

Company registration number: 06261491

Charity registration number: 1125555

BUILDING FUTURES EAST LIMITED

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 30 September 2022

Building Futures East Limited

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Building Futures East Limited

Reference and Administrative Details

Trustees	B Shepherd C M Sayers D A Turnell (appointed 24 March 2023) E Callender (appointed 12 May 2023) Dr E Barron (appointed 12 May 2023) P J Stoner (appointed 24 March 2023) H Woods-Waters (appointed 10 February 2023) C T Hewitt (resigned 17 December 2021) C J R Muir (not a director of the charitable company) (resigned 26 September 2022) J D Stokel-Walker (resigned 13 February 2023) R J Butts (appointed 8 April 2022 and resigned 26 September 2022) M I Wood (appointed 8 April 2022 and resigned 23 September 2022)
Registered Office	Low Yard White Street Walker Newcastle upon Tyne NE6 3PJ
Company Registration Number	06261491
Charity Registration Number	1125555
Solicitors:	Ward Hadaway Sandgate House 102 Quayside Newcastle upon Tyne NE1 3DX
Independent Examiner	Azets Audit Services Chartered Accountants & Statutory Auditor Bulman House Regent Centre Gosforth Newcastle upon Tyne NE3 3LS
Key Management Personnel	Anthony Woods-Waters, Chief Executive - Retired 31/12/2022 Helen Holmes, Head of Operations and appointed Chief Executive on 01/01/2023 Fiona Hall, Curriculum Quality & Performance Manager Reemer Bailey, Neighbourhood Transformation Team Manager - resigned 10/12/2021 Claire Brown, Environmental Maintenance Manager - resigned 22/04/2022 Ancha Stoodley, Neighbourhood Transformation Team manager, appointed 16/05/2022

Building Futures East Limited

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 30 September 2022.

Structure, governance and management

Nature of governing document

The charitable company is registered as a charitable company limited by guarantee.

The charitable company is constituted under a Memorandum of Association dated 27 May 2007 as amended on 23 June 2008 and is a registered charity number 1125555.

The principal object of the charitable company is the promotion of the public benefit of urban or rural regeneration in areas of social and economic deprivation (and in particular in the East end of Newcastle upon Tyne).

The charitable company is also a member of 'Locality' the UK's leading network for community-led organisations.

Recruitment and appointment of trustees

The management of the charitable company is the responsibility of the trustees who are elected and co-opted under the terms of the Articles of Association. Articles of Association make provision for "Associate" members who have the entitlement to attendance and representation but without the right to vote.

All directors of the charitable company are also trustees under the Charities Act 2011.

Trustees may be nominated on the basis of personal values and a motivation consistent with those of the organisation.

Trustees are appointed for a period of three years at which point they must retire or stand for re-appointment as described in the Articles of Association.

Induction and training of trustees

New trustees receive an induction, which includes a briefing on their legal obligations under charity and company law, the Memorandum and Articles of Association, the committee and decision making processes, the business plan, accounts, minutes of recent trustee meetings and a schedule of future dates.

Organisational structure

The organisation operates along conventional lines with management and team meetings at all levels. These then inform the decision making process, in addition, to the feeding in of external information from partner organisations and service users.

There are also thematic meetings of staff and management to support such issues as Health and Safety and Continuous Quality Improvement. These also make important contributions to policy and practice development.

Building Futures East Limited

Trustees' Report

Risk Management

The trustees have assessed the major risks to which the charitable company is exposed, in particular those related to the operations and finances of the charitable company and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

Objectives and activities

Objects and aims

In setting objectives and planning for activities, the trustees have given due consideration to the general guidance published by the Charity Commission relating to the public benefit of the charity. A comprehensive and regularly updated set of policies and guidelines supporting the organisation's responsibilities as charity, employer, training organisation and social enterprise have been formulated and published.

Delivery activities address the organisations values, objectives and organisational targets and are underpinned by our policy and practice directives. Much of this information is placed in the public domain via our website. The organisation has also increased its use of social media platforms to communicate with its audience on a range of related issues.

The Trustees and Senior Management Team have previously agreed a set of organisational aims and objectives that carry us forward to 2023-24 as follows:

Strategies for achieving objectives

We continue to adhere to 3 primary and equally important organisational aims:

1. Within a caring, understanding and tolerant environment, developing people through learning, skills development, personal capacity building and pastoral support.
2. To improve the quality of the local physical environment, ensuring that people living in disadvantaged neighbourhoods have attractive places in which to live.
3. Strive to integrate the marginalised and vulnerable and those at times of transition through programmes that respect and respond to their specific needs and the wider community.

Building Futures East Limited

Trustees' Report

These are underpinned by 3 separate additional aims:

- a) To articulate and advance the social and economic case for investment in fragile places through practical programme design and implementation within aims 1-3.
- b) To develop the capacity of the organisation and its people to facilitate aims 1-3.
- c) To develop Building Futures East as an exemplar organisation in community regeneration.

What is clear is that the work undertaken across our teams operationally and, more specifically, strategically, during the course of this year 2021-22, provides the foundation for future advancement in:

- Increased Financial Stability
- Partnership Development
- Service Expansion and Diversity
- Augmented Reputational Advantage
- Organisational Influence

This follows a pattern established in our early development around:

- The constant drive for quality improvement and maintaining the highest standards in delivery across all areas of service
- Adherence to Mission, vision and values
- Tuned into opportunity, the reality of need as expressed by our communities and the creative ability to honestly and with integrity, connect the two.

