HANDCRAFTED PROJECTS

COMPANY NO. 07884740
CHARITY NO. 1146188

TRUSTEES' ANNUAL REPORT
AND FINANCIAL STATEMENTS
FOR THE PERIOD
1ST JANUARY 2025 TO
31ST DECEMBER 2025

HANDCRAFTED

HANDCRAFTED

Financial Statements 1st January - 31st December 2025

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A HOPE
+ A FUTURE





HANDCRAFTED

Financial Statements 1st January - 31st December 2025

TRUSTEES' & DIRECTORS' ANNUAL REPORT

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present this combined report with the financial statements of the charity for the year ended 31st December 2025. The trustees have adopted the provisions of 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 1st January 2019).

THE TRUSTEES

The Trustees who served the company during the period 1 January 2025 to 31 December 2025 and up to the date of signature of the financial statements were:
Paul Morley (chair until 30/04/2026)
Norman Urwin
Mark Buttanshaw (resigned 17/10/2025)
Eileen Brady
Karen Bianchi
Febrina Robinson (resigned 10/09/2025)
Emily Carter (appointed 23/05/2025)
Thomas Ward (appointed 23/05/2025)

Charlotte Clarke was appointed as Trustee on 10/03/2026 and as chair from 01/05/2026
Frances Njovana was appointed as Trustee on 14/09/2026

REFERENCE AND ADMINISTRATIVE DETAILS

Name of the company:	Handcrafted Projects
Company registration number:	07884740
Charity number:	1146188
Registered office:	Unit 21, Littleburn Industrial Estate, Langley Moor, Durham, DH7 8HG
Auditors:	Senior Statutory Auditor – Lesley Stabler BA FCCA Sumer Auditco Limited, Finchale House Belmont Business Park, Durham DH1 1TW



STRUCTURE, GOVERNANCE AND MANAGEMENT

Handcrafted Projects is a company limited by guarantee with company registration number 07884740. It is governed by its Memorandum and Articles of Association dated 16 December 2011. It was registered as a charity with the Charity Commission on 1 March 2012 with charity number 1146188. The subscribers to the Company's Memorandum of Association were the first members of the Charity. Membership is open to other individuals or organisations who apply to the charity in the form required by the Trustees and who are approved by the Trustees.

TRUSTEE APPOINTMENT, INDUCTION AND TRAINING

Handcrafted recognises the importance of a diverse, skilled and experienced Board. The Trustees proactively seek out potential new Members who have the required strengths and background, who may be appointed at any ordinary meeting. New trustees may be elected after attending a Board meeting as an observer.

New trustees undergo an induction to brief them on: their legal obligations under charity and company law, the Charity Commission guidance on public benefit, the strategic plan and recent developments of the charity. They will attend Handcrafted activities, to meet beneficiaries and key employees .

ORGANISATION AND DAY-TO-DAY MANAGEMENT

The Trustees comprise the board of Trustees, and the senior management team comprise the key management personnel. All trustees give of their time freely and no trustee received remuneration in the year. Details of trustee' expenses and related party transactions are disclosed in notes 7 and 17 to the accounts. The pay of the senior staff is reviewed annually and normally increased in accordance with average earnings. The Trustees will also seek to benchmark against other similar roles in the charity sector.

A Chief Executive, Director for Hubs & Housing and Director for Young People are appointed by the trustees to manage the day-to-day operations of the charity. To facilitate effective operations, the Chief Executive has delegated authority, within terms of delegation approved by the Trustees, for operational matters including finance, employment, strategic planning, and safeguarding.

As of 31st December , the senior management consisted of:
Chief Executive - Daniel Northover
Director for Hubs & Housing - John Hinton
Director for Young People - Harry Jennings

RISK MANAGEMENT

Major risks are reviewed at quarterly board meetings and four steering groups have been established to review the systems and procedures to manage these risks on a more regular basis. These steering groups include trustees, staff members and external specialists who have the relevant expertise. These steering groups cover the key strategic risks and opportunities in the respective areas of:

- Finance,
- Safeguarding,
- Mission & Values,
- HR & Wellbeing.

