

# Urban Green Newcastle

England & Wales · Charity number 1182534

## Details

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**Other names** NEWCASTLE PARKS AND ALLOTMENTS TRUST

**Status** Registered

**Legal form** Charitable company

**Company number** [11533203](#)

**Registered** 2019-03-19

**Register** [View on the Charity Commission register](#)

## Contact

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**Address** Ouseburn Parks Visitor Centre  
Red Walk  
Jesmond Dene  
Newcastle Upon Tyne  
NE7 7BQ

**Phone** 01918144574

**Email** [info@urbangreennewcastle.org](mailto:info@urbangreennewcastle.org)

**Website** <https://www.urbangreennewcastle.org>.

## Activities

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**Objects:** THE ONLY OBJECTS FOR WHICH THE TRUST IS ESTABLISHED ARE FOR THE PUBLIC BENEFIT, AND IN PARTICULAR FOR THE BENEFIT OF THE INHABITANTS OF AND VISITORS TO NEWCASTLE UPON TYNE AND THE SURROUNDING AREAS TO:4.1.1 PROVIDE, MAINTAIN, PROTECT, IMPROVE AND EQUIP PARKS, GARDENS, LANDSCAPED AREAS, WOODLANDS, OPEN SPACES, PLAYING FIELDS AND RECREATIONAL AMENITY SPACES (THE PARKS);4.1.2 ADVANCE HEALTH BY PROMOTING PARTICIPATION IN HEALTHY OUTDOOR RECREATION AND AMATEUR SPORT;4.1.3 PROVIDE OR ASSIST IN THE PROVISION OF FACILITIES FOR RECREATION OR OTHER LEISURE TIME OCCUPATION, INCLUDING THE PROVISION OF ALLOTMENT FACILITIES, IN THE INTERESTS OF SOCIAL WELFARE AND WITH THE OBJECT OF IMPROVING THE CONDITIONS OF LIFE FOR THE INHABITANTS OF NEWCASTLE UPON TYNE AND THE SURROUNDING AREAS; AND4.1.4 ANCILLARY TO THE ABOVE OBJECTS, TO ADVANCE EDUCATION IN PARTICULAR IN:(A) THE CONSERVATION, PROTECTION AND IMPROVEMENT OF THE NATURAL ENVIRONMENT INCLUDING THE FLORA AND FAUNA, WILDLIFE, BIODIVERSITY AND NATURAL HABITATS OF THE PARKS;(B) THE HISTORY, CULTURE, HERITAGE AND TRADITIONS OF THE NORTH EAST; AND(C) THE PROMOTION AND ENCOURAGEMENT OF THE ARTS, IN PARTICULAR WITHIN THE PARKS.

**Activities:** Responsible for the management and upkeep of 33 parks and about 60 allotment sites in Newcastle. We ensure free to enter, safe and well maintained parks and allotments for people of all ages, communities and backgrounds to enjoy. We provide activities, events and performances that encourage more people to access and enjoy the city's parks and allotments.

## Classification

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- **How:** Provides Buildings/facilities/open Space
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives, Recreation, Other Charitable Purposes
- **Who:** The General Public/mankind

## Geography

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- Newcastle Upon Tyne City

## Finances

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Period end	Income	Expenditure	Assets	Employees
2025-03-31	-	-	-	-
2024-03-31	£2,513,527	£3,223,837	£1,105,046	35
2023-03-31	£3,609,698	£3,384,619	£1,807,356	37
2022-03-31	£3,304,903	£2,980,637	£395,277	35
2021-03-31	£2,744,255	£2,320,642	£-316,989	26
2020-03-31	£2,731,915	£2,924,028	£-267,602	20

## Trustees

Name	Role	Appointed
<b>Jim Beirne</b>	Chair	2019-01-14
Alan Schofield		2019-01-14
Brian Aitken		2019-01-14
Gina Tiller		2019-01-14
Matt Wilton		2022-10-28
Patricia Cresswell		2019-01-14
Professor Ella Ritchie		2019-01-14
Val Keen		2019-01-14

**Urban Green Newcastle**

England & Wales - Charity number 1182534

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# Accounts

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Company registration number: 11533203

Charity registration number: 1182534

# URBAN GREEN NEWCASTLE

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2023

# Urban Green Newcastle

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# Urban Green Newcastle

## Reference and Administrative Details

### Trustees

J P Beirne  
K Culverhouse  
P Collings (resigned 23 June 2022)  
G A Tiller  
A D Schofield  
E Ritchie  
R Cameron  
V M Keen  
N J Emmerson  
B Aitken  
P A Cresswell  
I Ali (resigned 25 May 2022)  
R Higgins (resigned 25 May 2022)  
M Wilton (appointed 28 October 2022)

### Key Management Personnel

C Pyrah - Chief Operating Officer from 11 July 2022,  
J Riley - Interim CEO (to 11 July 2022),  
B Hooper - Parks and Allotments Director,  
M Chapman - Enterprise Director,

### Registered Office

Ouseburn Parks  
Visitors Centre  
Red Walk  
Newcastle upon Tyne  
Tyne and Wear  
NE7 7BQ  
The charity is incorporated in England and Wales.

# Urban Green Newcastle

## Reference and Administrative Details

**Company Registration Number** 11533203

**Charity Registration Number** 1182534

**Solicitors** Womble Bond Dickinson  
The Spark  
Draymans Way  
Helix  
Newcastle upon Tyne  
NE4 5DE

**Bankers** Handelsbanken  
Newcastle upon Tyne  
Earl Grey House  
75 - 85 Grey Street  
Newcastle upon Tyne  
NE1 6EF

**Auditor** Azets Audit Services  
Bulman House  
Regent Centre  
Gosforth  
Newcastle upon Tyne  
NE3 3LS

# Urban Green Newcastle

## Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 March 2023.

### **Structure, governance and management**

#### ***Nature of governing document***

Urban Green Newcastle (previously known as Newcastle Parks and Allotments Limited until 29 January 2019 and previously as Newcastle Parks and Allotments Trust until 5 December 2019) is constituted as a registered charity and company under guarantee in accordance with its Memorandum and Articles of Association dated 23 August 2018 and last amended 2 April 2019. The company gained registered charitable status with the Charity Commission on 19 March 2019.

#### **Members**

The Members of Urban Green Newcastle are Newcastle City Council; and at least five and no more than eleven other Members comprising body corporates, public corporations, charitable organisations and similar organisations and partnerships that have an interest in the objects of Urban Green Newcastle. Members are appointed by the trustees. The current members are Newcastle City Council, Connected Voice, National Trust, Newcastle University, Natural History Society of Northumbria, Newcastle upon Tyne Hospitals NHS Foundation Trust, and Northumbria University.

#### ***Recruitment and appointment of trustees***

Urban Green Newcastle has up to two trustees nominated by Newcastle City Council and between six and eleven appointed trustees. Nominated trustees are nominated in writing by Newcastle City Council. Appointed trustees are appointed by the board based on their skills and experience and following a public advertisement of the vacancy and a transparent appointment basis. Where there are two nominated trustees in office there must be no less than eleven appointed trustees. Where there is one (or no) nominated trustees in office there must be no less than six appointed trustees.

# Urban Green Newcastle

## Trustees' Report

### ***Organisational structure***

The Board of Trustees met six times during the year to take strategic decisions. Several areas of responsibility are delegated to the three sub-committees of the Board:

Finance, Audit and Risk – finance, external audit, and strategic risks

Compliance – statutory matters including safeguarding, health and safety, data protection and complaints.

Nominations and Remuneration – general affairs of the Board and personnel matters.

Our Urban Green Newcastle staff are structured into three departments (Operations, Enterprise, and Parks and Allotments), and led by the Chief Executive.

### Urban Green Connect

This is an advisory panel to help the charity engage with the wider community and it met four times during the past year. The group advises us on how best to reach out to and involve local people, how to be inclusive, and how we can truly make a difference. Trustees appoint the Chair of the group, who is a trustee, and ensure that all other members of the group reside in Newcastle upon Tyne or surrounding areas or represent the interests of a particular group of residents in the city and are appointed following a transparent selection process. During 2022/3, new members were welcomed into the group following a further round of recruitment. The 15 members (in addition to Trustees) cover a diverse range of interests from across the city, including residents and support groups, community organisations, health, older people, those with disabilities, police, students, and businesses. During the year, they have provided invaluable input into several initiatives and proposals, including the Allotments Show, the Springbank project with the NHS Trust, and helped shape delivery and outreach going forwards.

### **Objectives and activities**

#### ***Objects and aims***

Urban Green Newcastle is established for public benefit, especially for the residents of and visitors to Newcastle upon Tyne and the surrounding areas to:

- maintain, protect and improve parks, open spaces, woodlands and recreational spaces;
- advance health by promoting participation in sport and other outdoor recreation;
- provide recreation and leisure facilities, including allotments; and
- advance education in the conservation, protection and improvement of the natural environment; the history, culture, heritage and traditions of the North East; and the arts, especially in parks.

# Urban Green Newcastle

## Trustees' Report

### Our vision and ambitions

The value of public green space and allotments to both people and the environment is well-documented and irrefutable. Their contributions to public health, and their benefits for physical and mental well-being, have never been clearer. They play a key role in conserving the rich culture and heritage of our city. At a time of climate crisis and major loss of wildlife, their importance in 'trapping' carbon and enhancing biodiversity has never been higher.

The parks and allotments of Newcastle are therefore an invaluable resource for the city, with the power to improve places and enrich people's lives in so many ways. These principles drive the vision and ambitions of Urban Green Newcastle.

Our vision is for more people to enjoy and benefit from beautiful, vibrant open spaces, which are safe, welcoming, and provide a great environment for wildlife and people which is valued by all.

Our ambitions reflect the consultations carried out with the people of Newcastle during the time of transition from Newcastle City Council into a new independent charity. They are:

- More people are enjoying beautiful and vibrant open-spaces and feeling the benefits to their health and wellbeing and that of their families and communities. In the future we will see more people of all ages, and from a wide range of backgrounds, enjoying the parks and allotments in the city. The parks will always be free to access and to enjoy. There will be exciting large-scale events and venues, art and cultural activities and opportunities for sport and exercise. We will encourage children and young people to explore nature through educational activities in parks and allotments.
- Parks and allotments are safe and welcoming for all. We will invest in them to create beautiful, clean, safe and well-maintained open spaces. Income from facilities and activities will be reinvested so people from all our city's diverse communities can enjoy the parks and allotments. People notice the difference and public satisfaction is high.
- Local people feel connected and committed to parks and allotments. Our visitors and volunteers are passionate about all the city's parks and allotments. We are giving people opportunities to come together, get involved and feel proud of their parks, allotments, and green spaces. We offer opportunities for employment and volunteering.
- Partner organisations value the parks and allotments and are committed to helping maintain and develop them. We will build close relationships with organisations and businesses in the city and involve as many partners as possible in using and investing in the estate.
- The parks and allotments will help conserve and improve our environment. We will help in the fight against climate change and ensure that the parks and allotments are managed in a way which benefits wildlife, conserves our rich heritage, and reduces pollution.

### ***Fundraising disclosures***

The charity is required to report how it deals with fundraising from the public. The charity does not use a professional fundraiser or commercial participator to raise funds. Any monies raised direct from the public 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.

# Urban Green Newcastle

## Trustees' Report

### ***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.

### ***Use of volunteers***

Newcastle's parks and allotments benefit from a significant amount of support from volunteers and partnerships have been at the heart of much of our work. We continued to expand our volunteering offer across the estate, including self-guided volunteering and regular ranger-led groups. These included Urban Green Clean, an initiative that provides volunteers across the city with litter picking equipment. Urban Green volunteers during the year completed over 5,800 hours with activities ranging from bulb and tree planting to ranger-led activities, Pets Corner volunteering, litter-picking and nature education volunteering.

Working with the National Citizen Service (NCS), Newcastle United Foundation and Catch 22 over 280 young people from across the city took part in 12 days of social action. We have also taken new approaches to increasing capacity, working with The Skill Mill, Probation Service and Youth Justice Board. Teams from the Probation Service and Youth Justice Board have this year increased both the number of days and the parks in which they work. Over the calendar year 2022 this has equated to over 8 FTEs of additional capacity looking after Exhibition Park, Leazes Park and Walker Park.

During the year we also focussed on developing training and skills opportunities by hosting four Kickstarter placements as part of the government scheme to help young people into work and providing placements and training for animal care students at Pet's Corner. We also worked closely with local communities and organisations including Summerhill Trust, Healthworks, Friends of Groups, Green Gym, Better Days and West End Women & Girls. Crucial to the future of the parks are the many Friends of Groups who range from independent registered charities to more informal groupings.

### **Achievements and performance**

This year ensuring that the estate continued to be cared for, safe and welcoming to all continued to be our priority and we also made progress against the five strategic aims in our corporate strategy 2021-2026.

### ***Value, care for and improve our parks and allotments***

The parks have four Green Flag Awards. UGN doubled the number of Green Flags in 2020 and we maintained this number after 2023 assessments. We established or strengthened several partnerships to work with our team of park rangers, community gardeners, and engagement and volunteering staff; these relationships are vital to our work making the estate safe, cared for and attractive to all. UGN continued to work in partnership with the Office of the Northumbria Police and Crime Commissioner. A help point was installed and extensive work to improve sight lines was completed in Leazes Park; the Police and Crime Commissioner attended a UGN Board meeting in February 2023. Other successful partnerships included placements and training for animal care students offered at Pets Corner; and multiple relationships established with local groups (such as Summerhill Trust, West End Women and Girls, Healthworks, Elders Council, Better Days, Smile for Life, Friends of Groups) providing a range of activities across parks and allotments.

# Urban Green Newcastle

## Trustees' Report

Tree safety management was a priority during the year. Work continued to address a 10-year backlog of tree safety works across the estate and we have now invested more than £320,000 in trees since we were established in 2019. The tree estate benefited from a variety of management interventions whilst, at the same time, we started to implement an improved tree safety assessment regime more aligned to a charitable model.

A second management priority was playgrounds and play areas. UGN has now invested over £480,000 in equipment, repairs, and renovations, either directly or in partnership with Newcastle City Council. Damage caused by arson and anti-social behaviour is a significant challenge and reduces the resources available to fund new or improved play areas. We continued in-house play area inspection services with our dedicated Play Ranger and an upskilled wider team. Fundraising initiatives in partnership with the local community were established to provide new equipment in some parks.

Our flagship Beelines Initiative, funded by the Green Recovery Challenge Fund, continued throughout the year, ending in May 2023. In partnership with Northumberland Wildlife Trust, 3,700 trees were planted (target 2,500), 18 hectares of nectar rich grassland created and improved, nearly 42,000 bulbs planted (target 25,000) and 1,815 sqm of pollinator friendly borders created (target 750 sqm). The education and engagement programme saw 9,000 attendances at events and education sessions, with 4,500 people taking part in activities to explore nature (40% of which took place in low IMD areas). These events focussed on children under 11 and included 16 schools and six community groups who looked at plants, pollinators, and their conservation. The project logged more than 3,000 volunteer hours, sustained 10 existing jobs and created five new jobs. Flower borders have been rejuvenated with pollinator friendly planting schemes in Leazes, Exhibition, Heaton and Walker Parks and a variety of blossom trees have been planted, including support for the Queen's Green Canopy.

We are responsible for about 60 buildings in parks including former park lodges, bowling pavilions, a variety of huts and depots, listed buildings and sports facilities. A range of other community buildings exist within allotments. Work during the year concentrated on getting the basics right so that the buildings meet statutory safety standards. Renovations funded by the LGA Foundation allowed us to open Springbank Pavilion, Leazes Park as a new community venue in spring 2022. We also commissioned a condition survey at the Banqueting Hall and carried out remedial works at Deep Dene House to prevent further deterioration. Works to secure Western Lodge in Leazes Park were also carried out.

With support from National Heritage Lottery Fund, at Walker Park, and Sustrans, at Walker Riverside and Tyne Riverside Parks, we were able to resurface more than 2 kilometres of footpaths and cycleways. The Sustrans project also enabled other improvements to the visitor infrastructure including gates, signage, and benches.

Other works included a programme of allotment infrastructure repairs following the damage caused to fencing in the winter storms of 2021/22, repairs to the stone setts around Leazes Park lake and supporting NCC in drainage improvements at Havannah Nature Reserve (including commissioning Havannah's first Conservation Management Plan).

***Develop a rich, diverse, and exemplary visitor experience across our estate***

# Urban Green Newcastle

## Trustees' Report

Our two Urban Green Cafés in Exhibition and Paddy Freeman's Parks continued to welcome a wide range of people to the city's parks. We work with local suppliers wherever possible, supporting the local economy, flying the flag for North-East producers, and reducing food miles. The cafes provide free of charge, accessible, public toilet facilities in both parks and many customers, especially in Paddy Freeman's Park, have commented that they are able use the park again as a result. We also host several food and drink concessions in the parks to provide a greater choice for park users and worked with tenants operating cafes and restaurants from park buildings in Exhibition, Heaton, Leazes, Tyne Riverside and Jesmond Dene Parks.

Our programme of events and activities enjoyed a first full year unencumbered by restrictions caused by COVID-19 and associated lockdowns and an Events Strategy was completed in late 2022 after consultation with Urban Green Connect and key stakeholders. Major community event highlights included the popular Born Free Lions exhibition in Exhibition Park, and the Queen's Platinum Jubilee Beacon event in Hodgkin Park where we worked with members of the west end community to create a free family event with carnival performances, live music, community stalls, local street food and the lighting of a beacon. Most of the programme was organised by third parties using parks and events spaces – community-based events, larger music and arts activities, fun runs, sporting events, theatre and cinema. Unfortunately, the death of Queen Elizabeth II in September 2022 led to our allotment show being cancelled for the third year in succession, but we were able to celebrate the plot winners online throughout the autumn. Preparations took place through the year to relaunch the event in 2023.

### ***Provide opportunities for enhancing health and wellbeing across our estate***

This year saw the unveiling of Urban Green's cultural programme including a creative well-being programme supported by the Newcastle Hospitals Charity, LGA Foundation and Community Foundation based at Springbank Pavilion in Leazes Park. In the first four months over 200 participants (65% from deprived wards) took part in 30 sessions. Downloadable activities to do at home have allowed a further 240 online participants.

The allotments are a vital resource generating health benefits across the city. We continued to manage over 60 sites across the city providing advice and guidance to allotment associations as well as managing some sites directly. This included supporting associations and users, as well as coordinating repairs and maintenance.

We continued to collaborate with Newcastle City Council on the design, coordination and delivery of sport and physical activity programmes in parks within the Urban Green Newcastle estate. Projects to improve tennis courts and football pitches were developed during the year (with works to improve the sites taking place in 2023).

### ***Seek opportunities to combat climate change and enhance the environment***

UGN is committed to be carbon net-negative by 2031 and varied activities contributed towards this objective during the year. Prominent was a diversity of tree-planting initiatives, with local communities, scouts, volunteer groups and other partners that saw UGN plant 8,300 trees during the year. To date (at the time of writing) we have planted over 11,500 trees. Specific grant-funded initiatives included a continued partnership with North East Community Forest and Trees for Cities to carry out extensive planting.

We also signed the first S106 in the city to offer off-site biodiversity net gain managed by UGN and started to convert our vehicle fleet to electric with the purchase of the first electric van.

# Urban Green Newcastle

## Trustees' Report

Various wetland and riverine management schemes were undertaken. We created a partnership with Northumbria Water, Environment Agency, Tyne Rivers Trust, and Newcastle City Council to look at options for a major habitat creation initiative at Tyne Riverside Park addressing flood management issues, such as subsidence, run-off, and rising mine water, which have been unresolved since 1980. This project secured funding from the Environment Agency's Natural Environment Investment Readiness Fund.

National profile for the city's new model for managing parks came from the Future Parks Accelerator conference in October 2022 and ongoing interest from the Department for Levelling Up, Housing and Communities Select Committee and we have worked closely with the cohort of Future Parks Accelerator places to share learning and best practice.

### ***Develop the resources and organisational capability to deliver our vision***

During the year the average number of staff (excluding those on casual contracts) employed by Urban Green Newcastle was 37 FTE and Newcastle Parks Enterprises was 5.5 FTE, meaning the group had 42.5 FTE (2022: 35 FTE). At 31 March 2023 there were 47 individual employees in the group (2022: 67 employees) with 30 employed by the charity and 17 employed by its trading company. During the year there were 21 (2022: 46) individual new starters whilst 41 (2022: 15) people left the group. Wages for permanent or fixed-term employees comply with the Real Living Wage.

An important achievement was establishing a programme for education, training, and skills. Highlights included four Kickstart traineeships being completed in our Ranger and Pet's Corner teams and hosting placement and voluntary positions across the organisation.

Whilst our charity continued to deliver a wide range of projects, initiatives and activities across the estate, important work took place to strengthen our internal systems and processes. During the year Trustees approved or re-approved a range of policies covering key areas of responsibility including finance, employment, health and safety, safeguarding, complaints, and data protection.

### **Donors, grant funders and sponsors**

Thank you to the following organisations and partners who have provided financial and in-kind support to Urban Green Newcastle through the year:

Access – The Foundation for Social Investment

Awards for All

Better Days

Catch 22

Cicarelli

Community Foundation

Environment Agency

# Urban Green Newcastle

## Trustees' Report

Exhibition and Brandling Parks Community Trust

Friends of Denton Dene

Friends of Gosforth Central Park

Friends of Heaton and Armstrong Parks

Friends of Jesmond Dene

Friends of Leazes Park

Friends of Nunsmoor Park

Friends of Paddy Freemans

Friends of Sugley Dene

Future Parks Accelerator, a collaboration between the National Lottery Heritage Fund, National Trust and the Department of Levelling Up, Housing and Communities

GoodGym

Gosforth Garden Village Tennis Club

Greening Wingrove

Groundwork NE and Cumbria

Hadrian Trust

Healthworks

Heaton Model Boat Club

Kickstart Scheme

Kirkley Hall

LGA Foundation

Lord Lieutenant of Tyne and Wear

Microsoft

National Citizenship Service

# Urban Green Newcastle

## Trustees' Report

National Lottery Heritage Fund

National Trust

Natural History Society for Northumbria

Newcastle Allotments Working Group

Newcastle City Council

Newcastle United Football Foundation

Newcastle University

North East Community Forest

Northumberland Wildlife Trust

Northumbria Police and Crime Commissioner

Northumbria University

Northumbria Water

One Landscapes

Ouseburn Farm

Probation Service

Ringtons

Summerhill Trust

Sustrans

Take Ten Minutes

The Bostey

The Government's Green Recovery Challenge Fund. The fund was developed by Defra and its Arm's-Length Bodies. It is being delivered by The National Lottery Heritage Fund in partnership with Natural England, the Environment Agency and Forestry Commission

The Skill Mill

The Social Investment Business

## **Urban Green Newcastle**

### **Trustees' Report**

Trees for Cities

Tyne Rivers Trust

Walker Workers

West End Women and Girls

YMCA

And all the many other people and organisations who have helped and supported us over the year.

# Urban Green Newcastle

## Trustees' Report

### Financial review

Total income for the year was £3,609,698 (2022: £3,304,903). Income was generated as follows:

	2023	2022
	£	£
Grants and donations	1,184,237	476,336
Cafes	451,376	372,004
Property	344,902	364,047
Car parking	279,268	202,145
Other income	65,845	23,438
Events	49,355	90,900
Newcastle City Council	1,234,715	1,776,033
<b>Total income</b>	<b>3,609,698</b>	<b>3,304,903</b>

The strategic aim leading to the establishment of the charity was for it to generate additional income and reduce reliance on Newcastle City Council. It is pleasing to report that the proportion of income generated by the charity increased from 46% in 2022 to 66% in 2023. This was driven by a significant increase in grants and donations. Our commercial income streams show mixed performance: events income fell because of challenges in securing event licences and property income dipped as the leases on some allotment sites were ended by our landlord. Car parking performed strongly in a year largely free of COVID-19 restrictions, which also benefitted our cafes.

Total expenditure was £3,384,619 (2022: £2,980,637) and was invested as follows:

	2023	2022
	£	£
Parks	2,137,162	1,900,759
Pets Corner	152,921	121,469
Allotments	79,890	70,016
Enterprise	355,708	364,833
Cafes	595,490	487,567
Governance	63,450	35,993
	<b>3,384,619</b>	<b>2,980,637</b>

Most investment was focused on the parks and allotment estate and the total increased from £2,092,244 in 2022 to £2,369,974 in 2023. This was allocated to the following areas of activity:

## Urban Green Newcastle

### Trustees' Report

	2023	2022
	£	£
Parks maintenance	614,626	807,155
Beelines project	429,068	157,295
Rubbish	316,287	260,888
Grass cutting	280,066	230,655
Trees	219,587	163,681
Playgrounds	159,611	281,085
Sustrans project	117,918	-
Pets Corner	152,921	121,469
Allotments	79,890	70,016
	2,369,974	2,092,244

At the end of the year the charity had total reserves of £1,807,356 (2022: £395,277). Restricted funds carried forward totalled £815,748 (2022: £619,780) and unrestricted funds carried forward were £991,608 (2022: deficit of £224,503).

#### ***Policy on reserves***

In June 2020, trustees reviewed the forecast income streams, expenditure commitments and working capital requirements arising from Urban Green Newcastle's responsibility for managing and maintaining 33 parks and approximately 60 allotment sites across Newcastle-upon-Tyne. This led to the formal adoption of a reserves policy.

The trustees wish to ensure that they could maintain the parks and allotments estate for at least 6 months in the event of a significant loss of income or another catastrophic event. This would allow time to develop a response, for example making significant structural changes to the charity. The trustees are committed to an operating model that reduces the charity's dependence on income from Newcastle City Council and diversifies income from property, trading, and philanthropic sources. In addition, plans for the coming years allow for general reserves to be increased to provide 9-12 months cover for commitments on repairs to the buildings and other capital infrastructure across our estate. Further, Urban Green Newcastle's financial agreement with Newcastle City Council provides income specifically to invest in our estate and to address a historic shortfall in repairs and maintenance; the trustees have created an unrestricted, designated fund to manage the balances of this income.

At current levels of activity, the unrestricted general cash reserves should be approximately £1 million. Currently, the general reserve (free reserve) is £570,414 (2022: deficit of £482,184). The trustees will review the policy and progress towards meeting the target level of reserves annually.

# Urban Green Newcastle

## Trustees' Report

### ***Principal funding sources***

The principal funding sources during the year were:

- A 10-year contribution agreement with Newcastle City Council provided £1,234,715 (2022: £1,776,033).
- A variety of grants from trust, foundations and companies generated £1,184,237 (2022: £476,336).
- Property income generated £673,525 (2022: £656,017) from letting of buildings, allotments and car parking charges.
- Sales of goods and services through Urban Green cafes generated £448,580 (2022: £365,177).

### **Key Management Personnel**

The board have considered who the Key Management Personnel (KMP) of the charity, as noted in the Reference and Administration section. Together with the board, these KMP are those in charge of directing and controlling, running, and operating the activities of the charity on a day-to-day basis. The pay of the KMP is reviewed annually. The trustees benchmark against pay levels of other charities and similar organisations within the sector and the region. Pay levels are set using this information together with the budget and forecast information, ensuring that the charity can afford any proposed increases. The board then agree any uplift to remuneration.

# Urban Green Newcastle

## Trustees' Report

### Going concern

Urban Green Newcastle was established in April 2019 and supported by a 10-year financial agreement with Newcastle City Council to provide up to £9.5 million of support, a figure later revised down to £7.7 million when it was clear that the charity could reclaim more VAT than envisaged. The level of financial assistance available annually to UGN was determined using a financial model created prior to the establishment of the charity and the transfer of parks and allotments to it. The Council conducted an appraisal of a formal request for financial support from UGN before the start of each financial year which determined how much finance could be drawn down in the period.

