

PATCHWORK PROJECT

A company limited by guarantee

REPORT AND FINANCIAL STATEMENTS

For the year ended 31 May 2023

Charity number 1157186

Company number 08510835

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TRUSTEES ANNUAL REPORT

For the year ended 31 May 2023

The Trustees are pleased to present their Annual Directors' report together with financial statements of the Charity for the year ended 31 May 2023, which are also prepared to meet the requirements for a Directors' report and Accounts for the Companies Act purposes.

The financial statements comply with the Charities Act 2011, 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 to the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

1. Objectives and activities

Below we have a summary of the project work over the previous year. For further information contact the project via 0191 273 9700, admin@patchworkproject.org.uk.

The impact of the death in August 2021 of our long-running Project Manager Michael Bell after 18 years of service continues to be felt. The trustees are proud of the commitment to the project staff have shown and continue to show. It is a joy to see the work continue to give hope in dark corners, and that those who come through the project leave better off than they arrived.

Details and updates can be found on the Website: www.patchworkproject.org.uk and the project's Facebook page: www.facebook.com/PATCHWORK.PROJECT.Newcastle. Each funder that we are supported by is able to take huge pleasure from the knowledge that their support has been instrumental in effecting positive change in the lives of children and young people and so the wellbeing of the community. The whole that is Patchwork Project, is indeed other than sum of its funding parts.

Patchwork is a creative project making and building neighbourhood change that will last. It will last as that change is in children and young people's lives, minds and attitudes. They will take their learning into other areas of life and neighbourhood.

We have not specifically mentioned any work funded as a distinct project, rather given themed headings for the work we do. Some grants are aimed at specific outcomes and though very important it would take up too much space to cover in a summary.

2. Achievements and performance

New senior worker

Sarah Warren an experienced youth and community worker with 27 years' service in community work joined our team in May 2022. A year on, she has settled in well and is helping us to progress on and make plans for the future.

This despite a regional shortage of youth workers and a challenging period for recruitment.

Investment in structures:

We invested in QuickBooks an accounting tool that should help us long into the future. (Our previous tool had become too clunky and had glitches that we were unable to fix.) We also

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chose to invest in software to help us to 'go online' with consent forms, registers and monitoring. Helping to ensure children and young peoples safety on every trip, and support workers in the field in case of emergencies, whilst also taking up less paper and the dreaded annual updating! Happens at every session now instead!

Detached work:

Patchwork staff continue to have their roots in building high quality relationships with activities on the streets, via what is called detached work. We catch up with young people we know, meet and get to know those we don't know, become familiar with issues and concerns of the community.

We pass on news about what's happening in the area and beyond, what we and other agency services have on offer. Group work planning for activities and projects happens without the need to attend a physical base at all.

Detached allows the project to be seen on the street by other community members and agencies providing old fashioned face to face accountability. This is a vital aspect of Patchwork and youth work.

Group work sessions:

2 groups an evening, 5 days a week. We have literally doubled the groupwork available for children and young people from just a few years ago: friendship groups, smaller Keyfund groups, interest led groups e.g. DofE, open access larger groups, mixed and single gender.

Groups age and progress, change over time and friendships. This year we have been fortunate to have the opportunity to support those interested in climbing, as well as others interested in helping to lead the work of Patchwork, and our role in the community with our own Patchy Youth Panel – which helped to support the community over Xmas and in improving the local area.

Drop-in and 1-1 work

Each day Patchwork enables people turn up, unannounced for a multitude of reasons, including crisis support. Our usual support around employment and training and linking into specialist work opportunities.

Holiday Programmes

This summer we were able to return to doing all our outdoor camping and walking trips for which we are famous! Lots of DofE expeditions done in wind, rain and sunshine ☺ Loads of memories and photos.

Sarah and Ashleigh led on a 5day residential to Birmingham Commonwealth Games, an opportunity that came via our partnership with streetgames. Young people took part in a 'youth camp' with hundreds of other young people representing Patchwork and the North East alongside other groups from all over the UK. This took place over the time span of the anniversary of Michaels death, and was a great way to ensure children and young people had a great time, whilst other staff spent time more quietly in remembrance.

