



**PURPLE PATCH ARTS**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED 31 AUGUST 2020**

**Company registration number: 07047385**  
**Charity number: 1178031**

# PURPLE PATCH ARTS

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## **PURPLE PATCH ARTS**

### **Company information**

**Registered Company number**  
07047385 (England and Wales)

**Registered Charity number**  
1178031

**Registered office**  
Hillside Enterprise Centre  
Beeston Road  
Leeds  
West Yorkshire  
LS11 8ND

**Trustees**  
D L Allan  
C E Stubbs  
A M Van Der Vert  
A L Clow  
J D Coram – appointed 3<sup>rd</sup> September 2020

The trustees are also the directors of the company.

**Accountants**  
Wheawill & Sudworth Limited  
Chartered Accountants  
35 Westgate  
Huddersfield  
HD1 1PA

**Bankers**  
Santander Bank UK PLC  
Bridle Road  
Bootle  
Merseyside  
L30 4GB

**Chief Executive Officer**  
F Rodgers

## PURPLE PATCH ARTS

### REPORT OF THE TRUSTEES

#### YEAR ENDED 31 AUGUST 2020

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 2020.

#### REFERENCE AND ADMINISTRATIVE DETAILS

<b>Registered charity name</b>	Purple Patch Arts
<b>Charity registration number</b>	1178031
<b>Company registration number</b>	07047385 (England and Wales)
<b>Registered office</b>	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  
 Jeremy David Coram - appointed 3 September 2020

**Independent Examiner** Wheawill and Sudworth Limited

#### 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.

## **PURPLE PATCH ARTS**

### **REPORT OF THE TRUSTEES**

#### **YEAR ENDED 31 AUGUST 2020**

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Structure and Governance**

The charity currently has a Board of 5 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.

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.

## **PURPLE PATCH ARTS**

### **REPORT OF THE TRUSTEES**

#### **YEAR ENDED 31 AUGUST 2020**

#### **Risk Management**

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

- A review of the strategic (governance, operational and financial) risks the charity may face via the annual business planning process or when a major risk status changes.
- 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 those related to the Covid-19 pandemic. The charity has demonstrated its ability to adapt creatively, efficiently and flexibly, and, in doing so, has minimised the impact on its participants, staff and finances; it will continue to respond in this way as the pandemic progresses. While this has clearly been a very challenging time, there have been many positives that have emerged, and Purple Patch Arts recognise the importance of building on these as it recovers.

An ongoing key risk is 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**

### **REPORT OF THE TRUSTEES**

#### **YEAR ENDED 31 AUGUST 2020**

## **OBJECTIVES AND ACTIVITIES**

### **Charitable Purpose**

Purple Patch Arts' charitable objects are to improve the lives 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 and autistic people.

### **Aims & Objectives**

The objectives of the charity are to:

- improve the lives and life chances of people with learning disabilities and autistic people 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 and autistic adults 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.

## **PURPLE PATCH ARTS**

### **REPORT OF THE TRUSTEES**

#### **YEAR ENDED 31 AUGUST 2020**

#### **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.



## PURPLE PATCH ARTS

### REPORT OF THE TRUSTEES

#### YEAR ENDED 31 AUGUST 2020

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' 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 a mixture of highs and lows. In October 2019 we celebrated our 10<sup>th</sup> year with a party that brought participants and their support networks together from across Yorkshire; the event was a huge success, with over 130 people attending. Following a stable first half of the year, the Covid-19 pandemic forced us to stop all face-to-face work on 18th March 2020, and we spent the remainder of the year focussing on developing new ways for people to stay active, engaged and stimulated. Despite the difficulties of remote working, the staff team met the challenges of the year with dedication, passion and creativity, and have learned a great many lessons that will inform our work as we recover from the pandemic.