The financial model was predicated on the assumption that UGN would be able to create new commercial income streams to offset a reduction in Council financial support, allowing the charity to be self-financed by the end of its tenth year. This has not happened for various reasons: the model under-estimated certain costs (especially due to the poor condition of the estate inherited by UGN) and was overly optimistic about how quickly and at what scale commercial income could be generated. But the main challenge was that the charity was launched less than 12 months before the COVID-19 pandemic and associated lockdowns. This shifted focus away from developing new income streams, concentrated organisational capacity on managing the impacts of the lockdowns on our estate, its visitors, and our staff, and increased our costs.

The medium-term impact is that whilst UGN has made significant progress towards financial sustainability our development is not following the financial model. The Trustees have kept the Council fully apprised of the financial realities facing the charity and highlighted the departure from the financial model during the appraisal process for financial support in 2021, when more funding was drawn down than anticipated by the model.

At 31 March 2023, UGN had drawn down £6,730,774 of assistance over four years and there was £977,453 of funding remaining. In February 2023 the Council agreed to UGN's request to draw down the remaining funding for use during the financial year ending 31 March 2024.

At the same time, the Council asked UGN to prepare a new 5-year business plan describing a path towards sustainability. This has been produced with consultancy support for The Cranfield Trust. The new plan, covering the period 2024-2029, is based on a detailed understanding of the costs of maintaining the estate and possibilities for income generation.

This new plan forecasts an operating deficit of £1.65 million in financial year 2024-25 falling to £1 million in financial year 2028-29; the cumulative deficit over the five years of the plan is £6.7 million. Whilst UGN had free, cash reserves of £570,414 on 31 March 2023 these will be used to support operations in the 12 months to March 2024. Current cash flow forecasts suggest that the charity has insufficient cash reserves to operate past April 2024 if it does not receive additional support from funders. Given the level of financial assistance required and our close working relationship, the only realistic source of funding is the Council.

Our Trustees and Chief Executive have held discussions with Newcastle City Council's Chief Executive and Directors, including the Chief Finance Officer over the last 12 months. These have been constructive, and the Council is aware of the challenges and timescales faced by the charity. An offer of additional assistance of £1,026,326 had been made and is under discussion by the Trustees.

Trustee have therefore concluded that there is material uncertainty over the charity's ability to continue as a going concern until this offer has been reviewed. Until that time the Trustees cannot definitively continue to fulfil their statutory obligations for the next 12 months from the date the accounts were signed.

# Urban Green Newcastle

## Trustees' Report

### Plans for future periods

A corporate strategy for the next 10 years was completed by the Key Management Personnel and launched in spring 2021. Our new business plan 2024-2029 continues to deliver against the strategic aims described in our corporate strategy.

### ***Aims and key objectives for future periods***

Aim 1: Value, care for and improve our parks and allotments.

Aim 2: Develop a rich, diverse and exemplary visitor experience across our estate.

Aim 3: Provide opportunities for enhancing health and wellbeing across our estate.

Aim 4: Seek opportunities to combat climate change and enhance the environment.

Aim 5: Develop the resources and organisational capability to deliver our vision.

### ***Activities planned to achieve aims***

Value, care for and improve parks and allotments

To achieve this, we will:

- Continue a programme of maintenance to improve the safety and appearance of parks and allotments focusing in particular on trees and playgrounds.
- Establish management principles and plans for improving parks, in partnership with key stakeholders and in consultation with local communities.
- Improve the quality of allotments, in consultation with key stakeholders, to ensure that these are safe, welcoming spaces which promote the benefits of local food.
- Address the poor condition of buildings and structures across the estate and develop a programme of repair and investment.
- Work with partners and key stakeholders to facilitate improved long-term and sustainable management and maintenance across our estate and ensure statutory compliance.

Develop a rich, diverse and exemplary visitor experience across the estate

To achieve this, we will:

- Create vibrant and accessible parks, with improved facilities, a greater range of events and activities, and increased opportunities for recreation and play.
- Improve understanding of the stories and significance of heritage assets, and implement a programme to both conserve them, and bring them to life. Build a creative arts and cultural offer across the estate which excites, stimulates, and provides an emotional connection for visitors.
- Encourage meaningful and fulfilling community engagement in activities and events, including the planning of parks.

# Urban Green Newcastle

## Trustees' Report

- Raise understanding and awareness of our parks and allotments through improved communications, interpretation, and marketing.

Provide opportunities for enhancing health and wellbeing across the estate

To achieve this, we will:

- Facilitate opportunities for local food production and raise awareness and understanding of the benefits of healthy eating.
- Stimulate greater participation in physical activity and sports, including a wide range of opportunities to suit all abilities.
- Explore partnerships to promote mental health and wellbeing across parks and allotments.
- Increase opportunities for a rich and diverse volunteering offer.

Seek opportunities to combat climate change and enhance the environment

To achieve this, we will:

- Adopt and apply sustainability principles to all our activities and develop a carbon reduction plan.
- Improve our woodland management, tackling the backlog of maintenance, creating plans, and continue our a tree planting strategy.
- Support the development of city-wide green infrastructure plans, in conjunction with Newcastle City Council and partners.
- Increase understanding of the biodiversity across the estate, improving habitat management and implementing strategies for vulnerable species.
- Strengthen the systems for flood management and improve waterway management across the estate.

Develop the resources and organisational capability to deliver our vision

To achieve this, we will:

- Maintain robust policies, systems and processes for the charity and its commercial trading elements.
- Create a positive, safe, and engaged culture in the workplace for staff, including proactive training and development.
- Ensure financial resilience and sound stewardship of resources, including the development of investment plans for commerce, property, and new facilities.
- Maximise fundraising by creating opportunities for sponsorship and philanthropic giving.
- Work with key partners, including Newcastle City Council, to secure gains for green infrastructure through local and regional policy and development.
- Establish effective systems for measuring and reporting performance across all aspects of the charity.

# Urban Green Newcastle

## Trustees' Report

### Statement of Trustees' Responsibilities

The trustees (who are also the directors of Urban Green Newcastle for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

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

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

# Urban Green Newcastle

## Trustees' Report

### Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

### Reappointment of auditor

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Azets Audit Services as auditors of the charity is to be proposed at the forthcoming Annual General Meeting.

The annual report was approved by the trustees of the charity on ~~20 December 2023~~ and signed on its behalf by:



James Beirne 20 Dec 2023 12:37:08 GMT (UTC +0)

.....  
J P Beirne  
Trustee

## Urban Green Newcastle

### Independent Auditor's Report to the Members of Urban Green Newcastle

#### Opinion

We have audited the financial statements of Urban Green Newcastle (the 'charitable parent company') and its subsidiaries (the 'group') for the year ended 31 March 2023, which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Balance Sheet, Consolidated Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31 March 2023 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Emphasis of matter

We draw attention to note 1 of the financial statements, which indicates that there is a material uncertainty in the forecasts and projections over the timing and confirmation of future funding from the Council, and therefore the derived cashflows of the charitable company. As stated in note 1, the unknown impact of future funding post 31 March 2024, indicate that a material uncertainty exists, that may cast doubt on the charitable company's ability to continue as a going concern should these conditions occur.

Our opinion is not modified in respect of this matter.

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements appears to be reasonable in the circumstances. Our evaluation of the trustees' assessment of the entity's ability to continue to adopt the going concern basis of accounting included, review of their forecasts, their assumptions and their underlying business plan. However, for the reasons explained above and in note 1, there are inherent uncertainties in the timing and amount of the levels of income being forecast, and there is a consequential uncertainty regarding the willingness of the funders to provide additional support should income fall below the amounts being forecast.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

## Urban Green Newcastle

### Independent Auditor's Report to the Members of Urban Green Newcastle

#### Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the and Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the and Trustees' Report have been prepared in accordance with applicable legal requirements.

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

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 19), the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

## Urban Green Newcastle

### Independent Auditor's Report to the Members of Urban Green Newcastle

#### **Auditor responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiries with management about any known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing board minutes;
- Challenging assumptions and judgements made by management in their significant accounting estimates; and
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.
- Reviewing financial statement disclosures and testing to support documentation.

Because of the field in which the client operates, we identified the following areas as those most likely to have a material impact on the financial statements: Health and Safety; employment laws; and compliance with the UK Companies Act and Charities Act.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with ISAs (UK). For instance, the further removed non-compliance is from the event and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## Urban Green Newcastle

### Independent Auditor's Report to the Members of Urban Green Newcastle

#### Use of our report

This report is made solely to the charitable parent company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the group's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable parent company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Simon Brown 20 Dec 2023 13:11:46 GMT (UTC +0)

.....  
Simon Brown BA ACA DChA (Senior Statutory Auditor)  
For and on behalf of Azets Audit Services  
Chartered Accountants  
Statutory Auditor  
Bulman House  
Regent Centre  
Gosforth  
Newcastle upon Tyne  
NE3 3LS

Date: 20 December 2023

Azets Audit Services is a trading name of Azets Audit Services Limited.

## Urban Green Newcastle

### Consolidated Statement of Financial Activities for the Year Ended 31 March 2023

#### (Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2023 £	Total 2022 £
<b>Income and Endowments from:</b>					
Donations and legacies	4	9,618	1,174,619	1,184,237	476,336
Charitable activities	5	1,908,240	-	1,908,240	2,432,050
Other trading activities	6	451,376	-	451,376	368,537
Other income	7	65,845	-	65,845	27,980
Total Income		<u>2,435,079</u>	<u>1,174,619</u>	<u>3,609,698</u>	<u>3,304,903</u>
<b>Expenditure on:</b>					
Raising funds	8	(519,688)	(15,696)	(535,384)	(390,510)
Charitable activities	9	<u>(2,014,274)</u>	<u>(834,961)</u>	<u>(2,849,235)</u>	<u>(2,590,127)</u>
Total Expenditure		<u>(2,533,962)</u>	<u>(850,657)</u>	<u>(3,384,619)</u>	<u>(2,980,637)</u>
Net (expenditure)/income		(98,883)	323,962	225,079	324,266
Transfers between funds		127,994	(127,994)	-	-
<b>Other recognised gains and losses</b>					
Actuarial gains on defined benefit pension schemes		<u>1,187,000</u>	-	<u>1,187,000</u>	<u>388,000</u>
Net movement in funds		1,216,111	195,968	1,412,079	712,266
<b>Reconciliation of funds</b>					
Total funds brought forward		<u>(224,503)</u>	<u>619,780</u>	<u>395,277</u>	<u>(316,989)</u>
Total funds carried forward	24	<u>991,608</u>	<u>815,748</u>	<u>1,807,356</u>	<u>395,277</u>

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

The funds breakdown for 2022 is shown in note 24.

## Urban Green Newcastle

### Comparative Consolidated Statement of Financial Activities for the Year Ended 31 March 2022

#### (Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2022 £
<b>Income and Endowments from:</b>				
Donations and legacies	4	18,940	457,396	476,336
Charitable activities	5	2,432,050	-	2,432,050
Other trading activities	6	368,537	-	368,537
Other income	7	27,980	-	27,980
Total income		<u>2,847,507</u>	<u>457,396</u>	<u>3,304,903</u>
<b>Expenditure on:</b>				
Raising funds	8	(390,510)	-	(390,510)
Charitable activities	9	<u>(2,244,357)</u>	<u>(345,770)</u>	<u>(2,590,127)</u>
Total expenditure		<u>(2,634,867)</u>	<u>(345,770)</u>	<u>(2,980,637)</u>
Net income		212,640	111,626	324,266
Transfers between funds		85,675	(85,675)	-
<b>Other recognised gains and losses</b>				
Actuarial gains on defined benefit pension schemes		<u>388,000</u>	-	<u>388,000</u>
Net movement in funds		686,315	25,951	712,266
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>(910,818)</u>	<u>593,829</u>	<u>(316,989)</u>
Total funds carried forward	24	<u><u>(224,503)</u></u>	<u><u>619,780</u></u>	<u><u>395,277</u></u>

## Urban Green Newcastle

(Registration number: 11533203)

### Consolidated Balance Sheet as at 31 March 2023

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	16	421,194	427,036
<b>Current assets</b>			
Stocks	18	6,573	8,181
Debtors	19	916,678	349,725
Cash at bank and in hand	20	<u>976,166</u>	<u>1,313,805</u>
		1,899,417	1,671,711
<b>Creditors: Amounts falling due within one year</b>	21	<u>(513,255)</u>	<u>(562,470)</u>
<b>Net current assets</b>		<u>1,386,162</u>	<u>1,109,241</u>
<b>Net assets excluding pension liability</b>		1,807,356	1,536,277
<b>Pension scheme liability</b>	22	<u>-</u>	<u>(1,141,000)</u>
<b>Net assets including pension liability</b>		<u>1,807,356</u>	<u>395,277</u>
<b>Funds of the group:</b>			
<b>Restricted income funds</b>			
Restricted funds	24	815,748	619,780
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>991,608</u>	<u>(224,503)</u>
<b>Total funds</b>	24	<u>1,807,356</u>	<u>395,277</u>

The financial statements on pages 25 to 60 were approved by the trustees, and authorised for issue on 20 December 2023 and signed on their behalf by:



James Beirne 20 Dec 2023 12:37:08 GMT (UTC +0)

J P Beirne  
Trustee

## Urban Green Newcastle

### (Registration number: 11533203) Balance Sheet as at 31 March 2023

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	16	386,314	419,338
Investments		<u>1</u>	<u>1</u>
		<u>386,315</u>	<u>419,339</u>
<b>Current assets</b>			
Debtors	19	1,000,590	391,998
Cash at bank and in hand	20	<u>950,543</u>	<u>1,241,067</u>
		1,951,133	1,633,065
<b>Creditors: Amounts falling due within one year</b>	21	<u>(493,345)</u>	<u>(510,962)</u>
<b>Net current assets</b>		<u>1,457,788</u>	<u>1,122,103</u>
<b>Net assets excluding pension liability</b>		1,844,103	1,541,442
<b>Pension scheme liability</b>	22	<u>-</u>	<u>(1,141,000)</u>
<b>Net assets including pension liability</b>		<u>1,844,103</u>	<u>400,442</u>
<b>Funds of the charity:</b>			
<b>Restricted income funds</b>			
Restricted funds	24	815,748	619,780
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>1,028,355</u>	<u>(219,338)</u>
<b>Total funds</b>	24	<u>1,844,103</u>	<u>400,442</u>

The financial statements on pages 25 to 60 were approved by the trustees, and authorised for issue on 20 December 2023 signed on their behalf by:



James Beirne 20 Dec 2023 12:37:08 GMT (UTC +0)

J P Beirne  
Trustee

## Urban Green Newcastle

### Consolidated Statement of Cash Flows for the Year Ended 31 March 2023

	Note	2023 £	2022 £
<b>Cash flows from operating activities</b>			
Net cash income		1,412,079	712,266
<b>Adjustments to cash flows from non-cash items</b>			
Depreciation	8	123,770	86,952
Adjustments for non cash items		<u>(1,141,000)</u>	<u>(330,000)</u>
		394,849	469,218
<b>Working capital adjustments</b>			
Decrease/(increase) in stocks	18	1,608	(8,181)
Increase in debtors	19	(566,953)	(57,409)
Decrease in creditors	21	(54,272)	(142,781)
Increase/(decrease) in deferred income		<u>5,057</u>	<u>(35,709)</u>
Net cash flows from operating activities		(219,711)	225,138
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets	16	<u>(117,928)</u>	<u>(409,402)</u>
Net decrease in cash and cash equivalents		(337,639)	(184,264)
Cash and cash equivalents at 1 April		<u>1,313,805</u>	<u>1,498,069</u>
Cash and cash equivalents at 31 March		<u><u>976,166</u></u>	<u><u>1,313,805</u></u>

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

# Urban Green Newcastle

## Notes to the Financial Statements for the Year Ended 31 March 2023

### 1 Going concern

Urban Green Newcastle was established in April 2019 and supported by a 10-year financial agreement with Newcastle City Council to provide up to £9.5 million of support, a figure later revised down to £7.7 million when it was clear that the charity could reclaim more VAT than envisaged. The level of financial assistance available annually to UGN was determined using a financial model created prior to the establishment of the charity and the transfer of parks and allotments to it. The Council conducted an appraisal of a formal request for financial support from UGN before the start of each financial year which determined how much finance could be drawn down in the period.

The financial model was predicated on the assumption that UGN would be able to create new commercial income streams to offset a reduction in Council financial support, allowing the charity to be self-financed by the end of its tenth year. This has not happened for various reasons: the model under-estimated certain costs (especially due to the poor condition of the estate inherited by UGN) and was overly optimistic about how quickly and at what scale commercial income could be generated. But the main challenge was that the charity was launched less than 12 months before the COVID-19 pandemic and associated lockdowns. This shifted focus away from developing new income streams, concentrated organisational capacity on managing the impacts of the lockdowns on our estate, its visitors, and our staff, and increased our costs.

The medium-term impact is that whilst UGN has made significant progress towards financial sustainability our development is not following the financial model. The Trustees have kept the Council fully apprised of the financial realities facing the charity and highlighted the departure from the financial model during the appraisal process for financial support in 2021, when more funding was drawn down than anticipated by the model.

At 31 March 2023, UGN had drawn down £6,730,774 of assistance over four years and there was £977,453 of funding remaining. In February 2023 the Council agreed to UGN's request to draw down the remaining funding for use during the financial year ending 31 March 2024.

At the same time, the Council asked UGN to prepare a new 5-year business plan describing a path towards sustainability. This has been produced with consultancy support for The Cranfield Trust. The new plan, covering the period 2024-2029, is based on a detailed understanding of the costs of maintaining the estate and possibilities for income generation.

This new plan forecasts an operating deficit of £1.65 million in financial year 2024-25 falling to £1 million in financial year 2028-29; the cumulative deficit over the five years of the plan is £6.7 million. Whilst UGN had free, cash reserves of £570,414 on 31 March 2023 these will be used to support operations in the 12 months to March 2024. Current cash flow forecasts suggest that the charity has insufficient cash reserves to operate past April 2024 if it does not receive additional support from funders. Given the level of financial assistance required and our close working relationship, the only realistic source of funding is the Council.

Our Trustees and Chief Executive have held discussions with Newcastle City Council's Chief Executive and Directors, including the Chief Finance Officer over the last 12 months. These have been constructive, and the Council is aware of the challenges and timescales faced by the charity. An offer of additional assistance of £1,026,326 had been made and is under discussion by the Trustees.

Trustee have therefore concluded that there is material uncertainty over the charity's ability to continue as a going concern until this offer has been reviewed. Until that time the Trustees cannot definitively continue to fulfil their statutory obligations for the next 12 months from the date the accounts were signed.

# Urban Green Newcastle

## Notes to the Financial Statements for the Year Ended 31 March 2023

### 2 Charity status

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

The address of its registered office is: Ouseburn Parks, Visitors Centre, Red Walk, Newcastle upon Tyne, Tyne and Wear, NE7 7BQ

### 3 Accounting policies

#### Summary of significant accounting policies and key accounting estimates

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

#### Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

#### Basis of preparation

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

The financial statements are prepared in sterling, which is the functional currency of the entity and rounded to the nearest £.

#### Basis of consolidation

The consolidated financial statements consolidate the financial statements of the charity and its subsidiary undertakings drawn up to 31 March 2023.

No statement of financial activities is presented for the charity as permitted by section 408 of the Companies Act 2006. The charity made a surplus after tax for the financial year of £1,443,662 (2022 - Surplus of £717,429).

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2023

A subsidiary is an entity controlled by the charity. Control is achieved where the charity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the statement of financial activities from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the group.

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill.

Inter-company transactions, balances and unrealised gains on transactions between the charity and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

#### **Estimation uncertainty and judgements**

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

There are considered to be no significant judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies which effect the amounts recognised in the financial statements

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

Depreciation is estimated so as to write off the cost of an asset, less its residual value, over the useful economic life of that asset.

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2023

Tyne & Wear Pension Fund - The present value of the Tyne & Wear Pension Fund defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the new cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, will impact the carrying amount of the pension liability.

#### **Income and endowments**

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

#### ***Donations and legacies***

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

#### ***Grants receivable***

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

#### ***Deferred income***

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

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

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources.

#### **Raising funds**

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

#### **Charitable activities**

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

#### **Governance costs**

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

#### **Taxation**

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

#### **Tangible fixed assets**

Individual fixed assets costing £1,000.00 or more are initially recorded at cost.

#### **Depreciation and amortisation**

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

<b>Asset class</b>	<b>Depreciation method and rate</b>
IT equipment	3 years straight line
Office equipment	4 years straight line
Parks and allotments fixtures and fittings	5 years straight line
Buildings fixtures and fittings	5 years straight line

#### **Stock**

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### Trade debtors

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

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

Prepayments and accrued income relates to amounts paid in advance of services / goods being received and income received in advance of goods / services being provided respectively.

#### Cash and cash equivalents

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

#### Trade creditors

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

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

#### Fund structure

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

In the prior year there was a designated unrestricted income fund in respect of backlog maintenance. This was due to Newcastle City Council providing the charity with £570,000 for each of its first 5 years for backlog maintenance and was ring-fenced in the accounts accordingly. As maintenance has been incurred this has been transferred into the unrestricted fund in the current year.

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

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### **Pensions and other post retirement obligations**

The entity operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the charity. The contributions payable are charged to the income and expenditure account.

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

The entity also operates a defined benefit pension scheme for employees.

Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the Statement of Financial Position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the reporting date minus the fair value of plan assets. The defined benefit obligation is measured using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future payments by reference to market yields at the reporting date on high quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

Actuarial gains and losses are charged or credited to other comprehensive income in the period in which they arise.

Changes in the net defined benefit asset or liability arising from employee service are recognised in profit or loss as a current service cost where it relates to services in the current period and as a past service cost where it relates to services in the prior periods. Costs relating to plan introductions, benefit changes, curtailments and settlements are recognised in profit or loss in the period in which they occur. The results of the pension scheme are reviewed on an annual basis and any net asset of the scheme is restricted to £Nil as future cash outflows are required in order to maintain the asset.

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### 4 Income from donations and legacies

	<b>Unrestricted funds General £</b>	<b>Restricted funds £</b>	<b>Total 2023 £</b>
Donations and legacies;			
Donations from companies, trusts and similar proceeds	9,618	32,925	42,543
Grants, including capital grants;			
Grants, including capital grants	-	1,141,694	1,141,694
	<u>9,618</u>	<u>1,174,619</u>	<u>1,184,237</u>
	<b>Unrestricted funds General £</b>	<b>Restricted funds £</b>	<b>Total 2022 £</b>
Donations and legacies;			
Donations from companies, trusts and similar proceeds	18,940	2,367	21,307
Grants, including capital grants;			
Grants, including capital grants	-	455,029	455,029
	<u>18,940</u>	<u>457,396</u>	<u>476,336</u>

#### 5 Income from charitable activities

	<b>Unrestricted funds General £</b>	<b>Total 2023 £</b>
Contribution Agreement	1,234,715	1,234,715
Property Income	673,525	673,525
	<u>1,908,240</u>	<u>1,908,240</u>
	<b>Unrestricted funds General £</b>	<b>Total 2022 £</b>
Contribution Agreement	1,776,033	1,776,033
Property Income	656,017	656,017
	<u>2,432,050</u>	<u>2,432,050</u>

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2023

A contribution Agreement is in place with Newcastle City Council whereby they pay the charity an agreed sum each year to assist with the costs of the first 10 years of the management of the parks and allotments. After this 10 year period, there is no funding guaranteed from the Council.

Property income consists of money receivable from tenants of the allotments and other spaces managed by the charity.

#### 6 Income from other trading activities

	<b>Unrestricted</b>	<b>Total</b>	<b>Total</b>
	<b>General</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Sales of goods and services	448,580	448,580	365,177
Events income	2,796	2,796	3,360
	<u>451,376</u>	<u>451,376</u>	<u>368,537</u>

#### 7 Other income

	<b>Unrestricted</b>	<b>Total</b>	<b>Total</b>
	<b>funds</b>	<b>2023</b>	<b>2022</b>
	<b>General</b>	<b>£</b>	<b>£</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Other income	65,845	65,845	27,980
	<u>65,845</u>	<u>65,845</u>	<u>27,980</u>

Other income includes monies for an insurance claim in 2023.

#### 8 Expenditure on raising funds

##### a) Costs of trading activities

	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>	<b>Total</b>
	<b>funds</b>	<b>funds</b>	<b>2023</b>	<b>2022</b>
	<b>General</b>	<b>£</b>	<b>£</b>	<b>£</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Costs of goods sold	290,762	15,696	306,458	221,127
Staff Costs	228,926	-	228,926	169,383
	<u>519,688</u>	<u>15,696</u>	<u>535,384</u>	<u>390,510</u>

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### 9 Expenditure on charitable activities

	Unrestricted		Total 2023 £	Total 2022 £
	General £	Restricted £		
Marketing and publicity	-	-	-	28,531
Sundry expenses	37,684	6,859	44,543	10,972
Vehicles and other travel and subsistence expenses	1,034	276	1,310	20,238
Wages and salaries	828,890	242,982	1,071,872	898,555
Governance costs	14,747	1,167	15,914	35,941
Employers NI	85,897	15,216	101,113	85,103
Employers pensions	25,662	55,425	81,087	96,215
Property costs	324,149	47,600	371,749	401,682
VAT advice and IT support	1,728	1,167	2,895	11,425
Legal and professional	151,951	58,319	210,270	235,167
Direct expenses	542,532	405,950	948,482	766,298
	<u>2,014,274</u>	<u>834,961</u>	<u>2,849,235</u>	<u>2,590,127</u>

	Activity undertaken directly £	Activity support costs £	2023 £	2022 £
	Direct costs	2,440,851	-	2,440,851
Support costs	-	392,470	392,470	453,191
Governance costs	-	15,914	15,914	35,941
	<u>2,440,851</u>	<u>408,384</u>	<u>2,849,235</u>	<u>2,590,127</u>

In addition to the expenditure analysed above, there are also governance costs of £15,914 (2022 - £36,491) which relate directly to charitable activities. See note 10 for further details.

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### 10 Analysis of governance and support costs

##### Support costs allocated to charitable activities

	<b>Governance costs £</b>	<b>Other support costs £</b>	<b>Total funds £</b>
Premises costs	-	36,312	36,312
Office costs	2,214	-	2,214
Staff costs	-	182,200	182,200
Legal and professional costs	13,700	76,559	90,259
Support services	-	97,399	97,399
<b>Total for 2023</b>	<u>15,914</u>	<u>392,470</u>	<u>408,384</u>
<b>Total for 2022</b>	<u>35,941</u>	<u>453,191</u>	<u>489,132</u>

##### Governance costs

	<b>Unrestricted funds General £</b>	<b>Total 2023 £</b>	
Audit fees			
Audit of the financial statements	13,700	13,700	
Other governance costs	2,214	2,214	
	<u>15,914</u>	<u>15,914</u>	
	<b>Unrestricted funds General £</b>	<b>Restricted funds £</b>	<b>Total 2022 £</b>
Staff costs			
Wages and salaries	12,607	-	12,607
Social security costs	1,515	-	1,515
Pension costs	155	-	155
Audit fees			
Audit of the financial statements	6,216	584	6,800
Legal fees	12,608	-	12,608
Other governance costs	2,806	-	2,806
	<u>35,907</u>	<u>584</u>	<u>36,491</u>

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### 11 Net incoming/outgoing resources

Net incoming resources for the year include:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Audit fees	13,750	8,800
Depreciation of fixed assets	<u>123,770</u>	<u>86,952</u>

#### 12 Trustees remuneration and expenses

During the year the group made the following transactions with trustees:

##### J P Beirne

£10,000 (2022: £10,000) of expenses were reimbursed to J P Beirne during the year.