The activities of the organisation undertaken during the course of the year and which are described within this document, evidence our progress against our aims and objectives and those points described above.

Fundraising disclosures

We have a clear strategy in relation to the funding of our employability, community regeneration and labour market programmes through a mix of grant aid, charitable support and contract work. During the course of this year, we have increased the volume of our charitable fundraising applications as a result both of the impact of the continuing squeeze on available public funding and the need to increase our levels of unrestricted reserves. We have worked not only to increase internal capacity to enable us to submit greater volumes of bids, but also increased our use of social media and varied digital crowdfunding platforms in order to raise our profile and consequential donations in support of our work. We are working closely with a marketing professional to review our current systems and develop approaches that yield maximum rewards for us.

This fundraising strategy understands and responds to the fact that large scale grants continue to be limited and highly competitive and our focus therefore, which has demonstrable success, has been to prepare applications on a smaller scale to a larger number of funders.

The charity is required to report how it deals with fundraising from the public. The charity does not use a professional fundraiser or commercial participator to raise funds. Any monies raised direct from the public follow all guidelines set out by the Charity Commission and UK law in every respect. We respect the privacy and contact preferences of all public donors.

Building Futures East Limited

Trustees' Report

Achievements and performance

This year has again witnessed increasing demand for our services and support, as a result of the heightened inequalities evidenced post covid lockdowns, alongside the crippling effects experienced as a direct consequence of increases to the cost of living, both of which have had disproportionate impact upon our most deprived communities.

Throughout the year, the organisation continued to maintain a rigorous approach to infection control measures, particularly once all government and public health restrictions were lifted. This enabled us to ensure safe, continuous service delivery and support throughout the year.

Some Key Points of success are:

- Success in our delivery of the Building Better Opportunities (BBO) Programme, with contract delivery ending in December 22 and our credibility established as one of the highest performing delivery partners on the programme
- Closedown of delivery on our 2 Community Led Local Development (CLLD) funded employability projects - BEaT (Build, Empower and Transform) and Sew Sisters, again with both hitting agreed performance targets and outputs
- Seeing our Lifting Neighbourhoods Together (LNT) project continue to establish itself as an anchor project within Walker through door knocking and listening conversations on the doorstep to establish both individual and community needs and aspirations, thereby facilitating opportunities to help meet these needs
- Successful delivery of targets on our DWP European Social Fund (ESF) funded My Future Matters project, demonstrating both internally and externally to funders that we are able to manage the rigours of a substantial contract directly in our own right
- Completion in April 22 of our 3 year East End Women project, funded by the National Lottery Community Fund 'RC North East and Cumbria Region', where we were able to directly evidence support for over 3650 women during the life of the project

All other programme delivery continued dynamically and effectively throughout the year with our delivery teams consistently meeting or exceeding targeted delivery levels.

Our food support offer continues to be necessary as we strive to respond to the prevailing need expressed by so many within the communities we serve. What was established as a short term intervention during initial covid lockdowns, has become a necessary lifeline for too many residents in Walker and Byker. During the year we also noted increased requests not just for food, but also for personal hygiene products, nappies and pet food. In the 12 months to September 22, we had supported a total of 2413 adults from across the East End of Newcastle and 1719 children with food.

Furthermore, and thanks to the generosity of BAM Construct UK who donated large industrial planters for our Riverside Roots project, we were able to expand our produce growing onsite. The produce generated went to the women accessing this project, helping them to provide healthy nutritious meals for them and their families. On the back of the success of this initiative, further expansion is planned which includes the conversion of our onsite double decker bus into a community greenhouse. This would allow space and scope to scale up production to a point where fresh seasonal vegetable packs can be distributed alongside food parcels.

With the aid of some Newcastle City Council public health funding we established ourselves as Winter Warm Hub sites at both our main and Treetop Village sites in Walker, providing access to warm refreshments, activities and companionship for those most vulnerable in the surrounding area.

Building Futures East Limited

Trustees' Report

Looking ahead, and as reflected in previous years' reports, the organisation continues to face significant challenges relating to the increased demand for our services in conjunction with the transition of funding away from European Social Funding, in some cases with limited understanding of what form and level the replacement funding will take. Our focus and efforts will be maintained at strategically ensuring we are well positioned to access UK Shared Prosperity funding as and when future calls go live.

We also seek to seize the opportunity to secure devolved adult skills budget funding in order to extend our community based skills delivery. We know that those with low or no prior attainment can struggle to access quality, sustained employment and our previous track record of delivering accredited vocational learning programmes serves to support the need for accessible, flexible learning options.

At the time of writing this report however, there is much to be optimistic about. We know we have secured multi-year funding both directly and as delivery partners across a number of projects. We will continue to horizon scan for further funding opportunities to support the varied strands of our work, alongside using our media platforms to increase corporate and regular giving levels.

Environmental Maintenance Social Enterprise

Since its inception, our environmental maintenance social enterprise provided robust, quality training and development opportunities for local young people via the opportunity to access real work experience with us whilst completing their apprenticeship programmes. Over time, we established a number of commercial contracts to provide maintenance works for businesses along the riverside as well as providing ward grant funded gardening services to vulnerable residents in Walker and Walkergate. In 2012 we were awarded a modest contract with a large social housing provider to provide works to some of their tenants which expanded further over the course of a 3 year period. The contract was renewed annually by the regional management team on a rolling basis and at it's peak was worth over £150k to us each season (April-October). This contract was significant because it enabled us to generate surplus funds to support our charitable activities, but also enabled us to retain some core staff during the leaner winter months in a sector that traditionally has to lay staff off for several months.