Our aims for 2019/20 were to:

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

Throughout 2019/20 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 first half of the year, which followed the theme of 'Mystery', we delivered 1275 hours of activity to 135 participants. Following the closure of our programmes on 18<sup>th</sup> March 2020, we developed a number of alternative offers, as described below:

On the Monday after we closed we started publishing Daily Activities (accessible, creative, educational activities that could be done at home, using resources found around the house and garden) on our website, in line with a weekly theme; by the end of the academic year, we had published 120 days' worth of activities. The following week we commissioned one of our artists to design a colouring page in line with the weekly theme which people could print out and do at home; this continued throughout the academic year.

From conversations with participants and their support networks we quickly realised that people were missing seeing and hearing the staff that ran their Programmes and their peers. In response to this, through April, May and June 2020 we developed a series of 38 activity videos for people to take part in from home, as well as short videos from each staff member saying hello. We also created a series of 5 radio shows, with participants submitting recordings of themselves requesting songs.

## **PURPLE PATCH ARTS**

### **REPORT OF THE TRUSTEES**

#### **YEAR ENDED 31 AUGUST 2020**

Throughout this time, we stayed in regular contact with as many participants as possible, and by the end of May it was very clear to us that we needed to do more to reach people in order to maintain their wellbeing. We trialled offering our Lifelong Learning Programmes over Zoom; the sessions proved popular almost immediately, and within a couple of weeks we were running 10 weekly programmes. The sessions recreated the structure of our usual programmes, albeit for a shorter amount of time, giving participants a much-needed routine and opportunity to connect with each other. We also extended our usual offer from term-time only to all year-round, in response to feedback we received from participants who didn't want, or need, a break during these challenging times.

By the end of the year over 50% of our participants were accessing our Zoom sessions. Clearly there were a number of barriers faced by participants, not least a lack of digital skills and equipment, so we focussed a great deal of time and effort on encouraging participants and their support networks to embrace our digital approach. However, we understood that online offers weren't appropriate for everyone, and so we sent out monthly Daily Activity packs and colouring pages in the post to 49 people, while 23 people received weekly phone calls.

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

The first half of the academic year saw an increase in the number of participants accessing our Programmes, with 16 new participants joining us compared to 10 participants leaving. We had a number of plans in place for recruitment in the second half of the year which, in light of the pandemic, we were unable to implement.

#### **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. Our most significant projects were as follows:

##### ***To Wander is to Adventure***

'To Wander is to Adventure' is a responsive arts project run in partnership with WUR Bradford which aims to improve the mental wellbeing of adults with learning disabilities by reducing loneliness and isolation and giving participants the tools and confidence to embed positive behaviours into their routines. The first iteration of the project, funded by Bradford Metropolitan District Council, took place in October and November 2019 and connected participants to the Oastler market in Bradford by engaging them in mindful walking activity within the space, culminating in a public sharing.

##### ***A Purple Summer***

In light of the success of our Zoom sessions we piloted new afternoon sessions for six weeks over the Summer, offering workshops in Art, Drama, Music, Literature and Dance. Funded by the National Lottery Community Fund, these sessions were open to all participants of our Lifelong Learning Programmes and provided an opportunity for people to connect and build friendships with people they wouldn't usually be able to meet due to the geographical spread of our Programmes. We also trialled running a monthly disco over Zoom which proved extremely popular!

## **PURPLE PATCH ARTS**

### **REPORT OF THE TRUSTEES**

#### **YEAR ENDED 31 AUGUST 2020**

Smaller projects included:

- Building on our previous work through the Tees Esk and Wear Valley Innovation Fund we started delivering our 'Feel Good' model to a young people's service in Tadcaster. The project saw us working with 10 participants, but work was paused in March 2020 due to the pandemic.
- Working with Hyde Park Source to create a series of accessible activities, videos and worksheets around the theme 'Nature Nearest You'.

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**

Work on the development of a web app to monitor and evaluate the impact of our work on the wellbeing of our participants continued this year, although progress was limited due to the impact of the pandemic. The work, funded by Stronger Communities, part of North Yorkshire County Council and in partnership with Leeds Beckett University, will continue in 2020/21.

