patchwork Project.

Analysis of incoming resources

	Unrestricted Funds £	Restricted Funds £	Total 2019 £
4 Voluntary income			
Donations	3,230		
VAT refund	4,797		8,027
5 Grants and donations			
Awards for All		10,000	10,000
European Social Fund		20,944	20,944
BSBT		18,690	18,690
Greggs		8,000	8,000
Newcastle City Council		15,427	15,427
Community Foundation		33,000	33,000
Garfield Weston		30,000	30,000
Lottery		83,575	83,575
High Sheriff's Award		1,250	1,250
Virgin		46,974	46,974
Wellesley		9,903	9,903
Ballinger		10,000	10,000
Hospital of God		1,000	1,000
	<u>8,027</u>	<u>288,763</u>	<u>296,790</u>
6. Other income			
Misc. income	0		0

PATCHWORK PROJECT
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 May 2019

Analysis of resources expended

	Unrestricted Funds £	Restricted Funds £	Total 2019 £
7 Charitable activities			
<u>Direct costs</u>			
Salaries and Pensions	0	124,520	124,520
Staff Training	0	1,550	1,550
Consultancy	0	4,828	4,828
Vehicle Running Costs	0	1,845	1,845
Travel Costs	0	6,824	6,824
Activities	0	18,652	18,652
Young Peoples Courses	0	8,219	8,219
Charitable Activities – Direct Costs	0	33,739	33,739
 <u>Support costs</u>			
Insurance	0	3,307	3,307
Rent	0	5,500	5,500
Admin.	0	813	813
Utilities	0	5,123	5,123
Building costs & Maintenance	0	5,588	5,588
Communications	0	1,530	1,530
Cleaning and Hospitality	0	1,200	1,200
Equipment	0	4,029	4,029
 8 Governance costs			
Independent examiner's fee	300		300
Committee Training			
 9 Other resources expended			
Misc expenses	0		0

PATCHWORK PROJECT
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 May 2019

10 Trustee expenses

No trustees were paid expenses during the period to 31 May 2019

11 Fees for examination of the accounts

2018
£

Independent examiner's fee for reporting on the accounts 300

12 Staff costs and emoluments

Gross wages, salaries and benefits in kind	105,490
Employer's pension contributions	4,184
Employer's National Insurance costs	8,014
Less Employment Allowance.	(3,052)

No employee received remuneration above £60,000

13 Average number of full-time equivalent employees for the year

2019

The parts of the charity in which the employees work	Charitable activities	4.5
--	-----------------------	-----

14 Tangible fixed assets

	Vehicles	Furniture & Equipment	Property Alterations	Total
	£	£	£	£
Cost				
Balance brought forward	-	17,899	-	17,899
Transfer from unincorporated equity	35,499	24,131	26,640	86,270
Additions	0	-	-	-
Balance carried forward	<u>53,398</u>	<u>24,131</u>	<u>26,640</u>	<u>104,169</u>
Depreciation				
Balance brought forward	-	-	-	-
Transfer from unincorporated equity	35,499	24,131	26,640	86,270
Depreciation charge for the year	<u>4,053</u>	<u>-</u>	<u>-</u>	<u>4,053</u>
Net book value	<u>13,846</u>	<u>24,131</u>	<u>26,640</u>	<u>13,846</u>
Carried forward	13,846	-	-	

PATCHWORK PROJECT
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 May 2019

15	Bank and cash balances	2019
		£
	Bank current account	192,380
	Reserve account	65,130

PATCHWORK PROJECT
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 May 2019

16 Creditors and accruals (payable within one year)

	2018
	£
Creditor	
Independent examination of accounts	300
Deferred income	26,704

17 Movements of major funds

	Fund		Resources	Fund
	balances	Incoming	expended	balances
	brought	resources	£	carried
Restricted fund	forward	£	£	forward
	£			£
Community Foundation				
Funds received for specific projects and/or activities				
Open Society	26,004		25,000	1,004
High Sheriff	0	1,250	0	1,250
Newcastle Ward Committee	80		80	0
European Social Fund	12,094	20,944	31,677	1,361
Newcastle City Council	12,073	15,427	27,500	0
Greggs	0	8,000	7,925	75
Hospital of God	0	1,000	47	953
Garfield Trust	0	30,000	14,663	15,337
Lottery Grant	50,815	83,575	87,848	46,542
Reece Group	5,000		5,000	0
Virgin	0	46,974	1,873	45,101
Big Lottery Capital	8,000		8,000	0
Community First	950		0	950
Awards for All	4,027	10,000	8,621	5,406
BSBT	959	18,690	11,504	8,145
Community Foundation2736	33,000	22,212	13,524
Wellesley	0	9,903	7,412	2,491
Ballinger	0	10,000	9,905	95
Totals	122,738	288,763	269,267	142,234

Purpose of restricted funds

Open Society	core costs
High Sheriff	Core costs
Newcastle Ward Committee	summer program
European Social Fund	supporting people to be better prepared for work
Newcastle City Council	Salaries
Greggs	Salary
Hospital of God	Activity work
Garfield Trust	Core costs
Lottery Grant	Core costs
Reece Group	Mini Bus capital
Virgin	salary costs and back into employment work
Big Lottery Capital	Refurbishment work
Community First	arts work
Awards for All	pilot cafe work
BSBT	partnership work relating to prevent strategy
Community Foundation	various project work
Wellesley	Workers salary
Ballinger	Core costs

Funds received to cover community activities

18 Company limited by guarantee

(a) The company is limited by guarantee and its governing document is its memorandum and articles of association

(b) The trustees hold no shares in the company but each trustee, as a member, is a guarantor of the company, to an amount not exceeding £1, in the event of the winding up of the company.

19 Capital commitments

(a) At 31 May 2019, the charity had no capital commitments (2019 £nil)

20 Ultimate controlling party

(a) The trustees consider that the charitable company has no other ultimate controlling party other than the board of trustees themselves.