J Beirne invoiced Urban Green Newcastle for support, mentoring and leadership services including supporting the Charity's executive team whilst the chief executive post was vacant; and coaching and mentoring support to the chief executive from time to time of the Charity.

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

#### 13 Staff costs

The aggregate payroll costs were as follows:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>Staff costs during the year were:</b>		
Wages and salaries	1,286,129	1,073,055
Social security costs	112,742	92,554
Pension costs	<u>84,128</u>	<u>97,923</u>
	<u>1,482,999</u>	<u>1,263,532</u>

The monthly average number of persons (including senior management / leadership team) employed by the group during the year expressed as full time equivalents was as follows:

	<b>2023</b>	<b>2022</b>
	<b>No</b>	<b>No</b>
Management	4	4
Parks and Allotments	19	14
Enterprise	11	11
Operations	<u>8</u>	<u>6</u>
	<u>42</u>	<u>35</u>

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2023

No employee received emoluments of more than £60,000 during the year.

The total employee benefits of the key management personnel of the group were £210,867 (2022 - £200,243).

#### 14 Auditors' remuneration

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Audit of the financial statements	<u>13,750</u>	<u>8,800</u>

#### 15 Taxation

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

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### 16 Tangible fixed assets

##### Group

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Computer equipment £	Parks and allotments fixtures & fittings £	Office equipment £	Total £
<b>Cost</b>							
At 1 April 2022	41,500	183,617	53,270	53,880	191,388	19,238	542,893
Additions	<u>21,721</u>	<u>15,339</u>	<u>6,299</u>	<u>1,418</u>	<u>69,338</u>	<u>3,813</u>	<u>117,928</u>
At 31 March 2023	<u>63,221</u>	<u>198,956</u>	<u>59,569</u>	<u>55,298</u>	<u>260,726</u>	<u>23,051</u>	<u>660,821</u>
<b>Depreciation</b>							
At 1 April 2022	139	39,314	5,023	27,961	38,743	4,677	115,857
Charge for the year	<u>1,174</u>	<u>39,150</u>	<u>14,895</u>	<u>15,741</u>	<u>48,728</u>	<u>4,082</u>	<u>123,770</u>
At 31 March 2023	<u>1,313</u>	<u>78,464</u>	<u>19,918</u>	<u>43,702</u>	<u>87,471</u>	<u>8,759</u>	<u>239,627</u>
<b>Net book value</b>							
At 31 March 2023	<u>61,908</u>	<u>120,492</u>	<u>39,651</u>	<u>11,596</u>	<u>173,255</u>	<u>14,292</u>	<u>421,194</u>
At 31 March 2022	<u>41,361</u>	<u>144,303</u>	<u>48,247</u>	<u>25,919</u>	<u>152,645</u>	<u>14,561</u>	<u>427,036</u>

The parks and allotments managed by the charity are done so under 125 year leases granted by Newcastle City Council. As these spaces remain the property of the Council, no value has been recognised upon granting of the leases in the accounts of the charity.

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### Charity

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Computer equipment £	Parks and allotments fixtures & fittings £	Office equipment £	Total £
<b>Cost</b>							
At 1 April 2022	41,500	183,617	50,719	53,880	191,388	13,448	534,552
Additions	21,721	15,339	-	-	42,986	1,262	81,308
At 31 March 2023	<u>63,221</u>	<u>198,956</u>	<u>50,719</u>	<u>53,880</u>	<u>234,374</u>	<u>14,710</u>	<u>615,860</u>
<b>Depreciation</b>							
At 1 April 2022	139	39,314	4,895	27,961	38,743	4,162	115,214
Charge for the year	1,174	39,150	12,682	15,387	42,367	3,572	114,332
At 31 March 2023	<u>1,313</u>	<u>78,464</u>	<u>17,577</u>	<u>43,348</u>	<u>81,110</u>	<u>7,734</u>	<u>229,546</u>
<b>Net book value</b>							
At 31 March 2023	<u>61,908</u>	<u>120,492</u>	<u>33,142</u>	<u>10,532</u>	<u>153,264</u>	<u>6,976</u>	<u>386,314</u>
At 31 March 2022	<u>41,361</u>	<u>144,303</u>	<u>45,824</u>	<u>25,919</u>	<u>152,645</u>	<u>9,286</u>	<u>419,338</u>

The parks and allotments managed by the charity are done so under 125 year leases granted by Newcastle City Council. As these spaces remain the property of the Council, no value has been recognised upon granting of the leases in the accounts of the charity.

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### 17 Fixed asset investments

##### Charity

	2023 £	2022 £
Shares in group undertakings and participating interests	<u>1</u>	<u>1</u>

##### Shares in group undertakings and participating interests

	Subsidiary undertakings £	Total £
<b>Cost</b>		
At 1 April 2022	<u>1</u>	<u>1</u>
At 31 March 2023	<u>1</u>	<u>1</u>
<b>Net book value</b>		
At 31 March 2023	<u>1</u>	<u>1</u>
At 31 March 2022	<u>1</u>	<u>1</u>

#### Details of undertakings

Details of the investments in which the charity holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held		Principal activity
			2023	2022	
<b>Subsidiary undertakings</b>					
Newcastle Parks Enterprises Limited Ouseburn Parks, Visitors Centre, Red Walk, Newcastle upon Tyne, NE7 7BQ	United Kingdom	Ordinary	100%	100%	Provision of a cafe and shop within Newcastle upon Tyne

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### Subsidiaries

The loss for the financial period of Newcastle Parks Enterprises Limited was £31,582 (2022 - £5,111) and the aggregate amount of capital and reserves at the end of the period was (£36,747) (2022 - (£5,164)).

#### 18 Stock

	Group		Charity	
	2023 £	2022 £	2023 £	2022 £
Stocks	6,573	8,181	-	-

#### 19 Debtors

	Group		Charity	
	2023 £	2022 £	2023 £	2022 £
Trade debtors	150,867	165,120	149,408	165,076
Due from group undertakings	-	-	87,326	67,237
Prepayments	11,847	41,238	9,892	16,318
Accrued income	707,231	143,367	707,231	143,367
VAT recoverable	37,207	-	37,207	-
Other debtors	9,526	-	9,526	-
	<u>916,678</u>	<u>349,725</u>	<u>1,000,590</u>	<u>391,998</u>

Included within amounts owed to group above, is a working capital loan of £38,316 made to the trading subsidiary, Newcastle Parks Enterprises Limited. It attracts interest at 2% above the Bank of England base rate and matures in June 2026.

As a result this balance is due after one year.

#### 20 Cash and cash equivalents

	Group		Charity	
	2023 £	2022 £	2023 £	2022 £
Cash on hand	3,976	5,786	3,840	5,065
Cash at bank	972,190	1,308,019	946,703	1,236,002
	<u>976,166</u>	<u>1,313,805</u>	<u>950,543</u>	<u>1,241,067</u>

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### 21 Creditors: amounts falling due within one year

	Group		Charity	
	2023 £	2022 £	2023 £	2022 £
Trade creditors	207,899	174,324	205,314	139,832
Other taxation and social security	22,526	24,041	22,526	24,041
VAT	-	4,815	-	4,815
Other creditors	8,031	19,780	6,888	19,722
Accruals	200,712	270,480	184,530	253,522
Deferred income	74,087	69,030	74,087	69,030
	<u>513,255</u>	<u>562,470</u>	<u>493,345</u>	<u>510,962</u>

#### Deferred income

##### Group

	2023 £	2022 £
Deferred income at 1 April 2022	(69,030)	(104,739)
Resources deferred in the period	74,087	69,030
Amounts released from previous periods	<u>69,030</u>	<u>104,739</u>
Deferred income at year end	<u>74,087</u>	<u>69,030</u>

##### Charity

	2023 £	2022 £
Deferred income at 1 April 2022	(69,030)	(104,739)
Resources deferred in the period	74,087	69,030
Amounts released from previous periods	<u>69,030</u>	<u>104,739</u>
Deferred income at year end	<u>74,087</u>	<u>69,030</u>

#### 22 Pension and other schemes

##### Defined contribution pension scheme

The group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £84,128 (2022 - £94,923).

Contributions totalling £5,839 (2022 - 5,853) were payable to the scheme at the end of the year and are included in creditors.

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### Defined benefit pension schemes

##### Tyne & Wear Pension Fund

The date of the most recent comprehensive actuarial valuation was 31 March 2019. Upon transfer of the 125 year leases over the parks and allotments owned by Newcastle City Council, the LGPS liability was also transferred.

The LGPS is a defined benefit statutory scheme administered in accordance with Local Government Pension Scheme Regulations 2013 and currently provides benefits based on career average revalued earnings. Full details of the benefits being valued are as set out in the Regulations as amended and summarised on the LGPS website and the Fund's membership booklet.

The date of the most recent comprehensive actuarial valuation was 31 March 2019. To assess the value of the Employer's liabilities at 31 March 2023, we have rolled forward the value of the Employer's liabilities calculated for the funding valuation as at 31 March 2023, using financial assumptions that comply with FRS 102.

The full actuarial valuation involved projecting future cashflows to be paid from the Fund and placing a value on them. These cashflows include pensions currently being paid to members of the Fund as well as pensions (and lump sums) that may be payable in future to members of the Fund or their dependents. These pensions are linked to inflation and will normally be payable on retirement for the life of the member or a dependant following a member's death.

It is not possible to assess the accuracy of the estimated value of liabilities as at 31 March 2023 without completing a full valuation. However, we are satisfied that the approach of rolling forward the previous valuation data to 31 March 2023 should not introduce any material distortions in the results provided that the actual experience of the Employer and the Fund has been broadly in line with the underlying assumptions, and that the structure of the liabilities is substantially the same as at the latest formal valuation. From the information we have received there appears to be no evidence that this approach is inappropriate.

Whilst the charity continues to account for the defined benefit pension scheme assets and liabilities in accordance with FRS 102 (and reports the actuary calculated figures within the accounts) the charity has signed a legal deed, dated 15 November 2021, with the Council for the pension scheme to be subsumed should a cessation event occur. A cessation event is where the charity has no active employees left in the defined benefit pension scheme, which would trigger the Section 75 'exit' debt to become immediately payable by the charity.

The council will therefore cover the historic liabilities of the defined benefit pension scheme and the charity will fund the cost of participating in the scheme until such time as the active members were consulted and their participation in the scheme ended.

Until such a time that all employees of the charity that are active members of the defined benefit pension scheme leave the scheme, then the charity will continue to account for the FRS 102 benefit pension scheme.

In the year ended 31 March 2023 the actuarial valuation for FRS 102 showed a surplus over liabilities at that date of £107,000. In accordance with FRS 102 paragraph 28.22, a pension scheme asset is recognised on the balance sheet only to the extent that it is able to recover the surplus either through reduced contributions in the future or through refunds from the plan. This condition was not met at the balance sheet date and therefore the surplus was not recognised.

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### *Reconciliation of scheme assets and liabilities to assets and liabilities recognised*

The amounts recognised in the statement of financial position are as follows:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Fair value of scheme assets	1,725,000	1,965,000
Present value of defined benefit obligation	<u>(1,618,000)</u>	<u>(3,106,000)</u>
	107,000	(1,141,000)
Pension asset value not recognised (as per FRS102 para 28.22)	<u>(107,000)</u>	<u>-</u>
Defined benefit pension scheme deficit	<u><u>-</u></u>	<u><u>(1,141,000)</u></u>

	<b>2023</b>
	<b>£</b>
Actuarial gain	1,294,000
Movement in asset value (not recognised)	<u>(107,000)</u>
	<u><u>1,187,000</u></u>

#### *Defined benefit obligation*

Changes in the defined benefit obligation are as follows:

	<b>2023</b>
	<b>£</b>
Present value at start of year	3,106,000
Current service cost	30,000
Interest cost	84,000
Actuarial gains and losses	(1,594,000)
Benefits paid	(12,000)
Contributions by scheme participants	<u>4,000</u>
Present value at end of year	<u><u>1,618,000</u></u>

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### ***Fair value of scheme assets***

Changes in the fair value of scheme assets are as follows:

	<b>2023</b>
	<b>£</b>
Fair value at start of year	1,965,000
Interest income	53,000
Actuarial gains and losses	(300,000)
Employer contributions	15,000
Contributions by scheme participants	4,000
Benefits paid	<u>(12,000)</u>
Fair value at end of year	<u><u>1,725,000</u></u>

#### ***Analysis of assets***

The major categories of scheme assets are as follows:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Cash and cash equivalents	2	2
Equity instruments	51	57
Government bonds	1	2
Property	11	8
Corporate bonds	20	19
Other	11	12
Multi Asset Credit	<u>4</u>	<u>-</u>
	<u><u>100</u></u>	<u><u>100</u></u>

#### ***Return on scheme assets***

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Return on scheme assets	<u>(247,000)</u>	<u>131,000</u>

The pension scheme has not invested in any of the group's own financial instruments or in properties or other assets used by the group.

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### ***Principal actuarial assumptions***

The principal actuarial assumptions at the statement of financial position date are as follows:

	<b>2023</b>	<b>2022</b>
	%	%
Pension accounts revaluation rate	3.00	3.00
Discount rate	4.60	2.70
Future salary increases	4.10	4.50
Future pension increases	2.60	3.00
Inflation	2.60	3.00

#### ***Post retirement mortality assumptions***

	<b>2023</b>	<b>2022</b>
	Years	Years
Current UK pensioners at retirement age - male	22.00	22.00
Current UK pensioners at retirement age - female	25.00	25.00
Future UK pensioners at retirement age - male	23.00	24.00
Future UK pensioners at retirement age - female	26.00	27.00

## **23 Commitments**

### **Group**

#### **Other financial commitments**

Operating leases:

The total amount of other financial commitments not provided in the financial statements was £Nil (2022 - £15,251).

### **Charity**

#### **Other financial commitments**

Operating leases:

The total amount of other financial commitments not provided in the financial statements was £Nil (2022 - £15,251).

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### 24 Funds

##### Group

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 March 2023 £
<b>Unrestricted</b>						
Unrestricted Fund	(55,148)	2,435,079	(2,487,962)	1,099,639	-	991,608
<b>Designated</b>						
Backlog Maintenance	971,645	-	-	(971,645)	-	-
Pension	(1,141,000)	-	(46,000)	-	1,187,000	-
<b>Total unrestricted funds</b>	<u>(224,503)</u>	<u>2,435,079</u>	<u>(2,533,962)</u>	<u>127,994</u>	<u>1,187,000</u>	<u>991,608</u>
<b>Restricted funds</b>						
Northumbrian Water	16,217	-	(16,217)	-	-	-
Leazes Park	20,000	-	(918)	-	-	19,082
Tree Planting Fund	7,185	13,138	(15,348)	-	-	4,975
Havannah Nature Reserve	262	-	(2,007)	-	-	(1,745)
Fishermans Lodge	387,545	-	(26,586)	-	-	360,959
Pet's Corner Appeal	-	382	(382)	-	-	-
Brandling Park Refurbishment	40,410	-	-	-	-	40,410
National Lottery Community Fund	9,917	-	(9,917)	-	-	-
Blossoms Project	9,980	4,000	(9,980)	-	-	4,000
Beelines	99,765	343,236	(429,068)	-	-	13,933
LGA Foundation	828	2,844	(3,271)	-	-	401
Trees for Cities	1,523	-	(1,523)	-	-	-
North East Community Forest	7,924	-	(11)	-	-	7,913
Kickstart	1,236	27,223	(28,459)	-	-	-
Safer Parks Initiative	-	4,750	-	-	-	4,750
Social Investment Business Grant	16,988	-	(16,988)	-	-	-
Heritage Lottery Fund	-	130,798	(83,130)	(47,668)	-	-
NEIRF	-	28,890	(26,908)	-	-	1,982
S106	-	61,237	-	(61,237)	-	-
Fundraising	-	7,064	-	(7,064)	-	-

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2023

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 March 2023 £
Queens Jubilee	-	15,000	(15,000)	-	-	-
Springbank	-	51,628	(39,603)	(12,025)	-	-
Northumbria Uni	-	7,425	(7,425)	-	-	-
Sustrans	-	477,004	(117,916)	-	-	359,088
<b>Total restricted funds</b>	<u>619,780</u>	<u>1,174,619</u>	<u>(850,657)</u>	<u>(127,994)</u>	<u>-</u>	<u>815,748</u>
<b>Total funds</b>	<u>395,277</u>	<u>3,609,698</u>	<u>(3,384,619)</u>	<u>-</u>	<u>1,187,000</u>	<u>1,807,356</u>

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### Charity

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 March 2023 £
<b>General</b>						
Unrestricted Fund	(49,983)	1,967,813	(1,989,114)	1,099,639	-	1,028,355
<b>Designated</b>						
Backlog Maintenance	971,645	-	-	(971,645)	-	-
Pension	(1,141,000)	-	(46,000)	-	1,187,000	-
<b>Total unrestricted funds</b>	<b>(219,338)</b>	<b>1,967,813</b>	<b>(2,035,114)</b>	<b>127,994</b>	<b>1,187,000</b>	<b>1,028,355</b>
<b>Restricted funds</b>						
Northumbrian Water Limited	16,217	-	(16,217)	-	-	-
Heritage Lottery Fund - Walker Park	-	130,798	(83,130)	(47,668)	-	-
Leazes Park	20,000	-	(918)	-	-	19,082
Tree Planting Fund	7,185	13,138	(15,348)	-	-	4,975
Havannah Nature Reserve	262	-	(2,007)	-	-	(1,745)
Fishermans Lodge	387,545	-	(26,586)	-	-	360,959
Jesmond Dene Appeal	-	382	(382)	-	-	-
Brandling Park Refurbishment	40,410	-	-	-	-	40,410
National Lottery Community Fund	9,917	-	(9,917)	-	-	-
Blossoms Project	9,980	4,000	(9,980)	-	-	4,000
Beelines	99,765	343,236	(429,068)	-	-	13,933
LGA Foundation	828	2,844	(3,271)	-	-	401
Trees For Cities	1,523	-	(1,523)	-	-	-
North East Community Forest	7,924	-	(11)	-	-	7,913
Kickstart	1,236	27,223	(28,459)	-	-	-
Safer Parks Initiative	-	4,750	-	-	-	4,750
Reach Fund	16,988	-	-	-	-	16,988
NEIRF	-	28,890	(26,908)	-	-	1,982
Social Investment Business Grant	-	-	(16,988)	-	-	(16,988)
S106	-	61,237	-	(61,237)	-	-
Fundraising	-	7,064	-	(7,064)	-	-

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2023

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 March 2023 £
Queens Jubilee	-	15,000	(15,000)	-	-	-
Springbank	-	51,628	(39,603)	(12,025)	-	-
Northumbria University	-	7,425	(7,425)	-	-	-
Sustrans	-	477,004	(117,916)	-	-	359,088
<b>Total restricted funds</b>	<u>619,780</u>	<u>1,174,619</u>	<u>(850,657)</u>	<u>(127,994)</u>	<u>-</u>	<u>815,748</u>
<b>Total funds</b>	<u>400,442</u>	<u>3,142,432</u>	<u>(2,885,771)</u>	<u>-</u>	<u>1,187,000</u>	<u>1,844,103</u>

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2023

The specific purposes for which the funds are to be applied are as follows:

Northumbrian Water Limited - To support and grow volunteering and to grow the fundraising capacity and capability.

Food Nation - To create orchards at Walker and St. Lawrence's Parks

Heritage Lottery Heritage Fund - Walker Park - Project to enhance the parks appeal to a broad range of users through the provision of improved facilities and the restoration and enhancement of existing fabric.

Leazes Park - To provide improved play facilities in the park.

Tree Planting Fund - Various grants to support tree planting across our parks.

Havannah Nature Reserve - Grants to install a path across the south grassland/heathland area at Havannah and Three Hills Nature Reserve.

Fisherman's Lodge - To repair Fisherman's Lodge in Jesmond Dene.

Heaton Park Playground - To provide improved play facilities in the park.

Pet's Corner Appeal - To provide improved facilities in the park.

Hadrian Trust - To support Urban Green Clean and other volunteering work.

Brandling Park Refurbishment - To provide improved facilities in the park.

The National Lottery Community Fund - To support Urban Green Clean and other volunteering work

Blossom Together -To create a meaningful, beautiful space in Exhibition Park for more people being able to connect with nature supported by National Trust and People's Postcode Lottery

Nineveh Trust - To support a Community Gardener post

Beelines - Partnership between UG and Northumberland Wildlife Trust. Enhancing environment for Pollinators and re-engaging the public.

Banks Community Fund - Big Water Country Park – to plant trees and clear some of the pathways

LGA Foundation - To provide café seating and planters at Exhibition Park

Trees for Cities -To provide funding for planting 1000 trees in Harbottle Park, Byker and providing volunteering opportunities

North East Community Forest - As part of the North East Community Forest– tree and hedgerow planting within Newcastle.

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### 25 Analysis of net assets between funds

##### Group

	<b>Unrestricted funds General £</b>	<b>Restricted funds £</b>	<b>Total funds at 31 March 2023 £</b>
Tangible fixed assets	421,194	-	421,194
Current assets	1,083,669	815,748	1,899,417
Current liabilities	(513,255)	-	(513,255)
<b>Total net assets</b>	<b>991,608</b>	<b>815,748</b>	<b>1,807,356</b>

	<b>Unrestricted funds</b>		<b>Restricted funds £</b>	<b>Total funds at 31 March 2022 £</b>
	<b>General £</b>	<b>Designated £</b>		
Tangible fixed assets	427,036	-	-	427,036
Current assets	80,286	971,645	619,780	1,671,711
Current liabilities	(562,470)	-	-	(562,470)
Pension scheme liability	-	(1,141,000)	-	(1,141,000)
<b>Total net assets</b>	<b>(55,148)</b>	<b>(169,355)</b>	<b>619,780</b>	<b>395,277</b>

##### Charity

	<b>Unrestricted General £</b>	<b>Restricted £</b>	<b>Total funds £</b>
Tangible fixed assets	386,314	-	386,314
Fixed asset investments	1	-	1
Net current assets/(liabilities)	642,040	815,748	1,457,788
<b>Total net assets</b>	<b>1,028,355</b>	<b>815,748</b>	<b>1,844,103</b>

	<b>Unrestricted</b>			<b>Total funds at 31 March 2022 £</b>
	<b>General £</b>	<b>Designated £</b>	<b>Restricted £</b>	
Tangible fixed assets	419,338	-	-	419,338
Fixed asset investments	1	-	-	1
Net current assets/(liabilities)	(469,322)	971,645	619,780	1,122,103
Pension scheme liability	-	(1,141,000)	-	(1,141,000)
<b>Total net assets</b>	<b>(49,983)</b>	<b>(169,355)</b>	<b>619,780</b>	<b>400,442</b>

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### 26 Analysis of net funds

##### Group

	At 1 April 2022 £	Financing cash flows £	At 31 March 2023 £
Cash at bank and in hand	<u>1,313,805</u>	<u>(337,639)</u>	<u>976,166</u>
Net funds	<u>1,313,805</u>	<u>(337,639)</u>	<u>976,166</u>
	At 1 April 2021 £	Financing cash flows £	At 31 March 2022 £
Cash at bank and in hand	<u>1,498,069</u>	<u>(184,264)</u>	<u>1,313,805</u>
Net funds	<u>1,498,069</u>	<u>(184,264)</u>	<u>1,313,805</u>

#### 27 Related party transactions

##### Charity

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

##### Northumberland Wildlife Trust

(Urban Green Newcastle has a trustee in common with Northumberland Wildlife Trust)

The Northumberland Wildlife Trust hold a lease at Prestwich Carr and as such pays an annual rent of £1,000 to Urban Green Newcastle. This amount was repaid in full during the year.

Furthermore, Urban Green Newcastle paid Northumberland Wildlife Trust £59,126 (2022- £41,465) for professional services towards 'Beelines Claim'.

At the year end, there was £nil ( 2022 - £22,703) in trade creditors. . At the balance sheet date the amount due to/from Northumberland Wildlife Trust was £Nil (2022 - £Nil).

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### **Newcastle City Council**

(There are Councillors on the Board of Urban Green Newcastle.)

As at 1 April 2019, the management of a number of parks and allotments within Newcastle upon Tyne was transferred by the Council to Urban Green Newcastle. Under the terms of the asset transfer agreement the charity entered into a 125 year lease. No value has been attached to the assets on lease given the restrictive use of the assets under the terms of the lease. To assist with this, a service level agreement was entered into with Urban Green invoicing Newcastle City Council for £1,234,715 gross during the year (2022 - £2,131,240).

Newcastle City Council also collect car parking income, charitable donations and rental income on behalf of the charity. During the year, amount totalling £279,268 (2022 - £231,194) were collected.

A further £41,647 (2022 - £nil) was received in the year as a result of insurance proceeds for a property now managed by Urban Green. In addition to this, Section106 grants of £61,237 (2022 - £nil) have also been recognised.

Grants were also provided by the Council totalling £131,993 (2022 - £nil) in addition to licence fees £250 (2022 - £nil) and event fees of £5,790 (2022 - £nil).

During the year, the council invoiced Urban Green Newcastle £887,146 (2022 - £989,467) for various services including repairs and water rates.

At the year end an amount of £55,866 is included within trade creditors (2022 - £73,700).. At the balance sheet date the amount due to/from Newcastle City Council was £Nil (2022 - £Nil).

#### **Greenan Blueaye Limited and Ninkasi Pubco Limited**

(Urban Green Newcastle is related to both Greenan Blueaye Limited and Ninkasi Pubco Limited by way of having directors in common.)

Greenan Blueaye Limited and Ninkasi Pubco Limited occupy land and buildings which are leased to and managed by Urban Green Newcastle. They are charged rent at a rate of £15,000 per annum (2022 - £15,000) under normal commercial terms. At the year end £4,500 was in trade debotrs (2022 - £4,500).

Also, in 2022, Urban Green Newcastle invoiced Greenan Blueage Limited and Ninkasi Pubco Limited £nil (2022- £483) for electricity charges.. At the balance sheet date the amount due to/from Greenan Blueaye Limited and Ninkasi Pubco Limited was £Nil (2022 - £Nil).

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### **Newcastle Parks Enterprises Limited**

(Subsidiary of Urban Green Newcastle.)

During the year, Urban Green paid salaries to Newcastle Parks Enterprises totalling £221,394.47 (2022-£164,628).

Furthermore, during the year, Urban Green Newcastle invoiced Newcastle Parks Enterprises Limited £46,286 (2022-£24,567) for numerous costs including rent, repairs and maintenance, business and water rates.

As well as this a cash float totalling £184 (2022- £1,801) was provided from Urban Green Newcastle to Newcastle Parks Enterprises Limited.

Urban Green Newcastle also collected cash takings for Newcastle Parks Enterprises Limited, totalling £38,590 (2022- £35,658)

In the year, there was also transfer of £nil from Urban Green Newcastle relating to an insurance claim (2022-£15,808).

Additionally there is a loan to Newcastle Parks Enterprises Limited from Urban Green which is interest bearing at LIBOR+2%, totalling £38,317 (2022 - £38,317)

At the year end, there was an intercompany debtors balance of £49,009 (2022- £28,921). . At the balance sheet date the amount due from Newcastle Parks Enterprises Limited was £87,326 (2022 - £67,237).

#### **Jim Beirne**

Jim Beirne, chairman of Urban Green Newcastle was paid £10,000 (2022- £10,000) for support, mentoring and leadership services.. At the balance sheet date the amount due to/from Jim Beirne was £Nil (2022 - £Nil).

#### **Wylam Brewery**

(Wylam Brewery is a tenant of NPEL and has a mutual director)

During the year Newcastle Parks and Enterprises Limited paid Wylam Brewery £1,258 (2022- £nil) for beverages.. At the balance sheet date the amount due to/from Wylam Brewery was £Nil (2022 - £Nil).