#### **Aim 5 - Achieve the operational financial target for 2019/20**

The target for the year, which was to increase our free reserves in line with our reserves policy, was exceeded, and our reserves target was met for the first time in the Company's history.

#### **Aim 6 - Increase the number and diversity of Trustees on our Board**

One new Trustee joined the board this year; Board recruitment will continue to be a priority moving forwards.

### **Financial Review**

The out-turn for the year is a surplus of £3,604 (2019: £47,578).

This leaves a balance on Funds at 31 August 2020 of £88,946 (2019: £85,342).

### **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 amounts to approximately £70,000.

## **PURPLE PATCH ARTS**

### **REPORT OF THE TRUSTEES**

#### **YEAR ENDED 31 AUGUST 2020**

The charity's total Unrestricted Reserves at 31 August 2020 are £72,466 (2019: £40,207).

The charity's 'free' Unrestricted Reserves, excluding the value of Fixed Assets, are £72,134 (2019: £39,071), which means that the reserves target has now been met.

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

#### **PLANS FOR FUTURE PERIODS**

Our priority remains to deliver high quality services to people with learning disabilities and the professionals that support them, working responsively in light of the continued impact of the pandemic.

Now, more than ever, we understand the need for financial sustainability and will continue to work towards this through careful budget management and income diversification.

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 2020/21 our aims are to:

- Maintain our alternative offer until we're able to transition back into Programmes, with a focus on increasing the number of participants accessing our Zoom sessions.
- Transition safely back into Programmes, with procedures and systems in place to keep staff and participants safe and supported, both physically and emotionally.
- Reduce our reliance on short-term project funding by seeking core funding to maintain our reserves position.
- Develop longer term projects that respond to identified need and allow us to maximise our impact.
- Continue to develop our monitoring and evaluation methods.
- Increase the number and diversity of trustees on our board.

#### **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.

**PURPLE PATCH ARTS**  
**REPORT OF THE TRUSTEES**  
**YEAR ENDED 31 AUGUST 2020**

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.

Statement as to Disclosure of Information to Independent Examiner

So far as each of the Trustees at the date of this report is aware:

- There is no relevant information of which the company's independent examiners are unaware; and
- The Trustees have taken all steps which they ought to have taken to make themselves aware of any relevant audit information and to establish that the independent examiners are aware of that information.

Independent examiner

The independent examiner, Wheawill & Sudworth Limited, will be considered for re-appointment at the forthcoming meeting of the Board of Trustees in May 2020.

Approval

The report of the members of the Board of Trustees was approved on 21 May 2021 and signed on their behalf by:



D L Allan  
Chair

**INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF  
PURPLE PATCH ARTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

I report on the accounts of the company for the year ended 31 August 2020 which are set out on pages 13 to 23.

**Respective responsibilities of trustees and examiner**

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

**Basis of independent examiner's report**

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

**Independent examiner's statement**

In connection with my examination, no matter has come to my attention:

- 1 which gives me reasonable cause to believe that, in any material respect, the requirements:
  - to keep accounting records in accordance with section 130 of the Act and section 386 of the Companies Act 2006; and
  - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave not been met; or
- 2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

**D M Butterworth  
Wheawill & Sudworth Limited  
Chartered Accountants  
35 Westgate  
Huddersfield  
HD1 1PA  
21 May 2021**