In the following years, and as a direct result of cuts to funding for social housing providers, the regional team we had been liaising with dwindled and procurement of services were increasingly centralised. At the end of 2019, we were advised that they would go to tender for a 10 year contract period to provide grounds maintenance works in the region. Despite engaging them in discussion about social value and the importance of the 'local jobs for local people' model we had worked so hard to develop, it was starting to appear as though our opportunity to compete would be limited due to size, ethos and values. The tendering process was placed on hold when the pandemic started, however when it was launched mid 2021 we were unsuccessful at the first stage.

The senior management team met to discuss the impact of this news and explore how the 2022 season might be shaped and delivered. An income generation plan was put in place, surplus vehicles and equipment sold and we pared back significantly on our seasonal recruitment. By summer 22 it became apparent for a number of reasons that the enterprise would be unsustainable beyond the end of the delivery season. It was therefore with regret that the decision was taken to cease all environmental maintenance delivery with effect from December 22, resulting in the loss of 2 jobs.

Public benefit

The trustees have referred to the guidance in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives and in planning future activities. The charitable objectives are also set in order to provide a clear and demonstrable public benefit.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Building Futures East Limited

Trustees' Report

Use of volunteers

The charitable company is grateful for the continued unwavering support of our volunteers, without whose energy and commitment, many of our services would be the poorer, or indeed not be sustainable. Volunteering opportunities are also specifically offered to those who might benefit from a supported experience close to the real working environment.

Financial review

The trustees have considered the result for the year and are assessing the actions required to secure the charity in the future.

For the year ended 30 September 2022, incoming resources totalled £718,973 and resources expended totalled £680,050 resulting in a surplus for the year of £38,923. Of this surplus the restricted funds increased by £5,333 and unrestricted funds increased by £33,590.

Policy on reserves

The calculation of free reserves is based on the definition included in the charity statement of recommended practice (SORP), which provides recommendations for accounting and reporting for charities. The trustees have examined the requirements of the charitable company to hold free reserves - those reserves not invested in tangible fixed assets, excluding long term liabilities, or designated for a particular purpose. This exercise considered both the normal requirements for working capital and the loss of income of a hypothetical but reasonable reduction in the scale of operations. Resulting from this, the trustees considered it would be appropriate to hold the equivalent of three months' payroll expenditure, which would equate to holding approximately £85,000 to £100,000 in free reserves.

At the year end, free reserves were in deficit by £47,824 (2021 - £162,805), an in year improvement of £114,981. The improvement is largely due to the repayment of the loan with Shepherd Offshore Group as well as receiving a one-off donation in the year, which has been used to repay the loan. The trustees will continue to work with funders to budget future surpluses in order to provide improved organisational sustainability.

The trustees acknowledge that as at 30 September 2022 the charity had no free reserves. The trustees recognise the importance of serving the charity's future by rebuilding unrestricted reserves and free reserves and this is a key priority. The need for the charity's services continue to grow and therefore the demand on future reserves will also be greater, hence the charity continues to require future funding and the support of its funding partners.

Going concern

The trustees have prepared forecasts which show that, taking into account reasonable possible changes in trading performance, that the charity has sufficient cashflows to continue as a going concern. See note 2 to the accounts for further details on the assessment made around going concern.

Key Management Personnel

The board, who give their time freely and no trustees received remuneration in the year, have considered who the Key Management Personnel (KMP) of the charity, as noted in the Reference and Administration section. Together with the board, these KMP are those in charge of directing and controlling, running and operating the activities of the charity on a day to day basis. The pay of the KMP is reviewed annually and normally increased in accordance with average earnings. The trustees benchmark against pay levels of other charities and similar organisations within the sector and the region. Pay levels are set using this information together with the budget and forecast information, ensuring that the charity can afford any proposed increases. The board then agree any uplift to remuneration.

Building Futures East Limited

Trustees' Report

Principal funding sources

The majority of the charitable company's funding is through contracts and grants with local and central government, grant making organisations and registered providers of social housing. These then relate to the delivery of curriculum activity, community capacity building or the provision of environmental maintenance services.

Plans for future periods

Next year will then start where this year ended and indeed continued from the previous year, as:

- An organisation leading the way in creativity in social action around poverty.
- An organisation unafraid of challenging the limitations placed upon our communities by unambitious and siloed thinking and practice that, where growth can be produced, perpetuates the divisive model of the "haves" and the "have nots".
- A thinking organisation, embedded within the communities it serves and on the basis of what it does.
- An organisation that with honesty, integrity and openness, can evidence what it does.
- An organisation that is ambitious for the success its communities.

Statement of Trustees' Responsibilities

The trustees (who are also the directors of Building Futures East Limited for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations. The report and accounts have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and 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; and
- 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 are sufficient to show and explain the charitable company's transactions and 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.

Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Building Futures East Limited

Trustees' Report

Reappointment of Examiners

A resolution for the re-appointment of Simon Brown of Azets Audit Services as independent examiner is to be proposed at the forthcoming Annual General Meeting.