Working with younger ones:

Patchwork does provide open evening sessions for children between 8 and 14 years. Our aim is to provide space and a sense of security in which children can play and express themselves freely. Crafts and cooking, sport and foraging are just some of the things we do.

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Many of the children that attend these sessions become regular users for the next 10 years or so. The sessions are run in or around Patchy2 several times per week and continued as regularly as possible

We continued to make use of Patchwork2 our centre that provides a wide range of activities, sports crafts cooking and more for children between 8-12, these sessions can and do facilitate up to 40 children at a time.

Volunteering:

We continue to encourage young people to volunteer throughout the project, particularly peer volunteers, and also foster an project value of 'being helpful' to others.

We are proud that many volunteers follow a path that sees them gain sessional hours, and move into meaningful work.

Training and progression:

This year 2 lads; Kieron Copley and Elliot Baird who have volunteered through Patchwork gained 1 year apprenticeships via a partnership with Northbourne Youth Initiative (NBYI). This saw them both achieve qualifications in youth work; level 2 and 3 respectively. Kieron continues to work sessionally at Patchwork as he strives to discover what path he wishes to follow, Elliot was offered a full-time role beyond his apprenticeship with NBYI.

Ashleigh Aylward and Karl Gilbert entered their 2nd year of their BAHons in youth and Community work at Sunderland. Whilst sessional worker Louise Bransby entered her 3rd year BAHons in Health and Social Care.

Two young people; Gold Duke of Edinburgh Achievers and their loved ones were finally able to attend an award celebration event at Buckingham Palace gardens (following Covid19 restrictions being lifted). Well done to Adam Houchin and Lauren Weaver.

Partnership work

Aside from Patchworks participation in youth focused city-wide forums, a Neighbourhood Based Youth Projects group, and COBs community organisations Benwell and Scotswood. We continue to work with partners locally; North Benwell project; sharing good practice and local concerns, Healthworks for training on Food hygiene and allergies. Search around support for the over 50s, Riverside project and Action for children for support for families etc. Local providers for 1st aid training, sexual health work with young people and a myriad of other initiatives that may like to offer their services to the young people we work with.

Events:

Michaels Birthday Bash

A sub-group of trustees and staff led a group including children and young people to organise a memorial birthday Bash to celebrate what would have been Michael 60th Birthday.

Much of the community young and old, with members past and present came to show their respects; laugh and reminisce, wear silly hats, drink tea, mess amount, and watch a slide show of Michaels life at Patchy .Which included so many of the people in the room. It was a great atmosphere and it was lovely to see all members of the different communities within Benwell attend. Especially older members, or those with babies and young children who could not get to the funeral to come and celebrate as well as pay their respects.

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Don McDonald a fellow community worker and performance poet asked permission to honor Michael. Taking a look at the memorial books (we had all written in, in the days after Michaels death) for inspiration. He wrote and performed a poem, that captured much of what we all felt. With laughs and tears aplenty. A deeply moving day, but lots of fun, and plenty of food. We all thought that Michael would have loved it. Thanks to Michaels family and others who joined us on the day.

Community swimming trip

With so many children and asking to go swimming we hosted our first Patchy community swim. We Booked Elwick pool which with a slope and dive area caters for all. From parents and babies to teenagers all coming together to make it a huge success, and introducing more families to the assets on our doorstep and the joy of low-cost fun in a local community owned swimming pool.

Christmas in 2022

Included a visit to the panto for 20 children and young people to see Cinderella, most who have never been to a theatre before. We had our usual epic round of ice-skating for all groups. And with money from LGA we were also able to gift 'Fampers' Family hampers to 100 families with a stock of cupboard essentials to see them well into the new year.

Our future challenges

Rising costs:

Keeping abreast of increasing costs i.e. utilities, fuel, staffing, activity costs including food. Including new staff and trustees and our new project youth panel in reviewing the work and focus of the organisation and any improvements we might need.

Retirement of key staff - ensuring knowledge is kept within the organisation.