## PURPLE PATCH ARTS

## STATEMENT OF FINANCIAL ACTIVITIES

## YEAR ENDED 31 AUGUST 2020

	Notes	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
<b>INCOMING RESOURCES</b>					
<b>Incoming resources from generated funds</b>					
Voluntary income	2	855	-	855	1,055
<b>Incoming resources from charitable activities</b>					
Charitable activities	3	244,745	24,023	268,768	344,047
<b>Total incoming resources</b>		<u>245,600</u>	<u>24,023</u>	<u>269,623</u>	<u>345,102</u>
<b>RESOURCES EXPENDED</b>					
<b>Charitable activities</b>					
Project costs	4	182,998	51,378	234,376	261,293
Support costs		24,318	1,300	25,618	29,177
Governance costs	5	6,025	-	6,025	7,054
<b>Total resources expended</b>		<u>213,341</u>	<u>52,678</u>	<u>266,019</u>	<u>297,524</u>
<b>NET INCOMING/(OUTGOING) RESOURCES</b>					
	6	32,259	(28,655)	3,604	47,578
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<u>40,207</u>	<u>45,135</u>	<u>85,342</u>	<u>37,764</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>72,466</u></u>	<u><u>16,480</u></u>	<u><u>88,946</u></u>	<u><u>85,342</u></u>

**PURPLE PATCH ARTS**  
**BALANCE SHEET**  
**AS AT 31 AUGUST 2020**

	<i>Notes</i>	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
<b>FIXED ASSETS</b>					
Tangible assets	<i>10</i>	332	-	332	1,136
		<u>332</u>	<u>-</u>	<u>332</u>	<u>1,136</u>
<b>CURRENT ASSETS</b>					
Debtors: amounts falling due within one year	<i>11</i>	12,785	1,140	13,925	39,008
Cash at bank and in hand		79,232	25,823	105,055	47,729
		<u>92,017</u>	<u>26,963</u>	<u>118,980</u>	<u>86,737</u>
<b>CREDITORS</b>					
Amounts falling due within one year	<i>12</i>	(19,883)	(10,483)	(30,366)	(2,531)
<b>NET CURRENT ASSETS</b>		<u>72,134</u>	<u>16,480</u>	<u>88,614</u>	<u>84,206</u>
<b>NET ASSETS</b>		<u>72,466</u>	<u>16,480</u>	<u>88,946</u>	<u>85,342</u>
<b>FUNDS</b>					
Unrestricted funds	<i>13</i>			72,466	40,207
Restricted funds				16,480	45,135
<b>TOTAL FUNDS</b>				<u>88,946</u>	<u>85,342</u>

For the year ended 31 August 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

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

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved by the Board of Trustees on 21 May 2021 and were signed on its behalf by:



**D L Allan**  
**Director**

**Company registration number: 07047385**



**PURPLE PATCH ARTS****NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31 AUGUST 2020****1 Accounting policies****General information and basis of preparation**

The charitable company constitutes a public benefit entity as defined by FRS102. 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) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements are prepared on a going concern basis under the historical cost convention.

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

The charity adopted SORP (FRS102) in the period ended 31 March 2016. No transitional adjustments were required resulting from this and there were no consequential changes in accounting policies.

**Consolidation**

In the opinion of the Trustees, the company and its subsidiary undertaking comprise a small group. The company has therefore taken advantage of the exemption provided by section 398 of the Companies Act 2006 not to prepare group accounts.

**Incoming resources**

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of general nature are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. 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.

Income from commercial trading activities is recognised as earned (as the related goods are provided).

The subsidiary's trading profits are recognised as income on receipt of the related gift aid donation.

Investment income is recognised on a receivable basis.

**Volunteers and donated services and facilities**

The value of services provided by volunteers has not been included in these financial statements. Further details of the contribution made by volunteers can be found in the Trustees' annual report.

Where services are provided to the Charity as a donation that would normally be purchased from our suppliers, this contribution is included in the financial statements at an estimate based on the value of the contribution to the Charity.

**PURPLE PATCH ARTS****NOTES TO THE FINANCIAL STATEMENTS (continued)****YEAR ENDED 31 AUGUST 2020****1 Accounting policies (continued)****Resources expended**

Expenditure is recognised on an accrual basis as a liability and is incurred inclusive of irrecoverable VAT.

Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of fundraising activities.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Charity and include the audit fees and costs linked to the strategic management of the Charity.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis e.g. time spent, estimated usage or proportionate to income generated.

**Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation. The costs of minor additions or those costing below £100 are not capitalised. Depreciation is provided at a rate calculated to write off the cost of each asset over its estimated useful life as follows:

Computer equipment	- 33.33% straight line
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**Pension**

The company has a defined contribution pension scheme and the costs of contributions made by the company is charged in the accounts as incurred.

**Leasing commitments**

Rentals applicable to operating leases are charged to the SOFA over the period in which the cost is incurred.

**Funds structure**

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity. Designated funds are unrestricted funds earmarked by the Trustees for particular purposes. Restricted funds are subject to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

## PURPLE PATCH ARTS

## NOTES TO THE FINANCIAL STATEMENTS (continued)

## YEAR ENDED 31 AUGUST 2020

## 1 Accounting policies (continued)

**Company status**

The charity is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

**Financial instruments**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

	Unrestricted Funds £	Restricted Funds £	2020 £	2019 £
<b>2 VOLUNTARY INCOME</b>				
Donations	855	-	855	1,055
	<u>855</u>	<u>-</u>	<u>855</u>	<u>1,055</u>
<b>3 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES</b>				
	Unrestricted Funds £	Restricted Funds £	2020 £	2019 £
<b>Grant income</b>				
Aspire	36,000	-	36,000	36,000
Bradford Council	-	-	-	19,850
Coronavirus Small Business Grant	10,000	-	10,000	-
Garfield Weston Foundation	7,500	-	7,500	-
Hillards Charitable Trust	1,000	-	1,000	-
Good Things Foundation	-	-	-	20,750
Leeds Community Foundation	-	-	-	10,000
Lloyds Bank Foundation	-	12,402	12,402	-
National Lottery Community Fund	-	9,993	9,993	9,750
North Yorkshire County Council	-	-	-	10,000
Selby Town Council	-	-	-	855
Sheffield University	-	-	-	13,880
Sir George Martin Trust	-	-	-	1,000
St Chad's	-	1,628	1,628	1,426
Tees, Esk & Wear Valleys innovation	-	-	-	13,500
Tesco	-	-	-	4,000
Your Consortium	-	-	-	3,750
	<u>54,500</u>	<u>24,023</u>	<u>78,523</u>	<u>144,761</u>
<b>Other income</b>				
Programmes income	189,195	-	189,195	197,420
Trading income	1,050	-	1,050	1,866
	<u>190,245</u>	<u>-</u>	<u>190,245</u>	<u>199,286</u>
	<u>244,745</u>	<u>24,023</u>	<u>268,768</u>	<u>344,047</u>

## PURPLE PATCH ARTS

## NOTES TO THE FINANCIAL STATEMENTS (continued)

## YEAR ENDED 31 AUGUST 2020

	Unrestricted Funds £	Restricted Funds £	2020 £	2019 £
<b>4 CHARITABLE ACTIVITIES COSTS</b>				
<b>Project costs</b>				
Wages and salaries	154,292	38,422	192,714	201,197
Programme expenses	1,407	2,009	3,416	8,631
Freelance project staff	213	-	213	272
Venue hire	26,896	-	26,896	44,758
Project expenses	190	10,947	11,137	6,435
	<u>182,998</u>	<u>51,378</u>	<u>234,376</u>	<u>261,293</u>
<b>Support costs</b>				
Rent and rates	12,470	1,300	13,770	13,542
Insurance	2,531	-	2,531	2,117
Repairs and maintenance	-	-	-	205
Telephone and computer expenses	4,995	-	4,995	3,983
Printing, postage and stationery	1,928	-	1,928	1,491
Training costs	1,110	-	1,110	190
Bad debts	480	-	480	340
Loss on disposal of fixed assets	-	-	-	225
Depreciation	804	-	804	7,084
	<u>24,318</u>	<u>1,300</u>	<u>25,618</u>	<u>29,177</u>
<b>Governance costs</b>				
Legal and professional fees	48	-	48	13
HR and payroll fees	4,897	-	4,897	5,286
Examiner remuneration	1,080	-	1,080	1,755
	<u>6,025</u>	<u>-</u>	<u>6,025</u>	<u>7,054</u>
	<u>213,341</u>	<u>52,678</u>	<u>266,019</u>	<u>297,524</u>
	Unrestricted Funds £	Restricted Funds £	2020 £	2019 £
<b>5 GOVERNANCE COSTS</b>				
Legal and professional	48	-	48	13
HR & payroll fees	4,897	-	4,897	5,286
Examiner remuneration	1,080	-	1,080	1,755
	<u></u>	<u></u>	<u></u>	<u></u>
<b>6 NET INCOMING/(OUTGOING) RESOURCES</b>				
Net resources are stated after charging/(crediting):			2020 £	2019 £
Examiner remuneration			1,080	1,755
Depreciation – owned assets			804	7,084
			<u></u>	<u></u>