The annual report was approved by the trustees of the charity on 28/06/2023..... and signed on its behalf by:



Chris Sayers 28 Jun 2023 15:07:39 BST (UTC +1)

.....
C M Sayers
Trustee

Building Futures East Limited

Independent Examiner's Report to the trustees of Building Futures East Limited ("the Company")

I report to the charity trustees on my examination of the accounts of the Company for the year ended 30 September 2022.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of Building Futures East Limited are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of Azets, which is one of the listed bodies.

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

1. accounting records were not kept in respect of Building Futures East Limited as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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



Simon Brown BA ACA DChA
Chartered Accountants & Statutory Auditor
Azets Audit Services
Bulman House
Regent Centre
Gosforth
Newcastle upon Tyne
NE3 3LS

28/6/2023

Date:.....

Building Futures East Limited

Statement of Financial Activities for the Year Ended 30 September 2022 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2022 £	Total 2021 £
Income and Endowments from:					
Donations and legacies	3	47,215	561,102	608,317	703,935
Charitable activities	4	110,256	-	110,256	242,077
Investment income	5	-	-	-	1
Other income	6	400	-	400	2,062
Total Income		157,871	561,102	718,973	948,075
Expenditure on:					
Raising funds	7	(70,764)	-	(70,764)	(81,080)
Charitable activities	8	(59,077)	(550,209)	(609,286)	(836,901)
Total Expenditure		(129,841)	(550,209)	(680,050)	(917,981)
Net income		28,030	10,893	38,923	30,094
Transfers between funds		5,560	(5,560)	-	-
Net movement in funds		33,590	5,333	38,923	30,094
Reconciliation of funds					
Total funds brought forward		(83,511)	5,560	(77,951)	(108,045)
Total funds carried forward	23	(49,921)	10,893	(39,028)	(77,951)

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2021 is shown in note 23.

Building Futures East Limited

Comparative Statement of Financial Activities for the Year Ended 30 September 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2021 £
Income and Endowments from:				
Donations and legacies	3	129,475	574,460	703,935
Charitable activities	4	242,077	-	242,077
Investment income	5	1	-	1
Other income	6	2,062	-	2,062
Total income		<u>373,615</u>	<u>574,460</u>	<u>948,075</u>
Expenditure on:				
Raising funds	7	(81,080)	-	(81,080)
Charitable activities	8	<u>(268,001)</u>	<u>(568,900)</u>	<u>(836,901)</u>
Total expenditure		<u>(349,081)</u>	<u>(568,900)</u>	<u>(917,981)</u>
Net income		<u>24,534</u>	<u>5,560</u>	<u>30,094</u>
Net movement in funds		24,534	5,560	30,094
Reconciliation of funds				
Total funds brought forward		<u>(108,045)</u>	<u>-</u>	<u>(108,045)</u>
Total funds carried forward	23	<u>(83,511)</u>	<u>5,560</u>	<u>(77,951)</u>

Building Futures East Limited

(Registration number: 06261491)

Balance Sheet as at 30 September 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	16	73,075	104,084
Current assets			
Debtors	17	85,615	142,816
Cash at bank and in hand	18	<u>10,455</u>	<u>(22,776)</u>
		96,070	120,040
Creditors: Amounts falling due within one year	19	<u>(133,001)</u>	<u>(277,284)</u>
Net current liabilities		<u>(36,931)</u>	<u>(157,244)</u>
Total assets less current liabilities		36,144	(53,160)
Creditors: Amounts falling due after more than one year	20	<u>(75,172)</u>	<u>(24,791)</u>
Net liabilities		<u>(39,028)</u>	<u>(77,951)</u>
Funds of the charity:			
Restricted income funds			
Restricted funds	23	10,893	5,560
Unrestricted income funds			
Unrestricted funds		<u>(49,921)</u>	<u>(83,511)</u>
Total funds	23	<u>(39,028)</u>	<u>(77,951)</u>


For the financial year ending 30 September 2022 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The financial statements on pages 11 to 34 were approved by the trustees, and authorised for issue on 28/06/2023... and signed on their behalf by:


 Chris Sayers 28 Jun 2023 15:07:39 BST (UTC +1)

C M Sayers
 Trustee

Building Futures East Limited

Statement of Cash Flows for the Year Ended 30 September 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash income		38,923	30,094
Adjustments to cash flows from non-cash items			
Depreciation	15	31,614	27,036
Investment income	5	-	(1)
		<u>70,537</u>	<u>57,129</u>
Working capital adjustments			
Decrease/(increase) in debtors	17	57,201	(20,840)
Increase in creditors	19	40,717	36,631
Decrease in deferred income	20	<u>(34,713)</u>	<u>(74,059)</u>
Net cash flows from operating activities		<u>133,742</u>	<u>(1,139)</u>
Cash flows from investing activities			
Interest receivable and similar income	5	-	1
Purchase of tangible fixed assets	16	(2,471)	(80,715)
Sale of tangible fixed assets		<u>1,866</u>	<u>-</u>
Net cash flows from investing activities		<u>(605)</u>	<u>(80,714)</u>
Cash flows from financing activities			
Repayment of loans and borrowings	20	(90,000)	-
Repayment of capital element of finance leases and HP contracts	21	<u>(9,906)</u>	<u>28,300</u>
Net cash flows from financing activities		<u>(99,906)</u>	<u>28,300</u>
Net increase/(decrease) in cash and cash equivalents		33,231	(53,553)
Cash and cash equivalents at 1 October		<u>(22,776)</u>	<u>30,777</u>
Cash and cash equivalents at 30 September		<u><u>10,455</u></u>	<u><u>(22,776)</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

Building Futures East Limited

Notes to the Financial Statements for the Year Ended 30 September 2022

1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is: Low Yard, White Street, Walker, Newcastle upon Tyne, NE6 3PJ

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

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 Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

Building Futures East Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The financial statements have been prepared on a going concern basis.