3. Public benefit

The Board of Trustees has referred to the Charity Commission's guidance on public benefit when reviewing the charity's objectives and planning its future activities. This annual report will aim to demonstrate the link between our charitable activity and how this benefits our service users.

4. Financial review

Patchwork Project are funded by a variety of income. The total income for the year was £276,036. This income is allocated across respective funds on the Statement of Financial Activities in accordance with the Statement of Recommended Practice.

The Statement of Financial Activities for the year ended 31 May 2023, shows a net surplus across all funds of £19,317 (2022: £94,554).

The Balance Sheet at 31 May 2023 shows total funds carried forward of £339,932 of which £189,055 are restricted funds, the trustees have designated funds totalling £60,000 as detailed in the reserves policy, the unrestricted reserves are £90,877.

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Reserves policy

The Board of Trustees has examined the charities requirements for reserves in light of the major risks to the organisation. The established policy is for designated unrestricted funds held by the charity to be set at 5 months of the expenditure plus estimated redundancy and close down costs; the designated fund for the year is £60,000. The reserves are needed to maintain the current activities of the charity in the event of a significant drop in funding. The reserves are also needed to cover the costs of potential redundancies.

5. Plans for future periods

Maintaining the focus:

Patchwork was successful with a 'Power to change' grant that sees support invested into the Project Manager (Andi Kewley) to help oversee change and invest in sound longterm support that will help the organization to continue to prosper. There will be more to report in the next years report.

Future Funding;

Is as ever the biggest of challenges, and we continue to maintain links with existing funders as well as build relationships with new funders. I would like to take this opportunity to thank funders for their support over the many years and hopefully into the future.

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

Charity Name Patchwork Project

Registered
Charity Number 1157186

Registered
Company
Number 08510835

Trustees	Mary Shearer John Pattison Carole Pattison Carol Hunter Dr Matthew Paul Marshall-Dent Donna Partington Danielle Conroy Chelsea Dixon	Chair Appointed 20 Sept 2022
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Registered Office 83 Adelaide Terrace
Newcastle upon Tyne,
NE4 8BB

Independent
Examiner MW Accounting, Bookkeeping
and Training
Woodgate House
Wood Street
Gateshead
NE11 9NP

Bankers Barclays Bank Plc
Northumberland Street
Newcastle
NE1

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7. Structure, governance and management

Governing documents

Patchwork Project is a charitable organisation, governed by its constitution, adopted on 30th April 2013.

Appointment of Trustees

Trustees are elected by members of the organisation at the Annual General Meeting (AGM) and are eligible to stand for re-election each year. There is a minimum of three and maximum of 12 trustees at any given time. The trustees have the power to co-opt up to three other members and agree to meet at least four times a year.

Newly appointed trustees are invited to an induction day which includes meeting with the other trustees and the Coordinator to get an overview of the work of the charity, including its constitution and its finances. Part of this day also includes a brief induction with other key staff members. Trustees are given a copy of the constitution and the previous year's annual report and accounts. Should trustee training be required, this is arranged and once a year a development day is held for all trustees and staff.

Organisation

The trustees administer the charity and the Project Manager is responsible for managing the work of the charity on a day-to-day basis.

The trustees are aware that the major risk to the organisation is lack of funding. Each quarter the risk is assessed when budgets are compared to actual spend and reserves are reviewed on a yearly basis to ensure that there are sufficient funds available to cover five months running costs and any possible redundancy costs.

Risk management

The management committee has conducted its own review of the major risks to which the charity is exposed and systems have been established to mitigate those risks. Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects and for ensuring the consistent quality of the delivery of all operational aspects of the charitable company. These procedures are periodically reviewed to ensure that they still meet the needs of the charity.

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8. Trustees responsibilities in relation to the financial statement

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, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (UK 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 the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees on 22/01/2024 and signed on their behalf by:

John Pattison
Chair

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INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

For the year ended 31 May 2023

I report on the financial statements of Patchwork Project for the year ended 31 May 2023, which are set out on pages 10 to 23.

