

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

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 A E Durrant (resigned 26 April 2021) I Ali (resigned 25 May 2022) R Higgins (appointed 7 July 2021 and resigned 25 May 2022)
Key Management Personnel	J Cross - Chief Executive Officer, J Riley - Operations Director, 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.
Company Registration Number	11533203
Charity Registration Number	1182534
Solicitors	Womble Bond Dickinson St Ann's Wharf 112 Quayside Newcastle upon Tyne NE1 3DX
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

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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.

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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

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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 m² 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; 300m² 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.

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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.

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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.

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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

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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

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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.

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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.

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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.

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- 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.

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- 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. 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 £
Income and Endowments from:					
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>
Expenditure on:					
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)	-	-
Other recognised gains and losses					
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)
Reconciliation of funds					
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 £
Income and Endowments from:				
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>
Expenditure on:				
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)	-
Other recognised gains and losses				
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)
Reconciliation of funds				
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 £
Fixed assets			
Tangible assets	16	427,036	104,586
Current assets			
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
Creditors: Amounts falling due within one year	21	<u>(562,470)</u>	<u>(740,960)</u>
Net current assets		<u>1,109,241</u>	<u>1,049,425</u>
Net assets excluding pension liability		1,536,277	1,154,011
Pension scheme liability	22	<u>(1,141,000)</u>	<u>(1,471,000)</u>
Net assets/(liabilities) including pension liability		<u><u>395,277</u></u>	<u><u>(316,989)</u></u>
Funds of the group:			
Restricted income funds			
Restricted funds	24	619,780	593,829
Unrestricted income funds			
Unrestricted funds		<u>(224,503)</u>	<u>(910,818)</u>
Total funds	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 £
Fixed assets			
Tangible assets	16	419,338	104,586
Investments		<u>1</u>	<u>1</u>
		<u>419,339</u>	<u>104,587</u>
Current assets			
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
Creditors: Amounts falling due within one year	21	<u>(510,962)</u>	<u>(740,960)</u>
Net current assets		<u>1,122,103</u>	<u>1,049,424</u>
Net assets excluding pension liability		1,541,442	1,154,011
Pension scheme liability	22	<u>(1,141,000)</u>	<u>(1,471,000)</u>
Net assets/(liabilities) including pension liability		<u>400,442</u>	<u>(316,989)</u>
Funds of the charity:			
Restricted income funds			
Restricted funds	24	619,780	593,829
Unrestricted income funds			
Unrestricted funds		<u>(219,338)</u>	<u>(910,818)</u>
Total funds	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 £
Cash flows from operating activities			
Net cash income/(expenditure)		712,266	(49,387)
Adjustments to cash flows from non-cash items			
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
Working capital adjustments			
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>
Cash flows from investing activities			
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:

Asset class	Depreciation method and rate
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

	Unrestricted funds General £	Restricted funds £	Total 2022 £
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>
	Unrestricted funds General £	Restricted funds £	Total 2021 £
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

	Unrestricted funds General £	Total 2022 £
Contribution Agreement	1,776,033	1,776,033
Property Income	656,017	656,017
	<u>2,432,050</u>	<u>2,432,050</u>
	Unrestricted funds General £	Total 2021 £
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

	Unrestricted	Total	Total
	General	2022	2021
	£	£	£
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

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

7 Other income

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

	Unrestricted funds General £	Total 2022 £	Total 2021 £
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

	Unrestricted		Total 2022 £	Total 2021 £
	General £	Restricted £		
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
Total for 2022	<u>35,941</u>	<u>453,191</u>	<u>489,132</u>
Total for 2021	<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 £
Staff costs during the year were:		
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:

	2021
	No
£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

	2022	2021
	£	£
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 £
Cost							
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
Depreciation							
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
Net book value							
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 £
Cost							
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
Depreciation							
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
Net book value							
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 £
Cost		
At 1 April 2021	<u>1</u>	<u>1</u>
At 31 March 2022	<u>1</u>	<u>1</u>
Net book value		
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

	2022	2021
	£	£
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

	2022	2021
	£	£
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:

	2022	2021
	£	£
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:

	2022 £
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:

	2022 £
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:

	2022 £	2021 £
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

	2022 £	2021 £
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:

	2022	2021
	%	%
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

	2022	2021
	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 £
Unrestricted					
Unrestricted Fund	(111,384)	2,195,006	(2,345,843)	207,073	(55,148)
Designated					
Backlog Maintenance	671,566	652,501	(231,024)	(121,398)	971,645
Pension	(1,471,000)	-	330,000	-	(1,141,000)
Total unrestricted funds	(910,818)	2,847,507	(2,246,867)	85,675	(224,503)
Restricted funds					
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
Total restricted funds	593,829	457,396	(345,770)	(85,675)	619,780
Total funds	(316,989)	3,304,903	(2,592,637)	-	395,277

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 £
General					
Unrestricted Fund	(111,384)	1,809,480	(1,955,152)	207,073	(49,983)
Designated					
Backlog Maintenance	671,566	652,501	(231,024)	(121,398)	971,645
Pension	(1,471,000)	-	330,000	-	(1,141,000)
Total unrestricted funds	<u>(910,818)</u>	<u>2,461,981</u>	<u>(1,856,176)</u>	<u>85,675</u>	<u>(219,338)</u>
Restricted funds					
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
Total restricted funds	<u>593,829</u>	<u>457,396</u>	<u>(345,770)</u>	<u>(85,675)</u>	<u>619,780</u>
Total funds	<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).