**Urban Green Newcastle**

England & Wales - Charity number 1182534

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# Accounts

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Company registration number: 11533203

Charity registration number: 1182534

# URBAN GREEN NEWCASTLE

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2022

# Urban Green Newcastle

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# Urban Green Newcastle

## Reference and Administrative Details

<b>Trustees</b>	J P Beirne K Culverhouse P Collings (resigned 23 June 2022) G A Tiller A D Schofield E Ritchie R Cameron V M Keen N J Emmerson B Aitken P A Cresswell A E Durrant (resigned 26 April 2021) I Ali (resigned 25 May 2022) R Higgins (appointed 7 July 2021 and resigned 25 May 2022)
<b>Key Management Personnel</b>	J Cross - Chief Executive Officer, J Riley - Operations Director, B Hooper - Parks and Allotments Director, M Chapman - Enterprise Director,
<b>Registered Office</b>	Ouseburn Parks Visitors Centre Red Walk Newcastle upon Tyne Tyne and Wear NE7 7BQ The charity is incorporated in England and Wales.
<b>Company Registration Number</b>	11533203
<b>Charity Registration Number</b>	1182534
<b>Solicitors</b>	Womble Bond Dickinson St Ann's Wharf 112 Quayside Newcastle upon Tyne NE1 3DX
<b>Bankers</b>	Handelsbanken Newcastle upon Tyne Earl Grey House 75 - 85 Grey Street Newcastle upon Tyne NE1 6EF
<b>Auditor</b>	Azets Audit Services Bulman House Regent Centre Gosforth Newcastle upon Tyne NE3 3LS

# Urban Green Newcastle

## Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 March 2022.

### **Structure, governance and management**

#### ***Nature of governing document***

Urban Green Newcastle (previously known as Newcastle Parks and Allotments Limited until 29 January 2019 and previously as Newcastle Parks and Allotments Trust until 5 December 2019) is constituted as a registered charity and company under guarantee in accordance with its Memorandum and Articles of Association dated 23 August 2018 and last amended 2 April 2019. The company gained registered charitable status with the Charity Commission on 19 March 2019.

#### Members

The Members of Urban Green Newcastle are Newcastle City Council; and at least five and no more than eleven other Members comprising body corporates, public corporations, charitable organisations and similar organisations and partnerships that have an interest in the objects of Urban Green Newcastle. Members are appointed by the trustees. The current members are Newcastle City Council, Connected Voice, National Trust, Newcastle University, Natural History Society of Northumbria, Newcastle upon Tyne Hospitals NHS Foundation Trust, and Northumbria University.

#### ***Recruitment and appointment of trustees***

Urban Green Newcastle has up to two trustees nominated by Newcastle City Council and between six and eleven appointed trustees. Nominated trustees are nominated in writing by Newcastle City Council. Appointed trustees are appointed by the board based on their skills and experience and following a public advertisement of the vacancy and a transparent appointment basis. Where there are two nominated trustees in office there must be no less than eleven appointed trustees. Where there is one (or no) nominated trustees in office there must be no less than six appointed trustees.

#### ***Organisational structure***

The Board of Trustees met five times during the year to take strategic decisions. Several areas of responsibility are delegated to the three sub-committees of the Board:

Finance, Audit and Risk – finance, external audit and strategic risks

Compliance – statutory matters including safeguarding, health and safety, data protection and complaints.

Nominations and Remuneration – general affairs of the Board and personnel matters.

Our Urban Green Newcastle staff are structured into three departments (Operations, Enterprise, and Parks and Allotments), and led by the Chief Executive.

#### Urban Green Connect

This is an advisory panel to help the charity engage with the wider community. It was established in autumn 2020 and met three times during the year. The group advises us on how best to reach out to and involve local people, how to be inclusive, and how we can truly make a difference. Trustees appoint the Chair of the group, who is a trustee, and ensure that all other members of the group reside in Newcastle upon Tyne or surrounding areas or represent the interests of a particular group of residents in the city and are appointed following a transparent selection process.

# Urban Green Newcastle

## Trustees' Report

### Objectives and activities

#### *Objects and aims*

Urban Green Newcastle is established for public benefit, especially for the residents of and visitors to Newcastle upon Tyne and the surrounding areas to:

- maintain, protect and improve parks, open spaces, woodlands and recreational spaces;
- advance health by promoting participation in sport and other outdoor recreation;
- provide recreation and leisure facilities, including allotments; and
- advance education in the conservation, protection and improvement of the natural environment; the history, culture, heritage and traditions of the North East; and the arts, especially in parks.

#### Our vision and ambitions

The value of public green space and allotments to both people and the environment is well-documented and irrefutable. Their contributions to public health, and their benefits for physical and mental well-being, have never been clearer. They play a key role in conserving the rich culture and heritage of our city. And at a time of climate crisis and major loss of wildlife, their importance in 'trapping' carbon and enhancing biodiversity has never been higher.

The parks and allotments of Newcastle are therefore an invaluable resource for the city, with the power to improve places and enrich people's lives in so many ways. These principles drive the vision and ambitions of Urban Green Newcastle.

Our vision is for more people to enjoy and benefit from our beautiful, vibrant open spaces, which are safe, welcoming, and provide a great environment for wildlife and people which is valued by all.

Our ambitions reflect the consultations carried out with the people of Newcastle during the time of transition from Newcastle City Council into a new independent charity. They are:

- More people are enjoying beautiful and vibrant open-spaces and feeling the benefits to their health and wellbeing and that of their families and communities. In the future we will see more people of all ages, and from a wide range of backgrounds, enjoying the parks and allotments in the city. Our parks will always be free to access and to enjoy. There will be exciting large-scale events and venues, art and cultural activities and opportunities for sport and exercise. We will encourage children and young people to explore nature through educational activities in our parks.
- Our parks and allotments are safe and welcoming for all. We will invest in them to create beautiful, clean, safe and well-maintained open spaces. Income from our facilities and activities will be reinvested so people from all our city's diverse communities can enjoy our parks and allotments. People notice the difference and public satisfaction is high.
- Local people feel connected and committed to our parks and allotments. Our visitors and volunteers are passionate about all the city's parks and allotments. We are giving people opportunities to come together, get involved and feel proud of their parks, allotments, and green spaces. We offer opportunities for employment and volunteering.
- Partner organisations value our parks and allotments and are committed to helping maintain and develop them. We will build close relationships with organisations and businesses in the city and involve as many partners as possible in using and investing in our parks and allotments.
- Our parks and allotments will help conserve and improve our environment. We will help in the fight against climate change and ensure that our parks and allotments are managed in a way which benefits wildlife, conserves our rich heritage, and reduces pollution.

# Urban Green Newcastle

## Trustees' Report

### ***Fundraising disclosures***

The charity is required to report how it deals with fundraising from the public. The charity does not use a professional fundraiser or commercial participator to raise funds. Any monies raised direct from the public 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.

### ***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.

### ***Use of volunteers***

Newcastle's parks and allotments benefit from a significant amount of support from volunteers. The COVID 19 pandemic heavily affected our volunteering programme, initially stopping all activity. This year we re-established and expanded our volunteering offer across the estate, including self-guided volunteering and regular ranger-led groups. These included Urban Green Clean, an initiative that provides volunteers across the city with litter picking equipment and Urban Green Adopt, a scheme that enables regular volunteers to look after an area of the park in their own time.

We continued to develop our relationship with various supporter and Friends of Groups that support individual parks; some of these groups are registered charities, others are constituted groups, others more informal. We worked closely with volunteers in Pet's Corner, our farm and petting zoo, during the year. The majority were students based at Northumberland College or East Durham College. We also expanded our corporate volunteering offer.

### **Achievements and performance**

This year, the third of the charity's operations, saw us continue to manage the impact of COVID-19 on day-to-day activities whilst working to establish and develop our operating model. Ensuring that the estate continued to be cared for, safe and welcoming to all continued to be our priority. Yet this was also a year of change and development for our charity as we made significant progress against the five strategic aims in our corporate strategy 2021-2026.

### ***Value, care for and improve our parks and allotments***

Our parks have four Green Flag Awards and a target of achieving estate-wide Green Flag status by 2031. UGN doubled the number of Green Flags in 2020 and we are on track to achieve more in 2023.

We established or strengthened several partnerships to work with our team of park rangers, community gardeners, and engagement and volunteering staff; these relationships are vital to our work making the estate safe, cared for and attractive to all. Our innovative pilot with The Skill Mill, offering skills development opportunities to young offenders, continued throughout 2021/2, and was used as an exemplar initiative by the Future Parks Accelerator, a collaboration between the National Lottery Heritage Fund, National Trust and the Department of Levelling Up, Housing and Communities. We formed a new arrangement with The Probation Service, with groups of probationers helping to care for the parks (their work being equivalent to over 10 full-time people caring for our parks each week). UGN also partnered with the Office of the Northumbria Police and Crime Commissioner for a successful bid to Home Office for Safer Streets funding that allowed us to deliver a range of initiatives in Leazes Park. Other successful partnerships included placements and training for animal care students offered at Pets Corner; and multiple relationships established with local groups (such as Summerhill Trust, West End Women and Girls, Healthworks, Elders Council, Better Days, Smile for Life, Friends of Groups), providing a range of activities across parks and allotments

# Urban Green Newcastle

## Trustees' Report

Tree safety management was a priority during the year. Work continued to address a 10-year backlog of tree safety works across the estate. The tree estate benefited from a variety of management interventions whilst, at the same time, we worked to develop an improved tree safety assessment regime more aligned to a charitable model.

In addition to planned work our team responded to various storms during the year. Storm Arwen in November 2021 was particularly devastating and resulted in the loss of over 500 trees and multiple fences and structures. Our teams rapidly assessed damage, made parks and allotments safe, and spent over £40,000 on immediate post-storm tree safety works. We are currently carrying out phase 2 of works to tidy up remaining trees on the ground and replace fencing on allotments.

A second management priority was playgrounds and play areas. We have invested over £250,000 in equipment, repairs and renovations, either directly or in partnership with Newcastle City Council. We also launched an improved regime of play area inspection services by bringing this work in-house, delivering better value for money and reviewing long-term maintenance issues. As a result, UGN now has a dedicated Play Ranger and an upskilled wider team.

Our Beelines Initiative, funded by the Green Recovery Challenge Fund, launched in autumn 2021. In partnership with Northumberland Wildlife Trust the project aims to connect 3,500 people with nature, plant 25,000 bulbs and 2,500 trees, and create 18 ha of nectar rich grassland and 750 m<sup>2</sup> of flower borders. To date 4,500 people connected with nature (exceeding target, with 40% from low IMD areas); 30 hectares of grassland has been identified to be improved for pollinators; 300m<sup>2</sup> of flower border have been rejuvenated with pollinator friendly planting schemes (including at Leazes, Exhibition, Heaton and Walker Parks); and a variety of blossom trees have been planted, including support for the Queen's Green Canopy.

We are responsible for about 60 buildings in parks including former park lodges, bowling pavilions, a variety of huts and depots, listed buildings and sports facilities. A range of other community buildings exist within allotments. Work during the year concentrated on getting the basics right so we could reopen up buildings as lockdown restrictions eased. We created a definitive list of properties, established who is using them and focused on confirming that the buildings meet statutory safety standards.

Some larger buildings have been in very poor condition for many years. UGN is trying to stabilise these buildings and establish what future work is required to bring them back to life. We improved safety measures at Banqueting Hall and Deep Dene House in Jesmond Dene, and Western Lodge in Leazes Park to protect the public; commissioned a condition survey for Banqueting Hall; carried out remedial works at Deep Dene House to prevent further deterioration; and put ongoing safety checks in place.

There is still much to do; getting the basics right will remain central to our property work for several years into the future.

Knowing buildings are now safer and better run than they were means we can start to develop our vision, and plan new uses for them in accordance with our corporate priorities and resources. Working with consultants and property management companies we have started works on refurbishments and breathing new life into the property portfolio.

Many of the parks would benefit from bookable community space, providing opportunities for both UGN and communities to offer social events, classes, workshops and community gatherings. We have piloted this approach at the Paddy Freeman's Pavilion and worked on projects in other parks.

# Urban Green Newcastle

## Trustees' Report

### ***Develop a rich, diverse, and exemplary visitor experience across our estate***

We opened two Urban Green Cafés in Exhibition and Paddy Freeman's Parks in May and August 2021. Our fair trade cafes work with local suppliers wherever possible, supporting the local economy, flying the flag for North-East producers, and reducing food miles. The cafes have allowed us to provide free of charge, accessible, public toilet facilities in both parks and many customers, especially in Paddy Freeman's Park, have commented that they are able use the park again as a result. The openings were complicated by continued Covid-19 lockdown restrictions and by arson attacks in Exhibition Park. Nevertheless, we have welcomed over 300,000 customers since opening, served over 90,000 coffees and scooped over 40,000 ice creams. We also again increased the number of food and drink concessions in the parks to provide a greater choice for park users and worked with tenants operating cafes and restaurants from park buildings in Exhibition, Heaton, Leazes, Tyne Riverside and Jesmond Dene Parks.

The lifting of restrictions because of Covid-19 allowed our Cultural Programme of events and activities to blossom during the year. We worked closely with event organisers and promoters to accommodate their requirements into a revised programme that can be supported by our infrastructure and not place too great a pressure on the estate, adjacent landowners, the statutory authorities, and neighbours in the community. This included working on applications for premises licences for Exhibition Park and Leazes Park which were approved at licence hearings in March and May 2022.

The Cultural Programme diversifies events and builds engagement. It is a curation of visual arts, live performances, digital works, and pop-up experiences. These interventions will celebrate our heritage and build new touchpoints with the community, develop champions and place parks and allotments at the heart of public life. Most of the programme was organised by third parties using parks and events spaces - community-based events, larger music and arts activities, fun runs, sporting events, theatre and cinema. During the year we welcomed over 2,300 small events and activities (events with less than 500 attendees at one time); 6 medium sized events (events with between 501 and 5,000 attendees at one time); and 2 large events (with more than 5000 and up to 14,999 attendees at one time). The larger events included This is Tomorrow that took place in Exhibition Park (and the Town Moor - managed by the Freeman) and Naughty 90s in Leazes Park.

Our strategy is to develop and catalyse new partnerships and initiatives to ensure that provision is spread equitably across our estate and the city. Highlights included 26 engagement sessions aimed at women and girls held at Leazes Park with support from the Safer Parks programme and securing funding from the Social Investment Business to examine how four parks could be developed to host larger events safely and effectively. We developed and funded free trails in 21 parks during the Spring, Winter and Autumn along with free supporting activities sheets. Paddy Freeman's Pavilion was refurbished leading to an increase in regular and one-off bookings.

### ***Provide opportunities for enhancing health and wellbeing across our estate***

The allotments are a vital resource generating health benefits across the city. We continued to manage over 60 sites across the city providing advice and guidance to allotment associations as well as managing some sites directly. This included supporting associations and users to navigate Covid-19 restrictions, as well as coordinating repairs and maintenance.

We continued to collaborate with Newcastle City Council on the design, coordination and delivery of sport and physical activity programmes in parks within the Urban Green Newcastle estate. A collaboration with Newcastle City Council will encourage getting our communities outdoors and active. Urban Green Newcastle also collaborated with NCC to deliver improvements to play and adult gym equipment. We worked with partners to help us reach out and support those needing to get outside and active, for example, involving The Elders Council in choosing age-appropriate exercise equipment in Armstrong Park, and providing guidance on new seating.

# Urban Green Newcastle

## Trustees' Report

### ***Seek opportunities to combat climate change and enhance the environment***

UGN is committed to be carbon net-negative by 2031 and varied activities contributed towards this objective during the year. Prominent was a diversity of tree-planting initiatives, with local communities, scouts, volunteer groups and other partners that saw UGN exceed our target of planting 5,000 trees by 2026. So far we have planted over 6,000 trees, with 5,500 more planned in 2022/3. Specific grant-funded initiatives included a partnership with North East Community Forest and Trees for Cities to carry out extensive planting. We also secured funding from the National Trust via the People's Postcode Lottery to deliver one of four national 'Blossom Together' initiatives, creating blossom features to celebrate the environment and reflect on the impacts of the pandemic in Exhibition Park. We also worked with the Sakura Project, celebrating a new era of UK-Japan friendship and cooperation, to plant blossom trees in Hodgkin and Elswick Parks and hosted Princess Anne to plant a native crab-apple in Exhibition Park as part of the Queen's Green Canopy.

A variety of corporate relationships were also created: with Ringtons to plant 750 trees at Harbottle Park; with Traidcraft Exchange to offer sponsors the chance to plant a tree in Heaton Park, as well as providing vital funding for the Plant an Acre initiative reforesting areas in Tanzania; and with Hay and Kilner solicitors.

Various wetland and riverine management schemes were undertaken. We partnered with Groundwork North East through their Revitalising Estuaries initiative to deliver improvements to riverside parks; we created two new ponds at Walbottle and one at Percy Pit with funding from Natural England; and we oversaw a major intervention costing over £30,000 to reduce flooding and remove silt from the Reigh Burn at Tyne Riverside Park. At the same time we created a partnership with Northumbria Water, Environment Agency, Tyne Rivers Trust and Newcastle City Council to look at options for a major habitat creation initiative at Tyne Riverside Park addressing flood management issues, such as subsidence, run-off, and rising mine water, which have been unresolved since 1980.

Other strategic projects include working with Newcastle City Council and a private developer to finalise the first s106 agreement that will deliver biodiversity net gain for the city of Newcastle at Percy Pit Park over the next 25 years; working also with Newcastle City Council to explore the implications and opportunities from the emerging Nature Recovery Network; and commissioning the first Conservation Management Plan for Havannah and Three Hills Local Nature Reserve to inform future maintenance and management.

UGN also worked to develop our operational infrastructure with a variety of interventions ranging from commissioning solar panels at our café in Exhibition Park; investing in the first electric vehicle to support our operations; establishing green waste management and recycling facilities; and repairing a range of environmentally efficient building facilities.

### ***Develop the resources and organisational capability to deliver our vision***

Our founding Chief Executive, James Cross, resigned from the charity in September 2021 and Carol Pyrah joined Urban Green Newcastle in July 2022. Jon Riley, our Operations Director, was acting Chief Executive whilst the recruitment process was carried out, with support from the Chairman and Board of Trustees.

Through the year the number of staff employed by Urban Green Newcastle and Newcastle Parks Enterprises increased from 31 FTE to 35 FTE at year end. At 31 March 2022 there were 67 individual employees (2021: 37 employees) and during the year there were 46 (2021: 14) individual new starters, whilst 15 (2021: 3) people left the group.

# Urban Green Newcastle

## Trustees' Report

An important achievement was establishing a programme for education, training, and skills. Highlights included creating four Kickstart traineeships in our Ranger and Pet's Corner teams and hosting placement and voluntary positions across the organisation.

Whilst our charity continued to deliver a wide range of projects, initiatives and activities across the estate, important work took place to strengthen our internal systems and processes. During the year Trustees approved or re-approved a range of policies covering key areas of responsibility including finance, employment, health and safety, safeguarding, complaints and data protection.

### Donors, grant funders and sponsors

Thank you to the following organisations and partners who have provided financial and in-kind support to Urban Green Newcastle through the year:

Access – The Foundation for Social Investment

Awards for All

Banks Community Fund

Better Days

Bruce Wake Charitable Trust

Catch 22

Cicarelli

Exhibition and Brandling Parks Community Trust

Friends of Denton Dene

Friends of Gosforth Central Park

Friends of Heaton and Armstrong Parks

Friends of Jesmond Dene

Friends of Leazes Park

Friends of Nunsmoor Park

Friends of Paddy Freemans

Friends of Sugley Dene

Future Parks Accelerator, a collaboration between the National Lottery Heritage Fund, National Trust and the Department of Levelling Up, Housing and Communities

GoodGym

Gosforth Garden Village Tennis Club

Greening Wingrove

Groundwork NE and Cumbria

Hadrian Trust

Hay and Kilner Solicitors

Healthworks

Heaton Model Boat Club

# Urban Green Newcastle

## Trustees' Report

Kickstart Scheme

Kirkley Hall

LGA Foundation

Lord Lieutenant of Tyne and Wear

Microsoft

National Citizenship Service

National Lottery Heritage Fund

National Trust

Natural History Society for Northumbria

Newcastle Allotments Working Group

Newcastle City Council

Newcastle United Football Foundation

Newcastle University

Nineveh Trust

North East Community Forest

Northumberland Wildlife Trust

Northumbria Police and Crime Commissioner

Northumbria University

Northumbria Water

One Landscapes

Ouseburn Farm

People's Postcode Lottery

Probation Service

Ringtons

Summerhill Trust

Take Ten Minutes

The Bostey

The Government's Green Recovery Challenge Fund. The fund was developed by Defra and its Arm's-Length Bodies. It is being delivered by The National Lottery Heritage Fund in partnership with Natural England, the Environment Agency and Forestry Commission

The Skill Mill

The Social Investment Business

Traidcraft Exchange

Trees for Cities

Tyne Rivers Trust

# Urban Green Newcastle

## Trustees' Report

Waitrose

Walker Workers

West End Women and Girls

YMCA

And all the many other people and organisations who have helped and supported us over the year.

### Financial review

#### *Policy on reserves*

In June 2020, trustees reviewed the forecast income streams, expenditure commitments and working capital requirements arising from Urban Green Newcastle's responsibility for managing and maintaining 33 parks and 61 allotment sites across Newcastle-upon-Tyne. This led to the formal adoption of a reserves policy.

The trustees wish to ensure that they could maintain the parks and allotments estate for at least 6 months in the event of a significant loss of income or another catastrophic event. This would allow time to develop a response, for example making significant structural changes to the charity. The trustees are committed to an operating model that reduces the charity's dependence on income from Newcastle City Council and diversifies income from property, trading and philanthropic sources. In addition, plans for the coming years allow for general reserves to be increased to provide 9-12 months cover for commitments on repairs to the buildings and other capital infrastructure across our estate. Further, Urban Green Newcastle's financial agreement with Newcastle City Council provides income specifically to invest in our estate and to address a historic shortfall in repairs and maintenance; the trustees have created an unrestricted, designated fund to manage the balances of this income.

At current levels of activity, the unrestricted general cash reserves should be approximately £1 million. Currently, the general reserve (free reserve) is £(482,284) with a further £971,645 designated for backlog maintenance. The trustees will review the policy and progress towards meeting the target level of reserves annually.

#### *Principal funding sources*

The principal funding sources during the year were:

- A 10-year contribution agreement with Newcastle City Council provided £1,776,033 (2021: £1,707,174).
- Property income generated £656,017 (2021: £361,375) from letting of buildings, allotments and car parking charges.
- Sales of goods and services through Urban Green cafes generated £365,177 (2021: £nil).
- A variety of grants from trust, foundations and companies generated £476,336 (2021: £194,733).

#### **Key Management Personnel**

The board, have considered who the Key Management Personnel (KMP) of the charity, as noted in the Reference and Administration section. Together with the board, these KMP are those in charge of directing and controlling, running, and operating the activities of the charity on a day-to-day basis. The pay of the KMP is reviewed annually. The trustees benchmark against pay levels of other charities and similar organisations within the sector and the region. Pay levels are set using this information together with the budget and forecast information, ensuring that the charity can afford any proposed increases. The board then agree any uplift to remuneration.

# Urban Green Newcastle

## Trustees' Report

### **Going concern**

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

The charity meets its day to day working capital requirements through cash generated from operations and grant funding.

The charity's forecasts and projections for the next twelve months (which includes the guaranteed funding from NCC) show that the charity should be able to continue in operational existence for that period, taking into account possible changes in trading performance.

### **Plans for future periods**

A corporate strategy for the next 10 years was completed by the Key Management Personnel and launched in spring 2021.

### ***Current Challenges and Opportunities***

Urban Green Newcastle represents a radical change for managing parks and green space within the city. The intention is to find new ways of financing the improvements needed, and develop alternative management models, to provide exciting new opportunities and benefits for the people of the city.

However, achieving these ambitions is not without its challenges. The creation of the charity came as a direct result of the crisis in local government funding, when spending on parks, allotments and green space across the country had hit an all-time low. In Newcastle upon Tyne, council spending into the parks service had reduced by 90% over seven years, leading to job losses and a serious decline in management of the parks. Urban Green Newcastle has subsequently inherited a service with few effective systems in place, a backlog of maintenance requirements stretching back over more than 10 years, and a portfolio of assets which are in urgent need of investment.

Addressing these issues in the current economic climate will not be easy. Public finances continue to be under severe pressure, and the implications of the separation of the UK from the EU are unknown in terms of both longer-term funding and legislation. At the same time, the impacts of the global Covid-19 pandemic have had a significant impact on the economy nationally.

Meanwhile, the combined crises of climate change and wildlife extinction mean that the need for rapid action to address carbon emissions and environmental degradation has never been higher.

While these are serious challenges, there are reasons to feel positive about the future. As an independent charity, focussed solely on parks and allotments, we are able to take a holistic view of the estate. We can explore funding and establish new relationships and partnerships in a way which was not possible for the local authority. In addition, all funding generated from the parks and allotments will be reinvested back into them, with a focus on ensuring a more equitable share of investment and opportunity across all the estate.

At the same time, the series of lockdowns caused by Covid-19 demonstrated the value of local, publicly accessible green space, and raised its importance in the public and political consciousness in a way which has not been apparent for many years. It is unclear if and how this awareness might be translated into additional funding, but it should be possible to build upon the opportunities this might bring.

# Urban Green Newcastle

## Trustees' Report

This is therefore an important time for Newcastle's parks and allotments. Public support and enthusiasm for green spaces have never been greater. While there will undoubtedly be considerable challenges over the next five years, there is huge opportunity, and great potential for the new charity. These have informed the priorities to be addressed through our aims and objectives between 2021 and 2026.

### ***Aims and key objectives for future periods***

Aim 1: Value, care for and improve our parks and allotments

Urban Green Newcastle has inherited an estate which has been in decline for many years. All the parks and allotments require significant investment to bring them to an acceptable standard, and to start to improve. We are committed to reversing this decline and creating beautiful spaces which will be valued and loved by the people of Newcastle. Our success will be measured by the number of parks achieving Green Flag status, with the aim of reaching 15 awards by 2026.

Aim 2: Develop a rich, diverse and exemplary visitor experience across our estate

We are committed to improving this experience and increasing visitor numbers from an estimated 6 million per year in 2020 to 7 million per year in 2026. But it is not just about numbers; it is about the diversity of people visiting and enjoying the parks and allotments, and the quality of their experiences.

Aim 3: Provide opportunities for enhancing health and wellbeing across our estate

The parks and allotments offer huge potential for enhancing the physical and mental health and wellbeing of the people of Newcastle. It has been estimated that this is worth £128 million in 2020 (Natural Capital Account for Urban Green Newcastle, Vivid Economics 2020). By 2026, we aim to improve this to a value of £165 million.

Aim 4: Seek opportunities to combat climate change and enhance the environment

We are facing unprecedented challenges regarding climate change and wildlife crisis. We have an opportunity to make a real difference across Newcastle within parks and allotments. We can start by setting a target of reducing our emissions by 25% by 2026, with the aim of becoming carbon net negative as a charity by 2030, sequestering more climate change gases across the estate than generated by our activities.

Aim 5: Develop the resources and organisational capability to deliver our vision

We are a new organisation taking over an estate in poor condition. To fulfil our ambitions over the next 5 years, there is a lot to be put in place. We need to build a strong team of expert and motivated staff and establish efficient internal systems. We need to become financially secure as an organisation by increasing commercial and philanthropic income to £2 million per year by 2026.

### ***Activities planned to achieve aims***

Value, care for and improve parks and allotments

To achieve this, we will:

- Address the backlog of maintenance to improve the safety and appearance of parks and allotments.

