

BUILDING FUTURES EAST LIMITED

(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

For the year ended 30 September 2024

Charity Number 1125555

Company Number 06261491

BUILDING FUTURES EAST LIMITED

(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended 30 September 2024

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BUILDING FUTURES EAST LIMITED

(A company limited by guarantee)

TRUSTEE ANNUAL REPORT (including Director's report)

For the year ended 30 September 2024

The trustees are pleased to present their annual trustees' report together with the financial statements of the charity for the year ended 30 September 2024 which are also prepared to meet the requirements for a trustee's report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2022, the Companies Act 2006, the Memorandum and Articles of Association, and 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 October 2019)

1. Objectives and Activities

Objects and aims

In setting objectives and planning for activities, the trustees have given due consideration to general guidance published by the Charity Commission relating to the public benefit. A comprehensive and regularly updated set of policies and guidelines supporting the organisations 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 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. 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.

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 year, 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 year and which are described within this document, evidence our progress against our aims and objectives and those points described above.

2. Public Benefit Statement

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.

3. Contribution by 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. These volunteers give so freely of their time to assist us in a range of ways, and we have been fortunate over the past year to have further expanded our volunteer base, enabling us to reach more community members in need of our support. Volunteering opportunities are also specifically offered to those who might benefit from a supported experience close to the real working environment.

4. Achievements and Performance

Our delivery during 23-24 has continued to be shaped directly in response to the expressed needs of the communities we serve. Inward referrals remained high with the majority of requests for assistance directly attributable to continued rising costs of living and households facing greater food and fuel poverty crisis. During the financial year, our team worked with individuals facing increasingly complex needs including debt, sub-standard housing, problems accessing the welfare benefits they are entitled to, substance misuse, the detrimental impact of health inequalities, long term health conditions and the effects of social isolation. The number of people citing poor mental health as a significant barrier and daily challenge increased by 22% from the previous year.

Across the year our project interventions had direct and indirect positive impact upon over 5100 residents predominantly in Newcastle and North Tyneside. Of these, 497 benefitted from high quality skills development courses and careers and labour market advice to aid their journey towards and into employment.

Notable successes and achievements throughout the year are:

- Continued delivery as a partner on the UK Shared Prosperity funded (UKSP) 'Relational Mentoring' project with the North East Combined Authority (NECA) as the lead authority. Funded since April 23, this project, led by the Wise Group, has delivered intensive 1-to-1 mentoring support specifically for residents across Newcastle and North Tyneside who are economically inactive and experiencing multiple barriers that prevent them from thriving, meeting essential life goals. Our mentors provide bespoke support across a number of areas including fuel and food poverty, health and wellbeing, communication skills, confidence and basic skills such as English, Maths and digital skills

- ‘Talent Pools and Pathways’, also funded via UKSP funding via NECA, continues to deliver significant skills development and employment outcomes for Newcastle residents. As a delivery partner, we have been able to provide robust basic skills training, careers advice and employability support across the partnership. Led by Newcastle City Council, the partnership brings together expertise across a number of areas such as ESOL support, life, basic and vocational skills development, volunteering and work placement opportunities, allowing beneficiaries to access a holistic package of advice and support tailored to meet their specific needs
- Our East End Women project, funded by the National Lottery Community Fund ‘RC North East and Cumbria Region’, saw us work with over 2100 women both directly and indirectly, in the year to end of Sept 24. Whilst not exhaustive, we offered specialist advice, support and therapeutic activities for some of the most marginalised and vulnerable women in our community. 214 women come to us for domestic abuse support notably higher than the previous year and a stark reminder that domestic abuse remains a significant issue faced by so many. Our wellbeing activities expanded to include women’s wellbeing and menopause support sessions as well as learn to ride and guided cycle rides aimed at women who had either never cycled before or who hadn’t cycled for several years. Our Sew Sisters project ran courses for women to learn new skills in garment making, pattern cutting, clothing upcycling, repair and alteration. We are proud to champion the environmental benefits of recycling and reusing, helping raise awareness of the impact of fast fashion and encouraging participants to get maximum life out of their existing wardrobe. Over 990 of the women we engaged with during the year received support with food and essential hygiene products although the actual total including indirect beneficiaries will be significantly higher
- Delivery of our Lifting Neighbourhoods Together (LNT) project was originally due to end in July 24 however we were granted the opportunity to utilise some pre-existing underspend by the National Lottery in order to extend delivery through to December 24. LNT activity in Walker continues to go from strength to strength with community members engaging well with services offered via the project. Most notably, a group of community members who in previous years had accessed our services and subsequently became regular volunteers for us, came together to set up their own constituted group – Thriving Walker. This is hugely impactful and demonstrates the power and importance of the community feeling empowered to use their voice, to feel listened to and to have the opportunity to shape the services and opportunities they desire for the area they reside in. Thriving Walker members are now being supported to obtain charitable status, and they remain passionate about seeing all residents in Walker thrive. Support groups and sessions, some peer led, continue to provide activities aimed at improving health and wellbeing, aiding substance misuse recovery, facilitating therapeutic activities to reduce social isolation, increasing basic skills and offering careers and employability support