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

The financial statements show that the charity has made another in-year surplus of £38,923, which follows the surplus made in the prior year of £30,094. This has resulted in the continued restoration of the balance sheet, which although still in a deficit position, has improved significantly from the previous years. The charity continues to show a deficient balance sheet of £39,028 which is an improved position from the prior year. Net current liabilities have also improved to £36,931 from £157,244 in the prior year.

Forecasts provided by the charity show that the entity continues to be able to pay liabilities as they fall due with ongoing support being available from Trustee members as required. The entity continues to have an overdraft facility from the bank of £25,000.

On that basis, the going concern basis of preparing the accounts remains appropriate.

Building Futures East Limited

Notes to the Financial Statements for the Year Ended 30 September 2022

Estimation uncertainty and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

Assessing indicators of impairment - In assessing whether there have been any indicators of impairment of assets, the trustees have considered both external and internal sources of information such as market conditions, counterparty credit ratings and experience of recoverability.

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

Useful economic life of tangible assets

The annual depreciation charge is sensitive to changes in the estimated useful lives of assets. The useful economic lives are re-assessed annually and are amended when necessary to reflect current estimated, future investment and economic utilisation.

Accrued and deferred income

Income is accrued when it meets the criteria to do so and income is deferred over the period as to which it relates to.

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Government grants

Income from government, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Building Futures East Limited

Notes to the Financial Statements for the Year Ended 30 September 2022

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Gifts in kind

Where items are provided to the charity as a donation that would normally be purchased from our suppliers, this benefit is included in the financial statements at its fair value unless its fair value cannot be reliably measured, then at the cost to the donor or the resale value of goods that are to be sold.

Donated services and facilities

Where services or facilities are provided to the charity as a donation that would normally be purchased from our suppliers, this benefit is included in the financial statements at its fair value unless its fair value cannot be reliably measured, then at the cost to the donor or the resale value of goods that are to be sold.

Charitable activities

Income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

All resources expended are inclusive of irrecoverable VAT.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

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

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Building Futures East Limited

Notes to the Financial Statements for the Year Ended 30 September 2022

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £100.00 or more are initially recorded at cost.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Fixtures & Fittings	20% straight line
Motor Vehicles	25% straight line
Equipment	25% straight line

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Building Futures East Limited

Notes to the Financial Statements for the Year Ended 30 September 2022

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Hire purchase and finance leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. Assets held under finance leases are capitalised in the balance sheet as tangible fixed assets and are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments.

These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The capital elements of future obligations under the leases are included as liabilities in the balance sheet.

Lease payments are charged to the Statement of Financial Activities and are apportioned between finance costs and the reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability

The interest element of the rental obligation is charged to the Statement of Financial Activities over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

Building Futures East Limited

Notes to the Financial Statements for the Year Ended 30 September 2022

Pensions and other post retirement obligations

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

3 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2022 £	Total 2021 £
Donations and legacies;				
Donations from individuals	13,220	150,000	163,220	30,234
Gift aid reclaimed	(118)	-	(118)	1,036
Grants, including capital grants;				
Grants from other charities	34,113	411,102	445,215	667,193
Gifts in kind	-	-	-	5,472
Total for 2022	<u>47,215</u>	<u>561,102</u>	<u>608,317</u>	<u>703,935</u>
Total for 2021	<u>129,475</u>	<u>574,460</u>	<u>703,935</u>	

Gifts in kind are made up of donated furnishings from SCS Group plc.

4 Income from charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2022 £	Total 2021 £
Training and employment	<u>110,256</u>	<u>-</u>	<u>110,256</u>	<u>242,077</u>
Total for 2022	<u>110,256</u>	<u>-</u>	<u>110,256</u>	<u>242,077</u>
Total for 2021	<u>242,077</u>	<u>-</u>	<u>242,077</u>	

5 Investment income

	Unrestricted funds General £	Restricted funds £	Total 2022 £	Total 2021 £
Interest receivable and similar income;				
Interest receivable on bank deposits	<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>
Total for 2021	<u>1</u>	<u>-</u>	<u>1</u>	

Building Futures East Limited

Notes to the Financial Statements for the Year Ended 30 September 2022

6 Other income

	Unrestricted funds General £	Restricted funds £	Total 2022 £	Total 2021 £
Other income	<u>400</u>	<u>-</u>	<u>400</u>	<u>2,062</u>

Other income relates to course income and proceeds from the sale of scrap metal.

