

Company Registration Number 07047385

Registered Charity Number 1178031

PURPLE PATCH ARTS

(A COMPANY LIMITED BY GUARANTEE)

REPORT AND ACCOUNTS

For the year ending 31 August 2019

PURPLE PATCH ARTS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
For the year ended 31 August 2019

The Trustees, who are also Directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 August 2019.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name	Purple Patch Arts
Charity registration number	1178031
Company registration number	07047385 (England and Wales)
Registered office	Hillside Enterprise Centre, Beeston Road, Leeds LS11 8ND

Trustees

For the purposes of the Companies Act 2006, the Board of Trustees is the Board of Directors of the charitable company and is referred to as the Trustees throughout this report.

The Trustees of Purple Patch Arts during the period and to the date of signing this report are as follows:

David Leslie Allan (Chair)
Carley Ellen Stubbs
Alison Mary Van Der Vert
Andrew Leslie Clow
Hayley Joanne Allan - appointed 1 October 2018; resigned 8 April 2019

Independent Examiner Mr P O'Hara FCA, Chartered Accountant, 4 Stoneyhurst Road West, Gosforth, Newcastle upon Tyne NE3 1PG

Governing Documents

Purple Patch Arts is a charitable company limited by guarantee, incorporated on 17 October 2009 and registered as a charity on 20 April 2018.

The charity is controlled by its governing document, its Articles of Association and constitutes a limited company, limited by guarantee, as defined by the Companies Act.

The Directors of the company are also Trustees of the charity.

Eligibility for membership of the charity, and membership of the Board of Trustees, is governed by the Articles of Association. There are no restrictions in the governing document on the operation of the charity other than those imposed by general charity law.

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STRUCTURE, GOVERNANCE AND MANAGEMENT (Continued)

Structure and Governance

The charity currently has a Board of 4 non-executive Trustees. The Articles of Association provide for a Board of Trustees comprising no fewer than three individuals who are members of the company. New Trustees are elected by the members of the company at the Annual General Meeting.

The only members of the company are the Trustees.

The Board meets a minimum of four times per year or more frequently if the need arises.

Detailed written Board reports and an agenda are prepared by the Chief Executive Officer and circulated in advance of meetings. Each meeting considers performance against the business plan, organisational development, finance, health and safety, safeguarding, HR and Equality and Diversity.

Day to day decisions are delegated by the Board to the Chief Executive Officer.

Recruitment and Appointment of Board of Trustees

Trustees are elected to the Board based on discussions and recommendations offered by Trustees and outside advisors to the organisation, as well as through a range of advertising channels.

Trustee Induction and Training

New Trustees are inducted by the Chair of the Board and Chief Executive Officer and are provided with a range of resources to support their understanding of Purple Patch Arts' activities, as well as information on their role and responsibilities.

Grant Making Policy

The charity does not currently engage in grant-making activity.

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STRUCTURE, GOVERNANCE AND MANAGEMENT (Continued)

Risk Management

The Trustees confirm that Purple Patch Arts has a risk management strategy in place which comprises:

- An annual review of the strategic (governance, operational and financial) risks the charity may face via the annual business planning process
- a rolling review of all policies and risks throughout the year, reflected in regular updates
- the establishment of systems and procedures to mitigate those risks identified
- the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

The Trustees are satisfied that appropriate financial systems and controls and employment policies and practices are in place.

The Trustees consider the key risks facing the charity at this time to be the inability to attract sufficient income or to be overly reliant upon a single source of income. Financial and operational plans are reviewed regularly to ensure that a diverse range of income streams can be attracted.

The Trustees also manage the general financial risks arising by ensuring that:

- Prudent budgets have been set for the next financial year
- The charity maintains a low cost base
- Strong financial controls are in place
- Regular management accounts are provided, showing the performance against budget
- Contingency plans are in place for the actions which would be taken if income appears unlikely to reach its target

Investment Policy

The Trustees have considered the most appropriate policy for the investment of funds and have decided that, given the sometimes significant demand on working capital, investment in the form of cash is the most appropriate policy. The Trustees have no specific ethical stance on investments held.