External specialists who provided professional advice in 2025 are:

- Almond Tree Strategic Consulting Ltd - 1 Friar Street, Reading, RG1 1DA
- Withwards Business Leadership - 30 Bolton Close, Durham, DH1 5PH
- Gazella Limited - Fig Offices, Southgate House, Southgate Street, Gloucester, GL1 1UD
- Alcumus SafeWorkforce - Axys House, Heol Crochendy, Parc Nantgarw, Cardiff CF15 7TW

OBJECTIVES AND PURPOSE

CHARITABLE OBJECTIVES

- To promote social inclusion for the public benefit by preventing people from becoming socially excluded, relieving the needs of those people who are socially excluded and assisting them to integrate into society. For the purpose of this clause "socially excluded" means being excluded from society, or parts of society, as a result on one of the following factors: unemployed; financial hardship; old age; substance abuse or dependency including alcohol and drugs and poor education or skills attainment.
- The relief of unemployment for the benefit of the public in such ways as may be thought fit, including assistance to find employment.
- The relief of financial hardship by providing people with goods and services which they could not otherwise afford through lack of means.
- The advancement of the Christian faith for the benefit of the public.

PUBLIC BENEFIT

All our charitable activities are undertaken to further our charitable purposes for the public benefit. The Trustees have had regard to the Charity Commission's guidance on public benefit throughout the period when deciding on the activities of the charity.

VALUES

The following values have been identified as essential to the way the Handcrafted works. We seek to demonstrate these in every aspect of the way that we work with beneficiaries, with our colleagues, with partner organisations, and with members of the public:

EMPOWERMENT - Everyone can learn to take back control of their lives

COMMUNITY - We accept people just as they are, and we support each other

EMPATHY - We will walk through challenges together, shoulder to shoulder

CREATIVITY - Everyone can make something to be proud of

HANDCRAFTED

Financial Statements 1st January - 31st December 2025

TRUSTEES' ANNUAL REPORT

OUR STATEMENT OF PURPOSE

Handcrafted's mission is to connect with the most socially excluded people in society, to offer them the support, housing, training, and opportunities so that they might be empowered to turn their own lives around.

15,000+ MEALS SHARED



701 PEOPLE ENGAGED



152 RESIDENTS SUPPORTED

91 PROPERTIES

16 NEW THIS YEAR

20,396 CREATIVE ACTIVITY ATTENDANCES

1 NEW HUB

2 NEW YOUNG PEOPLE'S TEAMS



13 NEW STAFF



241 NEW TRAINEES

12,969 SUPPORT VISITS



In 2025, we engaged with 701 disadvantaged people and offered them a welcoming community, person-centred support and opportunities to grow.

There continues to be growing demand for our work. We welcomed 241 new trainees into our community last year.

ACTIVITIES & OUTPUTS

We provide opportunities for marginalised people to realise their own potential by offering sustainable tenancies in supported housing; practical and creative skills training in a positive community context; person-centred holistic support; and opportunities to gain further independence, including work experience, supported employment placements & accredited training courses.

This year we created a new hub in Darlington, successfully launched Hummingbird - a pioneering approach to housing 16-17s in care - and developed the specialist support pathway - Liberty - for women leaving prison. In response to local need, we continued the growth of our accredited training, supported employment and young asylum-seeker/refugee provision.







HOUSING

This year we housed 152 people in safe, high-quality homes, alongside supporting them to sustain their tenancies. We increased our portfolio to 91 homes working with private investors and £465,500 of social investment.

TRAINING

Our hubs continue to grow. An average of 82 attended our daily cookery, woodwork, craft and enterprise training activities each day across our 5 hubs.

SUPPORT

We provide person-centred support that is based on each strength of our trainees, to empower them to find solutions to improve their own wellbeing. They made 12,969 support visits in 2025.

OPPORTUNITY

We developed more opportunities for our trainees to move toward independence. 8 completed six-month supported employment placements in our community cafe and clothing printing enterprise.

ACHIEVEMENTS AND PERFORMANCE

Some trainees unlock changes within weeks of first engaging with us. Others take months or years to find stability. We want lasting transformation for our trainees, so progress *and* stability are equally valued. We measure impact holistically across 5 areas:







LIVING SPACE

Having a safe and suitable place to live. In 2025, 82 of our tenants successfully maintained their tenancy for over 6 months and 16 moved onto independence!