**PURPLE PATCH ARTS****NOTES TO THE FINANCIAL STATEMENTS (continued)****YEAR ENDED 31 AUGUST 2020****7 TRUSTEES' REMUNERATION AND BENEFITS**

Trustees' travel expenses for the year ended 31 March 2020 were £Nil (2019: £Nil).

**8 STAFF COSTS**

	2020	2019
	£	£
The aggregate payroll costs were:		
Salaries and wages	187,348	189,359
Social security costs	3,002	9,682
Pension contributions	2,364	2,156
	<u>192,714</u>	<u>201,197</u>

The average number of employees during the year was as follows:

	Number	Number
Number of staff	20	22
Employees earning more than £50,000 per annum:	0	0
Between £50,000 and £60,000	<u>0</u>	<u>0</u>

**9 PENSION COSTS**

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £2,364 (2019: £2,156).

**PURPLE PATCH ARTS****NOTES TO THE FINANCIAL STATEMENTS (continued)****YEAR ENDED 31 AUGUST 2020****10 TANGIBLE FIXED ASSETS**

	Computer Equipment £	Total £
<b>COST</b>		
At 1 September 2019	24,818	24,818
Additions	-	-
Disposals	-	-
	<hr/>	<hr/>
At 31 August 2020	24,818	24,818
	<hr/>	<hr/>
<b>DEPRECIATION</b>		
At 1 September 2019	23,682	23,682
Charge for the year	804	804
On disposals	-	-
	<hr/>	<hr/>
At 31 August 2020	24,486	24,486
	<hr/>	<hr/>
<b>NET BOOK VALUE</b>		
At 31 August 2020	332	332
	<hr/> <hr/>	<hr/> <hr/>
At 31 August 2019	1,136	1,136
	<hr/> <hr/>	<hr/> <hr/>

**11 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2020 £	2019 £
Trade debtors	3,200	2,126
Prepayments	4,344	4,986
Accrued income	6,381	31,896
	<hr/>	<hr/>
	13,925	39,008
	<hr/> <hr/>	<hr/> <hr/>

**12 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2020 £	2019 £
Trade creditors	36	139
Accruals	10,469	2,176
Deferred income	19,861	-
Other creditors	-	216
	<hr/>	<hr/>
	30,366	2,531
	<hr/> <hr/>	<hr/> <hr/>

**PURPLE PATCH ARTS****NOTES TO THE FINANCIAL STATEMENTS (continued)****YEAR ENDED 31 AUGUST 2020****13 MOVEMENT IN FUNDS**

	At 1.9.19 £	Net movement in funds £	At 31.8.20 £
<b>Unrestricted funds</b>	40,207	32,259	72,466
<b>Restricted funds</b>	45,135	(28,655)	16,480
<b>TOTAL FUNDS</b>	<u>85,342</u>	<u>3,604</u>	<u>88,946</u>