PURPLE PATCH ARTS
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OBJECTIVES AND ACTIVITIES

Charitable Purpose

Purple Patch Arts' charitable objects are to improve the lives and life chances of people with learning disabilities by providing innovative, inclusive, creative learning experiences for them and the professionals that support them.

The Trustees consider that through this work the charity is creating substantial public benefit through the opportunities it provides for people with learning disabilities.

Aims & Objectives

The objectives of the charity are to:

- improve the lives and life chances of people with learning disabilities, complex needs and autism across Yorkshire
- advocate for the value of inclusion and creativity
- maintain financial stability in order to achieve our vision

Lifelong Learning

Our Lifelong Learning programmes take place once a week during term time in community venues across Yorkshire. We currently run 11 programmes per week, with up to 15 adults with learning disabilities attending each programme. All of our learning is delivered using 'The Purple Patch Approach' to inclusive education, which employs creative methods such as drama, dance, music and art to engage learners, increase take-up and support understanding of complex subjects, and is based on the following teaching methods:

- Group Activity - All teaching is delivered using group activity. Learners are supported by staff and peers and do not work on their own; this builds social skills and provides mechanisms of support.
- Multi-Sensory Activity - Teaching includes a mixture of sight, sound, taste, smell and touch to inspire learners and provide multiple points of access to learning material.
- Gamification - Gamification means, quite literally, making a game of something. Facts or themes can be repeated to support memory and understanding, without the risk of boredom.
- Physical Experience - An example is copying an action or tracing a drawing. It embeds key learning points cognitively through a focus on the physical experience.
- Imaginative Discovery - Asking learners to make connections through a process of 'make-believe' or imagining.

Our Lifelong Learning Programmes follow a custom-written Scheme of Work, ensuring that the structure and content of the activity is of the highest possible standard and tailored to the specific needs of our learners.

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OBJECTIVES AND ACTIVITIES (CONTINUED)

Aims & Objectives (Cont.)

Beamsley Residential

Our residential programmes take place at The Beamsley Project in North Yorkshire; a fully inclusive and adapted centre. Up to 24 of our Lifelong Learning participants take part in creative activity and spend time with friends for a weekend in February and July.

Projects

We regularly work with residential and day services, libraries, local authorities and other organisations to deliver creative, multi-sensory education workshops.

Research

We offer creative, arts-based approaches to data gathering for research projects led by Universities and other organisations, including workshops, innovative research methods and the development of accessible interactive tools.

We have strong values that we are committed to, and which underpin all of our work. We work with:

- Humanity - we recognise and respect the intrinsic value of every individual,
- Passion - we share belief, excitement and determination, and
- Creativity - we embrace exploration, discovery and self-expression

Public Benefit

The Trustees understand and have discussed the implications of the provisions of the Charities Act 2006, which state that all charities must demonstrate that they are established for public benefit, and have had due regard to the public benefit guidance issued by the Charity Commission. The Trustees believe that the charity meets both of the key principles.

- Principle 1 - There must be an identifiable benefit, or benefits
- Principle 2 - Benefit must be to the public, or a section of the public

The Trustees consider that the charity is creating substantial public benefit through the educational activities it encourages amongst people with learning disabilities and their support networks.

Our Lifelong Learning Programmes alone give over 130 adults with learning disabilities the opportunity to enjoy learning, express themselves creatively, develop their confidence, independence, communication and social skills, improve their mental and physical wellbeing and challenge themselves and the preconceptions of others. We work hard to develop strong relationships between participants and staff, and are proud to support several participants who have been excluded from all other services. We also work with a number of people with longstanding mental health problems; mental wellbeing is a key part of our approach, and we embed the Five Ways to Wellbeing (five simple steps that are proven to increase mental wellbeing: connect, be active, learn, give and take notice) in all of our work in order to support it.

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OBJECTIVES AND ACTIVITIES (CONTINUED)

Public Benefit (Cont.)

In addition, our grant-funded projects give us the opportunity to respond to identified needs, to try out new approaches and to work with people who aren't able to attend our Lifelong Learning Programmes, and our research and training work enables us to share our expertise, upskilling staff and increasing the impact of our approach.