SELF-CONFIDENCE

Having confidence in their own abilities and potential. 72 training courses in cooking, maths skills, woodwork, craft and hospitality were completed by our trainees. 40 progressed into or maintained volunteering/employment.

USE OF TIME

Having a meaningful use of time. 96% agreed that Handcrafted has helped them find meaningful things to do each day - not just in our sessions! 142 trainees demonstrated their new skills by completing projects.

POSITIVE SOCIAL NETWORKS

A positive community in which encouraging and meaningful friendships are formed. In 2025, 96% said they felt a welcomed part of a community at Handcrafted, and 94% said they felt comfortable asking staff & peers for help.

COPING STRATEGIES

Having healthy coping strategies when difficulties arise. In 2025, 95% said that their mental health has improved since coming to Handcrafted. 18 took part in Own My Life courses, which helps victims of domestic abuse take back control of their lives.

CASE STUDIES

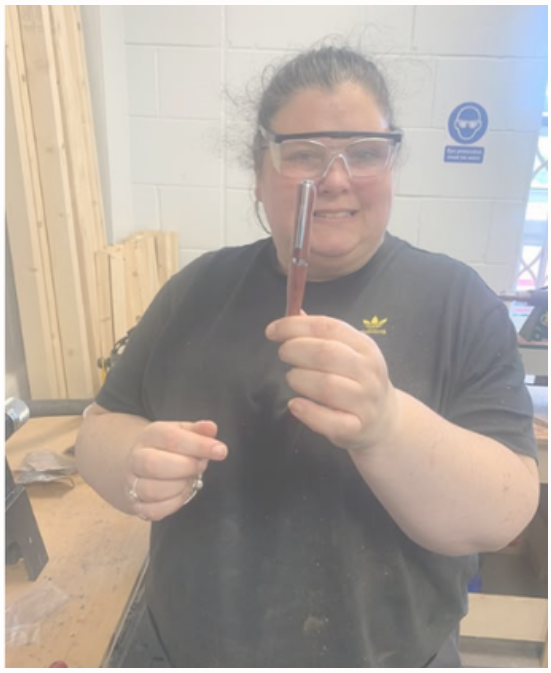
A HOME & A FUTURE

After experiencing 15 different placements in care, Carla arrived at her Hummingbird house looking for stability and connection. The weekly activity programme helped Carla feel settled, with everything from ice-skating to trampolining, to shared meals with other residents.

Carla now hopes to become a nursery teacher and create a place where children feel safe and cared for. “I didn’t have a good childhood... So I want to make sure the nursery is the best place, like a home space for them. ”

Loneliness has sometimes been a challenge, but with her Support Workers, Carla has been learning new ways to navigate this. Their encouragement has helped her grow in confidence.

Today, Carla values the independence she is building with the support of Handcrafted, as she learns to solve problems for herself while knowing help is there when she needs it.



FROM PRISON TO LIBERTY

We developed our Liberty Pathway to meet the gap in support & housing for women in the justice system who have experienced domestic abuse. Julia was one of the first on the pathway. She completed the ‘Own My Life’ course on day release from prison. The 12-week course supports women who have experienced domestic abuse to rebuild their sense of identity and agency.

On her release, Julia faced the uncertainty that accompanies resettlement. Handcrafted was able to provide safe accommodation alongside consistent, relational support. “I needed lots of support when I came out. Because I needed help with sorting out everything official. I didn’t have a clue to go about it. But I got lots of support... There’s been someone to help anytime I’ve had a question.”

Julia is now a core member of her Handcrafted craft group. She has grown in confidence, formed new friendships and rediscovered a sense of purpose. She reflects that: “...without Handcrafted, I don’t know where I would be now because I had nowhere to go, no idea of where I was going to live and they just give me hope.”





PLANS FOR FUTURE PERIODS

CURRENT OPPORTUNITIES

In response to local needs, we're developing multiple opportunities:

- Growing our housing provision in Sunderland, Durham and Darlington by purchasing 21 properties with a £2.3m investment from Social and Sustainable Capital

- Developing new ways for our trainees to gain employability skills & experience by creating two new social enterprises to offer hands-on training courses and supported employment placements in Table-Making and Barbering.

- Upgrading our Sunderland Hub through £40,000 capital investment to create high-quality community and multi-use teaching spaces.