# Urban Green Newcastle

## Trustees' Report

- Establish management principles and plans for improving parks, in partnership with key stakeholders and in consultation with local communities.
- Improve the quality of allotments, in consultation with key stakeholders, to ensure that these are safe, welcoming spaces which promote the benefits of local food.
- Address the poor condition of buildings and structures across the estate and develop a programme of repair and investment.
- Work with partners and key stakeholders to facilitate improved long-term and sustainable management and maintenance across our estate and ensure statutory compliance.

Develop a rich, diverse and exemplary visitor experience across the estate

To achieve this, we will:

- Create vibrant and accessible parks, with improved facilities, a greater range of events and activities, and increased opportunities for recreation and play.
- Improve understanding of the stories and significance of heritage assets, and implement a programme to both conserve them, and bring them to life. Build a creative arts and cultural offer across the estate which excites, stimulates, and provides an emotional connection for visitors.
- Encourage meaningful and fulfilling community engagement in activities and events, including the planning of parks.
- Raise understanding and awareness of our parks and allotments through improved communications, interpretation, and marketing.

Provide opportunities for enhancing health and wellbeing across the estate

To achieve this, we will:

- Facilitate opportunities for local food production and raise awareness and understanding of the benefits of healthy eating.
- Stimulate greater participation in physical activity and sports, including a wide range of opportunities to suit all abilities.
- Explore partnerships to promote mental health and wellbeing across parks and allotments.
- Increase opportunities for a rich and diverse volunteering offer.
- Establish a programme for education, training, and skills across all parts of the organisation.

Seek opportunities to combat climate change and enhance the environment

To achieve this, we will:

- Adopt and apply sustainability principles to all our activities and develop a carbon reduction plan.
- Explore options for renewable energy regeneration across the estate.
- Improve our woodland management, tackling the backlog of maintenance, creating plans, and embarking upon a tree planting strategy.
- Support the development of city-wide green infrastructure plans, in conjunction with Newcastle City Council and partners.

# Urban Green Newcastle

## Trustees' Report

- Increase understanding of the biodiversity across the estate, improving habitat management and implementing strategies for vulnerable species.
- Strengthen the systems for flood management and improve waterway management across the estate.

Develop the resources and organisational capability to deliver our vision

To achieve this, we will:

- Establish robust policies, systems and processes for the charity and its commercial trading elements.
- Create a positive, safe, and engaged culture in the workplace for staff, including proactive training and development.
- Ensure financial resilience and sound stewardship of resources, including the development of investment plans for commerce, property, and new facilities.
- Maximise fundraising by creating opportunities for sponsorship and philanthropic giving.
- Work with key partners, including Newcastle City Council, to secure gains for green infrastructure through local and regional policy and development.
- Establish effective systems for measuring and reporting performance across all aspects of the charity.

# Urban Green Newcastle

## Trustees' Report

### Statement of Trustees' Responsibilities

The trustees (who are also the directors of Urban Green Newcastle for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

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

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

# Urban Green Newcastle

## Trustees' Report

### Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

### Reappointment of auditor

Azets Audit Services Limited, trading as Azets Audit Services, were appointed auditor to the company following their acquisition of the trade of Tait Walker LLP, trading as MHA Tait Walker, on 1 May 2022.

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Azets Audit Services as auditors of the charity is to be proposed at the forthcoming Annual General Meeting.

The annual report was approved by the trustees of the charity on 26/09/2022 and signed on its behalf by:



.....  
J P Beirne  
Trustee

# Urban Green Newcastle

## Independent Auditor's Report to the Members of Urban Green Newcastle

### Opinion

We have audited the financial statements of Urban Green Newcastle (the 'charitable parent company') and its subsidiaries (the 'group') for the year ended 31 March 2022, which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Balance Sheet, Consolidated Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31 March 2022 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements were authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

### Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

## Urban Green Newcastle

### Independent Auditor's Report to the Members of Urban Green Newcastle

We have nothing to report in this regard.

#### **Opinion on other matters prescribed by the Companies Act 2006**

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

- the information given in the and Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the and Trustees' Report have been prepared in accordance with applicable legal requirements.

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

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 15), the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

#### **Auditor responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

## Urban Green Newcastle

### Independent Auditor's Report to the Members of Urban Green Newcastle

- Enquiries with management about any known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing board minutes;
- Challenging assumptions and judgements made by management in their significant accounting estimates; and
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

Because of the field in which the client operates, we identified the following areas as those most likely to have a material impact on the financial statements: Health and Safety; employment laws; and compliance with the UK Companies Act and Charities Act.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with ISAs (UK). For instance, the further removed non-compliance is from the event and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### Use of our report

This report is made solely to the charitable parent company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the group's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable parent company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Simon Brown BA ACA DChA (Senior Statutory Auditor)  
For and on behalf of Azets Audit Services  
Chartered Accountants  
Statutory Auditor  
Bulman House  
Regent Centre  
Gosforth  
Newcastle upon Tyne  
NE3 3LS

Date:.....10/10/2022.....

Azets Audit Services is a trading name of Azets Audit Services Limited.

## Urban Green Newcastle

### Consolidated Statement of Financial Activities for the Year Ended 31 March 2022

#### (Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2022 £	Total 2021 £
<b>Income and Endowments from:</b>					
Donations and legacies	3	18,940	457,396	476,336	194,733
Charitable activities	4	2,432,050	-	2,432,050	2,068,549
Other trading activities	5	368,537	-	368,537	3,615
Investment income	6	-	-	-	813
Other income	7	27,980	-	27,980	476,545
Total Income		<u>2,847,507</u>	<u>457,396</u>	<u>3,304,903</u>	<u>2,744,255</u>
<b>Expenditure on:</b>					
Raising funds	8	(390,510)	-	(390,510)	(1,047)
Charitable activities	9	<u>(2,244,357)</u>	<u>(345,770)</u>	<u>(2,590,127)</u>	<u>(2,319,595)</u>
Total Expenditure		<u>(2,634,867)</u>	<u>(345,770)</u>	<u>(2,980,637)</u>	<u>(2,320,642)</u>
Net income		212,640	111,626	324,266	423,613
Transfers between funds		85,675	(85,675)	-	-
<b>Other recognised gains and losses</b>					
Actuarial gains on defined benefit pension schemes		<u>388,000</u>	<u>-</u>	<u>388,000</u>	<u>(473,000)</u>
Net movement in funds		686,315	25,951	712,266	(49,387)
<b>Reconciliation of funds</b>					
Total funds brought forward		<u>(910,818)</u>	<u>593,829</u>	<u>(316,989)</u>	<u>(267,602)</u>
Total funds carried forward	24	<u><u>(224,503)</u></u>	<u><u>619,780</u></u>	<u><u>395,277</u></u>	<u><u>(316,989)</u></u>

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

The funds breakdown for 2021 is shown in note 24.

## Urban Green Newcastle

### Comparative Consolidated Statement of Financial Activities for the Year Ended 31 March 2021 (Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2021 £
<b>Income and Endowments from:</b>				
Donations and legacies	3	101,551	93,182	194,733
Charitable activities	4	2,068,549	-	2,068,549
Other trading activities	5	3,615	-	3,615
Investment income	6	813	-	813
Other income	7	26,545	450,000	476,545
Total income		<u>2,201,073</u>	<u>543,182</u>	<u>2,744,255</u>
<b>Expenditure on:</b>				
Raising funds	8	(1,047)	-	(1,047)
Charitable activities	9	<u>(2,282,815)</u>	<u>(36,780)</u>	<u>(2,319,595)</u>
Total expenditure		<u>(2,283,862)</u>	<u>(36,780)</u>	<u>(2,320,642)</u>
Net (expenditure)/income		(82,789)	506,402	423,613
Transfers between funds		5,085	(5,085)	-
<b>Other recognised gains and losses</b>				
Actuarial gains on defined benefit pension schemes		<u>(473,000)</u>	<u>-</u>	<u>(473,000)</u>
Net movement in funds		(550,704)	501,317	(49,387)
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>(360,114)</u>	<u>92,512</u>	<u>(267,602)</u>
Total funds carried forward	24	<u><u>(910,818)</u></u>	<u><u>593,829</u></u>	<u><u>(316,989)</u></u>

# Urban Green Newcastle

(Registration number: 11533203)

## Consolidated Balance Sheet as at 31 March 2022

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	16	427,036	104,586
<b>Current assets</b>			
Stocks	18	8,181	-
Debtors	19	349,725	292,316
Cash at bank and in hand	20	<u>1,313,805</u>	<u>1,498,069</u>
		1,671,711	1,790,385
<b>Creditors: Amounts falling due within one year</b>	21	<u>(562,470)</u>	<u>(740,960)</u>
<b>Net current assets</b>		<u>1,109,241</u>	<u>1,049,425</u>
<b>Net assets excluding pension liability</b>		1,536,277	1,154,011
<b>Pension scheme liability</b>	22	<u>(1,141,000)</u>	<u>(1,471,000)</u>
<b>Net assets/(liabilities) including pension liability</b>		<u><u>395,277</u></u>	<u><u>(316,989)</u></u>
<b>Funds of the group:</b>			
<b>Restricted income funds</b>			
Restricted funds	24	619,780	593,829
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>(224,503)</u>	<u>(910,818)</u>
<b>Total funds</b>	24	<u><u>395,277</u></u>	<u><u>(316,989)</u></u>

The financial statements on pages 20 to 52 were approved by the trustees, and authorised for issue on 26/09/2022 and signed on their behalf by:



.....  
J P Beirne  
Trustee

# Urban Green Newcastle

## (Registration number: 11533203) Balance Sheet as at 31 March 2022

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	16	419,338	104,586
Investments		<u>1</u>	<u>1</u>
		<u>419,339</u>	<u>104,587</u>
<b>Current assets</b>			
Debtors	19	391,998	292,315
Cash at bank and in hand	20	<u>1,241,067</u>	<u>1,498,069</u>
		1,633,065	1,790,384
<b>Creditors: Amounts falling due within one year</b>	21	<u>(510,962)</u>	<u>(740,960)</u>
<b>Net current assets</b>		<u>1,122,103</u>	<u>1,049,424</u>
<b>Net assets excluding pension liability</b>		1,541,442	1,154,011
<b>Pension scheme liability</b>	22	<u>(1,141,000)</u>	<u>(1,471,000)</u>
<b>Net assets/(liabilities) including pension liability</b>		<u>400,442</u>	<u>(316,989)</u>
<b>Funds of the charity:</b>			
<b>Restricted income funds</b>			
Restricted funds	24	619,780	593,829
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>(219,338)</u>	<u>(910,818)</u>
<b>Total funds</b>	24	<u>400,442</u>	<u>(316,989)</u>

The financial statements on pages 20 to 52 were approved by the trustees, and authorised for issue on 26/09/2022 and signed on their behalf by:



.....  
J P Beirne  
Trustee

## Urban Green Newcastle

### Consolidated Statement of Cash Flows for the Year Ended 31 March 2022

	Note	2022 £	2021 £
<b>Cash flows from operating activities</b>			
Net cash income/(expenditure)		712,266	(49,387)
<b>Adjustments to cash flows from non-cash items</b>			
Depreciation	8	86,952	22,702
Investment income	6	-	(813)
Adjustments for non cash items		<u>(330,000)</u>	<u>518,001</u>
		469,218	490,503
<b>Working capital adjustments</b>			
Increase in stocks	18	(8,181)	-
(Increase)/decrease in debtors	19	(57,409)	264,463
(Decrease)/increase in creditors	21	(142,781)	358,697
Decrease in deferred income		<u>(35,709)</u>	<u>(319,325)</u>
Net cash flows from operating activities		<u>225,138</u>	<u>794,338</u>
<b>Cash flows from investing activities</b>			
Interest receivable and similar income	6	-	813
Purchase of tangible fixed assets	16	<u>(409,402)</u>	<u>(58,174)</u>
Net cash flows from investing activities		<u>(409,402)</u>	<u>(57,361)</u>
Net (decrease)/increase in cash and cash equivalents		(184,264)	736,977
Cash and cash equivalents at 1 April		<u>1,498,069</u>	<u>761,092</u>
Cash and cash equivalents at 31 March		<u>1,313,805</u>	<u>1,498,069</u>

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

# Urban Green Newcastle

## Notes to the Financial Statements for the Year Ended 31 March 2022

### 1 Charity status

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

The address of its registered office is: Ouseburn Parks, Visitors Centre, Red Walk, Newcastle upon Tyne, Tyne and Wear, NE7 7BQ

### 2 Accounting policies

#### Summary of significant accounting policies and key accounting estimates

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

#### Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

#### Basis of preparation

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

The financial statements are prepared in sterling, which is the functional currency of the entity and rounded to the nearest £.

#### Basis of consolidation

The consolidated financial statements consolidate the financial statements of the charity and its subsidiary undertakings drawn up to 31 March 2022.

No statement of financial activities is presented for the charity as permitted by section 408 of the Companies Act 2006. The charity made a surplus after tax for the financial year of £717,429 (2021 - deficit of £49,387).

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2022

A subsidiary is an entity controlled by the charity. Control is achieved where the charity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the statement of financial activities from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the group.

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill.

Inter-company transactions, balances and unrealised gains on transactions between the charity and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

#### Going concern

The balance sheet reports a surplus position at the year end (which means that total assets exceed total liabilities) by £395,177 (2021: deficit position of £316,989) after the FRS 102 Pension Liability of £1,141,000. This pension liability is a long term liability and as explained further in Note 22 will not crystallise in the short term and for the reasons noted, will likely be removed at a future point when there are no active members remaining in the scheme.

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Charity forecasts have been prepared which support the ability of the charity to remain a going concern and be able to trade and meet their debts as they fall due.

#### Estimation uncertainty and judgements

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

# Urban Green Newcastle

## Notes to the Financial Statements for the Year Ended 31 March 2022

There are considered to be no significant judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies which effect the amounts recognised in the financial statements

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

Depreciation is estimated so as to write off the cost of an asset, less its residual value, over the useful economic life of that asset.

Tyne & Wear Pension Fund - The present value of the Tyne & Wear Pension Fund defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the new cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, will impact the carrying amount of the pension liability.

### **Income and endowments**

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

### ***Donations and legacies***

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

### ***Grants receivable***

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

### ***Deferred income***

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

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

### ***Gift aid***

Incoming resources from tax reclaims are included in the Statement of Financial Activities at the same time as the gift to which they relate.

### ***Investment income***

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

# Urban Green Newcastle

## Notes to the Financial Statements for the Year Ended 31 March 2022

### Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources.

### Raising funds

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

### Charitable activities

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

### Governance costs

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

### Taxation

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

### Tangible fixed assets

Individual fixed assets costing £1,000.00 or more are initially recorded at cost.

### Depreciation and amortisation

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

<b>Asset class</b>	<b>Depreciation method and rate</b>
IT equipment	3 years straight line
Office equipment	4 years straight line
Parks and allotments fixtures and fittings	5 years straight line
Buildings fixtures and fittings	5 years straight line

### Stock

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

# Urban Green Newcastle

## Notes to the Financial Statements for the Year Ended 31 March 2022

### Trade debtors

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

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

Prepayments and accrued income relates to amounts paid in advance of services / goods being received and income received in advance of goods / services being provided respectively.

### Cash and cash equivalents

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

### Trade creditors

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

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

### Fund structure

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

There is a designated unrestricted income fund in respect of backlog maintenance. This is due to Newcastle City Council providing the charity with £570,000 for each of its first 5 years for backlog maintenance and is to be ring-fenced in the accounts accordingly.

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

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### **Pensions and other post retirement obligations**

The entity operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the charity. The contributions payable are charged to the income and expenditure account.

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

The entity also operates a defined benefit pension scheme for employees.

Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the Statement of Financial Position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the reporting date minus the fair value of plan assets. The defined benefit obligation is measured using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future payments by reference to market yields at the reporting date on high quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

Actuarial gains and losses are charged or credited to other comprehensive income in the period in which they arise.

Changes in the net defined benefit asset or liability arising from employee service are recognised in profit or loss as a current service cost where it relates to services in the current period and as a past service cost where it relates to services in the prior periods. Costs relating to plan introductions, benefit changes, curtailments and settlements are recognised in profit or loss in the period in which they occur.

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### 3 Income from donations and legacies

	<b>Unrestricted funds General £</b>	<b>Restricted funds £</b>	<b>Total 2022 £</b>
Donations and legacies;			
Donations from companies, trusts and similar proceeds	18,940	2,367	21,307
Grants, including capital grants;			
Grants, including capital grants	-	455,029	455,029
	<u>18,940</u>	<u>457,396</u>	<u>476,336</u>
	<b>Unrestricted funds General £</b>	<b>Restricted funds £</b>	<b>Total 2021 £</b>
Donations and legacies;			
Donations from companies, trusts and similar proceeds	25,150	24,132	49,282
Grants, including capital grants;			
Grants, including capital grants	56,681	69,050	125,731
Covid related grants	19,720	-	19,720
	<u>101,551</u>	<u>93,182</u>	<u>194,733</u>

#### 4 Income from charitable activities

	<b>Unrestricted funds General £</b>	<b>Total 2022 £</b>
Contribution Agreement	1,776,033	1,776,033
Property Income	656,017	656,017
	<u>2,432,050</u>	<u>2,432,050</u>
	<b>Unrestricted funds General £</b>	<b>Total 2021 £</b>
Contribution Agreement	1,707,174	1,707,174
Property Income	361,375	361,375
	<u>2,068,549</u>	<u>2,068,549</u>

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2022

A contribution Agreement is in place with Newcastle City Council whereby they pay the charity an agreed sum each year to assist with the costs of the first 10 years of the management of the parks and allotments. After this 10 year period, there is no funding guaranteed from the Council.

Property income consists of money receivable from tenants of the allotments and other spaces managed by the charity.

#### 5 Income from other trading activities

	<b>Unrestricted</b>	<b>Total</b>	<b>Total</b>
	<b>General</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Sales of goods and services	365,177	365,177	-
Events income	3,360	3,360	-
Retail income	-	-	1,715
Sponsorship income	-	-	1,900
	<u>368,537</u>	<u>368,537</u>	<u>3,615</u>

#### 6 Investment income

	<b>Total</b>	<b>Total</b>
	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Interest receivable on bank deposits	-	813
	<u>-</u>	<u>813</u>

#### 7 Other income

	<b>Unrestricted</b>	<b>Total</b>	<b>Total</b>
	<b>funds</b>	<b>2022</b>	<b>2021</b>
	<b>General</b>	<b>£</b>	<b>£</b>
	<b>£</b>		
Other income	27,980	27,980	476,545
	<u>27,980</u>	<u>27,980</u>	<u>476,545</u>
	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>
	<b>funds</b>	<b>funds</b>	<b>2021</b>
	<b>General</b>	<b>£</b>	<b>£</b>
	<b>£</b>		
Other income	26,545	450,000	476,545
	<u>26,545</u>	<u>450,000</u>	<u>476,545</u>

Other income in the prior year included £450,000 insurance income in respect of a fire at Fisherman's Lodge prior to the property being transferred to Urban Green.

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### 8 Expenditure on raising funds

##### a) Costs of trading activities

	<b>Unrestricted funds General £</b>	<b>Total 2022 £</b>	<b>Total 2021 £</b>
Fundraising trading costs;			
Fundraising	-	-	289
Costs of goods sold	221,127	221,127	758
Staff Costs	169,383	169,383	-
	<u>390,510</u>	<u>390,510</u>	<u>1,047</u>

Expenditure on raising funds includes cost of cafe sales run by Newcastle Parks Enterprises Limited.

#### 9 Expenditure on charitable activities

	<b>Unrestricted</b>		<b>Total 2022 £</b>	<b>Total 2021 £</b>
	<b>General £</b>	<b>Restricted £</b>		
Marketing and publicity	10,751	17,780	28,531	11,720
Sundry expenses	5,489	5,483	10,972	46,091
Vehicles and other travel and subsistence expenses	18,564	1,674	20,238	22,091
Wages and salaries	787,236	111,319	898,555	839,927
Governance costs	35,941	-	35,941	36,334
Employers NI	78,159	6,944	85,103	73,547
Employers pensions	90,537	5,678	96,215	94,776
Property costs	376,605	25,077	401,682	245,747
VAT advice and IT support	7,091	4,334	11,425	1,800
Legal and professional	172,938	62,229	235,167	149,059
Direct expenses	660,496	105,252	765,748	798,503
	<u>2,243,807</u>	<u>345,770</u>	<u>2,589,577</u>	<u>2,319,595</u>

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2022

	Activity undertaken directly £	Activity support costs £	2022 £	2021 £
Direct costs	2,100,445	-	2,100,445	1,723,894
Support costs	-	453,191	453,191	559,367
Governance costs	-	35,941	35,941	36,334
	<u>2,100,445</u>	<u>489,132</u>	<u>2,589,577</u>	<u>2,319,595</u>

In addition to the expenditure analysed above, there are also governance costs of £35,941 (2021 - £36,335) which relate directly to charitable activities. See note 10 for further details.

#### 10 Analysis of governance and support costs

##### Support costs allocated to charitable activities

	Governance costs £	Other support costs £	Total funds £
Advertising and Marketing costs	-	8,161	8,161
Premises costs	-	8,671	8,671
Telephone, internet and computer costs	-	43,209	43,209
Office costs	2,807	21,606	24,413
Insurance	-	92,336	92,336
Staff costs	14,276	220,403	234,679
Legal and professional costs	18,858	15,052	33,910
Support services	-	43,753	43,753
<b>Total for 2022</b>	<u>35,941</u>	<u>453,191</u>	<u>489,132</u>
<b>Total for 2021</b>	<u>36,334</u>	<u>559,367</u>	<u>595,701</u>

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### Governance costs

	Unrestricted funds General £	Restricted funds £	Total 2022 £	Total 2021 £
Staff costs				
Wages and salaries	12,607	-	12,607	22,130
Social security costs	1,515	-	1,515	2,569
Pension costs	155	-	155	263
Audit fees				
Audit of the financial statements	6,216	584	6,800	5,250
Legal fees	12,608	-	12,608	5,833
Other governance costs	2,806	-	2,806	290
	<u>35,907</u>	<u>584</u>	<u>36,491</u>	<u>36,335</u>

The charity allocates costs direct to activities as far as possible and then it identifies the remaining costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are apportioned between the key charitable activities undertaken in the year. The basis for apportionment and the analysis of support and governance costs is set out as follows:

Direct to governance: Audit fee, independent examination fees, other accountancy fees and bank charges.

Direct to charitable activities: All other expenditure incurred.

The wage costs of the Chief Executive Officer and the Executive Assistant have been split 20% governance and 80% charitable activities. No other expenses have been apportioned between the two funds mentioned above.

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### 11 Net incoming/outgoing resources

Net incoming resources for the year include:

	2022 £	2021 £
Audit fees	6,800	5,250
Depreciation, amortisation and other similar costs	<u>85,938</u>	<u>22,702</u>

#### 12 Trustees remuneration and expenses

During the year the group made the following transactions with trustees:

##### J P Beirne

£10,000 (2021: £5,000) of expenses were reimbursed to J P Beirne during the year.

J Beirne invoiced Urban Green Newcastle for support, mentoring and leadership services including supporting the Charity's executive team whilst the chief executive post was vacant; and coaching and mentoring support to the chief executive from time to time of the Charity.

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

#### 13 Staff costs

The aggregate payroll costs were as follows:

	2022 £	2021 £
<b>Staff costs during the year were:</b>		
Wages and salaries	1,073,055	862,057
Social security costs	92,554	76,116
Pension costs	<u>97,923</u>	<u>95,039</u>
	<u>1,263,532</u>	<u>1,033,212</u>

The monthly average number of persons (including senior management / leadership team) employed by the group during the year expressed as full time equivalents was as follows:

	2022 No	2021 No
Management	4	4
Parks and Allotments	14	13
Enterprise	11	5
Operations	<u>6</u>	<u>4</u>
	<u>35</u>	<u>26</u>

No employee received emoluments of more than £60,000 during the year.

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2022

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

	<b>2021</b>
	<b>No</b>
£80,001 - £90,000	<u>1</u>

The total employee benefits of the key management personnel of the group were £200,243 (2021 - £228,264).

#### 14 Auditors' remuneration

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Audit of the financial statements	<u>6,800</u>	<u>5,250</u>

#### 15 Taxation

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

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### 16 Tangible fixed assets

##### Group

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Computer equipment £	Parks and allotments fixtures & fittings £	Office equipment £	Total £
<b>Cost</b>							
At 1 April 2021	-	44,958	-	39,773	41,698	7,062	133,491
Additions	41,500	138,659	53,270	14,107	149,690	12,176	409,402
At 31 March 2022	41,500	183,617	53,270	53,880	191,388	19,238	542,893
<b>Depreciation</b>							
At 1 April 2021	-	5,594	-	12,962	8,267	2,082	28,905
Charge for the year	139	33,720	5,023	14,999	30,476	2,595	86,952
At 31 March 2022	139	39,314	5,023	27,961	38,743	4,677	115,857
<b>Net book value</b>							
At 31 March 2022	41,361	144,303	48,247	25,919	152,645	14,561	427,036
At 31 March 2021	-	39,364	-	26,811	33,431	4,980	104,586

The parks and allotments managed by the charity are done so under 125 year leases granted by Newcastle City Council. As these spaces remain the property of the Council, no value has been recognised upon granting of the leases in the accounts of the charity.

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### Charity

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Computer equipment £	Parks and allotments fixtures & fittings £	Office equipment £	Total £
<b>Cost</b>							
At 1 April 2021	-	44,958	-	39,773	41,698	7,062	133,491
Additions	41,500	138,659	50,719	14,107	149,690	6,386	401,061
At 31 March 2022	41,500	183,617	50,719	53,880	191,388	13,448	534,552
<b>Depreciation</b>							
At 1 April 2021	-	5,594	-	12,962	8,267	2,082	28,905
Charge for the year	139	33,720	4,895	14,999	30,476	2,080	86,309
At 31 March 2022	139	39,314	4,895	27,961	38,743	4,162	115,214
<b>Net book value</b>							
At 31 March 2022	41,361	144,303	45,824	25,919	152,645	9,286	419,338
At 31 March 2021	-	39,364	-	26,811	33,431	4,980	104,586

The parks and allotments managed by the charity are done so under 125 year leases granted by Newcastle City Council. As these spaces remain the property of the Council, no value has been recognised upon granting of the leases in the accounts of the charity.

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### 17 Fixed asset investments

##### Charity

	2022 £	2021 £
Shares in group undertakings and participating interests	<u>1</u>	<u>1</u>

##### Shares in group undertakings and participating interests

	Subsidiary undertakings £	Total £
<b>Cost</b>		
At 1 April 2021	<u>1</u>	<u>1</u>
At 31 March 2022	<u>1</u>	<u>1</u>
<b>Net book value</b>		
At 31 March 2022	<u>1</u>	<u>1</u>
At 31 March 2021	<u>1</u>	<u>1</u>

#### Subsidiaries

On 7 March 2019, the charitable company subscribed to a £1 share, being 100% of the share capital, for its trading subsidiary company Newcastle Parks Enterprise Limited, a company incorporated in England and Wales.

The company remained dormant throughout the year to 31 March 2021, however started trading during 2022 and hence consolidated accounts have been prepared.

#### 18 Stock

	Group 2022 £	Charity 2022 £
Stocks	<u>8,181</u>	<u>-</u>

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### 19 Debtors

	Group		Charity	
	2022 £	2021 £	2022 £	2021 £
Trade debtors	165,120	142,083	165,076	142,083
Due from group undertakings	-	-	67,237	-
Prepayments	41,238	11,386	16,318	11,386
Accrued income	143,367	138,844	143,367	138,844
Other debtors	-	3	-	2
	<u>349,725</u>	<u>292,316</u>	<u>391,998</u>	<u>292,315</u>

Included within amounts owed to group above, is a working capital loan of £38,316 made to the trading subsidiary, Newcastle Parks Enterprises Limited. It attracts interest at 2% above the Bank of England base rate and matures in June 2026. As a result this balance is due after one year.