Purple Patch Arts' beneficiaries are therefore entirely appropriate to its aims and the public as a whole benefits from its work.

All of these benefits are clear, evidenced and relate directly to Purple Patch Arts's aims. In addition, the Trustees do not consider that any significant detriment or harm flows from Purple Patch Arts' work.

Purple Patch Arts' beneficiaries are therefore entirely appropriate to its aims and the public as a whole benefits from its work.

All of these benefits are clear, evidenced and relate directly to Purple Patch Arts' aims. In addition, the Trustees do not consider that any significant detriment or harm flows from Purple Patch Arts' work.

ACHIEVEMENTS AND PERFORMANCE

Summary of the main achievements of the charity during the year

The last twelve months have been very positive for Purple Patch Arts. Following a period of significant change over the last few years, we have been able to shift our focus to the quality of our programmes, the satisfaction of our staff team, the impact of our work and the way in which we communicate with our key stakeholders. At the same time, we have continued to effectively manage our costs and develop new and innovative projects, keeping our financial risk low at a time when securing grant funding is an increasingly competitive process.

Our aims for 2018/19 were to:

Aim 1 - Maintain our current levels of service delivery on our Lifelong Learning Programmes.

Throughout 2018/19 we continued to pursue our mission to offer high quality, inclusive learning opportunities to adults with learning disabilities through our Lifelong Learning Programmes. During the year, which followed the theme of 'Imagine', we delivered 2215 hours of activity to around 150 participants, 18 of whom were new to us.

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*For the year ended 31 August 2019***

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Summary of the main achievements of the charity during the year (Cont.)

Feedback from our yearly 'Have Your Say' forms was consistently positive, with 100% of people saying that they would recommend Purple Patch to someone else. The year sadly saw the closure of our Selby Lifelong Learning Programme at Easter; the programme ran for 3 hours on a Friday, instead of the usual 5 hours, to accommodate other activities that participants took part in, but, with a relatively low number of participants attending, the model was no longer financially viable.

Aim 2 - Reduce our reliance on grants by increasing the number of participants accessing our Lifelong Learning Programmes

While the number of participants accessing our programmes remained steady this year, the proportion of our income coming from grants reduced, in large part due to us increasing the cost of attending Lifelong Learning Programmes for the first time in five years, in response to increasing staff costs, venue hire costs and overheads.

Aim 3 - Develop and secure funding for new learning and creative opportunities that respond to identified need

In addition to our core education programmes we successfully delivered a number of funded projects, meeting all of our outcomes. Our most significant projects were as follows:

Future Digital Inclusion

Future Digital Inclusion is helping 1 million people to improve their lives through digital over five years. Funded by Good Things Foundation, the project saw us deliver group workshops to over 150 adults with learning disabilities and autism that included how we can use the internet, how to stay safe online and how to connect with others.

The Togetherness Project

Time to Shine (part of Ageing Better, a programme set up by The National Lottery Community Fund which aims to develop creative ways for older people to be actively involved in their local communities) awarded us a grant to deliver thirty weekly sessions for older people with learning disabilities in South Leeds that encouraged people to learn new skills, increase their knowledge and understanding of the world around them, and develop their social skills.

Tees Esk and Wear Valley Innovation Fund

Building on our previous work through this fund we delivered our 'Feel Good' model to two additional day services in York and Selby. 'Feel Good' uses innovative approaches to health education to support primary prevention and enhance self-care, providing adults with learning disabilities with knowledge and understanding of their role in their own mental and physical health. In addition, it allows staff at services to improve skills in supporting adults with learning disabilities to maintain good health and wellbeing through self-care and increase the number of accessible health interventions delivered as part of their service. The project saw us working with 25 participants and enabled us to develop strong relationships with both day services.

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ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Summary of the main achievements of the charity during the year (Cont.)