Food insecurity remains a prominent factor in Walker and Byker. Our emergency foodbank continues to take referrals for households in crisis in Walker and Byker. We do however continue to struggle to keep shelves stocked and are heavily reliant upon the generosity of the public who either support our crowdfunding campaigns, make donations of food and other essentials and volunteer for us. Without their support we simply could not continue to offer this lifeline for the most vulnerable residents. We remain grateful for the goodwill shown by so many, particularly as the rising costs of living continue to detrimentally affect so much of society.

A number of years ago, the charity was gifted a double decker bus, and it has remained in situ beside our main office ever since. Over the past 12 months we have continued to work on our conversion of it into a large greenhouse – our Secret Garden. Again, we have benefitted from the support of volunteers who share our passion about growing your own and giving local community members the opportunity to gain new skills and take fresh produce home. They have worked to paint the exterior of the bus, remove the seating and convert the interior so that it now has potting benches and a seating area. We continue to work on the top deck to fit the area out and have work still to complete in making the roof fully watertight. In the area around the bus, we have been working to enhance our wider ‘Riverside Roots’ community garden space. Again, with the support of volunteers, we now have more planters and areas to encourage nature to flourish.

We have seen the diversity of wildlife widen and now regularly see rabbits, squirrels, ducks and even the occasional fox! Our planting seeks to encourage pollinators, and we have further exciting plans to create a pond, instal a summerhouse and provide more areas for community members to sit, reflect and soak in the superb views we have over the River Tyne.

We offered winter warm hub spaces and activities from both of our sites in Walker. Further grant funding from Newcastle City Council has enabled us to continue to provide wellbeing hub activities that focus upon providing Newcastle residents with opportunities to come together in a safe, welcoming space and join in with a range of activities that improve physical and mental health, increase social interactions and provide opportunities to learn new skills.

In June 24 we hosted another Masters student from the Clinton School of Public Service in Little Rock, Arkansas. As Newcastle holds Sister City status with Little Rock, it has continued to be a pleasure to be able to host one of their students and contribute to their studies.

We continue to be an active member sitting on the Newcastle 'Work & Thrive' Employment Partnership Strategy Group, helping to shape the strategic approach across the city that will ensure all residents have access to good work. The group works with key strategic partners such as Jobcentre Plus, Newcastle Housing and transport leads to ensure accessibility for all and take steps to reduce the structural barriers faced by residents when trying to access quality, sustainable employment.

23-24 saw further positive development in terms of our governance and board membership. Much time and effort was invested in recruiting new Trustees and to expanding the diversity of skills and representation. We successfully recruited further members and Trustees engaged in strategic development sessions to enhance their understanding of their responsibilities. The expertise and connections of our current Trustees adds great value to the organisation and has been invaluable particularly in terms of strategic forward planning.

5. Fundraising

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 to raise the profile and consequential donations in support of our work. We are working closely with a marketing professional in order to review our current systems and develop approaches that yield maximum rewards for us.