- Partnering with Open Door NE to deliver a new contract for supporting, housing and training Unaccompanied Asylum-Seeking Children in Tees Valley.

FUTURE PLANS

Our trustees are developing a new strategic plan for 2026-30. This includes integrating accredited training courses across our community hubs, developing our specialist provision (the Liberty Pathway) for women with experience of domestic abuse, and expanding our Young People's provision in new areas through partnerships with other providers and local authorities.



FINANCIAL REVIEW

Incoming Resources totalled £3,145,089, operational expenditure was £2,902,090. The movement in funds arising in this financial period was a net surplus of £242,999 – which left total funds held by the charity of £534,395 at 31st December 2025.

The charity has achieved a significant increase in income from Charitable Activities, with the income from rental income, support income, and social enterprise increasing by 49% from £1,544,446 in 2024 to £2,296,834 in 2025. This is in line with the charity's strategic aim to diversify revenue streams and decrease reliance on the subjective decisions of grantmakers & sporadic training contract opportunities. Training contract income fell from £190,192 in 2024 to £54,900 in 2025. The charity also took in £793,355 from grants and donations, an increase from £514,154 in 2024. This included a one-off large grant from a long-term funder, Jug of Oil (£270,164).

This has enabled the charity to invest in building the staff team to 49 (from 36 in 2024). New social investment of £465,500 funded the start-up costs of our Hummingbird project for children-in-care (including 3 purchased properties, refurbishment of our Durham Hub & 5 new staff). This generated £307,338 in new revenue in 2025 and will provide a new regular income stream going forward to put the charity on a firmer long-term financial foundation.

RESERVES POLICY

The trustees have reviewed and updated our reserves targets in light of the charity's growing activities and responsibilities. The trustees now aim to keep sufficient working reserves to allow the charity to continue operating in the event of financial pressures:

- Free cash reserve - 2 months of baseline expenditure,
- Total reserves - 4 months of baseline expenditure,

where baseline expenditure is the estimated minimum cost to continue Handcrafted's current operations. It is calculated as the sum of committed expenditure (Wages and Salaries, Social Security, Pension Contributions, Rent & Rates, Insurance and Loan Repayments), plus the following proportions of discretionary expenditure:

- 66% of housing maintenance budget,
- 33% of training & catering materials budget,
- 33% of travel & subsistence budget,
- 50% of sundry expenditure budget.

At 31st December 2025, 1 month of baseline expenditure was £233,472, cash totalled 1.3 months of baseline expenditure and total reserves totalled 2.3 months of baseline expenditure.

Over 2026-27 the charity aims to steadily grow its income streams through growing our supported housing provision with a new £2.3m social investment, developing an accredited training programme to gain new training contracts and gaining new support contracts for housing children in care.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees, who are also the Directors for the purposes of company law, are responsible for preparing the Report of the Trustees and 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".

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

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

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. The Trustees are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Sumer Auditco Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 29th September 2026 and signed on behalf of the Board of Trustees:



Professor Charlotte Clarke, Chair of Trustees

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF HANDCRAFTED PROJECTS

OPINION

We have audited the financial statements of Handcrafted Projects (the 'charitable company') for the year ended 31 December 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 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'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 charitable 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 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 Report of the Independent Auditors 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 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.

OPINIONS 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

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

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 charitable 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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

OUR 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 a Report of the Independent Auditors 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:

Our audit must be alert to the risk of manipulation of the financial statements and seek to understand the incentives and opportunities for management to achieve this.

We undertake the following procedures to identify and respond to these risks of non-compliance:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charitable company through discussions with trustees and other management and from our knowledge and experience of this sector;
- we focussed on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including the Companies Acts, Charities Acts, Ofsted regulations, tax legislation, employment, environmental, safeguarding, GDPR, housing, and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was a susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining any accounting estimates were indicative of potential bias;
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation claims;
- reviewing correspondence with regulators, HMRC and the company's legal advisers.

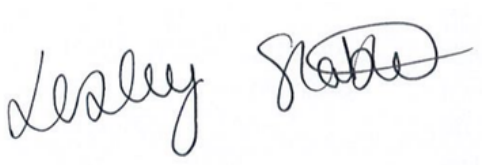
Through these procedures, we did not become aware of actual or suspected non-compliance.