Smaller projects included:

- Running a consultation for young people with learning disabilities who attend Fuse Theatre workshops in North Yorkshire, including the production of a Findings Report to inform future provision
- Working with Hyde Park Source to design and build bug hotels with our Headingley Lifelong Learning Programme. The bug hotels which were then shared with a number of local organisations, increasing awareness of our work and allowing us to develop new relationships

Our projects have seen us working in partnership with a number of organisations including Universities, local authorities and charities, allowing us to share our approach, provide CPD opportunities and increase exposure to positive views of disabled people.

Aim 4 - Continue to develop our monitoring and evaluation methods

We received funding from Stronger Communities, part of North Yorkshire County Council, to work with Leeds Beckett University to identify a suitable scale to monitor and evaluate the impact of our work on the wellbeing of our participants. This work will continue into 2019/20 with the development of a web app to increase the accessibility of the scale.

Aim 5 - Review and redesign our website and social media presence, with a focus on sharing the impact of our work more effectively and raising awareness of our mission, vision, values and aims.

Our new website was launched in July and includes a collection of testimonials from participants, support networks, funders and partner organisations that clearly demonstrate the impact of our work, and the high regard in which we are held. Alongside the website redesign, and in preparation for our tenth birthday in October, we have rebranded the company and developed a social media strategy that will allow us to share our work in a consistent and effective way with a wide range of stakeholders.

Aim 6 - Achieve the operational financial target for 2018/19

The target for the year, which was to increase our free reserves in line with our reserves policy, was achieved.

Aim 7 - Increase the number and diversity of Trustees on our Board

One new Trustee joined the board this year but was unfortunately unable to continue for personal reasons; Board recruitment will continue to be a priority moving forwards.

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TRUSTEES' REPORT
For the year ended 31 August 2019

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Financial Review

The out-turn for the year is an unrestricted surplus of £2,443 (2018: surplus on Unrestricted Funds £8,528).

This leaves a balance on Unrestricted Funds at 31 August 2019 of £40,207 (2018: £37,764).

Reserves Policy

The Trustees have reviewed the charity's needs for reserves in line with the guidance issued by the Charity Commission.

The Trustees aim to firstly hold a level of unrestricted Reserves which enables the charity to have sufficient financial resources to meet various liabilities which would crystallise if Purple Patch Arts' funding were to be withdrawn and/or it were unable to continue operating and to wind down the charity's operations in an orderly fashion over a period of three months.

At present, the Trustees estimate that the Unrestricted Reserves required for such purposes amount to approximately £70,000.

The charity's total Unrestricted Reserves at 31 August 2019 are £40,207 (2018: £37,764).

However, the charity's 'free' Unrestricted Reserves, excluding the value of Fixed Assets, are currently only £39,071 (2018: £30,316).

The optimum level of Reserves therefore currently remains aspirational though the Trustees aspire, through their budgeting processes, including the diversification of income streams and identification of cost savings, to reach the target level within three years.

This policy will be reviewed by the Trustees on an annual basis as part of the charity's budgeting processes.

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TRUSTEES' REPORT
For the year ended 31 August 2019

PLANS FOR FUTURE PERIODS

Our priority remains to deliver high quality services to people with learning disabilities and the professionals that support them, while ensuring financial sustainability through careful budget management and minimal reliance on grants.

We believe whole heartedly in our approach, and, over the next year, will focus on raising awareness of our work in order to recruit new participants, and securing funding that will allow us to reach new audiences.

We recognise the importance of effective monitoring and evaluation to measure the impact of our work and will continue to develop our methods, alongside considering the way in which we share this information with our wide range of stakeholders.

In 2019/20 our aims are to:

- Maintain our current levels of service delivery on our Lifelong Learning Programmes
- Reduce our reliance on grants by increasing the number of participants accessing our Lifelong Learning Programmes
- Develop and secure funding for new learning and creative opportunities that respond to identified need
- Continue to develop our monitoring and evaluation methods
- Achieve the operational financial target for 2019/20
- Increase the number and diversity of trustees on our board

PURPLE PATCH ARTS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
For the year ended 31 August 2019

RESPONSIBILITIES OF THE TRUSTEES

The Trustees (who are also the Directors of Purple Patch Arts for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. The Trustees 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.