This 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 directly from the public follows 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.

6. Financial review

Review of the year

The results for the year and the company's financial position at the end of the year are shown in the attached financial statements.

During the year the Charity had income of £418,143 (2023: £472,995) of which £339,743 was restricted (2023: £359,100) and expenditure of £381,738 (2023: £489,710) of which £353,665 was restricted (2023: £356,071). There was an operating surplus of £34,138 (2023: deficit of £16,715) of which a deficit of £13,922 was restricted (2023: surplus of £3,029).

At 30 September 2024 the Charity had net liabilities of £21,605 (2023: net liabilities of £55,743) of which £nil was restricted (2023: net assets of £13,922).

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 £45,000- £50,000 in free reserves.

The trustees acknowledge that as at 30 September 2024 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 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 an in-year surplus of £34,138. 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 £21,605 which is an improved position from the prior year.

Forecasts provided by the charity show that the entity continues to be able to pay liabilities as they fall due. 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.

7. 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.

The Board is responsible for the management of the risks to which the Charity is exposed. A risk register is produced which considers financial, governance and delivery risks.

For each risk, the register identifies:

- Initial risk assessment in terms of impact and likelihood
- Initial risk rating
- Counter measures
- Responsibility / ownership
- Timescale
- Amended risk assessment in terms of impact and likelihood
- Amended risk rating

The Board reviews the risk register throughout the year. Through the counter measures put in place in the risk register and the regular reviews and updates, the Board is satisfied that the major risks identified have been adequately mitigated. It is recognised that this approach can only provide reasonable but not absolute assurance that major risks have been adequately managed.

8. Plans for future periods

The team continue to explore opportunities for growth and have great creativity, with ideas aplenty as to how best to respond to the expressed needs of the communities we serve. Efforts made to increasing the levels of unrestricted income has yielded positive results and this work continues on a positive trajectory. With the support of one of our Trustees, our use of social media channels has been consolidated, creating improved brand clarity and much clearer external understanding of the breadth and depth of the entirety of our organisations work.

We remain passionate about tackling social injustice, poverty, marginalisation and providing the best possible life opportunities for all of those we support. We want to see our beneficiaries 'Thrive, not Survive' and will continue to work tirelessly to achieve these aims.

9. Reference and administrative details of the charity, its trustees and advisors

Trustees

B Shepherd OBE
C M Sayers
P J Stoner
D A Turnell
E Callender
Dr E Barron
P Crabtree
K Mcfarlane
A Wright
M W Webster (appointed 21 March 2025)
J Maddison (appointed 5 June 2024)
J Blackie (appointed 20 September 2024)
H Woods-Waters (resigned 2 June 2024)
C M Sayers (resigned 20 September 2024)

Company

Registration

Number

06261491

Charity

Registration

Number

1125555

Solicitors:

Ward Hadaway
Sandgate House
102 Quayside
Newcastle upon Tyne
NE1 3DX

Independent**Examiner:****Doug Maltman FMAAT**

Connected Voice Business Services
One strawberry Lane
Newcastle upon Tyne
NE1 4BX

10. 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).

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.

11. Related parties

Shepherd Offshore Group Limited

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

During the year the charitable company charged Shepherd Offshore Group Limited £NIL (2023 - £1,404) for environmental maintenance services.

Shepherd Offshore Limited

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

During the year Shepherd Offshore Limited charged the charitable company £3,855 (2023 - £1,744) for rent and service charges.

The charitable company charged Shepherd Offshore Limited £NIL (2023 - £2,812) for environmental maintenance services.

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 £NIL (2023 - £400) for environmental maintenance services.

Other

During the year NIL (2023 - £9,000) donation was received from a close relation of one of the trustees. At the year-end £22,500 was owed to trustees and key management personnel (2023 - £22,500).

12. Statement of Trustee Responsibilities

The trustees, who are also directors for the purposes 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 incoming resources and application of resources, including the income and expenditure of the charitable company for that year. In preparing those 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 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 charity will continue in operation.