7 Expenditure on raising funds

a) Costs of generating donations and legacies

	Total 2022 £	Total 2021 £
Staff costs	<u>70,764</u>	<u>81,080</u>

8 Expenditure on charitable activities

	Unrestricted General £	Restricted £	Total 2022 £	Total 2021 £
Training and employment	-	414,884	414,884	641,919
Support Costs	<u>59,077</u>	<u>135,325</u>	<u>194,402</u>	<u>194,982</u>
Total for 2022	<u>59,077</u>	<u>550,209</u>	<u>609,286</u>	<u>836,901</u>
Total for 2021	<u>268,001</u>	<u>568,900</u>	<u>836,901</u>	

Building Futures East Limited

Notes to the Financial Statements for the Year Ended 30 September 2022

9 Analysis of governance and support costs

Support costs allocated to charitable activities

	Governance costs £	Support costs £	Total 2022 £	Total 2021 £
Staff costs	27,232	92,571	119,803	138,031
Premises	2,135	14,293	16,428	9,793
Communications	-	18,656	18,656	9,012
General office	4,968	17,613	22,581	22,898
Finance costs	2,376	4,448	6,824	2,738
Travel	-	1,836	1,836	6,133
Audit and Accountancy	3,750	-	3,750	3,813
Legal and professional fees	4,524	-	4,524	2,564
	<u>44,985</u>	<u>149,417</u>	<u>194,402</u>	<u>194,982</u>

Building Futures East Limited

Notes to the Financial Statements for the Year Ended 30 September 2022

10 Staff costs

The aggregate payroll costs were as follows:

	2022 £	2021 £
Staff costs during the year were:		
Wages and salaries	490,398	670,832
Social security costs	38,915	53,198
Pension costs	8,461	12,048
	<u>537,774</u>	<u>736,078</u>

The monthly average number of persons (including senior management team) employed by the charity during the year was as follows:

	2022 No	2021 No
Training and employment	14	16
Environmental services	6	8
Central services	2	5
	<u>22</u>	<u>29</u>

The number of employees whose emoluments fell within the following bands was:

	2022 No	2021 No
£70,001 - £80,000	<u>1</u>	<u>1</u>

The total employee benefits of the key management personnel of the charity were £176,983 (2021 - £205,312).

11 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

Building Futures East Limited

Notes to the Financial Statements for the Year Ended 30 September 2022

12 Independent examiner's remuneration

	2022 £	2021 £
Examination of the financial statements	<u>3,750</u>	<u>-</u>

13 Auditors' remuneration

	2022 £	2021 £
Audit of the financial statements	<u>-</u>	<u>3,750</u>

14 Taxation

The charity is exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

15 Net incoming/outgoing resources

Net incoming resources for the year include:

	2022 £	2021 £
Audit fees	-	3,750
Examiners Fees	3,750	-
Loss on disposal of fixed assets held for the charity's own use	(1,866)	(2,000)
Depreciation of fixed assets	<u>31,614</u>	<u>27,036</u>

Building Futures East Limited

Notes to the Financial Statements for the Year Ended 30 September 2022

16 Tangible fixed assets

	Furniture and equipment £	Motor vehicles £	Total £
Cost			
At 1 October 2021	211,498	78,890	290,388
Additions	2,471	-	2,471
Disposals	(840)	(2,800)	(3,640)
At 30 September 2022	213,129	76,090	289,219
Depreciation			
At 1 October 2021	146,594	39,710	186,304
Charge for the year	20,670	10,944	31,614
Eliminated on disposals	(549)	(1,225)	(1,774)
At 30 September 2022	166,715	49,429	216,144
Net book value			
At 30 September 2022	46,414	26,661	73,075
At 30 September 2021	64,904	39,180	104,084

Assets held under finance leases and hire purchase contracts

The net carrying amount of tangible assets includes the following amounts in respect of assets held under finance leases and hire purchase contracts:

	2022 £	2021 £
Motor vehicle	26,181	36,653

17 Debtors

	2022 £	2021 £
Trade debtors	15,302	48,830
Prepayments	13,596	15,888
Accrued income	56,717	78,098
	85,615	142,816

18 Cash and cash equivalents

	2022 £	2021 £
Cash on hand	282	288
Cash at bank	10,169	(23,068)
Short-term deposits	4	4
	10,455	(22,776)

Building Futures East Limited

Notes to the Financial Statements for the Year Ended 30 September 2022

19 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	16,799	20,573
Other loans	44,776	150,000
Hire purchase and finance leases	8,901	9,905
Other taxation and social security	20,513	25,493
VAT repayable	4,737	22,526
Other creditors	31,698	8,843
Accruals	5,577	5,231
Deferred income	-	34,713
	<u>133,001</u>	<u>277,284</u>

During the year, the other loan of £150,000 owed to Shepherd Offshore Group Limited was repaid in full.

A further loan has been obtained from Newcastle City Council to the value of £60,000. The loan was provided on 28 September 2022 and will be repaid in full by 26 December 2023. The interest rate on the loan is 3.97% per annum. £15,224 of the loan has been disclosed in note 20.

	2022 £	2021 £
Deferred income at 1 October 2021	34,713	108,772
Resources deferred in the period	-	11,631
Amounts released from previous periods	<u>(34,713)</u>	<u>(85,690)</u>
Deferred income at year end	<u>-</u>	<u>34,713</u>

The above deferred income creditor is split between those amounts expected to be released to income in less than and more than one year.

Building Futures East Limited

Notes to the Financial Statements for the Year Ended 30 September 2022

20 Creditors: amounts falling due after one year

	2022 £	2021 £
Other loans	15,224	-
Hire purchase and finance leases	15,889	24,791
Other taxation and social security	44,059	-
	<u>75,172</u>	<u>24,791</u>

Other taxation and social security relates to payroll taxes that are considered long term as they are in an agreed time to pay arrangement with HMRC.