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 2011 ("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 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.

Michelle Wright
Woodgate House
5c Wood Street
Gateshead
Tyne and Wear
NE11 9NP
Date: 25/01/2024

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STATEMENT OF FINANCIAL ACTIVITIES

(INCLUDING SUMMARY INCOME & EXPENDITURE ACCOUNT)

For the year ended 31 May 2023

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
<u>Income from:</u>					
Donations and legacies	6	993	-	993	3,459
Charitable activities					
Grants and contracts	7	134,212	135,196	269,408	358,020
Other trading activities	8	251	-	251	-
Investments	9	354	-	354	-
Other income	10	5,030	-	5,030	1,362
Total income		140,840	135,196	276,036	362,841
<u>Expenditure on:</u>					
Charitable activities				-	
Operation of the charity	11	117,039	139,680	256,719	268,287
Total expenditure		117,039	139,680	256,719	268,287
Net income/(expenditure)		23,801	(4,484)	19,317	94,554
Transfers between funds		34,675	(34,675)	-	-
Net income/(expenditure) and net movement of funds		58,476	(39,159)	19,317	94,554
<u>Reconciliation of funds</u>					
Total funds brought forward		92,401	228,214	320,615	226,061
Total funds carried forward		150,877	189,055	339,932	320,615

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 23 form an integral part of these accounts.

BALANCE SHEET

As at 31 May 2023

	Notes	£	Total 2023 £	£	Total 2022 £
<u>Fixed assets</u>					
Tangible assets	18		22,864		22,648
Total fixed assets			22,864		22,648
<u>Current assets</u>					
Debtors	19	7,208		82	
Cash at bank and in hand	20	337,427		358,819	
Total current assets		344,636		358,901	
Creditors: amounts falling due within one year	21	(27,568)		(60,934)	
Net current assets			317,068		297,967
Total assets less current liabilities			339,932		320,615
Total net assets or liabilities			339,932		320,615
<u>Funds of the charity</u>					
Unrestricted income funds			150,877		92,401
Restricted income funds			189,055		228,214
Total funds			339,932		320,615

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 23 form an integral part of these accounts.

These financial statements were approved by the Board on: 22/01/2024

and are signed on its behalf by: John Pattison
Chair of Board of Trustees

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 May 2023

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 1 January 2019) – Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Patchwork Project meets the definition of a public benefit entity under FRS 102.

2.2 Preparation of the accounts on a going concern basis

The financial statements have been prepared on a going concern basis. In making their assessment the trustees have reviewed and considered relevant information, including their annual budget and future cash flows. In response to the COVID-19 pandemic, the trustees have revised their forecasts to take into account measures that they can take with the current resources available to mitigate the impact of the current adverse conditions. The trustees are of the view that the immediate future of the charity for the next 12 months is secure and that on this basis the charity is a going concern.

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.

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.

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For the year ended 31 May 2023

3.4 Donated goods and services

Donated goods are measured at fair value (the amount for which the asset could be exchanged) unless impractical to do so.

Donated services and facilities are included in the SoFA when received at the value of the gift to the charity provided that the value of the gift can be measured reliably. Donated services and facilities that are consumed immediately are recognised as income with the equivalent amount recognised as an expense under the appropriate heading in the SoFA.

3.5 Volunteer help

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

3.6 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.

3.7 Income from membership subscriptions

Membership subscriptions received in the nature of a gift are recognised in donations and legacies.

Membership subscriptions which gives a member the right to buy services or other benefits are recognised as income earned from the provision of goods and services as income from charitable activities.

3.8 Investment gains and losses

This includes any realised or unrealised gains or losses on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.

3.9 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.

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4.2 Charitable activities

Expenditure on charitable activities includes the costs of working with youth groups in the local area 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.