We planned and performed our audit in accordance with auditing standards but owing to the inherent limitations of procedures required in these areas, there is an unavoidable risk that we may not have detected a material misstatement in the accounts. The further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve concealment, collusion, forgery, misrepresentations, or 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. This description forms part of our Report of the Independent Auditors.

USE OF OUR REPORT

This report is made solely to the charitable 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 charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Lesley Stabler BA FCCA (Senior Statutory Auditor)
for and on behalf of Sumer Auditco Limited
Finchale House
Belmont Business Park
Durham
DH1 1TW

Date: 29.9.26

STATEMENT OF FINANCIAL ACTIVITIES

(INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)
FOR THE PERIOD 1 JANUARY 2025 TO 31 DECEMBER 2025

	Note	2025 Unrestricted funds £	2025 Restricted funds £	2025 Total funds £	2024 Total funds £
INCOME FROM:					
Donations and legacies	2	308,596	-	308,596	141,518
Charitable activities	3				
Housing		1,564,426	34,500	1,598,926	1,254,873
Training		40,216	131,060	171,276	301,080
Support		756,790	241,008	997,798	524,670
Opportunities		56,604	11,889	68,493	26,650
Gain on disposal		-	-	-	6,050
Total		**2,726,632**	**418,457**	**3,145,089**	**2,254,841**
EXPENDITURE ON:					
Charitable activities	4				
Housing		(1,476,722)	-	(1,476,722)	(1,036,592)
Training		(510,823)	(133,929)	(644,752)	(434,427)
Support		(477,872)	(226,939)	(704,811)	(516,442)
Opportunities		(75,776)	-	(75,776)	(105,288)
Loss on disposal		(29)	-	(29)	(167,752)
Total		**(2,541,222)**	**(360,868)**	**(2,902,090)**	**(2,260,501)**
Net income/(expenditure)		**185,410**	**57,589**	**242,999**	**(5,660)**
Transfers between funds		34,500	(34,500)	-	-
Net movement in Funds		**219,910**	**23,089**	**242,999**	**(5,660)**
RECONCILIATION OF FUNDS					
Total funds brought forward		224,097	67,299	291,396	297,056
Total funds carried forward		**444,007**	**90,388**	**534,395**	**291,396**

BALANCE SHEET

AS AT 31ST DECEMBER 2025
Company no. 07884740

	Note	2025 £ Unrestricted funds	2025 £ Restricted funds	2025 £ Total funds	2024 £ Total funds
Fixed assets					
Tangible fixed assets	9	3,005,562	-	3,005,562	2,558,811
		3,005,562	**-**	**3,005,562**	**2,558,811**
Current assets					
Debtors	10	239,610	-	239,610	139,565
Cash at bank and in hand		220,474	90,388	310,862	124,086
		460,084	**90,388**	**550,472**	**263,651**
Creditors: Amounts falling due within one year	11	(383,196)	-	(383,196)	(170,411)
Net current assets		**76,888**	**90,388**	**167,276**	**93,240**
Total assets less current liabilities		**3,082,450**	**90,388**	**3,172,838**	**2,652,051**
Creditors: Amounts falling due after one year	12	(2,638,442)	-	(2,638,442)	(2,360,655)
Net assets		**444,008**	**90,388**	**534,396**	**291,396**
Funds					
Unrestricted funds				444,007	224,097
Restricted funds	16			90,388	67,299
Total funds				**534,395**	**291,396**

Company registration number 07884740

The notes on pages 19 to 33 form part of these financial statements.

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

These financial statements were approved by the members of the committee on 29th September and are signed on their behalf by:



Charlotte Clarke, Chair of Trustees

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31ST DECEMBER 2025

	2025 £	2024 £
Net income for the reporting period	242,999	(5,660)
Adjustments for:		
Depreciation charges	35,699	58,153
Loss/(profit) on the sale of fixed assets	29	161,702
Interest charge	208,116	165,393
Decrease/(increase) in debtors	(100,045)	(10,505)
Increase/(decrease) in creditors	122,338	24,635
Net cash provided by operating activities	**509,136**	**393,718**
Cash flows from investing activities		
Purchase of fixed assets	(482,479)	(940,791)
Proceeds from the sale of fixed assets	-	7,750
Net cash used in investing activities	**(482,479)**	**(933,041)**
Cash flows from financing activities		
Cash inflows from new borrowing	465,500	336,500
Interest charge	(208,116)	(165,393)
Repayments of borrowing	(97,265)	(20,909)
Net cash provided by financing activities	**160,119**	**150,198**
Change in cash and cash equivalents in the reporting period	186,776	(389,125)
Cash and cash equivalents at the beginning of the reporting period	124,086	513,211
Cash and cash equivalents at the end of the reporting period	**310,862**	**124,086**