Signed on behalf of the Board



David Leslie Allan
Chairman/Trustee
Company Registration Number 07047385

14 April 2020

INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS ON THE UNAUDITED ACCOUNTS OF PURPLE PATCH ARTS LIMITED YEAR ENDED 31 AUGUST 2019

I hereby report to the Trustees/Members of Purple Patch Arts (Charity Registration Number 1178031) on my examination of the accounts for the year ended 31 August 2019 set out on pages 14 to 26.

Responsibilities and basis of report

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

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

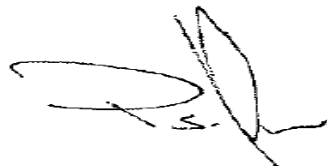
Independent Examiner's Statement

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

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

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods or principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial reporting Standard applicable in the UK and Republic of Ireland (FRS102)).

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



**Pete O'Hara, FCA, Chartered Accountant
Fellow of the Institute of Chartered Accountants in England & Wales**

4 Stoneyhurst Road West, Gosforth, Newcastle upon Tyne NE3 1PG

14 April 2020

PURPLE PATCH ARTS
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2019

	Note	Unrestricted Funds £	Restricted Funds £	Total 2019 £	Total 2018 £
<u>Income</u>					
Income from Donations and Legacies	3	1,055	-	1,055	1,690
Income from Charitable Activities	4	235,286	108,761	344,047	306,508
Total Income		236,341	108,761	345,102	308,198
<u>Expenditure</u>					
Expenditure on Charitable Activities	5	233,898	63,626	297,524	299,670
Total Expenditure		233,898	63,626	297,524	299,670
Net Income/(Expenditure)		2,443	45,135	47,578	8,528
Balance brought forward		37,764	-	37,764	29,236
Balance carried forward	12	£40,207	£45,135	£85,342	£37,764

The notes on pages 16 to 26 form part of the financial statements.

All of the activities of the company are classed as continuing.

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

PURPLE PATCH ARTS
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BALANCE SHEET
AS AT 31 AUGUST 2019

	Notes	2019 £	2018 £
Fixed Assets			
Tangible Fixed Assets	9	1,136	7,448
Current Assets			
Debtors	10	39,008	9,686
Cash At Bank and In Hand		47,729	40,174
		<u>86,737</u>	<u>49,860</u>
Creditors – Amounts Falling Due Within 1 Year	11	(2,531)	(19,544)
Net Current Assets/(Liabilities)		<u>84,206</u>	<u>30,316</u>
Total Net Assets	12	<u>£85,342</u>	<u>£37,764</u>
Represented by:			
Unrestricted Reserves	13	40,207	37,764
Restricted Reserves	13	45,135	-
		<u>£85,342</u>	<u>£37,764</u>

The notes on pages 16 to 26 form part of the financial statements.

The Trustees are satisfied that for the year ended 31 August 2019 the charity was entitled to exemption under section 477(2) of the Companies Act 2006.

The Trustees also confirm that the Members have not required the charity to obtain an audit in accordance with section 476 of the Companies Act 2006

The Trustees acknowledge their responsibilities for:

(i) ensuring that the charity keeps adequate accounting records which comply with section 386 of the Act, and

(ii) preparing financial statements which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the charity.

These financial statements were approved and signed by a Member of the Board of Trustees on 14 April 2020.



David Leslie Allan
Trustee
Company Registration Number 07047385

**PURPLE PATCH ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2019**

1. Accounting Policies

Basis of Preparation

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006 and the Statement of Recommended Practice (Charities SORP FRS 102) "Accounting and Reporting by Charities" and the Charities Act 2011.

The financial statements have been prepared on the historical cost basis, modified to include certain financial instruments at fair value.

Advantage has been taken of the provisions in the SORP for Charities applying FRS 102 Update Bulletin 1 not to prepare a statement of cashflows.

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

Taxation Status

Purple Patch Arts is a Charity registered under the 1960 Charities Act and is accorded exemption from liability to taxation on its income under S505 Income and Corporation Taxes Act 1988.

Going Concern

There are no material uncertainties about the charity's ability to continue.