21 Obligations under leases and hire purchase contracts

The total value of future minimum lease payments was as follows:

	2022 £	2021 £
Within one year	8,902	9,905
In two to five years	15,889	24,791
	<u>24,791</u>	<u>34,696</u>

Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2022 £	2021 £
Other		
Within one year	552	17,771
In two to five years	-	552
	<u>552</u>	<u>18,323</u>

22 Pension and other schemes

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £8,461 (2021 - £12,048).

Building Futures East Limited

Notes to the Financial Statements for the Year Ended 30 September 2022

23 Funds

	Balance at 1 October 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance at 30 September 2022 £
Unrestricted funds					
General					
General fund	(83,511)	157,871	(129,841)	5,560	(49,921)
Restricted funds					
Barbour Foundation Grant - Supporting Freedom Programme	-	2,000	-	-	2,000
LNT	-	111,594	(111,594)	-	-
ESF My Future Matters	-	56,497	(56,497)	-	-
Sew Sisters	-	52,162	(52,162)	-	-
ESIF - BFE BEaT	-	13,639	(13,639)	-	-
Local Programmes - National Lottery Community Fund	-	23,081	(23,081)	-	-
Lottery Awards for All	-	9,701	(808)	-	8,893
Northumbria Police & Crime Commissioner Grant	-	1,876	(1,876)	-	-
Newcastle City Council - Food Bank Flooring	-	3,000	(3,000)	-	-
Walkergate Ward - Works in the ward	-	2,000	(2,000)	-	-
Community Fund - Grassroot Fund	-	2,000	(2,000)	-	-
BBO Wise Steps	-	114,106	(114,106)	-	-
Newcastle City Council - CLLD	5,000	7,505	(7,505)	(5,000)	-
Shepherds Offshore	-	150,000	(150,000)	-	-
Gateshead Council - Onwards Arts Programme	-	11,941	(11,941)	-	-
Virgin Media - Neighbourly Together Fund	560	-	-	(560)	-
Total restricted funds	<u>5,560</u>	<u>561,102</u>	<u>(550,209)</u>	<u>(5,560)</u>	<u>10,893</u>
Total funds	<u>(77,951)</u>	<u>718,973</u>	<u>(680,050)</u>	<u>-</u>	<u>(39,028)</u>

Building Futures East Limited

Notes to the Financial Statements for the Year Ended 30 September 2022

The charitable company received and applied monies towards the following restricted funds during the year.

LNT (Lifting Neighbourhoods Together)

A 5 year National Lottery UK transnational programme to test a community development model catalysing systemic change in local service delivery towards lifting Walker out of the national indices of multiple deprivation

ESF My Future Matters

A 3 year DWP funded programme to offer a tailored package of employability and well-being support including personal and vocational skills development. The project activities will be delivered in Newcastle and North Tyneside, with a particular focus in the East side of Newcastle and Wallsend.

Sew Sisters

An ESIF 2 year programme funded by the North of Tyne CLLD Local Action Group. The programme focusses upon developing skills for women in the garment manufacturing sector and the potential for social enterprise

ESIF - BFE BEaT

A programme funded by the North of Tyne CLLD Local Action Group. 3 year funding was received for the 'BEaT Project', designed to Build, Empower and Transform lives of residents within Newcastle and North Tyneside. The programme offers a tailored package of personal development and financial literacy support aimed at long term unemployed.

Lottery Awards for All

A grant to support work and develop pathways to employment for the long term unemployed.

BBO - Wise Steps

Grant funding provided by the Big Lottery Fund and the European Social Fund to help people in Tyne and Wear to transform their lives. The project provides one to one specialist support to those on the pathway to work.

Barbour Foundation

Grant made in support of our work providing Freedom Programme delivery and wrap around support for women experiencing or at risk of domestic abuse

National Lottery Community Fund 'RC North East and Cumbria Region' Women Together

The final year of grant funded delivery providing a range of specialist interventions for vulnerable women, largely but not exclusively from the East of Newcastle. Services offered included Freedom Programme delivery, confidence building and resilience workshops, sewing and garment making via our Sew Sisters programmes, DIY courses, gardening, walking and other wellbeing groups aimed at reducing social isolation.

Building Futures East Limited

Notes to the Financial Statements for the Year Ended 30 September 2022

Walkergate Ward Grant

Grant received to provide a range of environmental improvement works across the ward

Community Foundation - Reeds Grassroots Fund

Award made to support the purchase of food and sanity products for the East End Women Foodbank, helping to alleviate poverty in the east of Newcastle

Newcastle City Council

Grant award made to enable the reinstatement of damaged flooring within the foodbank

Northumbria Police & Crime Commissioner

Grant funding support to contribute towards provision of high-quality specialist support for victim-survivors of sexual violence and domestic abuse.

Gateshead Council LA6 ESF Onwards Arts

To enable delivery of a therapeutic creative arts based project aimed at the most marginalised and vulnerable women in Newcastle. The project used a range of creative arts activities to encourage self-reflection and allowing women to develop longer term life plans that are inclusive of both skills and wellbeing milestones.

Unrestricted Grants 2022

A number of grants were awarded to assist the organisation in its activities supporting local communities

Sir James Knott

Year 1 of a 2 year core costs grant to support the running costs and overheads associated with the ongoing delivery of charitable services across the organisation - £10k.