ANALYSIS OF CHANGES IN NET FUNDS

	2024 £	Cash Flow £	2025 £
Net Cash			
Cash at Bank and in hand	124,086	186,776	310,862
Debt			
Debts falling due within 1 year	69,687	90,447	160,134
Debts falling due after 1 year	2,360,655	277,787	2,638,442
	2,430,342	**368,234**	**2,798,576**

NOTES TO THE FINANCIAL STATEMENTS

1.ACCOUNTING POLICIES

CHARITY INFORMATION

Handcrafted Projects is a private limited company by guarantee without share capital use of 'Limited' exemption incorporated in England and Wales. The registered office for the charitable company can be viewed on page one of the financial statements.

BASIS OF PREPARING THE FINANCIAL STATEMENTS

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Re-porting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

The financial statements have been prepared under the historical cost convention. The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £. The principal accounting policies adopted are set out below:

INCOME

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of grants and donations are included in full in the Statement of Financial Activities when the charity becomes entitled. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts. Assets donated are recognised in full as donations and fixed assets.
- Incoming resources from charitable trading activities are accounted for when earned.
- Grants and fees received for current year expenditure and grants for purchase of fixed assets are recognised in full in the Statement of Financial Activities in the period in which they are received, provided that the conditions for receipt have been complied with.
- Income is deferred only where the criteria for recognition as incoming resources in the Statement of Financial Activities does not exist at the balance sheet date.

EXPENDITURE

Expenditure is recognised on an accruals basis as a liability is incurred. Resources expended includes any VAT which cannot be recovered, and is reported as part of the expenditure to which it relates.

- Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes including the charity's visitor centres and from the commercial trading activities of the company's subsidiary.
- Direct staff costs have been allocated to the activity categories within the Statement of Financial Activities according to the staff time spent. Other direct costs are allocated according to the activity. Support costs have been apportioned based on an average of all staff time spent that cannot be allocated specifically to one activity.
- 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 include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.
- All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on the basis of time spent.

FIXED ASSETS

From 1st January 2025, purchased assets with a useful economic life and initial cost exceeding £2,000 are capitalised. All other purchased assets are expensed. All fixed assets are initially recorded at cost.

Up to 31st December 2024, purchased assets with a useful economic life and initial cost exceeding £500 were capitalised.

DEPRECIATION

From 1st January 2025, depreciation is calculated on a monthly basis so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:
Equipment - 16.67% to 33.33% straight line per annum
Leasehold Improvements - 10% straight line per annum
Depreciation commences in the month the asset is brought into use and ceases at the end of its useful life.

Up to 31st December 2024, depreciation was calculated annually so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:
Equipment - 16.67% to 33.33% straight line per annum
Leasehold Improvements - 10% straight line per annum
A full years depreciation was charged in the year of acquisition.

Freehold property is depreciated where the building has:
i) a predictable useful economic life, and
ii) an estimated residual value below cost.
At 31st December 2025, all Freehold property had estimated residual values above cost and, hence, were depreciated at 0%.

TAXATION

The charity is exempt from corporation tax on its charitable activities.

FUND ACCOUNTING

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees. Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

HIRE PURCHASE AND LEASING COMMITMENTS

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

PENSION COSTS AND OTHER POST-RETIREMENT BENEFITS

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

FINANCIAL INSTRUMENTS

The company has elected to apply the provisions of section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

BASIC FINANCIAL ASSETS

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

CLASSIFICATION OF FINANCIAL LIABILITIES

Financial liabilities and equity instruments are classified according to substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

BASIC FINANCIAL LIABILITIES

Basic financial liabilities, including creditors, bank loans and other loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.
Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