-

The trustees are responsible for keeping 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.

Approved by the Board on 24.06.2025 and signed on their behalf by:

P Crabtree (Treasurer)

BUILDING FUTURES EAST LIMITED

(A company limited by guarantee)

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

For the year ended 30 September 2024

I report on the financial statements of Building Futures East Limited for the year ended 30 September 2024, which are set out on pages 10 to 22.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2022 ("the Charities Act") and that an independent examination is needed.

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a Fellow Member of the Association of Accounting Technicians.

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

Basis of independent examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no material matters have come to my attention which gives me cause to believe that in, any material respect:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006; or
- the accounts do not accord with such records; or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 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
- the accounts have not been prepared in accordance with the Charities SORP (FRS102).

I 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.

Doug Maltman FMAAT
Connected Voice Charity Business Services
Fellow member of the association of Accountancy Technicians
One Strawberry Lane
Newcastle upon Tyne
NE1 4BX
Date: 24.06.2025

BUILDING FUTURES EAST LIMITED

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STATEMENT OF FINANCIAL ACTIVITIES

(INCLUDING SUMMARY INCOME & EXPENDITURE ACCOUNT)

For the year ended 30 September 2024

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
<u>Income from:</u>					
Donations and legacies	6	49,450	-	49,450	34,155
Charitable activities					
Grants and contracts	7	28,950	339,743	368,693	403,873
Other trading activities	8	-	-	-	34,965
Investments	9	-	-	-	2
Total income		78,400	339,743	418,143	472,995
<u>Expenditure on:</u>					
Raising funds	10	-	1,357	1,357	47,390
Charitable activities					
Operation of the charity	11	28,073	352,308	380,381	442,320
Total expenditure		28,073	353,665	381,738	489,710
Net income/(expenditure) before investment gains/(losses)		50,327	(13,922)	36,405	(16,715)
Net gains/(losses) on investments		(2,267)	-	(2,267)	-
Net income/(expenditure)		48,060	(13,922)	34,138	(16,715)
<u>Reconciliation of funds</u>					
Total funds brought forward		(69,665)	13,922	(55,743)	(39,028)
Total funds carried forward		(21,605)	-	(21,605)	(55,743)

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

The notes on pages 12 to 22 form an integral part of these accounts.

BUILDING FUTURES EAST LIMITED

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Charity Number 1125555
Company Number 06261491**BALANCE SHEET**

As at 30 September 2024

	Notes	£	Total 2024 £	£	Total 2023 £
<u>Fixed assets</u>					
Tangible assets	18		12,628		27,213
Total fixed assets			12,628		27,213
<u>Current assets</u>					
Debtors	19	49,855		33,492	
Cash at bank and in hand	20	198		158	
Total current assets		50,053		33,650	
Creditors: amounts falling due within one year	21	(84,286)		(98,272)	
Net current assets			(34,233)		(64,622)
Total assets less current liabilities			(21,605)		(37,409)
Creditors: amounts falling due after more than one year	22	-		(18,334)	
Total net assets or liabilities			(21,605)		(55,743)
<u>Funds of the charity</u>					
Unrestricted income funds			(21,605)		(69,665)
Restricted income funds			-		13,922
Total funds			(21,605)		(55,743)

The company was entitled to an exemption from audit under s477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act with the respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small companies regime and in accordance with FRS102 SORP.

The notes on pages 12 to 22 form an integral part of these accounts.

These financial statements were approved by the Board on: 24.06.2025

and are signed on its behalf by: P Crabtree
Treasurer

BUILDING FUTURES EAST LIMITED

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2024

1 Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

2 Basis of accounting

2.1 Basis of preparation

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The accounts 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 October 2019) – Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2022.

Building Futures East Limited meets the definition of a public benefit entity under FRS 102.

2.2 Preparation of the accounts on a going concern basis

The charity reported total unrestricted funds at the year end of £21,605 deficit.

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 £34,138. 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 £21,605 which is an improved position from 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 if 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.