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 £1,000 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis, a full years depreciation charge is applied in the year of acquisition and no charge is made in the year of disposal:

Fixtures & fittings	Straight line over five years
IT and office equipment	Straight line over three years
Motor Vehicles	Straight line over four years

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For the year ended 31 May 2023

Analysis of income

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
6 Donations and legacies				
Donations and Gift Aid	993	-	993	3,459
	<u>993</u>	<u>-</u>	<u>993</u>	<u>3,459</u>
7 Charitable activities				
<u>Income from grants and contracts</u>				
Ballinger Charitable Trust	-	-	-	18,000
Bernicia Foundation	-	10,000	10,000	-
Newcastle City Council COVID Fund	-	-	-	1,500
CAF	-	-	-	5,364
Community Foundation	12,500	5,940	18,440	36,137
Connected Voice	-	-	-	2,650
Edward Family Trust	7,000	-	7,000	-
Newcastle City Council	9,375	3,000	12,375	8,000
HMRC Furlough	-	-	-	30,755
Garfield Western Foundation	20,000	-	20,000	20,000
Greggs Foundation	10,000	-	10,000	18,940
Key Fund	-	488	488	747
Newcastle City Council Youth	-	22,075	22,075	19,610
Newcastle City Council Public Health	-	2,146	2,146	-
Newcastle City Council Outreach	-	19,566	19,566	-
Newcastle Building Society	-	3,000	3,000	-
Northumbria Police	-	-	-	1,000
Rathbone Brothers Foundation	-	-	-	10,000
Reece Foundation	-	-	-	2,600
Rise NE	-	-	-	4,149
Sir James Knott Trust	15,000	-	15,000	15,000
Streetgames	-	21,609	21,609	50,738
Together	-	5,000	5,000	-
Virgin Money Foundation	-	-	-	36,200
Wellesley	-	10,000	10,000	-
DCMS YIF	-	-	-	76,630
Other grants	60,337	32,371	92,709	-
	<u>134,212</u>	<u>135,196</u>	<u>269,408</u>	<u>358,020</u>
8 Other trading activities				
Earned income - room hire	251	-	251	-
	<u>251</u>	<u>-</u>	<u>251</u>	<u>-</u>

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Analysis of income continued	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
9 Income from investments				
Bank interest	354	-	354	-
	<u>354</u>	<u>-</u>	<u>354</u>	<u>-</u>
10 Other income				
Other income	5,030	-	5,030	1,362
	<u>5,030</u>	<u>-</u>	<u>5,030</u>	<u>1,362</u>

Income was £276,036 (2022: £362,841) of which £140,840 was unrestricted or designated (2022: £45,576) and £135,196 was restricted (2022: £317,265)

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 May 2023

Analysis of expenditure on charitable activities

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
11 Charitable activities				
<u>Direct costs</u>				
Staff costs	69,594	92,342	161,935	151,957
Project staff costs	3,049	7,807	10,856	-
Training costs	219	547	766	5,399
Travel costs	1,675	2,749	4,424	3,350
Equipment purchases	1,176	77	1,254	17,536
Minibus expenses	6,751	1,318	8,069	1,770
Activities and events	6,759	21,588	28,347	23,500
<u>Support costs</u>				
Office rent	5,400	-	5,400	-
Utilities	3,980	668	4,647	16,682
Telephone and internet	747	82	829	1,337
Office stationery and postage	226	4	230	385
Insurance	940	-	940	5,916
Repairs and maintenance	2,178	10,939	13,117	39,495
Subscriptions & publications	4,152	1,336	5,488	-
<u>Governance costs</u>				
Independent examiner's fees for reporting on the accounts	800	75	875	960
Legal and professional fees	212	89	301	-
Depreciation	8,945	-	8,945	-
Bank charges	236	61	297	-
	117,039	139,680	256,719	268,287

Expenditure on charitable activities was £256,719 (2022: £268,287) of which £117,039 was unrestricted or designated (2022: £30,835) and £139,680 was restricted (2022: £237,452)

12 Fees for examination of the accounts

	2023 £	2022 £
Independent examiner's fees for reporting on the accounts	500	960
	500	960

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 May 2023

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

	2023 £	2022 £
Salaries and wages	152,058	137,894
Social security costs	10,750	-
Pension costs (defined contribution pension plan)	5,259	14,063
	168,066	151,957