2. DONATIONS & LEGACIES

	2025 Unrestricted £	2025 Restricted £	2025 Total funds £	2024 Total funds £
Donations – gift aided	20,298	-	20,298	19,478
Donations – not gift aided	13,058	-	13,058	7,836
Gift aid recovered	5,075	-	5,075	6,855
Grants	270,165	-	270,165	107,349
Total donations and legacies	**308,596**	**-**	**308,596**	**141,518**

3. INCOME FROM CHARITABLE ACTIVITIES

2025	Grants £	Rental Income £	Training Contracts £	Support Income £
Housing	62,895	1,536,031	-	-
Training	116,376	-	54,900	-
Support	266,696	-	-	731,102
Opportunities	38,792	-	-	-
Total	**484,759**	**1,536,031**	**54,900**	**731,102**

2025	Social Enterprise £	Total £
Housing	-	1,598,926
Training	-	171,276
Support	-	997,798
Opportunities	29,701	68,493
Total	**29,701**	**2,836,493**

2024	Grants £	Rental Income £	Training Contracts £	Support Income £
Housing	79,500	1,175,373	-	-
Training	110,888	-	190,192	-
Support	182,247	-	-	342,423
Opportunities	-	-	-	-
Total	**372,636**	**1,175,373**	**190,192**	**342,423**

2024	Social Enterprise £	Total £
Housing	-	1,254,873
Training	-	301,080
Support	-	524,670
Opportunities	26,650	26,650
Total	**26,650**	**2,107,273**

4. COSTS OF CHARITABLE ACTIVITIES - BY ACTIVITY

2025	Direct Costs	Management/ Administration	Governance	Total Costs
	£	£	£	£
Housing	1,300,032	172,721	3,969	1,476,722
Training	567,607	75,412	1,733	644,752
Support	620,480	82,436	1,895	704,811
Opportunities	66,710	8,863	203	75,776
Total cost of charitable activities	**2,554,829**	**339,432**	**7,800**	**2,902,061**

2024	Direct Costs	Management/ Administration	Governance	Total Costs
	£	£	£	£
Housing	817,911	214,907	3,774	1,036,592
Training	342,780	90,065	1,582	434,427
Support	407,492	107,070	1,880	516,442
Opportunities	83,075	21,828	384	105,287
Total cost of charitable activities	**1,651,258**	**433,870**	**7,620**	**2,092,748**

5. COSTS OF CHARITABLE ACTIVITIES - BY NATURE

	2025 Unrestricted Funds	2025 Restricted Funds	2025 Total funds	2024 Total funds
	£	£	£	£
Wages and salaries	843,360	276,734	1,120,094	825,090
Social security	123,527	-	123,527	77,036
Pension Contributions	27,558	-	27,558	20,673
Rent & Rates	397,271	-	397,271	288,825
Contracted out services	328,346	-	328,346	173,212
Equipment	26,095	-	26,095	29,744
Materials	107,738	4,554	112,292	83,465
Insurance	28,688	-	28,688	25,506
Utilities	131,779	-	131,779	69,992
Travel & Subsistence	52,484	-	52,484	45,862
Furnishings	62,386	-	62,386	51,909
Printing & Stationery	2,277	-	2,277	1,471
Training	39,573	-	39,573	11,959
Depreciation	35,699	-	35,699	58,153
Sundry expenses	118,496	79,580	198,076	156,838
Interest Payable	208,116	-	208,116	165,393
Total	**2,533,393**	**360,868**	**2,894,261**	**2,085,128**

6. AUDITORS REMUNERATION

	2025	2024
	£	£
Fees payable to the charity's auditors for the audit of the charity's financial statements*	7,800	5,940
Accountancy Services	-	1,680
Total	**7,800**	**7,620**

*Includes adjustment for higher charge for services relating to 2024 period (£8,460) than disclosed in 2024 accounts.