Income

All income is included in the statement of financial activities when the charity is entitled to the income, any performance related conditions attached have been met or are fully within the control of the charity, the income is considered probable and the amount can be quantified with reasonable accuracy.

The following specific policies are applied to particular categories of income:

- Donations and legacy income is received by way of donations, legacies, grants and gifts and is included in full in the Statement of Financial Activities when receivable.
- Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Grants, where the income is related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.
- Investment income is included when receivable.
- Income from charitable trading activity is accounted for when earned.
- Other income is accounted for when receivable.

**PURPLE PATCH ARTS
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NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2019**

1. Accounting Policies (Continued)

Irrecoverable VAT

All resources expended are classified under activity headings that aggregate all costs related to the category. Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Pension Scheme

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Tangible Fixed Assets and Depreciation

Depreciation is provided on any fixed assets at rates calculated to write off the assets over their remaining useful lives as follows:

IT and Office Equipment	- 33% per annum straight line
Furniture & Fittings	- 25% per annum straight line

A full year's depreciation charge is applied in the year of acquisition and no charge is made in the year of disposal.

Impairment of Fixed Assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Financial Instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost where there is a material adjustment.

**PURPLE PATCH ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2019**

1. Accounting Policies (Continued)

Fund Accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the purposes of the charity.

Designated funds are unrestricted funds earmarked by the trustees for specific purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor.

2. Legal Status

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1. The company law members of the charity are the members of its Board of Trustees.

3. Income from Donations and Legacies

	Unrestricted Funds	Restricted Funds	2019	2018
	£	£	£	£
Donations & Gift Aid	1,055	-	1,055	1,690
	£1,055	£-	£1,055	£1,690

The 2018 total of £1,690 was wholly attributable to Unrestricted Funds.

PURPLE PATCH ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2019

4. Income from Charitable Activities

	Unrestricted Funds £	Restricted Funds £	2019 £	2018 £
Grant Income				
Around the Toilet	-	-	-	2,400
Aspire	36,000	-	36,000	36,000
Beyond Festival	-	-	-	1,000
Bradford Council	-	19,850	19,850	-
Bradford Cultural Investment Fund	-	-	-	3,750
Bradford Libraries	-	-	-	24,000
Building Better Opportunities	-	-	-	5,014
Calderdale CCG	-	-	-	5,588
Creative Minds	-	-	-	3,346
ESF - Libraries	-	-	-	6,000
ESF - My Purple Patch	-	-	-	15,000
Eureka	-	-	-	2,600
Give Love Leeds	-	-	-	1,145
Good Things Foundation	-	20,750	20,750	-
Kirklees Libraries	-	-	-	3,000
Leeds City Council	-	-	-	3,000
Leeds Community Foundation	-	10,000	10,000	-
Local Sustainability Fund	-	-	-	500
National Lottery Community Fund	-	9,750	9,750	-
North Yorkshire County Council	-	10,000	10,000	-
Selby Town Council	-	855	855	-
Sheffield University	-	13,880	13,880	2,684
Sir George Martin Trust	-	1,000	1,000	-
St Chad's	-	1,426	1,426	970
Tees, Esk & Wear Valleys Innovation	-	13,500	13,500	4,437
Tesco	-	4,000	4,000	-
Time to Shine	-	-	-	1,970
Your Consortium	-	3,750	3,750	-
	36,000	108,761	144,761	122,404
Other Income				
Programmes Income	197,420	-	197,420	184,104
Schools & Training Income	1,866	-	1,866	-
	199,286	-	199,286	184,104
	£235,286	£108,761	£344,047	£306,508

The 2018 total of £306,508 was wholly attributable to Unrestricted Funds.