Net movement in funds included in the above are as follows:

	Incoming resources £	Resources Expended £	Movement in funds £
<b>Unrestricted funds</b>	245,600	(213,341)	32,259
<b>Restricted funds</b>	24,023	(52,678)	(28,655)
<b>TOTAL FUNDS</b>	<u>269,623</u>	<u>(266,019)</u>	<u>3,604</u>

**14 OPERATING LEASES**

The total future minimum lease payments under non-cancellable operating leases as follow

	2019 £	2020 £
Not later than 1 year	3,764	13,680
Later than 1 year and not later than 5 years	1,146	1,344
	<u>4,910</u>	<u>15,024</u>

**15 CONTROLLING PARTY**

The charity is controlled by the Trustees. No one Trustee has ultimate control.

**PURPLE PATCH ARTS****DETAILED STATEMENT OF FINANCIAL ACTIVITIES****YEAR ENDED 31 AUGUST 2020**

<b>INCOMING RESOURCES</b>	2020	2019
	£	£
<b>Voluntary Income</b>		
Donations	855	1,055
	<hr/>	<hr/>
	855	1,055
<b>Incoming resources from charitable activities</b>		
Grant income	78,523	144,761
Programmes income	189,195	197,420
Trading income	1,050	1,866
	<hr/>	<hr/>
	268,768	344,047
	<hr/>	<hr/>
<b>Total incoming resources</b>	269,623	345,102
	<hr/>	<hr/>
<b>RESOURCES EXPENDED</b>		
<b>Project costs</b>		
Wages and salaries	192,714	201,197
Programme expenses	3,416	8,631
Freelance project staff	213	272
Venue hire	26,896	44,758
Project expenses	11,137	6,435
	<hr/>	<hr/>
	234,376	261,293
<b>Support costs</b>		
Rent and rates	13,770	13,542
Insurance	2,531	2,117
Repairs and maintenance	-	205
Telephone and computer expenses	4,995	3,983
Printing, postage and stationery	1,928	1,491
Training costs	1,110	190
Bad debts	480	340
Loss on disposal of fixed assets	-	225
Depreciation	804	7,084
	<hr/>	<hr/>
	25,618	29,177
<b>Governance costs</b>		
Legal and professional fees	48	13
HR and payroll fees	4,897	5,286
Examiner remuneration	1,080	1,755
	<hr/>	<hr/>
<b>Total resources expended</b>	266,019	297,524
	<hr/>	<hr/>
<b>Net income</b>	3,604	47,578
	<hr/> <hr/>	<hr/> <hr/>



**PURPLE PATCH ARTS****ANALYSIS OF CHARITABLE FUNDS****YEAR ENDED 31 AUGUST 2020**

	Fund at 1 September 2019 £	Incoming resources in year £	Resources expended in year £	Fund at 31 August 2020 £
<b>Unrestricted Funds</b>				
Charity General Fund	40,207	245,600	(213,341)	72,466
<b>Restricted Funds</b>				
Sheff Uni – Living Life To The Fullest	8,663	-	(8,663)	-
N Yorkshire County Council – Wellbeing Web App	5,000	-	(1,000)	4,000
National Lottery Community Fund - Awards For All – A Purple Celebration	7,038	-	(7,038)	-
St Chads – Habitats	-	1,628	(1,628)	-
National Lottery Community Fund – Awards for All – A Purple Summer	-	9,993	(9,993)	-
Lloyds Bank Foundation – Enable	-	12,402	(12,402)	-
Tesco – Resources	2,009	-	(2,009)	-
Bradford Council – Day Opportunities	18,878	-	(7,817)	11,061
Tees, Esk & Wear Valleys Innovation Fund - mental wellbeing workshops for LD participants	3,547	-	(2,128)	1,419
<b>Total Restricted Funds</b>	45,135	24,023	(52,678)	16,480
<b>Total Funds</b>	85,342	269,623	(266,019)	88,946