No employee received remuneration above £60,000 (2022: nil)

The key management personnel of the charity, comprise the Trustees, and the Project Manager. The total employee benefits of the key management personnel of the charity were £34,657. (2022: £34,657)

14 Staff numbers

The average monthly head count was 8 staff (2022: 10 staff) and the average monthly number of full-time equivalent employees during the year were as follows:

	2023 Number	2022 Number
The parts of the charity in which the employee's work		
Charitable activities	6.0	8.0
	6.0	8.0

Sessional staff are hired on a project by project basis and are included within charitable activities as direct project costs as they typically relate to specific production or projects.

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.

Transaction(s) with related parties

There have been no related party transactions in the reporting period.

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 £8,680 (2022: £14,063). There was £0 outstanding as at 31 May 2023 (2022: £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 31 May 2023

18 Tangible fixed assets	Motor Vehicles	Total
	£	£
Cost		
Balance brought forward	40,460	40,460
Additions	9,161	9,161
Disposals	-	-
Balance carried forward	49,621	49,621
Depreciation		
Basis	SL	
Rate	25%	
Balance brought forward	17,812	17,812
Depreciation charge for year	8,945	8,945
Disposals	-	-
Balance carried forward	26,757	26,757
Net book value		
Brought forward	22,648	22,648
Carried forward	22,864	22,864

19 Debtors and prepayments (receivable within 1 year)

	2023	2022
	£	£
Prepayments & accrued income	2,208	82
Other debtors	5,000	-
	7,208	82

20 Cash at bank and in hand

	2023	2022
	£	£
Cash at bank and in hand	337,427	358,819
	337,427	358,819

21 Creditors and accruals (payable within 1 year)

	2023	2022
	£	£
Trade creditors	1,957	-
Taxation and social security	-	2,368
Accruals		
Independent examination of accounts	500	960
Deferred income	25,111	57,606
	27,568	60,934

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 May 2023

22 Deferred income

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

	2023
	£
Balance brought forward	57,606
Amount released to income earned from charitable activities	(57,606)
Amount deferred in year	10,000
Balance carried forward	10,000

23 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.

24 Analysis of charitable funds

Analysis of movements in unrestricted funds

For the year ending 31 May 2023

	Fund balances brought forward £	Incoming resources £	Resources expended £	Transfers £	Fund balances carried forward £
Unrestricted funds					
General unrestricted fund	92,401	140,840	(117,039)	(25,325)	90,877
Designated funds					
Future projects	-	-	-	60,000	60,000
Totals	92,401	140,840	(117,039)	34,675	150,877

For the year ending 31 May 2022

	Fund balances brought forward £	Incoming resources £	Resources expended £	Transfers £	Fund balances carried forward £
Unrestricted funds					
General unrestricted fund	77,660	45,576	(30,835)	-	92,401
Totals	77,660	45,576	(30,835)	-	92,401

Purpose of unrestricted funds

General unrestricted fund

The 'free reserves' after allowing for designated funds

Designated funds

Fund set aside for developing future projects, bus and site costs

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 May 2023

24 Analysis of charitable funds continued**Analysis of movement in restricted funds**

For the year ending 31 May 2023

	Fund balances brought forward	Incoming resources	Resources expended	Transfers	Fund balances carried forward
Restricted funds	£	£	£	£	£
Lottery NYP COVID	12,500	-	-	(12,500)	-
Community Foundation	20,627	5,940	(19,097)	-	7,470
Ballinger Charitable Trust	26,380	-	(21,767)	-	4,613
Duke of Edinburgh	1,000	260	(1,000)	-	260
Tynexe	5,000	-	-	(5,000)	-
NHS	9,075	-	-	-	9,075
Newcastle City Council Youth	19,610	22,075	(13,486)	-	28,199
Virgin Money Foundation	35,622	-	(12,280)	-	23,342
Streetgames	15,000	21,609	(26,709)	-	9,900
CAF	5,364	-	-	(5,364)	-
Connected Voice	2,650	-	-	(2,650)	-
Children in Need DCMS	19,961	-	(10,800)	(9,161)	-
Key Fund	111	488	(599)	-	-
Newcastle City Council	8,000	-	-	-	8,000
Rise NE	6,199	-	(1,587)	-	4,612
Newcastle City Council Health	1,600	5,146	(831)	-	5,915
Bernicia Foundation	-	10,000	(2,917)	-	7,083
Newcastle Building Society	-	3,000	-	-	3,000
Together	-	5,000	(5,000)	-	-
Wellsley	-	10,000	-	-	10,000
Newcastle City Council Outreach	-	19,566	(10,048)	-	9,518
Other grants	39,515	32,111	(13,560)	-	58,066
Totals	228,214	135,196	(139,680)	(34,675)	189,055