PURPLE PATCH ARTS
(A COMPANY LIMITED BY GUARANTEE)
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FOR THE YEAR ENDED 31 AUGUST 2019

5. Expenditure on Charitable Activities

	Unrestricted Funds £	Restricted Funds £	Total 2019 £	Total 2018 £
Project Costs				
Salaries and On Costs	144,006	57,191	201,197	201,362
Programme Expenses	8,631	-	8,631	9,479
Freelance Project Staff	272	-	272	3,245
Venue Hire	44,758	-	44,758	44,685
Project Expenses	-	6,435	6,435	4,456
	197,667	63,626	261,293	263,227
Support Costs				
Rent & Rates	13,542	-	13,542	12,873
Insurance	2,117	-	2,117	1,806
Bad Debts	340	-	340	-
Loss on Disposal of Fixed Assets	225	-	225	-
Depreciation	7,084	-	7,084	7,659
Repairs & Maintenance	205	-	205	2,622
Telephone & ICT	3,983	-	3,983	2,652
Training Costs	190	-	190	-
Print, Postage & Stationery	1,491	-	1,491	3,399
	29,177	-	29,177	31,011
Governance Costs				
Legal and Professional	13	-	13	413
HR & Payroll Fees	5,286	-	5,286	3,159
Accountancy	1,755	-	1,755	1,860
	7,054	-	7,054	5,432
	£233,898	£63,626	£297,524	£299,670

The 2018 total of £299,670 was wholly attributable to Unrestricted Funds.

6. Net Income/(Expenditure)

	2019 £	2018 £
Net income/(expenditure) is stated after charging/(crediting):		
Independent Examiner's Fees – current year	1,200	960
Depreciation – Owned Fixed Assets	7,084	7,659
Operating Leases – Land and Buildings	13,680	13,680

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7. Staff Costs and Trustees' Remuneration

	2019	2018
	£	£
Gross Salary Costs	189,359	195,098
Other Staff Costs – Staff Training	-	4,903
Employer's National Insurance	9,682	-
Employer's Pension Contributions	2,156	1,361
	£201,197	£201,362

No employee received remuneration of more than £60,000 during the year (2018 - Nil).

The total number of staff employed during the year was as follows:

	2019	2018
	No.	No.
Learning Programmes	22	18
	<u>22</u>	<u>18</u>

The number of the above staff expressed as full-time equivalents was 8 (2018: 8)

The Trustees consider 'Key Management Personnel' to comprise the Trustees, the Chief Executive Officer and the Programmes Manager. The total employee costs of key management personnel amounted to £58,572.

No remuneration has been paid to any Trustees/Directors in the year (2018: £Nil).

No reimbursement has been made of any Travel and Subsistence expenses to Trustees in respect of their attendance at meetings of the charity (2018: £Nil).

The charity operates a defined contribution scheme. The assets of the scheme are held separately from those of the company in a separately administered fund. Purple Patch Arts makes an employer's contribution of 3% of pensionable pay, provided that the employee makes a minimum contribution of 5%.

These amounts are paid over to the Fund on a monthly basis. Amounts due to the fund at 31 August 2019 were £Nil (2018: £Nil).

PURPLE PATCH ARTS
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FOR THE YEAR ENDED 31 AUGUST 2019

8. Tangible Fixed Assets

	Furniture & Fittings £	IT Equipment £	Total £
Cost			
At 1 September 2018	668	23,986	24,654
Additions in year	-	997	997
Disposals in year	(668)	(165)	(833)
At 31 August 2019	-	24,818	24,818
Accumulated Depreciation			
At 1 September 2018	443	16,763	17,206
Charge for year	-	7,084	7,084
Disposals in year	(443)	(165)	(608)
At 31 August 2019	-	23,682	23,682
Net Book Value			
At 31 August 2019	£-	£1,136	£1,136
At 1 September 2018	£225	£7,223	£7,448

9. Debtors

	2019 £	2018 £
Trade Debtors	2,126	5,640
Prepayments	4,986	4,046
Accrued Income	31,896	-
	£39,008	£9,686

10. Creditors – Amounts Falling Due Within 1 Year

	2019 £	2018 £
Other Taxes and Social Security	-	1,500
Trade Creditors	139	498
Other Creditors	216	-
Deferred Income	-	15,326
Accruals	2,176	2,220
	£2,531	£19,544

PURPLE PATCH ARTS
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11. Analysis of Net Assets between Funds

