

**Registered number: 06058448**

# **Newcastle Futures Limited**

**(a company limited by guarantee)**

**Annual report**

**31 March 2021**



# Newcastle Futures Limited

(a company limited by guarantee)

## Company information

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**Directors**

H Forrest  
R Hamilton  
J Walker  
M O Grant  
H Lee  
J McCarty (appointed 24 June 2021)  
B A King (resigned 23 June 2021)  
G W Bell (resigned 24 June 2021)

**Company secretary**

H Lapidaki

**Registered number**

06058448

**Registered office**

Cathedral Square  
Cloth Market  
Newcastle upon Tyne  
NE1 1EE

**Independent auditor**

UNW LLP  
Chartered Accountants  
Citygate  
St James' Boulevard  
Newcastle upon Tyne  
NE1 4JE

# **Newcastle Futures Limited**

(a company limited by guarantee)

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# **Newcastle Futures Limited**

(a company limited by guarantee)

## **Directors' report**

**Year ended 31 March 2021**

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The directors present their report and the financial statements for the year ended 31 March 2021.

### **Principal activity**

The principal activity of the company during the year was the provision of employment services with the following objects:

- 1) to relieve unemployment for the benefit of the public in the city of Newcastle upon Tyne ("the area") in such ways as may be thought fit including assistance to find employment;
- 2) to promote employment and reduce inequality in the area; and
- 3) to prepare and/or co-ordinate the preparation of strategies to reduce worklessness in the area, to implement such strategies and oversee their effective delivery.

### **Results and dividends**

The surplus for the year, after taxation, amounted to £131,809 (2020: £29,691).

### **Directors**

The directors who served during the year were:

H Forrest  
R Hamilton  
J Walker  
M O Grant  
H Lee  
B A King (resigned 23 June 2021)  
G W Bell (resigned 24 June 2021)

### **Disclosure of information to auditor**

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

### **Auditor**

Pursuant to section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and UNW LLP will therefore continue in office.

### **Small companies note**

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

## **Newcastle Futures Limited**

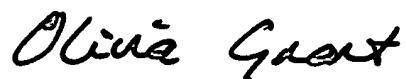
(a company limited by guarantee)

### **Directors' report (continued)**

**Year ended 31 March 2021**

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This report was approved by the board on 6 September 2021 and signed on its behalf by:

A handwritten signature in black ink, appearing to read "M O Grant". The signature is written in a cursive, flowing style.

**M O Grant**  
Director

## **Newcastle Futures Limited**

(a company limited by guarantee)

### **Directors' responsibilities statement**

**Year ended 31 March 2021**

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The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards ('United Kingdom Generally Accepted Accounting Practice'), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors 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 company and of the surplus or deficit of the company for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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



## **Independent auditor's report to the members of Newcastle Futures Limited**

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### **Opinion**

We have audited the financial statements of Newcastle Futures Limited ('the company') for the year ended 31 March 2021, which comprise the income and expenditure account, the balance sheet and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ('United Kingdom Generally Accepted Accounting Practice').

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2021 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ('ISAs (UK)') and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 directors' 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 company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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



## **Independent auditor's report to the members of Newcastle Futures Limited (continued)**

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### **Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

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

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

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.





## **Independent auditor's report to the members of Newcastle Futures Limited (continued)**

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### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement set out on page 3, the directors 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 directors 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 directors are responsible for assessing the company'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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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

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

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

We identified areas of law and regulations that could reasonably be expected to have a material effect on the financial statements from our general and sector experience and through discussions with the directors and other management (as required by auditing standards) and from inspection of the company's legal correspondence and we discussed with the directors and other management the policies and procedures regarding compliance with the laws and regulations. We communicated identified laws and regulations within our team and remained alert to any indications of non compliance throughout the audit.

Firstly, the company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we have assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines and litigation. We identified the following areas as those most likely to have such an effect; health and safety, employment law, data protection and certain aspects of company legislation, recognising the nature of the company's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Through these procedures we have not become aware of any actual or suspected non-compliance.



## **Independent auditor's report to the members of Newcastle Futures Limited (continued)**

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Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non compliance with all laws and regulations.