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 May 2023

24 Analysis of charitable funds continued**Analysis of movement in restricted funds**

For the year ending 31 May 2022

Restricted funds	Fund balances brought forward £	Incoming resources £	Resources expended £	Transfers £	Fund balances carried forward £
Lottery NYP COVID	12,500	-	-	-	12,500
Lottery Grant	44,596	-	(44,596)	-	-
Community Foundation	13,592	36,137	(29,102)	-	20,627
Wellesley	656	-	(656)	-	-
Ballinger Charitable Trust	8,380	18,000	-	-	26,380
Duke of Edinburgh	1,000	-	-	-	1,000
YHN CIF	2,508	-	(2,508)	-	-
Tynexe	5,000	-	-	-	5,000
NHS	14,605	-	(5,530)	-	9,075
Newcastle City Council Youth	-	19,610	-	-	19,610
Garfield Western Foundation	-	20,000	(20,000)	-	-
Virgin Money Foundation	-	36,200	(578)	-	35,622
Northumbria Police	-	1,000	(1,000)	-	-
Reece Foundation	-	2,600	(2,600)	-	-
Sir James Knott Trust	-	15,000	(15,000)	-	-
Streetgames	-	50,738	(35,738)	-	15,000
CAF	-	5,364	-	-	5,364
Connected Voice	-	2,650	-	-	2,650
Children in Need DCMS	-	76,630	(56,669)	-	19,961
Key Fund	-	747	(636)	-	111
Newcastle City Council	-	8,000	-	-	8,000
Rise NE	4,300	4,149	(2,250)	-	6,199
Newcastle City Council	20,689	1,500	(20,589)	-	1,600
Other grants	20,575	18,940	-	-	39,515
Totals	148,401	317,265	(237,452)	-	228,214

24 Analysis of charitable funds continued**Purpose of restricted funds**

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

Lottery NYP COVID

COVID support for the organisation

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 May 2023

Purpose of restricted funds continued

Community Foundation	To fund various projects including salaries
Ballinger Charitable Trust	To fund the youth project
Duke of Edinburgh	To deliver Duke of Edinburgh Award activities
NHS	To fund youth projects
Newcastle City Council Youth	To fund the delivery of the youth project
Virgin Money Foundation	To fund the Youth panel and youth work
Streetgames	To support holiday activities
Children in Need DCMS	Capital fund
Key Fund	To fund ideas presented to the panel
Newcastle City Council	To fund the youth project
Rise NE	To fund training of staff and volunteers
Newcastle City Council Health	To fund activities for groups
Newcastle Building Society	To fund volunteer support
Together	To fund a trainee/apprentice post
Wellsley	To fund the salaries of the full time staff
Newcastle City Council Outreach	To fund outreach/detached work

Transfers between funds

	Reason for transfer	Amount £
Between restricted and unrestricted funds	Transfer of asset purchase and funds adjustment	9,161
Between unrestricted and designed	Transfer of funds for future projects and committed projects	60,000

25 Capital commitments

As at 31 May 2023, the charity had no capital commitments (2022 -£nil)

26 Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Tangible fixed assets	22,864	-	22,864	22,648
Cash at bank and in hand	148,372	189,055	337,427	358,901
Other net current assets/(liabilities)	(20,359)	-	(20,359)	(60,934)
	150,877	189,055	339,932	320,615