	Unrestricted Funds	Restricted Funds	Total 2019	Total 2018
	£	£	£	£
Fixed Assets	1,136	-	1,136	7,448
Debtors	7,433	31,575	39,008	9,686
Cash at Bank and In Hand	34,169	13,560	47,729	40,174
Creditors – Amounts Due Within 1 Year	(2,531)	-	(2,531)	(19,544)
	£40,207	£45,135	£85,342	£37,764

PURPLE PATCH ARTS
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12. Analysis of Charitable Funds

	Fund at 1 September 2018 £	Incoming Resources in Year £	Resources Expended in Year £	Fund at 31 August 2019 £
Unrestricted Funds				
Charity General Fund	37,764	236,341	(233,898)	40,207
Restricted Funds				
Good Things Foundation - Future Digital Inclusion	-	20,750	(20,750)	-
Sheff Uni - Living Life To The Fullest	-	13,880	(5,217)	8,663
N Yorkshire County Council - Wellbeing Web App	-	10,000	(5,000)	5,000
National Lottery Community Fund - Awards For All - A Purple Celebration 10 Year Party	-	9,750	(2,712)	7,038
St Chads - Bug Hotels	-	1,426	(1,426)	-
Sir George Martin Trust – Resources	-	1,000	(1,000)	-
Leeds Community Foundation - Time To Shine	-	10,000	(10,000)	-
Your Consortium - Fuse consultation with theatre groups	-	3,750	(3,750)	-
Tesco – Resources	-	4,000	(1,991)	2,009
Bradford Council - Day Opportunities	-	19,850	(973)	18,877
Tees, Esk & Wear Valleys Innovation Fund - mental wellbeing workshops for LD participants	-	13,500	(9,954)	3,546
Selby TC - venue hire	-	855	(855)	-
Total Restricted Funds	-	144,762	(99,627)	45,135
Total Funds	£37,764	£381,103	£(333,525)	£85,342

**PURPLE PATCH ARTS
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12. Analysis of Charitable Funds (Cont.)

Name of Restricted Fund	Description, Nature and Purpose of the Restricted Fund
Good Things Foundation - Future Digital Inclusion	Towards the cost of Future Digital Inclusion
Sheffield University - Living Life To The Fullest	Towards the cost of Living Life To The Fullest
North Yorkshire County Council – Well-being Web App	Towards the cost of development of a well-being App
National Lottery Community Fund - Awards For All - A Purple Celebration	Towards the cost of A Purple Celebration 10 Year Party
St Chad’s - Bug Hotels	Towards the cost of Bug Hotels
Sir George Martin Trust – Resources	Towards the cost of resources
Leeds Community Foundation - Time To Shine	Towards the cost of the Togetherness Project
Your Consortium - Fuse consultation with theatre groups	Towards the cost of Fuse consultation with theatre groups
Tesco – Resources	Towards the cost of resources
Bradford Council - Bradford Day Opportunities	Towards the cost of Bradford Day Opportunities
Tees, Esk & Wear Valleys Innovation Fund - mental well-being workshops for LD participants	Towards the cost of mental well-being workshops for LD participants
Selby Town Council - venue hire	Towards the cost of venue hire

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13. Related Party Transactions

There were no transactions in the year with related parties, such as are required to be disclosed under the Financial Reporting Standard for Smaller Entities (Effective April 2008) (2018: Nil).

14. Taxation

The company is a registered charity and no provision is considered necessary for taxation.

15. Financial Commitments

No material financial commitments have been made in respect of future financial periods.

16. Company Limited by Guarantee

The charity is incorporated under the Companies Act 1985 and is limited by guarantee, each member having undertaken to contribute such amounts not exceeding £1 as may be required in the event of the company being wound up whilst he or she is still a member or within one year thereafter.

There are currently 4 members of the company (2018 - 4 members).

17. Operating Lease Commitments

At 31 August 2019 the company had total commitments under operating leases as follows

Leasehold Property	2019	2018
Operating leases which expire:	£	£
Within one year	-	13,680
Within two to five years	13,680	3,420
	<u>13,680</u>	<u>17,100</u>
Equipment	2019	2018
Operating leases which expire:	£	£
Within one year	1,344	1,344
Within two to five years	-	448
	<u>1,344</u>	<u>1,792</u>