#### 20 Cash and cash equivalents

	Group		Charity	
	2022 £	2021 £	2022 £	2021 £
Cash on hand	5,786	874	5,065	874
Cash at bank	<u>1,308,019</u>	<u>1,497,195</u>	<u>1,236,002</u>	<u>1,497,195</u>
	<u>1,313,805</u>	<u>1,498,069</u>	<u>1,241,067</u>	<u>1,498,069</u>

#### 21 Creditors: amounts falling due within one year

	Group		Charity	
	2022 £	2021 £	2022 £	2021 £
Trade creditors	174,324	260,926	139,832	260,926
Other taxation and social security	24,041	23,338	24,041	23,338
VAT grant repayable	4,815	126,352	4,815	126,352
Other creditors	19,780	9,707	19,722	9,707
Accruals	270,480	215,898	253,522	215,898
Deferred income	<u>69,030</u>	<u>104,739</u>	<u>69,030</u>	<u>104,739</u>
	<u>562,470</u>	<u>740,960</u>	<u>510,962</u>	<u>740,960</u>

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### Deferred income

##### Group

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Deferred income at 1 April 2021	(104,739)	(424,064)
Resources deferred in the period	69,030	104,739
Amounts released from previous periods	<u>104,739</u>	<u>424,064</u>
Deferred income at year end	<u><u>69,030</u></u>	<u><u>104,739</u></u>

##### Charity

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Deferred income at 1 April 2021	(104,739)	424,064
Resources deferred in the period	69,030	104,739
Amounts released from previous periods	<u>104,739</u>	<u>(424,064)</u>
Deferred income at year end	<u><u>69,030</u></u>	<u><u>104,739</u></u>

Deferred income has arisen in the year as a result of income being received or invoiced in advance of performance conditions and therefore revenue recognition being met. This includes funding for the year to 31 March 2023.

#### 22 Pension and other schemes

##### Defined contribution pension scheme

The group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £96,215 (2021 - £95,039).

Contributions totalling £5,853 (2021 - 6,886) were payable to the scheme at the end of the year and are included in creditors.

# Urban Green Newcastle

## Notes to the Financial Statements for the Year Ended 31 March 2022

### Defined benefit pension schemes

#### Tyne & Wear Pension Fund

The date of the most recent comprehensive actuarial valuation was 31 March 2019. Upon transfer of the 125 year leases over the parks and allotments owned by Newcastle City Council, the LGPS liability was also transferred.

The LGPS is a defined benefit statutory scheme administered in accordance with Local Government Pension Scheme Regulations 2013 and currently provides benefits based on career average revalued earnings. Full details of the benefits being valued are as set out in the Regulations as amended and summarised on the LGPS website and the Fund's membership booklet.

The date of the most recent comprehensive actuarial valuation was 31 March 2019. To assess the value of the Employer's liabilities at 31 March 2022, we have rolled forward the value of the Employer's liabilities calculated for the funding valuation as at 31 March 2022, using financial assumptions that comply with FRS 102.

The full actuarial valuation involved projecting future cashflows to be paid from the Fund and placing a value on them. These cashflows include pensions currently being paid to members of the Fund as well as pensions (and lump sums) that may be payable in future to members of the Fund or their dependents. These pensions are linked to inflation and will normally be payable on retirement for the life of the member or a dependant following a member's death.

It is not possible to assess the accuracy of the estimated value of liabilities as at 31 March 2022 without completing a full valuation. However, we are satisfied that the approach of rolling forward the previous valuation data to 31 March 2022 should not introduce any material distortions in the results provided that the actual experience of the Employer and the Fund has been broadly in line with the underlying assumptions, and that the structure of the liabilities is substantially the same as at the latest formal valuation. From the information we have received there appears to be no evidence that this approach is inappropriate.

Whilst the charity continues to account for the defined benefit pension scheme assets and liabilities in accordance with FRS 102 (and reports the actuary calculated figures within the accounts) the charity has signed a legal deed, dated 15 November 2021, with the Council for the pension scheme to be subsumed should a cessation event occur. A cessation event is where the charity has no active employees left in the defined benefit pension scheme, which would trigger the Section 75 'exit' debt to become immediately payable by the charity.

The council will therefore cover the historic liabilities of the defined benefit pension scheme and the charity will fund the cost of participating in the scheme until such time as the active members were consulted and their participation in the scheme ended.

Until such a time that all employees of the charity that are active members of the defined benefit pension scheme leave the scheme, then the charity will continue to account for the FRS 102 benefit pension scheme.

### **Reconciliation of scheme assets and liabilities to assets and liabilities recognised**

The amounts recognised in the statement of financial position are as follows:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Fair value of scheme assets	1,965,000	1,818,000
Present value of defined benefit obligation	<u>(3,106,000)</u>	<u>(3,289,000)</u>
Defined benefit pension scheme deficit	<u>(1,141,000)</u>	<u>(1,471,000)</u>

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### *Defined benefit obligation*

Changes in the defined benefit obligation are as follows:

	<b>2022</b> <b>£</b>
Present value at start of year	3,289,000
Current service cost	48,000
Interest cost	69,000
Actuarial gains and losses	(295,000)
Benefits paid	(11,000)
Contributions by scheme participants	<u>6,000</u>
Present value at end of year	<u><u>3,106,000</u></u>

#### *Fair value of scheme assets*

Changes in the fair value of scheme assets are as follows:

	<b>2022</b> <b>£</b>
Fair value at start of year	1,818,000
Interest income	38,000
Return on plan assets, excluding amounts included in interest income/(expense)	93,000
Employer contributions	21,000
Contributions by scheme participants	6,000
Benefits paid	<u>(11,000)</u>
Fair value at end of year	<u><u>1,965,000</u></u>

#### *Analysis of assets*

The major categories of scheme assets are as follows:

	<b>2022</b> <b>£</b>	<b>2021</b> <b>£</b>
Cash and cash equivalents	2	4
Equity instruments	57	55
Government bonds	2	2
Property	8	8
Corporate bonds	19	20
Other	<u>12</u>	<u>11</u>
	<u><u>100</u></u>	<u><u>100</u></u>

#### *Return on scheme assets*

	<b>2022</b> <b>£</b>	<b>2021</b> <b>£</b>
Return on scheme assets	<u><u>131,000</u></u>	<u><u>321,000</u></u>

The pension scheme has not invested in any of the group's own financial instruments or in properties or other assets used by the group.

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### *Principal actuarial assumptions*

The principal actuarial assumptions at the statement of financial position date are as follows:

	<b>2022</b>	<b>2021</b>
	%	%
Pension accounts revaluation rate	3.00	2.70
Discount rate	2.70	2.10
Future salary increases	4.50	4.20
Future pension increases	3.00	2.70
Inflation	3.00	2.70

#### *Post retirement mortality assumptions*

	<b>2022</b>	<b>2021</b>
	Years	Years
Current UK pensioners at retirement age - male	22.00	22.00
Current UK pensioners at retirement age - female	25.00	25.00
Future UK pensioners at retirement age - male	24.00	24.00
Future UK pensioners at retirement age - female	27.00	27.00

## 23 Commitments

### Group

#### **Other financial commitments**

Operating leases:

The total amount of other financial commitments not provided in the financial statements was £15,251 (2021 - £33,825).

### Charity

#### **Other financial commitments**

Operating leases:

The total amount of other financial commitments not provided in the financial statements was £15,251 (2021 - £33,825).

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### 24 Funds

##### Group

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2022 £
<b>Unrestricted</b>					
Unrestricted Fund	(111,384)	2,195,006	(2,345,843)	207,073	(55,148)
<b>Designated</b>					
Backlog Maintenance	671,566	652,501	(231,024)	(121,398)	971,645
Pension	(1,471,000)	-	330,000	-	(1,141,000)
<b>Total unrestricted funds</b>	<b>(910,818)</b>	<b>2,847,507</b>	<b>(2,246,867)</b>	<b>85,675</b>	<b>(224,503)</b>
<b>Restricted funds</b>					
Northumbrian Water	33,960	-	(17,743)	-	16,217
Food Nation	1,375	-	(1,375)	-	-
Leazes Park	20,000	-	-	-	20,000
Tree Planting Fund	1,338	6,000	(153)	-	7,185
Havannah Nature Reserve	23,000	-	(22,738)	-	262
Fishermans Lodge	450,000	-	(20,955)	(41,500)	387,545
Heaton Park Playground	16,451	-	-	(16,451)	-
Pet's Corner Appeal	1,033	2,367	(3,400)	-	-
Hadrian Trust	1,000	-	(1,000)	-	-
Brandling Park Refurbishment	45,672	160	(5,422)	-	40,410
National Lottery Community Fund	-	9,917	-	-	9,917
Blossoms Project	-	45,000	(35,020)	-	9,980
Nineveh Trust	-	5,000	(5,000)	-	-
Beelines	-	284,784	(157,295)	(27,724)	99,765
Banks Community Fund	-	4,050	(4,050)	-	-
LGA Foundation	-	1,997	(1,169)	-	828
Trees for Cities	-	2,470	(947)	-	1,523
North East Community Forest	-	27,927	(20,003)	-	7,924
Kickstart	-	2,441	(1,205)	-	1,236
Safer Parks Initiative	-	48,295	(48,295)	-	-
Social Investment Business Grant	-	16,988	-	-	16,988
<b>Total restricted funds</b>	<b>593,829</b>	<b>457,396</b>	<b>(345,770)</b>	<b>(85,675)</b>	<b>619,780</b>
<b>Total funds</b>	<b>(316,989)</b>	<b>3,304,903</b>	<b>(2,592,637)</b>	<b>-</b>	<b>395,277</b>

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### Charity

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2022 £
<b>General</b>					
Unrestricted Fund	(111,384)	1,809,480	(1,955,152)	207,073	(49,983)
<b>Designated</b>					
Backlog Maintenance	671,566	652,501	(231,024)	(121,398)	971,645
Pension	(1,471,000)	-	330,000	-	(1,141,000)
<b>Total unrestricted funds</b>	<u>(910,818)</u>	<u>2,461,981</u>	<u>(1,856,176)</u>	<u>85,675</u>	<u>(219,338)</u>
<b>Restricted funds</b>					
Northumbrian Water Limited	33,960	-	(17,743)	-	16,217
Food Nation	1,375	-	(1,375)	-	-
Leazes Park	20,000	-	-	-	20,000
Tree Planting Fund	1,338	6,000	(153)	-	7,185
Havannah Nature Reserve	23,000	-	(22,738)	-	262
Fishermans Lodge	450,000	-	(20,955)	(41,500)	387,545
Heaton Park Playground	16,451	-	-	(16,451)	-
Jesmond Dene Appeal	1,033	2,367	(3,400)	-	-
Hadrian Trust	1,000	-	(1,000)	-	-
Brandling Park Refurbishment	45,672	160	(5,422)	-	40,410
National Lottery Community Fund	-	9,917	-	-	9,917
Blossoms Project	-	45,000	(35,020)	-	9,980
Nineveh Trust	-	5,000	(5,000)	-	-
Beelines	-	284,784	(157,295)	(27,724)	99,765
Banks Community Fund	-	4,050	(4,050)	-	-
LGA Foundation	-	1,997	(1,169)	-	828
Trees For Cities	-	2,470	(947)	-	1,523
North East Community Forest	-	27,927	(20,003)	-	7,924
Kickstart	-	2,441	(1,205)	-	1,236
Safer Parks Initiative	-	48,295	(48,295)	-	-
Reach Fund	-	16,988	-	-	16,988
<b>Total restricted funds</b>	<u>593,829</u>	<u>457,396</u>	<u>(345,770)</u>	<u>(85,675)</u>	<u>619,780</u>
<b>Total funds</b>	<u>(316,989)</u>	<u>2,919,377</u>	<u>(2,201,946)</u>	<u>-</u>	<u>400,442</u>

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2022

The specific purposes for which the funds are to be applied are as follows:

Northumbrian Water Limited - To support and grow volunteering and to grow the fundraising capacity and capability.

Food Nation - To create orchards at Walker and St. Lawrence's Parks

Heritage Lottery Heritage Fund - Walker Park - Project to enhance the parks appeal to a broad range of users through the provision of improved facilities and the restoration and enhancement of existing fabric.

Leazes Park - To provide improved play facilities in the park.

Tree Planting Fund - Various grants to support tree planting across our parks.

Havannah Nature Reserve - Grants to install a path across the south grassland/heathland area at Havannah and Three Hills Nature Reserve.

Fisherman's Lodge - To repair Fisherman's Lodge in Jesmond Dene.

Heaton Park Playground - To provide improved play facilities in the park.

Pet's Corner Appeal - To provide improved facilities in the park.

Hadrian Trust - To support Urban Green Clean and other volunteering work.

Brandling Park Refurbishment - To provide improved facilities in the park.

The National Lottery Community Fund - To support Urban Green Clean and other volunteering work

Blossom Together -To create a meaningful, beautiful space in Exhibition Park for more people being able to connect with nature supported by National Trust and People's Postcode Lottery

Nineveh Trust - To support a Community Gardener post

Beelines - Partnership between UG and Northumberland Wildlife Trust. Enhancing environment for Pollinators and re-engaging the public.

Banks Community Fund - Big Water Country Park – to plant trees and clear some of the pathways

LGA Foundation - To provide café seating and planters at Exhibition Park

Trees for Cities -To provide funding for planting 1000 trees in Harbottle Park, Byker and providing volunteering opportunities

North East Community Forest - As part of the North East Community Forest– tree and hedgerow planting within Newcastle.

Kickstart - Government Kickstart Scheme providing 6 month work placements.

Safer Parks Initiative - Is a cultural programme in Leazes Park for women.

Social Investment Business Grant - To support the organisation to be investment ready

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### 25 Analysis of net assets between funds

##### Group

	Unrestricted funds		Restricted funds	Total funds at 31 March 2022
	General	Designated		
	£	£	£	£
Tangible fixed assets	427,036	-	-	427,036
Current assets	80,286	971,645	619,780	1,671,711
Current liabilities	(562,470)	-	-	(562,470)
Pension scheme liability	-	(1,141,000)	-	(1,141,000)
Total net assets	<u>(55,148)</u>	<u>(169,355)</u>	<u>619,780</u>	<u>395,277</u>

	Unrestricted funds		Restricted funds	Total funds at 31 March 2021
	General	Designated		
	£	£	£	£
Tangible fixed assets	104,586	-	-	104,586
Current assets	524,990	671,566	593,829	1,790,385
Current liabilities	(740,960)	-	-	(740,960)
Pension scheme liability	-	(1,471,000)	-	(1,471,000)
Total net assets	<u>(111,384)</u>	<u>(799,434)</u>	<u>593,829</u>	<u>(316,989)</u>

##### Charity

	Unrestricted		Restricted	Total funds
	General	Designated		
	£	£	£	£
Tangible fixed assets	419,338	-	-	419,338
Fixed asset investments	1	-	-	1
Net current assets/(liabilities)	(469,322)	971,645	619,780	1,122,103
Pension scheme liability	-	(1,141,000)	-	(1,141,000)
Total net assets	<u>(49,983)</u>	<u>(169,355)</u>	<u>619,780</u>	<u>400,442</u>

	Unrestricted		Restricted	Total funds at 31 March 2021
	General	Designated		
	£	£	£	£
Tangible fixed assets	104,586	-	-	104,586
Fixed asset investments	1	-	-	1
Net current assets/(liabilities)	(215,971)	671,566	593,829	1,049,424
Pension scheme liability	-	(1,471,000)	-	(1,471,000)
Total net assets	<u>(111,384)</u>	<u>(799,434)</u>	<u>593,829</u>	<u>(316,989)</u>

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### 26 Analysis of net funds

##### Group

	At 1 April 2021 £	Financing cash flows £	At 31 March 2022 £
Cash at bank and in hand	1,498,069	(184,264)	1,313,805
Net funds	1,498,069	(184,264)	1,313,805
	At 1 April 2020 £	Financing cash flows £	At 31 March 2021 £
Cash at bank and in hand	761,092	736,977	1,498,069
Net funds	761,092	736,977	1,498,069

#### 27 Related party transactions

##### Charity

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

##### North East Theatre Trust Limited

(Urban Green Newcastle has a director in common with North East Theatre Trust Limited.)

North East Theatre Trust Limited invoiced Urban Green Newcastle £7,000 (gross) (2021 - £12,000) for the admin and management resource. At the balance sheet date the amount due to/from North East Theatre Trust Limited was £Nil (2021 - £Nil).

##### HealthWORKS Newcastle

(Urban Green Newcastle has a trustee in common with HealthWORKS Newcastle)

During the year, HealthWORKS Newcastle invoiced Urban Green Newcastle £nil (2021 - £4,572) for contributions towards the 'Building a New Heritage' project. This amount was paid in full during the year.

In addition, HealthWORKS Newcastle paid Urban Green Newcastle £nil (2021 - £300) for the provision of Christmas activities. At the balance sheet date the amount due to/from HealthWORKS Newcastle was £Nil (2021 - £Nil).

##### Northumberland Wildlife Trust

(Urban Green Newcastle has a trustee in common with Northumberland Wildlife Trust)

The Northumberland Wildlife Trust hold a lease at Prestwich Carr and as such pays an annual rent of £1,000 to Urban Green Newcastle. This amount was repaid in full during the year.

Also in 2021, Urban Green Newcastle invoiced Northumberland Wildlife Trust £nil, (2021 - £9,000) to undertake habitat creation work.

Furthermore, Urban Green Newcastle paid Northumberland Wildlife Trust £41,465, (2021- £nil) for professional services towards Beelines Claim. At the year end, £22,703 was in trade creditors. . At the balance sheet date the amount due to/from Northumberland Wildlife Trust was £Nil (2021 - £Nil).

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### Newcastle City Council

(There are Councillors on the Board of Urban Green Newcastle.)

As at 1 April 2019, the management of a number of parks and allotments within Newcastle upon Tyne was transferred by the Council to Urban Green Newcastle. Under the terms of the asset transfer agreement the charity entered into a 125 year lease. No value has been attached to the assets on lease given the restrictive use of the assets under the terms of the lease. To assist with this, a contribution agreement was entered into with Urban Green invoicing Newcastle City Council for £2,131,194 gross during the year (2021 - £2,048,603).

Newcastle City Council also collect car parking income, charitable donations and rental income on behalf of the charity. During the year, amounts totalling £231,194 (2021 - £236,937) were collected.

A further £nil (2021 - £450,000) was received in the year as a result of insurance proceeds for a property now managed by Urban Green. In addition to this, section 106 grants of £nil (2021 - £48,672) have also been recognised.

Grants were also provided by the Council totalling £nil (2021 - £10,000) in addition to licence fees £nil (2021 - £765) and consultancy services £nil (2021 - £280).

During the year, the council invoiced Urban Green Newcastle £989,467 (2021 - £873,971) for various services including repairs and water rates.

At the year end £73,700 (2021 - £210,648) is included within trade creditors.. At the balance sheet date the amount due to/from Newcastle City Council was £Nil (2021 - £Nil).

#### Greenan Blueeye Limited and Ninkasi Pubco Limited

(Urban Green Newcastle is related to both Greenan Blueeye Limited and Ninkasi Pubco Limited by way of having directors in common.)

Greenan Blueeye Limited and Ninkasi Pubco Limited occupy land and buildings which are leased to and managed by Urban Green Newcastle. They are charged rent at a rate of £15,000 per annum (2021 - £14,698) under normal commercial terms. At the year end, £nil is included within trade debtors (2021 - £7,371).

Also, in 2022, Urban Green Newcastle invoiced Greenan Blueeye Limited and Ninkasi Pubco Limited £483, (2021- £nil) for electricity charges.. At the balance sheet date the amount due to/from Greenan Blueeye Limited and Ninkasi Pubco Limited was £Nil (2021 - £Nil).

#### Newcastle Parks Enterprises Limited

(Subsidiary of Urban Green Newcastle.)

During the year, Urban Green Newcastle paid salaries to Newcastle Parks Enterprises totalling £169,383 (2021- £nil).

Furthermore, during the year, Urban Green Newcastle invoiced Newcastle Parks Enterprises Limited £24,567 (2021-£nil) for numerous costs including repairs and maintenance, business and water rates.

As well, a cash float totalling £1,801 (2021-£nil) was provided to Newcastle Parks Enterprises Limited by Urban Green Newcastle Limited.

Urban Green Newcastle also collected cash takings for Newcastle Parks Limited, totalling £35,658 (2021-£nil).

In the year, there was a transfer of £15,808 from Urban Green Newcastle relating to an insurance claim. (2021-£nil).. At the balance sheet date the amount due from Newcastle Parks Enterprises Limited was £67,237 (2021 - £Nil).

## **Urban Green Newcastle**

### **Notes to the Financial Statements for the Year Ended 31 March 2022**

#### **Jim Beirne**

Jim Beirne, chairman of Urban Green Newcastle was paid £10,000 (2021- £nil) for support, mentoring and leadership services.. At the balance sheet date the amount due to/from Jim Beirne was £Nil (2021 - £Nil).

**Urban Green Newcastle**

England & Wales - Charity number 1182534

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# Accounts

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Company registration number: 11533203

Charity registration number: 1182534

# URBAN GREEN NEWCASTLE

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2021

# **Urban Green Newcastle**

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# Urban Green Newcastle

## Reference and Administrative Details

<b>Trustees</b>	J P Beirne K Culverhouse P Collings G A Tiller A D Schofield E Ritchie R Cameron V M Keen N J Emmerson B Aitken P A Cresswell A E Durrant (resigned 26 April 2021) J Stephenson (resigned 27 July 2020) I Ali (appointed 27 July 2020) R Higgins (appointed 7 July 2021)
<b>Key Management Personnel</b>	J Cross - Chief Executive Officer, J Riley - Operations Director, B Hooper - Parks and Allotments Director, M Chapman - Enterprise Director,
<b>Principal Office</b>	Ouseburn Parks Visitors Centre Red Walk Jesmond Dene Newcastle upon Tyne Tyne and Wear NE7 7BQ  The charity is incorporated in England and Wales.
<b>Company Registration Number</b>	11533203
<b>Charity Registration Number</b>	1182534
<b>Solicitors</b>	Womble Bond Dickinson St Ann's Wharf 112 Quayside Newcastle upon Tyne NE1 3DX
<b>Bankers</b>	Handelsbanken Newcastle upon Tyne Earl Grey House 75/85 Grey Street Newcastle upon Tyne NE1 6EF
<b>Auditor</b>	MHA Tait Walker Bulman House Regent Centre Gosforth Newcastle upon Tyne NE3 3LS

# Urban Green Newcastle

## Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 March 2021.

### Structure, governance and management

#### *Nature of governing document*

Urban Green Newcastle (previously known as Newcastle Parks and Allotments Limited until 29 January 2019 and previously as Newcastle Parks and Allotments Trust until 5 December 2019) is constituted as a registered charity and company under guarantee in accordance with its Memorandum and Articles of Association dated 23 August 2018 and last amended 2 April 2019. The company gained registered charitable status with the Charity Commission on 19 March 2019.

#### **Members**

The members of Urban Green Newcastle are Newcastle City Council; and at least five and no more than eleven other Members comprising body corporates, public corporations, charitable organisations and similar organisations and partnerships that have an interest in the objects of Urban Green Newcastle. Members are appointed by the trustees. The current members are Newcastle City Council, Connected Voice, National Trust, Newcastle University, Natural History Society of Northumbria, Newcastle upon Tyne Hospitals NHS Foundation Trust, and Northumbria University.

#### *Recruitment and appointment of trustees*

Urban Green Newcastle has up to two trustees nominated by Newcastle City Council and between six and eleven appointed trustees. Nominated trustees are nominated in writing by Newcastle City Council. Appointed trustees are appointed by the board based on their skills and experience and following a public advertisement of the vacancy and a transparent appointment basis. Where there are two nominated trustees in office there must be no less than eleven appointed trustees. Where there is one (or no) nominated trustees in office there must be no less than six appointed trustees.

#### *Board of trustees and management*

The Board of Trustees met five times during the year to take strategic decisions. Several areas of responsibility are delegated to the three sub-committees of the Board:

Finance, Audit and Risk – finance, external audit and strategic risks

Compliance – statutory matters including safeguarding, health and safety, data protection and complaints.

Nominations and Remuneration – general affairs of the Board and personnel matters.

Our Urban Green Newcastle staff are structured into three departments (Operations, Enterprise, and Parks and Allotments), and led by the Chief Executive.

#### **Urban Green Connect**

This is an advisory panel to help the charity engage with the wider community. It was established in autumn 2020. The group advises us on how best to reach people, how to be inclusive, and how we can truly make a difference. Trustees appoint the Chair of the group, who is a trustee; and ensure that all other members of the group reside in Newcastle upon Tyne or surrounding areas or represent the interests of a particular group of residents in the city and are appointed following a transparent selection process.

# Urban Green Newcastle

## Trustees' Report

### Objectives and activities

#### *Objects and aims*

Urban Green Newcastle is established for public benefit, especially for the residents of and visitors to Newcastle upon Tyne and the surrounding areas to:

- maintain, protect and improve parks, open spaces, woodlands and recreational spaces;
- advance health by promoting participation in sport and other outdoor recreation;
- provide recreation and leisure facilities, including allotments; and
- advance education in the conservation, protection and improvement of the natural environment; the history, culture, heritage and traditions of the North East; and the arts, especially in parks.

The value of public green space and allotments to both people and the environment is well-documented and irrefutable. Their contributions to public health, and their benefits for physical and mental well-being, have never been clearer. They play a key role in conserving the rich culture and heritage of our city. And at a time of climate crisis and major loss of wildlife, their importance in 'trapping' carbon and enhancing biodiversity has never been higher.

The parks and allotments of Newcastle are therefore an invaluable resource for the city, with the power to improve places and enrich people's lives in so many ways. These principles drive the vision and ambitions of Urban Green Newcastle.

Our vision is for more people to enjoy and benefit from our beautiful, vibrant open spaces, which are safe, welcoming, and provide a great environment for wildlife and people which is valued by all.

Our ambitions reflect the consultations carried out with the people of Newcastle during the time of transition from Newcastle City Council into a new independent charity. They are:

- More people are enjoying beautiful and vibrant open-spaces and feeling the benefits to their health and wellbeing and that of their families and communities. In the future we will see more people of all ages, and from a wide range of backgrounds, enjoying the parks and allotments in the city. Our parks will always be free to access and to enjoy. There will be exciting large-scale events and venues, art and cultural activities and opportunities for sport and exercise. We will encourage children and young people to explore nature through educational activities in our parks.
- Our parks and allotments are safe and welcoming for all. We will invest in them to create beautiful, clean, safe and well-maintained open spaces. Income from our facilities and activities will be reinvested so people from all our city's diverse communities can enjoy our parks and allotments. People notice the difference and public satisfaction is high.
- Local people feel connected and committed to our parks and allotments. Our visitors and volunteers are passionate about all the city's parks and allotments. We are giving people opportunities to come together, get involved and feel proud of their parks, allotments, and green spaces. We offer opportunities for employment and volunteering.
- Partner organisations value our parks and allotments and are committed to helping maintain and develop them. We will build close relationships with organisations and businesses in the city and involve as many partners as possible in using and investing in our parks and allotments.
- Our parks and allotments will help conserve and improve our environment. We will help in the fight against climate change and ensure that our parks and allotments are managed in a way which benefits wildlife, conserves our rich heritage, and reduces pollution.