3 Income

3.1 Recognition of income

Income is recognised when the charity has entitlement to the resources, any performance conditions attached to the item(s) of income have been met, it is more likely than not that the resources will be received and the monetary value can be measured with sufficient reliability

3.2 Offsetting

There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by FRS102 SORP or FRS102.

BUILDING FUTURES EAST LIMITED

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2024

3.3 Grants and donations

Income from government and other grants, 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.

Income received in advance of the provision of a specified service is deferred until the criteria of income recognition are met.

3.4 Volunteer help

The value of volunteer help received is not included in the accounts but is described in the trustees' annual report.

3.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

3.6 Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the

4 Expenditure and liabilities

4.1 Liability recognition

Liabilities are recognised when it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

4.2 Charitable activities

Expenditure on charitable activities includes the costs of work and other activities undertaken to further the purposes of the charity and their associated support costs.

4.3 Governance and support costs

Support costs have been allocated between governance cost and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

4.4 Irrecoverable VAT

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

BUILDING FUTURES EAST LIMITED

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2024

4.5 Creditors

The charity has creditors which are measured at settlement amounts less any trade discounts.

4.6 Provisions for liabilities

A liability is measured on recognition at its historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date.

5 Assets

5.1 Tangible fixed assets for use by the charity

Individual fixed assets costing £250 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis, the charity does not currently have any tangible fixed assets:

Fixtures and Fittings	Straight line over five years
Plant and Machinery	Straight line over four years
Office and computer equipment	Straight line over four years
Motor vehicles	Straight line over four years

BUILDING FUTURES EAST LIMITED

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2024

Analysis of income

	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
6 Donations and legacies				
Donations and gifts	45,438	-	45,438	29,364
Gift Aid	3,145	-	3,145	3,506
Other	867	-	867	1,285
	<u>49,450</u>	<u>-</u>	<u>49,450</u>	<u>34,155</u>
7 Charitable activities				
<u>Income from grants</u>				
North of Tyne Combined Authority	-	-	-	6,617
DWP	-	-	-	27,950
North of Tyne CLLD Local Action Group	-	-	-	17,092
The National Lottery Community Fund RC North East and Cumbria Region Community Fund	-	118,939	118,939	51,645
Big Lottery Fund and European Social Fund	-	-	-	144,095
Newcastle City Council	-	-	-	33,441
Gateshead Council	-	-	-	5,000
Community Foundation	4,450	-	4,450	8,791
UK Shared Prosperity Fund	-	108,472	108,472	11,867
Virgin Money Foundation	10,000	-	10,000	28,352
Sport England's Together Fund	-	-	-	8,000
Newcastle City Council - Walker Ward	-	657	657	3,575
Other grants	-	-	-	3,000
	-	500	500	54,448
Catherine Cookson - Riverside Roots Garden				-
CAF - Bentley Life Chances	-	485	485	-
Cyclists Club Cycling UK	-	3,500	3,500	-
Newcastle Building Society - Community Fund	-	4,450	4,450	-
Lifting Neighbourhood Together income	-	102,740	102,740	-
Newcastle City Council - Winter Wellbeing	5,000	-	5,000	-
Greggs Foundation	2,000	-	2,000	-
Partnership Initiatives	7,500	-	7,500	-
	<u>28,950</u>	<u>339,743</u>	<u>368,693</u>	<u>403,873</u>
8 Other trading activities				
Training and employment income	-	-	-	34,965
	<u>-</u>	<u>-</u>	<u>-</u>	<u>34,965</u>

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For the year ended 30 September 2024

9 Income from investments

Bank interest	-	-	-	2
	<u>-</u>	<u>-</u>	<u>-</u>	<u>2</u>

Income was £418,143 (2023: £472,993) of which £78,400 was unrestricted or designated (2023: £113,893) and £339,743 was restricted (2023: £359,100)

Analysis of expenditure on charitable activities

	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
10 Raising funds				
Incurred seeking donations	-	582	582	-
Staff costs	-	775	775	47,390
	<u>-</u>	<u>1,357</u>	<u>1,357</u>	<u>47,390</u>