Virgin Money Foundation Community Anchors Grant

Year 2 of a 3 year grant award to support running costs and overheads associated with the ongoing delivery of charitable services across the organisation - £10k.

Building Futures East Limited

Notes to the Financial Statements for the Year Ended 30 September 2022

24 Analysis of net assets between funds

	Unrestricted funds General £	Restricted £	Total funds at 30 September 2022 £
Tangible fixed assets	73,075	-	73,075
Net current assets/(liabilities)	(47,824)	10,893	(36,931)
Creditors over 1 year	(75,172)	-	(75,172)
Total net assets	<u>(49,921)</u>	<u>10,893</u>	<u>(39,028)</u>

	Unrestricted funds General £	Restricted £	Total funds at 30 September 2021 £
Tangible fixed assets	104,084	-	104,084
Net current assets/(liabilities)	(162,805)	5,561	(157,244)
Creditors over 1 year	(24,791)	-	(24,791)
Total net assets	<u>(83,512)</u>	<u>5,561</u>	<u>(77,951)</u>

Building Futures East Limited

Notes to the Financial Statements for the Year Ended 30 September 2022

25 Analysis of net funds

	At 1 October 2021 £	Financing cash flows £	New finance leases £	At 30 September 2022 £
Cash at bank and in hand	-	10,455	-	10,455
Bank overdraft	(22,776)	22,776	-	-
	(22,776)	33,231	-	10,455
Debt due within one year	(150,000)	150,000	(44,776)	(44,776)
Debt due after more than one year	-	-	(15,224)	(15,224)
Finance leases and hire purchase contracts	(34,696)	9,905	-	(24,791)
Net debt	(207,472)	193,136	(60,000)	(74,336)

	At 1 October 2020 £	Financing cash flows £	New finance leases £	At 30 September 2021 £
Cash at bank and in hand	30,777	(30,777)	-	-
Bank overdraft	-	(22,776)	-	(22,776)
	30,777	(53,553)	-	(22,776)
Debt due within one year	-	(150,000)	-	(150,000)
Debt due after more than one year	(150,000)	150,000	-	-
Finance leases and hire purchase contracts	(6,396)	15,684	(43,984)	(34,696)
Net debt	(125,619)	(37,869)	(43,984)	(207,472)

Building Futures East Limited

Notes to the Financial Statements for the Year Ended 30 September 2022

26 Related party transactions

During the year the charity made the following related party transactions:

Shepherd Offshore Group Limited

Shepherd Offshore Group Limited is a related party by virtue of Bruce Shepherd who is also a trustee of the charitable company.

During the year the charitable company charged Shepherd Offshore Group Limited £8,269 (2021 - £9,221) for environmental maintenance services. The charity also received a donation from Shepherd Offshore Group Limited of £150,000.

The charitable company also received an interest free loan of £Nil (2021- £Nil) during the year. The charitable company made repayments of £150,000 (2021- £Nil) during the year. At the balance sheet date the amount due from Shepherd Offshore Group Limited was £2,314 (2021 - £148,542 due to).

Shepherd Offshore Limited

Shepherd Offshore Limited is a related party by virtue of Bruce Shepherd who is also a trustee of the charitable company.

During the year Shepherd Offshore Limited charged the charitable company £2,170 (2021 - £2,346) for rent and service charges. The charitable company charged Shepherd Offshore Limited £11,927 (2021 - £9,961) for environmental maintenance services. At the balance sheet date the amount due from Shepherd Offshore Limited was £3,328 (2021 - £2,710).

Shepherd Offshore Services Limited

Shepherd Offshore Services Limited is a related party by virtue of its part owner, Bruce Shepherd who is also a trustee of the charitable company.

The charitable company charged Shepherd Offshore Services Limited £2,779 (2021- £2,649) for environmental maintenance services. At the balance sheet date the amount due from Shepherd Offshore Services Limited was £800 (2021 - £379).

SCS Group plc

SCS Group plc is a related party by virtue of a director in the company Chris Muir, who is also a trustee of the charitable company who resigned on 26/09/2022.

During the year the charitable company received donated furnishings of £Nil (2021 - £5,472). At the balance sheet date the amount due to/from SCS Group plc was £Nil (2021 - £Nil).

St Anthony of Padua Community Association (STAPCA)

St Anthony of Padua Community Association (STAPCA) is a related party of the charitable company by virtue of its Chief Executive Helen Woods-Waters being the spouse of Anthony Woods-Waters, the charitable company's Chief Executive. Anthony resigned as CEO on 31/12/2022, although Helen was then appointed a trustee on 10/02/2023.

The charitable company charged £Nil (2021 - £2,583) to STAPCA for environmental maintenance services. They also charged for £596 (2021 - £574) for providing joint events. At the balance sheet date the amount due from St Anthony of Padua Community Association (STAPCA) was £121 (2021 - £408).

Building Futures East Limited

Notes to the Financial Statements for the Year Ended 30 September 2022

Ward Hadaway

Ward Hadaway is a related party by virtue of a partner in the firm, Colin Hewitt, who is also a trustee of the charitable company who resigned on 17/12/2021.

During the year Ward Hadaway charged the charitable company £5,250 (2021 - £5,263) for legal services. At the balance sheet date the amount due to/from Ward Hadaway was £Nil (2021 - £Nil).