# Urban Green Newcastle

## Trustees' Report

### *Fundraising disclosures*

The charity is required to report how it deals with fundraising from the public. The charity does not use a professional fundraiser or commercial participator to raise funds. Any monies raised direct from the public 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.

### *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.

### *Use of volunteers*

Urban Green Newcastle would usually benefit from a significant amount of support from volunteers across our estate. However, the COVID 19 pandemic heavily affected our volunteering programme, initially stopping all volunteering activity, and subsequently limiting any activity that would put staff in direct contact with volunteers.

In response to this challenging situation, we established self-led volunteering initiatives that allowed over 130 people to contribute approximately 5,000 hours of their time whilst keeping themselves as safe as possible. These included Urban Green Clean, an initiative that provided volunteers across the city with litter picking equipment and Urban Green Adopt, a scheme that enabled regular volunteers to look after an area of the park in their own time.

Over the year we continued to develop our relationship with various Friends of Groups that support individual parks. There are currently 11 active groups; some of these groups are registered charities, others are constituted groups, others more informal.

We worked closely with 10 existing volunteers in Pet's Corner, our farm and petting zoo, during the year. The majority were students based at Northumberland College or East Durham College.

As restrictions ease, we have re-launched Ranger led volunteer sessions across our estate and will be establishing new volunteer roles that build our capacity as a workforce and developing the Urban Green Newcastle volunteering programme to provide opportunities to involve volunteers across the organisation.

# Urban Green Newcastle

## Trustees' Report

### **Achievements and performance**

Although still a new charity, our role has never been more important. People flocked to our parks and allotments throughout the lockdowns caused by the Covid-19 pandemic. Our green spaces provided everyone with a place where they could safely enjoy the outdoors and reap the benefits of reconnecting with nature. The impact of Covid-19 on our charity was, therefore, significant and felt in many ways. Our team responded to the impact of dynamic and evolving lockdown rules and regulations on our estate, from the closures of facilities such as playgrounds and games areas; the postponement or cancellation of festivals and events; to providing signage, guidance, and advice. We worked closely with our partners, tenants, and volunteers to manage a challenging and fluid situation.

Ensuring that our estate continued to be cared for, safe and welcoming to all continued to be our priority through the pandemic. Yet this was also a year of change and growth for our charity. We made great progress in creating our enterprise and operations teams, as well as re-structuring our parks and allotments team. Through the year the number of staff employed by Urban Green Newcastle increased from 20 FT employees to 31 FT employees at year end; there were 14 individual new starters, whilst three people left the charity during the year.

### **Value, care for and improve our parks and allotments**

In the 2020 awards we achieved Green Flag Awards for four of our city centre parks. Two of the parks have kept their awards - Jesmond Dene for the seventh consecutive year and Walker Park for the fourth consecutive year - and Exhibition Park and Leazes Park have been recognised for the first time since 2011. A Green Flag Award is an international mark of quality for parks and green spaces and reflects the incredible standard of these city centre parks. We benefit from working with dedicated Friends of Groups and fantastic volunteers to maintain this standard, and the new Urban Green Clean programme has allowed people to continue volunteering through the pandemic to keep Newcastle's green spaces clean and tidy.

Our work to address the backlog of maintenance across the estate and to improve the safety and appearance of parks and allotments continued through the year but was severely impacted by lockdown restrictions. Our partnership with Skill Mill, a multi-award-winning social enterprise which provides employment opportunities for young people aged between sixteen and eighteen who are ex-offenders, continued to tackle a wide range of maintenance tasks across our estate. We also prioritised tree management and conservation work during the year and have so far invested over £200,000 addressing a backlog of surveys, tree preservation and, in some cases, felling of old, diseased trees that presented a safety risk. A second priority was our playgrounds; during the year we worked with Newcastle City Council to prepare a detailed specification to repair all our play equipment or, where equipment was worn out, to remove and make sites safe. Pennine Playgrounds were appointed as our contractor, and they started work in spring 2021. We also planned the repair and replacement of equipment in Heaton Park that was damaged by arson; this scheme was supported by a fantastic fundraising effort across the community.

We also started to plan for the future. We carried out studies on several of our buildings. Baseline surveys on Fisherman's Lodge in Jesmond Dene will help us to plan how to bring back in to use this fire damaged property that has been empty for a number of years. Condition surveys on Banqueting Hall, a Grade II listed building which was built by Sir William Armstrong in 1860, also found in Jesmond Dene, will help to inform the future of this building. The long-term aims for the building will seek to reflect Lord Armstrong's legacy and be created in consultation with the local community. This will require a multi-million-pound funding campaign and an extensive works programme; in the interim it is important to stabilise the building and carry out essential emergency repairs.

Our team also created a new approach to park management plans that seeks to establish management principles for improving our parks, by co-creating in partnership with key stakeholders and in consultation with local communities. The approach was launched in spring 2021 and will be an integral part of our future work.

# Urban Green Newcastle

## Trustees' Report

### **Develop a rich, diverse, and exemplary visitor experience across our estate**

We started to provide improved facilities across our estate. We prioritised works that addressed Covid-19 safety measures; for example, repairs to Castle Farm changing rooms to allow them to be used post-lockdown; providing more litter bins in certain locations; and improvements to Pet's Corner to ensure visitor safety. We also increased the number of food and drink concessions in our parks to provide a greater choice for park users. Some concessions were temporary, responding to Covid-19 or that some of our café tenants had decided to vacate their premises.

Our programme of events and activities was decimated by the impact of Covid-19 and almost the entire events programme for 2020 was cancelled, delayed to 2021 or postponed into future years. We worked closely with event organisers and promoters to accommodate their requirements into a revised programme that can be supported by our infrastructure and not place too great a pressure on our estate, adjacent landowners, the statutory authorities, and our neighbours in the community. Lockdown prevented our annual allotment show from taking place in the usual fashion, so we responded by moving the show online. Working with our allotment holders and associations, we celebrated our allotments with user generated videos, interviews, photographs, and competitions.

Enterprise development was rapid during the year. We recruited an entirely new team to manage and support commercial, fundraising and events work. We also created a system for managing event bookings, enquiries and delivery, including supporting smaller, community-based events to organise their events safely and meet statutory requirements. Fundraising was supported by the recruitment of a small staff team, allowing us to launch our first public fundraising campaign for Pet's Corner in spring 2021 and start to apply for project and activity grants from trusts, foundations and private donors.

We also worked on projects to open cafés in Exhibition and Paddy Freeman's Parks under the "Urban Green Café" brand through our trading company, Newcastle Parks Enterprises Ltd. Public openings were delayed to summer 2021 by Covid-19 lockdown restrictions.

### **Provide opportunities for enhancing health and wellbeing across our estate**

Our allotments are a vital resource generating health benefits across the city. We continued to manage over 60 sites across the city providing advice and guidance to allotment associations as well as managing some sites directly. This included supporting associations and users to navigate Covid-19 restrictions, as well as coordinating repairs and maintenance.

Volunteering also provides health and wellbeing benefits to participants. We recruited a dedicated Volunteer and Engagement Coordinator to support this offer; launched an estate-wide volunteering scheme called Urban Green Clean; and secured grants and donations for equipment from LGA Foundation, Hadrian Trust and Awards for All.

We signed a two-year Memorandum of Understanding with Newcastle City Council to collaborate on the design, coordination and delivery of sport and physical activity programmes in parks within the Urban Green Newcastle estate.

We trialled Take Ten Minutes, a free-to-use guided meditation service in our parks, to encourage people to engage in guided walking meditations to help improve their mental wellbeing. The physical and mental health benefits of accessing open spaces is well known, and our park users were able to access specially designed audio recorded meditations to help them harness the power of the outdoors.

# Urban Green Newcastle

## Trustees' Report

### **Seek opportunities to combat climate change and enhance the environment**

Our woodland management work focused on ensuring the health and safety of visitors across our estate. We created an interactive map so park users could see which trees, and which parks, were affected by our tree maintenance programme. Signage was also added to some of the individual trees in our parks too. We are committed to planting at least two new trees for every diseased tree we remove, contributing to our aim to plant 5,000 new trees by 2030 and ensuring our parks remain vibrant and beautiful places for people to enjoy today, and long into the future too. Our ranger team has started to develop woodland management plans to achieve this target and to deliver against key environmental strategies for the City of Newcastle.

We worked closely with Newcastle City Council and other partners on flood and waterway management projects, including a flood amelioration scheme at Walker Park and on interim remedial works on the Reighburn at Tyne Riverside Country Park. We also commissioned a survey on water-based life-saving equipment across our parks.

### **Develop the resources and organisational capability to deliver our vision**

Whilst our charity continued to deliver a wide range of projects, initiatives and activities across our estate, equally important work took place to strengthen our internal systems and processes. Trustees reviewed the sub-committee structure and created a new compliance committee with responsibility for statutory compliance covering matters such as health and safety, safeguarding, complaints and data protection.

We recruited a new finance team and transferred all day-to-day financial management in house, supported by new software, banking facilities. Trustees approved new financial procedures.

We engaged a new business support and administrative function and installed new telephone and computer networks. Trustees approved updated and strengthened policies that support safeguarding, health and safety and complaints processes.

We undertook a detailed assessment of allotment governance and management that made recommendations for how this could be reviewed and strengthened.

We established a system for ensuring we are managing estate maintenance and repairs, overseeing building repairs, and complying with statutory facilities inspections, either using our own staff or third-party contractors. We prepared systems and process to allow Newcastle Parks Enterprises to start trading in April 2021.

We recruited a new marketing and communications function and strengthened our website, social media channels, and online donor infrastructure.

The development of personnel and staff systems prioritised our recruitment drive, bringing recruitment administration in house and developing an induction programme that reflected and addressed the challenge of creating a new staff team whilst many employees were working from home. Staff training focused on meeting the core requirements of our safeguarding and health and safety policies, and we instigated a programme of quarterly staff meetings, albeit initially held online.

We were partners in the Future Parks Accelerator, a programme supported by National Lottery Heritage Fund and National Trust. Through this we benefited from consultancy and management advice and support across a wide variety of themes including fundraising, volunteering, change and project management, financial and impact modelling.

# Urban Green Newcastle

## Trustees' Report

Donors, grant funders and sponsors

Thank you to the following organisations and partners who have provided financial and in-kind support to Urban Green Newcastle through the year:

LGA Foundation  
Awards for All  
Banks Community Fund  
Bruce Wake Charitable Trust  
Connected Voice  
Hadrian Trust  
Muckle LLP  
Proctor & Gamble  
Newcastle City Council  
National Trust  
People's Postcode Lottery

### **Financial review**

Total income for the year was £2,744,255, with restricted income of £543,182, and total expenditure for the year was £2,320,642. At the end of the year the charity had total reserves in deficit of £316,989. Restricted fund carried forward totalled £593,829 and unrestricted funds carried forward were in a deficit position totalling £910,818. Trustees have agreed a 10 year contribution agreement with Newcastle City Council worth up to £9.5 million that will support our charity from 1 April 2019; therefore, the deficit in unrestricted funds is not significant and is due to the pension scheme deficit which is a long term liability.

### ***Policy on reserves***

In June 2020, trustees reviewed the forecast income streams, expenditure commitments and working capital requirements arising from Urban Green Newcastle's responsibility for managing and maintaining 33 parks and 61 allotment sites across Newcastle-upon-Tyne. This led to the formal adoption of a reserves policy.

The trustees wish to ensure that they could maintain the parks and allotments estate for at least 6 months in the event of a significant loss of income or another catastrophic event. This would allow time to develop a response, for example making significant structural changes to the charity. The trustees are committed to an operating model that reduces the charity's dependence on income from Newcastle City Council and diversifies income from property, trading and philanthropic sources. In addition, plans for the coming years allow for general reserves to be increased to provide 9-12 months cover for commitments on repairs to the buildings and other capital infrastructure across our estate. Further, Urban Green Newcastle's financial agreement with Newcastle City Council provides income specifically to invest in our estate and to address a historic shortfall in repairs and maintenance; the trustees have created an unrestricted, designated fund to manage the balances of this income.

At current levels of activity, the unrestricted general cash reserves should be approximately £1 million. Currently, the general reserve (free reserve) is £(215,971) with a further £671,564 designated for backlog maintenance. The trustees will review the policy and progress towards meeting the target level of reserves annually.

# Urban Green Newcastle

## Trustees' Report

### Going concern

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

The charity meets its day to day working capital requirements through cash generated from operations and grant funding.

The charity's forecasts and projections for the next twelve months (which includes the guaranteed funding from NCC) show that the charity should be able to continue in operational existence for that period, taking into account possible changes in trading performance and the potential impact on the charity of possible future scenarios arising from the impact of COVID-19. This also considers the effectiveness of available measures to assist in mitigating the impact.

### *Principal funding sources*

The principle funding sources during the year were:

- A 10-year contribution agreement with Newcastle City Council provided £1,707,174 during the year.
- Property income generated £361,375 from letting of buildings, allotments and car parking charges.
- An insurance settlement for Fisherman's Lodge provided £450,000

### **Key Management Personnel**

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

### **Plans for future periods**

#### *Aims and key objectives for future periods*

A corporate strategy for the next 10 years was completed by the Key Management Personnel and launched in spring 2021.

# Urban Green Newcastle

## Trustees' Report

### Current Challenges and Opportunities

Urban Green Newcastle represents a radical change for managing parks and green space within the city. The intention is to find new ways of financing the improvements needed, and develop alternative management models, to provide exciting new opportunities and benefits for the people of the city.

However, achieving these ambitions is not without its challenges. The creation of the charity came as a direct result of the crisis in local government funding, when spending on parks, allotments and green space across the country had hit an all-time low. In Newcastle upon Tyne, council spending into the parks service had reduced by 90% over seven years, leading to job losses and a serious decline in management of the parks. Urban Green Newcastle has subsequently inherited a service with few effective systems in place, a backlog of maintenance requirements stretching back over more than 10 years, and a portfolio of assets which are in urgent need of investment.

Addressing these issues in the current economic climate will not be easy. Public finances continue to be under severe pressure, and the implications of the separation of the UK from the EU are unknown in terms of both longer-term funding and legislation. At the same time, the impacts of the global Covid-19 pandemic have had a significant impact on the economy nationally, as well as the ability of the charity to raise income from running events and activities throughout 2020 and into 2021.

Meanwhile, the combined crises of climate change and wildlife extinction mean that the need for rapid action to address carbon emissions and environmental degradation has never been higher.

While these are serious challenges, there are reasons to feel positive about the future. As an independent charity, focussed solely on parks and allotments, we are able to take a holistic view of our estate. We can explore funding and establish new relationships and partnerships in a way which was not possible for the local authority. In addition, all funding generated from the parks and allotments will be reinvested back into them, with a focus on ensuring a more equitable share of investment and opportunity across all the estate.

At the same time, the series of lockdowns imposed by Covid-19 throughout 2020 demonstrated the value of local, publicly accessible green space, and raised its importance in the public and political consciousness in a way which has not been apparent for many years. It is unclear if and how this awareness might be translated into additional funding, but it should be possible to build upon the opportunities this might bring.

This is therefore an important time for Newcastle's parks and allotments. Public support and enthusiasm for our amazing green spaces have never been greater. While there will undoubtedly be considerable challenges over the next five years, there is huge opportunity, and great potential for the new charity. These have informed the priorities to be addressed through our aims and objectives between 2021 and 2026.

# Urban Green Newcastle

## Trustees' Report

### Aims and key objectives for future periods

**Aim 1: Value, care for and improve our parks and allotments**

Urban Green Newcastle has inherited an estate which has been in decline for many years. All our parks and allotments require significant investment to bring them to an acceptable standard, and to start to improve. We are committed to reversing this decline and creating beautiful spaces which will be valued and loved by the people of Newcastle. Our success will be measured by the number of parks achieving Green Flag status, with the aim of reaching 15 awards by 2026.

**Aim 2: Develop a rich, diverse and exemplary visitor experience across our estate**

We are committed to improving this experience and increasing visitor numbers from an estimated 6 million per year in 2020 to 7 million per year in 2026. But it is not just about numbers; it is about the diversity of people visiting and enjoying our parks and allotments, and the quality of their experiences.

**Aim 3: Provide opportunities for enhancing health and wellbeing across our estate**

Our parks and allotments offer huge potential for enhancing the physical and mental health and wellbeing of the people of Newcastle. It has been estimated that this is worth £128 million in 2020 (Natural Capital Account for Urban Green Newcastle, Vivid Economics 2020). By 2026, we aim to improve this to a value of £165 million.

**Aim 4: Seek opportunities to combat climate change and enhance the environment**

We are facing unprecedented challenges regarding climate change and wildlife crisis. We have an opportunity to make a real difference across Newcastle within our parks and allotments. We can start by setting a target of reducing our emissions by 25% by 2026, with the aim of becoming carbon net negative as a charity by 2030, sequestering more climate change gases across our estate than generated by our activities.

**Aim 5: Develop the resources and organisational capability to deliver our vision**

We are a new organisation taking over an estate in poor condition. To fulfil our ambitions over the next 5 years, there is a lot to be put in place. We need to build a strong team of expert and motivated staff and establish efficient internal systems. We need to become financially secure as an organisation by increasing commercial and philanthropic income to £2 million per year by 2026.

# Urban Green Newcastle

## Trustees' Report

### Activities planned to achieve aims

Value, care for and improve our parks and allotments

To achieve this, we will:

- Address the backlog of maintenance to improve the safety and appearance of parks and allotments.
- Establish management principles and plans for improving our parks, in partnership with key stakeholders and in consultation with local communities.
- Improve the quality of our allotments, in consultation with key stakeholders, to ensure that these are safe, welcoming spaces which promote the benefits of local food.
- Address the poor condition of buildings and structures across the estate and develop a programme of repair and investment.
- Work with partners and key stakeholders to facilitate improved long-term and sustainable management and maintenance across our estate and ensure statutory compliance.

Develop a rich, diverse and exemplary visitor experience across our estate

To achieve this, we will:

- Create vibrant and accessible parks, with improved facilities, a greater range of events and activities, and increased opportunities for recreation and play.
- Improve understanding of the stories and significance of our heritage assets, and implement a programme to both conserve them, and bring them to life.
- Build a creative arts and cultural offer across our estate which excites, stimulates, and provides an emotional connection for visitors.
- Encourage meaningful and fulfilling community engagement in activities and events, including the planning of parks.
- Raise understanding and awareness of our parks and allotments through improved communications, interpretation, and marketing.

Provide opportunities for enhancing health and wellbeing across our estate

To achieve this, we will:

- Facilitate opportunities for local food production and raise awareness and understanding of the benefits of healthy eating.
- Stimulate greater participation in physical activity and sports, including a wide range of opportunities to suit all abilities.
- Explore partnerships to promote mental health and wellbeing across parks and allotments.
- Increase opportunities for a rich and diverse volunteering offer.
- Establish a programme for education, training, and skills across all parts of the organisation.

Seek opportunities to combat climate change and enhance the environment

To achieve this, we will:

- Adopt and apply sustainability principles to all our activities and develop a carbon reduction plan.
- Explore options for renewable energy regeneration across the estate.
- Improve our woodland management, tackling the backlog of maintenance, creating plans, and embarking upon a tree planting strategy.
- Support the development of city-wide green infrastructure plans, in conjunction with Newcastle City Council and partners.
- Increase understanding of the biodiversity across our estate, improving habitat management and implementing strategies for vulnerable species.
- Strengthen the systems for flood management and improve waterway management across the estate.

## **Urban Green Newcastle**

### **Trustees' Report**

Develop the resources and organisational capability to deliver our vision

To achieve this, we will:

- Establish robust policies, systems and processes for the charity and its commercial trading elements.
- Create a positive, safe, and engaged culture in the workplace for staff, including proactive training and development.
- Ensure financial resilience and sound stewardship of resources, including the development of investment plans for commerce, property, and new facilities.
- Maximise fundraising by creating opportunities for sponsorship and philanthropic giving.
- Work with key partners, including Newcastle City Council, to secure gains for green infrastructure through local and regional policy and development.
- Establish effective systems for measuring and reporting performance across all aspects of the charity.

# Urban Green Newcastle

## Trustees' Report

### Statement of Trustees' Responsibilities

The trustees (who are also the directors of Urban Green Newcastle for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

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

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

### Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

### Reappointment of auditor

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of MHA Tait Walker as auditors of the charity is to be proposed at the forthcoming Annual General Meeting.

The annual report was approved by the trustees of the charity on 4/10/2021 and signed on its behalf by:



.....  
J P Beirne  
Trustee

## Urban Green Newcastle

### Independent Auditor's Report to the Members of Urban Green Newcastle

#### Opinion

We have audited the financial statements of Urban Green Newcastle (the 'charity') for the year ended 31 March 2021, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements were authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

#### Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **Urban Green Newcastle**

### **Independent Auditor's Report to the Members of Urban Green Newcastle**

#### **Opinion on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

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

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 14), the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

## **Urban Green Newcastle**

### **Independent Auditor's Report to the Members of Urban Green Newcastle**

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiries with management about any known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing board minutes;
- Challenging assumptions and judgements made by management in their significant accounting estimates; and
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

Because of the field in which the client operates, we identified the following areas as those most likely to have a material impact on the financial statements: Health and Safety; employment laws; and compliance with the UK Companies Act and Charities Act.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with ISAs (UK). For instance, the further removed non-compliance is from the event and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## Urban Green Newcastle

### Independent Auditor's Report to the Members of Urban Green Newcastle

#### Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



.....  
Simon Brown BA ACA DChA (Senior Statutory Auditor)  
For and on behalf of MHA Tait Walker  
Chartered Accountants  
Statutory Auditor  
Bulman House  
Regent Centre  
Gosforth  
Newcastle upon Tyne  
NE3 3LS

Date: 5/10/2021

MHA Tait Walker is a trading name of Tait Walker LLP.

## Urban Green Newcastle

### Statement of Financial Activities for the Year Ended 31 March 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2021 £	Unaudited Total 2020 £
<b>Income and Endowments from:</b>					
Donations and legacies	3	101,551	93,182	194,733	172,445
Charitable activities	4	2,068,549	-	2,068,549	2,495,481
Other trading activities	5	3,615	-	3,615	50,831
Investment income	6	813	-	813	1,179
Other income	7	26,545	450,000	476,545	11,979
<b>Total Income</b>		<b>2,201,073</b>	<b>543,182</b>	<b>2,744,255</b>	<b>2,731,915</b>
<b>Expenditure on:</b>					
Raising funds	8	(1,047)	-	(1,047)	(21,098)
Charitable activities	9	(2,282,815)	(36,780)	(2,319,595)	(2,151,930)
Other expenditure	10	-	-	-	(751,000)
<b>Total Expenditure</b>		<b>(2,283,862)</b>	<b>(36,780)</b>	<b>(2,320,642)</b>	<b>(2,924,028)</b>
Net (expenditure)/income		(82,789)	506,402	423,613	(192,113)
Transfers between funds		5,085	(5,085)	-	-
<b>Other recognised gains and losses</b>					
Actuarial losses on defined benefit pension schemes		(473,000)	-	(473,000)	(77,000)
Net movement in funds		(550,704)	501,317	(49,387)	(269,113)
<b>Reconciliation of funds</b>					
Total funds brought forward		(360,114)	92,512	(267,602)	1,511
Total funds carried forward	23	(910,818)	593,829	(316,989)	(267,602)

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

The funds breakdown for 2020 is shown in note 23.

## Urban Green Newcastle

### Comparative Statement of Financial Activities for the Year Ended 31 March 2020 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2020 £
<b>Income and Endowments from:</b>				
Donations and legacies	3	56,475	115,970	172,445
Charitable activities	4	2,495,481	-	2,495,481
Other trading activities	5	50,831	-	50,831
Investment income	6	1,179	-	1,179
Other income	7	11,979	-	11,979
Total income		<u>2,615,945</u>	<u>115,970</u>	<u>2,731,915</u>
<b>Expenditure on:</b>				
Raising funds	8	(21,098)	-	(21,098)
Charitable activities	9	(2,057,430)	(94,500)	(2,151,930)
Other expenditure	10	<u>(751,000)</u>	<u>-</u>	<u>(751,000)</u>
Total expenditure		<u>(2,829,528)</u>	<u>(94,500)</u>	<u>(2,924,028)</u>
Net (expenditure)/income		(213,583)	21,470	(192,113)
Transfers between funds		10,019	(10,019)	-
<b>Other recognised gains and losses</b>				
Actuarial gains on defined benefit pension schemes		<u>(77,000)</u>	<u>-</u>	<u>(77,000)</u>
Net movement in funds		(280,564)	11,451	(269,113)
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>(79,550)</u>	<u>81,061</u>	<u>1,511</u>
Total funds carried forward	23	<u>(360,114)</u>	<u>92,512</u>	<u>(267,602)</u>

## Urban Green Newcastle

### (Registration number: 11533203) Balance Sheet as at 31 March 2021

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	17	104,586	69,114
Investments	18	<u>1</u>	<u>1</u>
		<u>104,587</u>	<u>69,115</u>
<b>Current assets</b>			
Debtors	19	292,315	556,779
Cash at bank and in hand		<u>1,498,069</u>	<u>761,092</u>
		1,790,384	1,317,871
<b>Creditors: Amounts falling due within one year</b>	20	<u>(740,960)</u>	<u>(701,588)</u>
<b>Net current assets</b>		<u>1,049,424</u>	<u>616,283</u>
<b>Net assets excluding pension liability</b>		1,154,011	685,398
<b>Pension scheme liability</b>	22	<u>(1,471,000)</u>	<u>(953,000)</u>
<b>Net liabilities including pension liability</b>		<u>(316,989)</u>	<u>(267,602)</u>
<b>Funds of the charity:</b>			
<b>Restricted</b>		593,829	92,512
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>(910,818)</u>	<u>(360,114)</u>
<b>Total funds</b>	23	<u>(316,989)</u>	<u>(267,602)</u>

The financial statements on pages 19 to 47 were approved by the trustees, and authorised for issue on 4/10/2021 and signed on their behalf by:



.....  
J P Beirne  
Trustee

## Urban Green Newcastle

### Statement of Cash Flows for the Year Ended 31 March 2021

	Note	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Net cash expenditure		(49,387)	(269,113)
<b>Adjustments to cash flows from non-cash items</b>			
Depreciation	8, 10	22,702	6,203
Investment income	6	(813)	(1,179)
LGPS deficit on transfer		-	751,000
		<u>(27,498)</u>	<u>486,911</u>
<b>Working capital adjustments</b>			
Decrease/(increase) in debtors	19	264,464	(511,324)
Increase in creditors	20	358,697	181,476
Decrease (increase) in retirement benefit obligation net of actuarial changes	22	518,000	202,000
(Decrease)/increase in deferred income		<u>(319,325)</u>	<u>424,064</u>
Net cash flows from operating activities		<u>794,338</u>	<u>783,127</u>
<b>Cash flows from investing activities</b>			
Interest receivable and similar income	6	813	1,179
Purchase of tangible fixed assets	17	<u>(58,174)</u>	<u>(75,317)</u>
Net cash flows from investing activities		(57,361)	(74,138)
<b>Cash flows from financing activities</b>			
Repayment of loans and borrowings	20	-	<u>(19,000)</u>
Net increase in cash and cash equivalents		736,977	689,989
Cash and cash equivalents at 1 April		<u>761,092</u>	<u>71,103</u>
Cash and cash equivalents at 31 March		<u>1,498,069</u>	<u>761,092</u>

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

# Urban Green Newcastle

## Notes to the Financial Statements for the Year Ended 31 March 2021

### 1 Charity status

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

The address of its registered office is: Ouseburn Parks Visitors Centre, Red Walk, Jesmond Dene, Newcastle upon Tyne, Tyne and Wear, NE7 7BQ.