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

### **Use of our report**

This report is made solely to the company's members, 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 company's members 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 company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

*Anne Hallowell*

**Anne Hallowell BSc FCA DChA (Senior Statutory Auditor)**  
**for and on behalf of UNW LLP, Statutory Auditor**  
Chartered Accountants  
Newcastle upon Tyne

6 September 2021

## Newcastle Futures Limited

(a company limited by guarantee)

### Income and expenditure account

Year ended 31 March 2021

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|                                                       | 2021<br>£      | 2020<br>£      |
|-------------------------------------------------------|----------------|----------------|
| Income                                                | 810,743        | 621,166        |
| Customer expenditure                                  | (2,493)        | (4,280)        |
| <b>Gross surplus</b>                                  | <b>808,250</b> | <b>616,886</b> |
| Administrative expenses                               | (676,749)      | (588,353)      |
| <b>Operating surplus</b>                              | <b>131,501</b> | <b>28,533</b>  |
| Interest receivable                                   | 308            | 1,158          |
| <b>Surplus on ordinary activities before taxation</b> | <b>131,809</b> | <b>29,691</b>  |
| Tax on surplus on ordinary activities                 | -              | -              |
| <b>Surplus for the financial year</b>                 | <b>131,809</b> | <b>29,691</b>  |

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There was no other comprehensive income for 2021 or 2020.

The notes on pages 10 to 14 form part of these financial statements.

## Newcastle Futures Limited

(a company limited by guarantee)

### Balance sheet At 31 March 2021

|                                                | Note | 2021<br>£             | 2020<br>£             |
|------------------------------------------------|------|-----------------------|-----------------------|
| <b>Fixed assets</b>                            |      |                       |                       |
| Tangible assets                                | 5    | 2,442                 | 3,186                 |
| <b>Current assets</b>                          |      |                       |                       |
| Debtors                                        | 6    | 159,881               | 222,835               |
| Cash at bank and in hand                       |      | 541,123               | 357,617               |
|                                                |      | <u>701,004</u>        | <u>580,452</u>        |
| Creditors: amounts falling due within one year | 7    | (89,054)              | (101,055)             |
| <b>Net current assets</b>                      |      | <u>611,950</u>        | <u>479,397</u>        |
| <b>Total assets less current liabilities</b>   |      | <u>614,392</u>        | <u>482,583</u>        |
| <b>Net assets</b>                              |      | <u><u>614,392</u></u> | <u><u>482,583</u></u> |
| <b>Capital and reserves</b>                    |      |                       |                       |
| Income and expenditure account                 |      | 614,392               | 482,583               |
|                                                |      | <u><u>614,392</u></u> | <u><u>482,583</u></u> |

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 6 September 2021.



M O Grant  
Director

Company registered number: 06058448

The notes on pages 10 to 14 form part of these financial statements.

# Newcastle Futures Limited

(a company limited by guarantee)

## Notes to the financial statements Year ended 31 March 2021

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### 1. General information

Newcastle Futures Limited ('the company') is a private company limited by guarantee, incorporated in the United Kingdom and registered in England and Wales. The address of the registered office is given in the company information page of these financial statements.

### 2. Statement of compliance

The financial statements have been prepared in accordance with United Kingdom Accounting Standards, including Section 1A of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' ('FRS 102') and the Companies Act 2006.

### 3. Accounting policies

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 periods presented, unless otherwise stated.

#### 3.1 Basis of preparation of financial statements

The financial statements are prepared on a going concern basis and under the historical cost convention. They are presented in pounds sterling and rounded to the nearest £.

#### 3.2 Going concern

The directors have considered the ongoing impact of the Covid-19 pandemic on the operations of the company. Additional funding was made available to support operations during the year and much of the work continued uninterrupted through on-line channels. As a result, the directors do not consider that the situation poses a significant threat to the organisation at this time. Given the level of reserves held and the project funding secured for ongoing service delivery, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to prepare the financial statements on a going concern basis.

# Newcastle Futures Limited

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## Notes to the financial statements

Year ended 31 March 2021

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### 3. Accounting policies (continued)

#### 3.3 Revenue recognition

##### *Income*

Income represents amounts receivable for services rendered and grants receivable from Newcastle City Council and Local Authorities during the period to implement the company's projects.

Revenue grants and contributions received and receivable in respect of specific project expenditure are recognised in the income and expenditure account in the same period as the related expenditure.

Where the company acts as agent to deliver a contract for services on behalf of Newcastle City Council, only the income attributed to the management of that contract is recognised within these financial statements.

##### *Government grants*

Government grants relating to tangible fixed assets are treated as deferred income and released to the income and expenditure account over the expected useful lives of the assets concerned.

Grants of a revenue nature are recognised in the income and expenditure account in the same period as the related expenditure.

##### *Interest income*

Interest income is recognised on an accruals basis.

#### 3.4 Employee benefits

##### *Short-term benefits*

Short-term benefits, including holiday pay and other similar non-monetary benefits are recognised as an expense in the period in which the service is received.