11 Charitable activitiesDirect costs

Staff costs	-	203,995	203,995	228,951
Depreciation	13,808	-	13,808	26,298
Training and employment	-	1,100	1,100	15,392
Other costs	147	6,508	6,655	-

Support costs

Staffing costs	-	74,090	74,090	68,404
Consulting	-	975	975	-
Premises	-	5,110	5,110	16,781
Communication	-	7,834	7,834	14,604
General office	-	16,632	16,632	25,482
Finance costs	-	-	-	4,367
Travel	-	1,854	1,854	316
Subscriptions	5,300	1,797	7,097	-
Bank fees	2,180	-	2,180	-
Other costs	1,384	4,380	5,764	-

Governance costs

Staffing costs	-	18,523	18,523	18,237
Premises	-	1,277	1,277	2,288
General office	-	4,158	4,158	7,113
Finance costs	-	-	-	4,388
Independent examination and accountancy fees	-	4,075	4,075	5,175
Legal and Professional	5,254	-	5,254	4,524
	<u>28,073</u>	<u>352,308</u>	<u>380,381</u>	<u>442,320</u>

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For the year ended 30 September 2024

Expenditure on charitable activities was £381,738 (2023: £489,708) of which £28,073 was unrestricted or designated (2023: £133,637) and £353,665 was restricted (2023: £356,071)

12 Fees for examination of the accounts

	2024 £	2023 £
Independent examiner's fees for reporting on the accounts	2,596	4,050
	<u>2,596</u>	<u>4,050</u>

There were no other fees paid to the examiner (2023: £nil)

13 Analysis of staff costs and the cost of key management personnel

	2024 £	2023 £
Salaries and wages	260,896	326,842
Social security costs	23,518	29,948
Pension costs (defined contribution pension plan)	12,194	6,192
	<u>296,608</u>	<u>362,982</u>

No employee received remuneration above £60,000 (2023: £nil)

The key management personnel of the charity, comprise the trustees and the management . The total employee benefits of the key management personnel of the charity were £100,025 (2023: £138,591).

14 Staff numbers

The head count for the year was 17 staff (2023: 14 staff).

15 Transactions with trustees

None of the trustees have been paid any remuneration or received any other benefits from an employment with their charity or a related entity.

Trustees' expenses

No trustee expenses have been incurred in the year.

BUILDING FUTURES EAST LIMITED

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2024

Transaction(s) with related parties

The following detail the related party transactions in the reporting period.

Shepherd Offshore Group Limited

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

During the year the charitable company charged Shepherd Offshore Group Limited £NIL (2023 - £1,404) for environmental maintenance services.

Shepherd Offshore Limited

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

During the year Shepherd Offshore Limited charged the charitable company £3,855 (2023 - £1,744) for rent and service charges.

The charitable company charged Shepherd Offshore Limited £NIL (2023 - £2,812) for environmental maintenance services.

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 £NIL (2023 - £400) for environmental maintenance services.

Other

During the year NIL (2023 - £9,000) donation was received from a close relation of one of the trustees.

At the year-end £22,500 was owed to trustees and key management personnel (2023 - £22,500).

16 Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The employer's pension costs represent contributions payable by the charity to the fund and amount to £12,194 (2023: £6,192). There was £0 outstanding as at 30 September 2024 (2023: £0)

17 Corporation Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objectives.

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2024

18 Tangible fixed assets

	Fixture, fittings and equipment £	Total £
Cost		
Balance brought forward	176,793	176,793
Additions	1,490	1,490
Disposals	(3,783)	(3,783)
Balance carried forward	174,500	174,500
Depreciation		
Balance brought forward	149,580	149,580
Depreciation charge for year	13,808	13,808
Disposals	(1,516)	(1,516)
Balance carried forward	161,872	161,872
Net book value		
Brought forward	27,213	27,213
Carried forward	12,628	12,628