### 2 Accounting policies

#### Summary of significant accounting policies and key accounting estimates

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

#### Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

#### Basis of preparation

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

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

#### Going concern

The balance sheet reports a deficient position at the year end (which means that total liabilities exceed total assets) by £316,989. This is due to the FRS 102 Pension Liability of £1,471,000. This liability is a long term liability and as explained further in Note 27 will not crystallise in the short term and for the reasons noted, will likely be removed at a future point when there are no active members remaining in the scheme.

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

The charity forecasts have been prepared taking into account COVID-19. They support the ability of the charity to remain a going concern and be able to trade and meet their debts as they fall due. The full impact of COVID-19, the continued level of government support and the underlying trading assumptions used in forecasting are extremely judgemental and difficult to predict and could be subject to significant variation.

## **Urban Green Newcastle**

### **Notes to the Financial Statements for the Year Ended 31 March 2021**

#### **Estimation uncertainty and judgements**

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

There are considered to be no significant judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies which effect the amounts recognised in the financial statements

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

Depreciation is estimated so as to write off the cost of an asset, less its residual value, over the useful economic life of that asset.

Tyne & Wear Pension Fund - The present value of the Tyne & Wear Pension Fund defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the new cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, will impact the carrying amount of the pension liability.

#### **Income and endowments**

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

#### **Donations and legacies**

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

#### **Grants receivable**

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

#### **Deferred income**

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

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

## **Urban Green Newcastle**

### **Notes to the Financial Statements for the Year Ended 31 March 2021**

#### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources.

#### ***Raising funds***

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

#### ***Charitable activities***

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

#### **Governance costs**

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

#### **Taxation**

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

#### **Transferred assets**

The parks and allotments managed by the charity are done so under 125 year leases granted by Newcastle City Council (NCC). As these spaces remain the property of the Council, no value has been recognised upon granting of the leases in the accounts of the charity.

#### **Tangible fixed assets**

Individual fixed assets costing £1,000.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### Depreciation and amortisation

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

<b>Asset class</b>	<b>Depreciation method and rate</b>
IT equipment	3 years straight line
Office equipment	4 years straight line
Parks and allotments fixtures and fittings	5 years straight line
Buildings fixtures and fittings	5 years straight line

#### Trade debtors

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

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

Prepayments and accrued income relates to amounts paid in advance of services / goods being received and income received in advance of goods / services being provided respectively.

#### Cash and cash equivalents

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

#### Trade creditors

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

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

#### Fund structure

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

There is a designated unrestricted income fund in respect of backlog maintenance. This is due to Newcastle City Council providing the charity with £570,000 for each of its first 5 years for backlog maintenance and is to be ring-fenced in the accounts accordingly.

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

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### Hire purchase and finance leases

#### Pensions and other post retirement obligations

The entity operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the charity. The contributions payable are charged to the income and expenditure account.

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

The entity also operates a defined benefit pension scheme for employees.

Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the Statement of Financial Position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the reporting date minus the fair value of plan assets. The defined benefit obligation is measured using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future payments by reference to market yields at the reporting date on high quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

Actuarial gains and losses are charged or credited to other comprehensive income in the period in which they arise.

Changes in the net defined benefit asset or liability arising from employee service are recognised in profit or loss as a current service cost where it relates to services in the current period and as a past service cost where it relates to services in the prior periods. Costs relating to plan introductions, benefit changes, curtailments and settlements are recognised in profit or loss in the period in which they occur.

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 3 Income from donations and legacies

	Unrestricted		Total 2021 £	Total 2020 £
	General £	Restricted £		
Donations from companies, trusts and similar proceeds	25,150	24,132	49,282	56,475
Grants, including capital grants	56,681	69,050	125,731	115,970
Covid related grants	19,720	-	19,720	-
	<u>101,551</u>	<u>93,182</u>	<u>194,733</u>	<u>172,445</u>
			Total 2021 £	Total 2020 £
Food Nation			-	2,960
Heritage Lottery Fund - Walker Park			19,378	71,672
Leazes Park			-	20,000
Tree Planting Fund			-	1,338
Havannah Nature Reserve			3,000	20,000
Shop stock donated by NCC			-	14,748
Donations received by Pets Corner			-	38,221
Other donations received less than £1,000			-	3,506
Brandling Park Refurbishment			45,672	-
Hadrian Trust			1,000	-
Jesmond Dene Appeal			1,068	-
Heaton Park Playground			23,064	-
General unrestricted donations			25,150	-
General unrestricted grants			25,050	-
Covid related grants			19,720	-
CJRS income (furlough)			31,631	-
			<u>194,733</u>	<u>172,445</u>

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 4 Income from charitable activities

	<b>Unrestricted funds General £</b>	<b>Total 2021 £</b>
Contribution Agreement	1,707,174	1,707,174
Property Income	<u>361,375</u>	<u>361,375</u>
	<u>2,068,549</u>	<u>2,068,549</u>
	<b>Unrestricted funds General £</b>	<b>Total 2020 £</b>
Contribution Agreement	2,012,852	2,012,852
Property Income	<u>482,629</u>	<u>482,629</u>
	<u>2,495,481</u>	<u>2,495,481</u>

A Contribution Agreement is in place with Newcastle City Council whereby they pay the charity an agreed sum each year to assist with the costs of the first 10 years of the management of the parks and allotments. After this 10 year period, there is no funding guaranteed from the Council.

Property income consists of money receivable from tenants of the allotments and other spaces managed by the charity.

#### 5 Income from other trading activities

	<b>Unrestricted General £</b>	<b>Total 2021 £</b>	<b>Total 2020 £</b>
Events income	-	-	26,710
Retail income	1,715	1,715	24,121
Sponsorship income	<u>1,900</u>	<u>1,900</u>	-
	<u>3,615</u>	<u>3,615</u>	<u>50,831</u>

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 6 Investment income

	Unrestricted General £	Total 2021 £	Total 2020 £
Interest receivable on bank deposits	813	813	1,179

#### 7 Other income

	Unrestricted		Total 2021 £	Total 2020 £
	General £	Restricted £		
Other income	26,545	450,000	476,545	11,979

Other income includes £450,000 insurance income in respect of a fire at Fisherman's Lodge prior to the property being transferred to Urban Green and £22,545 relating to services and contracts.

#### 8 Expenditure on raising funds

##### a) Costs of trading activities

	Unrestricted funds General £	Total 2021 £	Total 2020 £
Fundraising trading costs;			
Fundraising	289	289	-
Costs of trading activities	758	758	21,098
	1,047	1,047	21,098

Expenditure on raising funds includes Ouseburn Visitor Centre and some advertising costs.

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 9 Expenditure on charitable activities

	Unrestricted		Total 2021 £	Total 2020 £
	General £	Restricted £		
Marketing and publicity	9,830	1,890	11,720	114,492
Sundry expenses	46,025	66	46,091	23,553
Vehicles and other travel and subsistence expenses	22,032	59	22,091	35,364
Wages and salaries	822,251	17,676	839,927	663,191
Governance costs	36,334	-	36,334	37,883
Employers NI	71,944	1,603	73,547	52,275
Employers pensions	94,386	390	94,776	213,642
Property costs	243,537	2,210	245,747	163,120
VAT advice and IT support	1,800	-	1,800	13,089
Legal and professional	149,059	-	149,059	181,577
Direct expenses	785,617	12,886	798,503	653,744
	<u>2,282,815</u>	<u>36,780</u>	<u>2,319,595</u>	<u>2,151,930</u>

	Activity undertaken directly £	Activity support costs £	Total 2021 £	Total 2020 £
	Direct costs	1,723,448		
Support costs	-	559,367	559,367	694,154
Governance costs	-	36,334	36,334	37,883
	<u>1,723,448</u>	<u>595,701</u>	<u>2,319,149</u>	<u>2,151,930</u>

In addition to the expenditure analysed above, there are also governance costs of £36,334 (2020 - £37,883) which relate directly to charitable activities. See note 11 for further details.

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 10 Other expenditure

	Total 2021 £	Total 2020 £
LGPS pension deficit transferred	-	751,000
	<u>-</u>	<u>751,000</u>

Newcastle City Council has agreed to guarantee Urban Green Newcastle's admission to the Tyne and Wear Pension Fund. The Council agreed to make good any deficiency on the Tyne and Wear Local Government Pension Fund at 1 April 2019, in the event of the cessation of the scheme and the repayment of any Section 75 liability, in respect of the funding of the pension benefit accrued at 1 April 2019 and those eligible employees who transferred from the Council to Urban Green Newcastle.

The figures presented in the financial statements are calculated under FRS 102 for inclusion in Urban Green Newcastle's accounts. These FRS 102 actuarial calculations of the pension liability as at 1 April 2019 have used different assumptions to those employed by the Council. As a result the pension liability includes an opening liability (which in effect is covered under the guarantee offered by the Council) and movement in the Statement of Financial Activity (SoFA) amounting to £751,000. The additional movement in the SoFA, relating to the period since transfer of the employees from the Council, is £518,000. The total cumulative charges through the SoFA is £1,471,000 and is included in the Balance Sheet as at 31 March 2021.

Further information is given in Note 22.

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 11 Analysis of governance and support costs

##### Support costs allocated to charitable activities

	Governance costs £	Support costs £	Total 2021 £	Total 2020 £
Advertising and Marketing costs	-	6,159	6,159	111,657
Premises costs	289	14,201	14,490	5,015
Travel and Subsistence	-	(1,553)	(1,553)	11,231
Telephone, internet and computer costs	-	43,025	43,025	11,231
Office costs	-	33,623	33,623	12,114
Insurance	-	92,025	92,025	63,218
Staff costs	24,962	302,013	326,975	328,151
Legal and professional costs	11,083	51,484	62,567	46,988
Support services	-	18,390	18,390	142,432
	<u>36,334</u>	<u>559,367</u>	<u>595,701</u>	<u>732,037</u>

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### Governance costs

	Unrestricted funds General £	Total 2021 £	Total 2020 £
Staff costs			
Wages and salaries	22,130	22,130	22,130
Social security costs	2,569	2,569	2,589
Pension costs	263	263	380
Audit fees			
Audit of the financial statements	5,250	5,250	7,750
Other fees paid to auditors	-	-	509
Legal fees	5,833	5,833	4,190
Other governance costs	290	290	335
	<u>36,335</u>	<u>36,335</u>	<u>37,883</u>

The charity allocates costs direct to activities as far as possible and then it identifies the remaining costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are apportioned between the key charitable activities undertaken in the year. The basis for apportionment and the analysis of support and governance costs is set out as follows:

Direct to governance: Audit fee, independent examination fees, other accountancy fees and bank charges.

Direct to charitable activities: All other expenditure incurred.

The wage costs of the Chief Executive Officer and the Executive Assistant have been split 20% governance and 80% charitable activities. No other expenses have been apportioned between the two funds mentioned above.

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 12 Net incoming/outgoing resources

Net incoming/(outgoing) resources for the year include:

	2021 £	2020 £
Audit fees	5,250	7,750
Other non-audit services	-	509
Depreciation of fixed assets	22,702	6,203
LGPS pension liability transferred	-	751,000
	<u>                    </u>	<u>                    </u>

#### 13 Trustees remuneration and expenses

During the year the charity made the following transactions with trustees:

##### V M Keen

£Nil (2020: £335) of expenses were reimbursed to V M Keen during the year.

##### J P Beirne

£5,000 (2020: £Nil) of expenses were reimbursed to J P Beirne during the year.

J Beirne invoiced Urban Green Newcastle for the admin and management resource.

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

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 14 Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
<b>Staff costs during the year were:</b>		
Wages and salaries	862,057	685,321
Social security costs	76,116	54,864
Pension costs	95,039	214,022
LGPS deficit transfer	-	751,000
	<u>1,033,212</u>	<u>1,705,207</u>

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

	2021 No	2020 No
Management	4	4
Parks and Allotments	13	13
Enterprise	5	1
Operations	4	2
	<u>26</u>	<u>20</u>

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

	2021 No	2020 No
£80,001 - £90,000	<u>1</u>	<u>1</u>

The total employee benefits of the key management personnel of the charity were £228,264 (2020 - £184,211).

#### 15 Auditors' remuneration

	31 March 2020 £	2020 £
Audit of financial statements	5,250	7,750
Other fees paid to auditors	-	509
	<u>5,250</u>	<u>8,259</u>

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 16 Taxation

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

#### 17 Tangible fixed assets

	Building fixtures and fittings £	Computer equipment £	Parks and allotments fixtures & fittings £	Office equipment £	Total £
<b>Cost</b>					
At 1 April 2020	16,729	22,995	31,773	3,820	75,317
Additions	<u>28,229</u>	<u>16,778</u>	<u>9,925</u>	<u>3,242</u>	<u>58,174</u>
At 31 March 2021	<u>44,958</u>	<u>39,773</u>	<u>41,698</u>	<u>7,062</u>	<u>133,491</u>
<b>Depreciation</b>					
At 1 April 2020	1,235	2,571	1,912	485	6,203
Charge for the year	<u>4,359</u>	<u>10,391</u>	<u>6,355</u>	<u>1,597</u>	<u>22,702</u>
At 31 March 2021	<u>5,594</u>	<u>12,962</u>	<u>8,267</u>	<u>2,082</u>	<u>28,905</u>
<b>Net book value</b>					
At 31 March 2021	<u>39,364</u>	<u>26,811</u>	<u>33,431</u>	<u>4,980</u>	<u>104,586</u>
At 31 March 2020	<u>15,494</u>	<u>20,424</u>	<u>29,861</u>	<u>3,335</u>	<u>69,114</u>

The parks and allotments managed by the charity are done so under 125 year leases granted by Newcastle City Council. As these spaces remain the property of the Council, no value has been recognised upon granting of the leases in the accounts of the charity.

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 18 Fixed asset investments

	2021 £	2020 £
Shares in group undertakings and participating interests	<u>1</u>	<u>1</u>

On 7 March 2019, the charitable company subscribed to a £1 share, being 100% of the share capital, for its trading subsidiary company Newcastle Parks Enterprise Limited, a company incorporated in England and Wales.

#### Shares in group undertakings and participating interests

	Subsidiary undertakings £	Total £
<b>Cost</b>		
At 1 April 2020	<u>1</u>	<u>1</u>
At 31 March 2021	<u>1</u>	<u>1</u>
<b>Net book value</b>		
At 31 March 2021	<u>1</u>	<u>1</u>
At 31 March 2020	<u>1</u>	<u>1</u>

The company has remained dormant since incorporation through to the year ended 31 March 2021. It has however opened a bank account which has incurred bank charges of £54. Such costs have been recognised in the charity accounts and no consolidated accounts are being prepared.

#### 19 Debtors

	2021 £	2020 £
Trade debtors	142,083	422,005
Prepayments	11,386	6,517
Accrued income	138,844	91,672
Other debtors	<u>2</u>	<u>36,585</u>
	<u>292,315</u>	<u>556,779</u>

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 20 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	260,926	34,699
Other taxation and social security	23,338	17,506
VAT	126,352	104,329
Other creditors	9,707	14,915
Accruals	215,898	106,075
Deferred income	104,739	424,064
	<u>740,960</u>	<u>701,588</u>

	2021 £	2020 £
Deferred income at 1 April 2020	424,064	-
Resources deferred in the period	104,739	424,064
Amounts released from previous periods	<u>(424,064)</u>	<u>-</u>
Deferred income at year end	<u>104,739</u>	<u>424,064</u>

Deferred income has arisen in the year as a result of income being received or invoiced in advance of performance conditions and therefore revenue recognition being met. This includes funding for the year to 31 March 2022.

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 21 Obligations under leases and hire purchase contracts

##### Operating lease commitments

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

	2021 £	2020 £
<b>Other</b>		
Within one year	16,218	14,504
Between one and five years	<u>17,607</u>	<u>25,914</u>
	<u>33,825</u>	<u>40,418</u>

#### 22 Pension and other schemes

##### Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £95,039 (2020 - £214,022).

Contributions totalling £6,886 (2020 - £9,396) were payable to the scheme at the end of the year and are included in creditors.

##### Defined benefit pension schemes

##### *Reconciliation of scheme assets and liabilities to assets and liabilities recognised*

The amounts recognised in the statement of financial position are as follows:

	2021 £	2020 £
Fair value of scheme assets	1,818,000	1,461,000
Present value of defined benefit obligation	<u>(3,289,000)</u>	<u>(2,414,000)</u>
Defined benefit pension scheme deficit	<u>(1,471,000)</u>	<u>(953,000)</u>

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### *Defined benefit obligation*

Changes in the defined benefit obligation are as follows:

	2021 £
Present value at start of year	2,414,000
Current service cost	60,000
Interest cost	56,000
Actuarial gains and losses	760,000
Benefits paid	(12,000)
Contributions by scheme participants	11,000
	<hr/>
Present value at end of year	3,289,000

#### *Fair value of scheme assets*

Changes in the fair value of scheme assets are as follows:

	2021 £
Fair value at start of year	1,461,000
Interest income	34,000
Actuarial gains and losses	287,000
Employer contributions	37,000
Contributions by scheme participants	11,000
Benefits paid	(12,000)
	<hr/>
Fair value at end of year	1,818,000

#### *Analysis of assets*

The major categories of scheme assets are as follows:

	2021 %	2020 %
Cash and cash equivalents	4	2
Equity instruments	55	55
Government bonds	2	4
Property	8	9
Corporate bonds	20	15
Other	11	15
	<hr/>	<hr/>
	100	100

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### *Return on scheme assets*

	2021 £	2020 £
Return on scheme assets	<u>321,000</u>	<u>(42,000)</u>

The pension scheme has not invested in any of the charity's own financial instruments or in properties or other assets used by the charity.

#### *Principal actuarial assumptions*

The principal actuarial assumptions at the statement of financial position date are as follows:

	2021 %	2020 %
Pension accounts revaluation rate	2.70	1.90
Discount rate	2.10	2.30
Future salary increases	4.20	3.40
Future pension increases	2.70	1.90
Inflation	<u>2.70</u>	<u>1.90</u>

#### *Post retirement mortality assumptions*

	2021 Years	2020 Years
Current UK pensioners at retirement age - male	21.90	21.80
Current UK pensioners at retirement age - female	<u>25.10</u>	<u>25.00</u>

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 23 Funds

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2021 £
<b>Unrestricted</b>					
<i>General</i>					
General Unrestricted Fund	(784,037)	1,631,073	(1,952,878)	994,458	(111,384)
<i>Designated</i>					
Backlog Maintenance	423,923	570,000	(285,984)	(36,373)	671,566
Pension	-	-	(518,000)	(953,000)	(1,471,000)
	<u>423,923</u>	<u>570,000</u>	<u>(803,984)</u>	<u>(989,373)</u>	<u>(799,434)</u>
<b>Total Unrestricted</b>	<u>(360,114)</u>	<u>2,201,073</u>	<u>(2,756,862)</u>	<u>5,085</u>	<u>(910,818)</u>
<b>Restricted</b>					
Northumbrian Water Limited	49,500	-	(15,540)	-	33,960
Food Nation	1,674	-	(299)	-	1,375
Heritage Lottery Fund - Walker Park	-	19,378	(19,378)	-	-
Leazes Park	20,000	-	-	-	20,000
Tree Planting Fund	1,338	-	-	-	1,338
Havannah Nature Reserve	20,000	3,000	-	-	23,000
Fishermans Lodge	-	450,000	-	-	450,000
Heaton Park Playground	-	23,064	(1,528)	(5,085)	16,451
Jesmond Dene Appeal	-	1,068	(35)	-	1,033
Hadrian Trust	-	1,000	-	-	1,000
Brandling Park Refurbishment	-	45,672	-	-	45,672
	<u>92,512</u>	<u>543,182</u>	<u>(36,780)</u>	<u>(5,085)</u>	<u>593,829</u>
<b>Total restricted</b>	<u>92,512</u>	<u>543,182</u>	<u>(36,780)</u>	<u>(5,085)</u>	<u>593,829</u>
<b>Total funds</b>	<u>(267,602)</u>	<u>2,744,255</u>	<u>(2,793,642)</u>	<u>-</u>	<u>(316,989)</u>

There is a designated fund in respect of backlog maintenance. This is due to Newcastle City Council providing the charity with £570,000 for each of its first 5 years for backlog maintenance and is to be rign-fenced in the accounts accordingly.

## **Urban Green Newcastle**

### **Notes to the Financial Statements for the Year Ended 31 March 2021**

The specific purposes for which the funds are to be applied are as follows:

Northumbrian Water Limited - To support and grow volunteering and to grow the fundraising capacity and capability.

Food Nation - To create orchards at Walker and St. Lawrence's Parks

Heritage Lottery Heritage Fund - Walker Park - Project to enhance the parks appeal to a broad range of users through the provision of improved facilities and the restoration and enhancement of existing fabric.

Leazes Park - To provide improved play facilities in the park.

Tree Planting Fund - Various grants to support tree planting across our parks.

Havannah Nature Reserve - Grants to install a path across the south grassland/heathland area at Havannah and Three Hills Nature Reserve.

Fisherman's Lodge - To repair Fisherman's Lodge in Jesmond Dene.

Heaton Park Playground - To provide improved play facilities in the park.

Jesmond Dene Appeal - To provide improved facilities in the park.

Hadrian Trust - To support Urban Green Clean and other volunteering work.

Brandling Park Refurbishment - To provide improved facilities in the park.

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 24 Analysis of net assets between funds

	Unrestricted funds		Restricted funds £	Total funds at 31 March 2021 £
	General £	Designated £		
Tangible fixed assets	104,586	-	-	104,586
Fixed asset investments	1	-	-	1
Current assets	524,989	671,566	593,829	1,790,384
Current liabilities	(740,960)	-	-	(740,960)
Pension scheme liability	-	(1,471,000)	-	(1,471,000)
Total net assets	<u>(111,384)</u>	<u>(799,434)</u>	<u>593,829</u>	<u>(316,989)</u>

	Unrestricted			Total funds at 31 March 2020 £
	General £	Designated £	Restricted £	
Tangible fixed assets	69,114	-	-	69,114
Fixed asset investments	1	-	-	1
Current assets	801,436	423,923	92,512	1,317,871
Current liabilities	(701,588)	-	-	(701,588)
Pension scheme liability	<u>(953,000)</u>	<u>-</u>	<u>-</u>	<u>(953,000)</u>
Total net assets	<u>(784,037)</u>	<u>423,923</u>	<u>92,512</u>	<u>(267,602)</u>

#### 25 Analysis of net funds

	At 1 April 2020 £	Financing cash flows £	At 31 March 2021 £
Cash at bank and in hand	<u>761,092</u>	<u>736,977</u>	<u>1,498,069</u>
Net debt	<u>761,092</u>	<u>736,977</u>	<u>1,498,069</u>
	At 1 April 2019 £	Financing cash flows £	At 31 March 2020 £
Cash at bank and in hand	<u>71,103</u>	<u>689,989</u>	<u>761,092</u>
Net debt	<u>71,103</u>	<u>689,989</u>	<u>761,092</u>

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 26 Related party transactions

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

##### North East Theatre Trust Limited

(Urban Green Newcastle has a director in common with North East Theatre Trust Limited.)  
North East Theatre Trust Limited invoiced Urban Green Newcastle £7,000 (gross) (2020 - £12,000) for the admin and management resource.

##### HealthWORKS Newcastle

(Urban Green Newcastle has a trustee in common with HealthWORKS Newcastle)  
During the year, HealthWORKS Newcastle invoiced Urban Green Newcastle £4,572 (2020 - £5,079) for contributions towards the 'Building a New Heritage' project. This amount was paid in full during the year.

In addition, HealthWORKS Newcastle paid Urban Green Newcastle £300 (2020 - £nil) for the provision of Christmas activities.

##### Northumberland Wildlife Trust

(Urban Green Newcastle has a trustee in common with Northumberland Wildlife Trust)  
The Northumberland Wildlife Trust hold a lease at Prestwich Carr and as such pays an annual rent of £1,000 to Urban Green Newcastle. This amount was repaid in full during the year.

Also in 2021, Urban Green Newcastle invoiced Northumberland Wildlife Trust £9,000 (2020 - £nil) to undertake habitat creation work. This amount is included within trade debtors at the year end.

##### Newcastle City Council

(There are Councillors on the Board of Urban Green Newcastle.)  
As at 1 April 2019, the management of a number of parks and allotments within Newcastle upon Tyne was transferred by the Council to Urban Green Newcastle. Under the terms of the asset transfer agreement the charity entered into a 125 year lease. No value has been attached to the assets on lease given the restrictive use of the assets under the terms of the lease. To assist with this, a contribution agreement was entered into with Urban Green invoicing Newcastle City Council for £1,304,359 gross during the year (2020 - £2,898,794). Of this amount, £nil (2020 - £483,372) is included within deferred income at the year end.

Newcastle City Council also collect car parking income, charitable donations and rental income on behalf of the charity. During the year, amounts totalling £236,937 (2020 - £148,246) were collected.

A further £450,000 (2020 - £nil) was received in the year as a result of insurance proceeds for a property now managed by Urban Green. In addition to this, section 106 grants of £48,672 (2020 - £20,000) have also been recognised.

Grants were also provided by the Council totalling £10,000 (2020 - £20,000) in addition to event sponsorship of £nil (2020 - £3,120), training costing £nil (2020 - £10,944), licence fees £765 (2020 - £nil) and consultancy services £280 (2020 - £nil).

During the year, the council invoiced Urban Green Newcastle £873,971 (2020 - £835,396) for various services including repairs and water rates.

At the year end £210,648 (2020 - £396,658 trade debtors) is included within trade creditors.

## Urban Green Newcastle

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### **Ninkasi Pubco Limited**

(Urban Green Newcastle has a trustee in common with Ninkasi Pubco Limited)

During the year, Ninkasi Pubco Limited provided Urban Green Newcastle with room hire and refreshments totalling £nil (2020 - £1,350). This amount had been paid in full at the year end.

#### **Greenan Blueaye Limited and Ninkasi Pubco Limited**

(Urban Green Newcastle is related to both Greenan Blueaye Limited and Ninkasi Pubco Limited by way of having directors in common.)

Greenan Blueaye Limited and Ninkasi Pubco Limited occupy land and buildings which are leased to and managed by Urban Green Newcastle. They are charged rent at a rate of £14,698 per annum (2020 - £14,962) under normal commercial terms. At the year end, £7,371 is included within trade debtors (2020 - £nil).

#### **Newcastle Parks Enterprises Limited**

(Subsidiary of Urban Green Newcastle.)

During the year, Urban Green transferred £500 to Newcastle Parks Enterprises Limited to enable them to open up a bank account. This bank account subsequently attracted charges of £54. As these are the only transactions within the subsidiary the decision has been taken to not prepare consolidated accounts and instead recognise the £500 as petty cash and the £54 as bank charges within the accounts of Urban Green.

#### **27 Non-adjusting events after the financial period**

Whilst the charity continues to account for the defined benefit pension scheme assets and liabilities in accordance with FRS 102 (and reports the actuary calculated figures within the accounts) the intention was that the charity should have a guarantee with the Council that the pension scheme will be subsumed should a cessation event occur. A cessation event is where the charity has no active employees left in the defined benefit pension scheme, which would trigger the Section 75 'exit' debt to become immediately payable by the charity.

The intention of the Council and the charity is that the historic liabilities of the defined benefit pension scheme would be covered by the Council and that the charity would only fund the cost of participating in the scheme until such time the active members were consulted and their participation in the scheme ended.

There is a legal deed, which was signed on XX Julember 2021 by the Council and the charity, that confirms that at that point there are no active members remaining in the scheme that the Council will subsume the defined benefit pension scheme assets and liabilities, and the charity will no longer need to account for this within its financial statements beyond that point.

Until such a time that all employees of the charity that are active members of the defined benefit pension scheme leave the scheme, then the charity will continue to account for the FRS 102 defined benefit pension scheme.