##### *Defined contribution pension plan*

The company operates a defined contribution pension plan for its employees. Contributions are recognised as an expense when they fall due. Amounts due but not yet paid are included within creditors on the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

#### 3.5 Taxation

HM Revenue & Customs consider the company's activities to be outside the scope of corporation tax. Therefore no tax is assessed on the company's surplus on ordinary activities. Any future significant changes to the financial affairs of the company might give rise to a tax liability.

# Newcastle Futures Limited

(a company limited by guarantee)

## Notes to the financial statements Year ended 31 March 2021

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### 3. Accounting policies (continued)

#### 3.6 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost, less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price plus any further costs directly attributable to bringing the asset to its working condition for its intended use.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their estimated useful lives as follows:

|                       |   |                   |
|-----------------------|---|-------------------|
| Fixtures and fittings | - | 25% straight line |
| Office equipment      | - | 33% straight line |

Asset residual values and useful lives are reviewed at the end of each reporting period, and adjusted if appropriate. The effect of any change is accounted for prospectively.

#### 3.7 Financial instruments

The company only enters into financial instruments transactions that result in the recognition of basic debt financial assets and liabilities such as trade and other debtors and creditors and cash and bank balances. All such financial instruments are due within one year and are measured, initially and subsequently, at the transaction price.

At the end of each reporting period debt financial assets are assessed for impairment, and their carrying value reduced if necessary. Any impairment charge is recognised in the profit and loss account.

### 4. Employees

The average monthly number of employees, including directors, during the year was 28 (2020 restated: 24).

## Newcastle Futures Limited

(a company limited by guarantee)

### Notes to the financial statements Year ended 31 March 2021

#### 5. Tangible fixed assets

|                       | Fixtures and<br>fittings<br>£ | Office<br>equipment<br>£ | Total<br>£ |
|-----------------------|-------------------------------|--------------------------|------------|
| <b>Cost</b>           |                               |                          |            |
| At 1 April 2020       | 2,504                         | 152,753                  | 155,257    |
| Additions             | -                             | 1,100                    | 1,100      |
| Disposals             | -                             | (5,806)                  | (5,806)    |
| At 31 March 2021      | 2,504                         | 148,047                  | 150,551    |
| <b>Depreciation</b>   |                               |                          |            |
| At 1 April 2020       | 2,504                         | 149,567                  | 152,071    |
| Charge for the year   | -                             | 1,844                    | 1,844      |
| Disposals             | -                             | (5,806)                  | (5,806)    |
| At 31 March 2021      | 2,504                         | 145,605                  | 148,109    |
| <b>Net book value</b> |                               |                          |            |
| At 31 March 2021      | -                             | 2,442                    | 2,442      |
| At 31 March 2020      | -                             | 3,186                    | 3,186      |

#### 6. Debtors

|                                | 2021<br>£ | 2020<br>£ |
|--------------------------------|-----------|-----------|
| Trade debtors                  | 1,087     | -         |
| Other debtors                  | -         | 575       |
| Prepayments and accrued income | 158,794   | 222,260   |
|                                | 159,881   | 222,835   |



# Newcastle Futures Limited

(a company limited by guarantee)

## Notes to the financial statements Year ended 31 March 2021

### 7. Creditors: amounts falling due within one year

|                                    | 2021          | 2020<br>(restated) |
|------------------------------------|---------------|--------------------|
|                                    | £             | £                  |
| Trade creditors                    | 812           | 3,747              |
| Other taxation and social security | 11,234        | 11,993             |
| Other creditors                    | 55,019        | 18,511             |
| Accruals and deferred income       | 21,989        | 66,804             |
|                                    | <u>89,054</u> | <u>101,055</u>     |

The comparatives have been restated after reclassifying a balance of £12,342 from other creditors to accruals and deferred income to better reflect its nature.

### 8. Company status

The company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation.

### 9. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £8,356 (2020: £6,092). Contributions totalling £2,111 (2020: £nil) were payable to the fund at the balance sheet date and are included in creditors.

### 10. Related party transactions

During the year, the company received grant income of £505,227 (2020: £306,269) from Newcastle City Council. Payroll costs and other expenditure amounting to £120,948 (2020: £116,866) were recharged to the company by Newcastle City Council. At the year end, the company is owed £1,087 (2020: £nil) by Newcastle City Council. Newcastle City Council is a member of the company.

The company occupies premises which are provided rent free by The Jobcentre Plus. The Jobcentre Plus is a partner organisation and has the right to nominate one director to the board of directors.

No further transactions with related parties were undertaken such as are required to be disclosed under FRS 102, section 33.