19 Debtors and prepayments (receivable within 1 year)

	2024 £	2023 £
Debtors	265	1,744
Prepayments	49,590	31,748
	49,855	33,492

20 Cash at bank and in hand

	2024 £	2023 £
Short term deposits	6	6
Cash in hand	192	152
	198	158

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2024

21 Creditors and accruals (payable within 1 year)

	2024	2023
	£	£
Trade creditors	15,913	12,424
Bank overdraft	8,640	17,161
Other borrowings	22,395	15,024
Taxation and social security	4,732	19,638
Accruals		
Independent examination of accounts	2,596	4,580
Other accruals	1,817	
Deferred income		
LNT	18,515	-
Other creditors	9,678	29,445
	84,286	98,272

22 Creditors and accruals (payable after more than 1 year)

	2024	2023
	£	£
Taxation and social security	-	18,334
	-	18,334

23 Deferred income

Deferred income comprises of advance payments from grants that relate to future periods

	2024	2023
	£	£
Balance brought forward	-	-
Amount released to income earned from charitable activities	-	-
Amount deferred in year	18,515	-
Balance carried forward	18,515	-

24 Events after the end of the reporting period

No events (not requiring adjustment to the accounts) have occurred after the end of the reporting period but before the accounts are authorised which relate to conditions that arose after the end of the reporting period.

BUILDING FUTURES EAST LIMITED

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2024

25 Analysis of charitable funds

Analysis of movements in unrestricted funds

	Fund balances brought forward £	Incoming resources £	Resources expended £	Transfers £	Fund balances carried forward £
Unrestricted funds					
General unrestricted fund	(69,665)	78,400	(28,073)	-	(19,338)
Totals	(69,665)	78,400	(28,073)	-	(19,338)

Purpose of unrestricted funds

General unrestricted fund The 'free reserves' of the charity

Analysis of movement in restricted funds

	Fund balances brought forward £	Incoming resources £	Resources expended £	Transfers £	Fund balances carried forward £
Restricted funds					
Virgin Money Foundation	6,735	-	(6,735)	-	-
Community Foundation	7,187	-	(7,187)	-	-
Newcastle Building Society - Community Fund	-	4,450	(4,450)	-	-
Newcastle City Council - Walker Ward	-	657	(657)	-	-
Catherine Cookson Charitable Trust	-	500	(500)	-	-
CAF - Bentley Life Chances	-	485	(485)	-	-
Cyclists Club Cycling UK	-	3,500	(3,500)	-	-
The National Lottery Community Fund RC North East and Cumbria Region	-	118,939	(118,939)	-	-
LNT income	-	102,740	(102,740)	-	-
UKSP (A)	-	31,681	(31,681)	-	-
UKSP (B)	-	76,791	(76,791)	-	-
Totals	13,922	339,743	(353,665)	-	-

Purpose of restricted funds

Restricted funds represent income resources used for a specific purpose within the charity as identified by the donor.

Virgin money Foundation	Power to change Leadership Programme Grant.
Community Foundation	Platten Fund Skills Delivery Grant.
Newcastle Building Society - Community Fund	Community Foundation Grant.

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2024

Purpose of restricted funds (continued)

Newcastle City Council - Walker Ward	Walker Ward Funding.
Catherine Cookson Charitable Trust	Grant towards Riverside Roots Garden.e
CAF - Bentley Life Chances	Small Grant towards Bentley Life Chances.
Cyclists Club Cycling UK	To run free cycling classes.
The National Lottery Community Fund RC North East and Cumbria Region	East end Women - Continuation Funding.
LNT income	Lifting Neighbourhoods Together - Uk Portfolio Lottery.
UKSP (A)	Talent Pools and Pathways.
UKSP (B)	Realational Mentoring.

26 Capital commitments

As at 30 September 2024, the charity had no capital commitments (2023 -£nil)

27 Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
Tangible fixed assets	12,628	-	12,628	27,213
Cash at bank and in hand	198	-	198	158
Other net current assets/(liabilities)	(34,431)	-	(34,431)	(64,780)
Long term assets/(liabilities)	-	-	-	(18,334)
	<u>(21,605)</u>	<u>-</u>	<u>(21,605)</u>	<u>(55,743)</u>