7. TRUSTEES REMUNERATION

There were no trustees' remuneration or other benefits for the year ended 31 December 2025 nor for the year ended 31 December 2024

There were no trustees' expenses paid for the year ended 31 December 2025 nor for the year ended 31 December 2024

8. STAFF COSTS AND EMOLUMENTS

	2025	2024
	£	£
Wages and salaries	1,120,094	825,090
Social security	123,527	77,036
Pension	27,558	20,673
Total staff costs and emoluments	**1,271,179**	**922,799**

	2025 FTE	2025 Number	2024 FTE	2024 Number
Project workers	33.8	44	30.0	32
Administrative	4.4	5	3.6	4
Total average number of staff	**38.2**	**49**	**33.6**	**36**

No employees received emoluments in excess of £60,000
Key management personnel remuneration for the period totalled £156,243 (2024: £156,904)

9. TANGIBLE FIXED ASSETS

	Leasehold Improvements	Equipment	Freehold Property*	Total
	£	£	£	£
Cost				
At 1 January 2025	124,105	114,022	2,419,991	2,658,118
Additions	145,773	25,970	310,736	482,479
Disposals	-	(149)	-	(149)
At 31 December 2025	**269,878**	**139,843**	**2,730,727**	**3,140,448**
Depreciation				
At 1 January 2025	21,396	77,911	-	99,307
Charge for the year	17,260	18,439	-	35,699
Disposals	-	(120)	-	(120)
At 31 December 2025	**38,656**	**96,230**	**-**	**134,886**
Net book value				
At 31 December 2025	**231,222**	**43,613**	**2,730,727**	**3,005,562**
At 31 December 2024	102,709	36,111	2,419,991	2,558,811

*Included within Freehold Property is long-term leaseholds on 6 properties and Tyneside leaseholds on 6 properties. The total NBV of these properties are £421,881 on long term leases and £429,377 on Tyneside leases.

10. DEBTORS

	2025	2024
	£	£
Gift aid recoverable	15,270	12,525
Prepayments and accrued income	6,443	3,536
Trade debtors	217,897	123,504
Total	**239,610**	**139,565**

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024
	£	£
Trade creditors	10,063	5,044
Accruals	170,244	72,903
Other Creditors	2,972	1,944
Concessionary Loans	160,134	69,687
Other taxation & social security	33,236	20,833
Deferred Income	6,547	-
Total	**383,196**	**170,411**

12. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	2025	2024
	£	£
Repayable by installments		
Concessionary Loans due in 1-2 years	184,067	73,526
Concessionary Loans due in 2-5 years	449,514	227,667
Concessionary Loans due in over 5 years	4,861	59,462
Repayable otherwise than by installments		
Other loans due in over 5 years	2,000,000	2,000,000
Total	**2,638,442**	**2,360,655**

13. LOANS

	Due in 1 year	Due after 1 year
	£	£
Loan 1: In January 2023 Handcrafted Projects entered into an agreement with Social and Sustainable Capital LLP (SASC). This is a secured loan facility, whereby SASC have set aside up to £2m for Handcrafted to purchase eligible properties to further their charitable objectives, the facility is secured with fixed charges over the properties purchased using these monies and a floating charge in place over the balance of one bank account. Handcrafted will pay back the equivalent of 81% of the market value of all properties purchased via this facility on 22nd May 2032, or 75% of the loan amount outstanding, whichever is higher. An interest charge of 54% of the core rent collected is payable quarterly and is required to be deposited into a separate bank account. The loan is secured against the eligible properties. At the balance sheet date, a total of £2,000,000 had been drawn down on this agreement and used to purchase 22 properties & refinance a further 4 with a total net book value of £1,583,490.	-	2,000,000
Loan 2: 7.5% interest, repayable by installments over 6 years, first year interest only, unsecured.	21,178	73,919
Loan 3: 8.5% interest, repayable by installments over 6 years, first 6 months interest only, unsecured.	22,429	125,303
Loan 4: 7.5% interest, repayable by installments over 6 years, first 6 months interest only, unsecured.	6,818	37,855
Loan 5: 6.5% interest, repayable by installments over 5 years, unsecured.	23,100	50,050
Loan 6: 6.5% interest, repayable by installments over 5 years, unsecured.	23,095	73,158
Loan 7: 8.25% interest, repayable by installments over 5 years, unsecured.	9,997	31,672
Loan 8: 3% interest for 36 months, then 6% for a further 36 months. First year interest only. Repayable by installments over 5 years. Secured against 3 residential properties.	53,516	246,484
Total	**160,134**	**2,638,442**

The total amount of secured liabilities as at 31st December 2025 was £2,300,000 (2024: £2,000,000)

14. LEASING ARRANGEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2025	2024
	£	£
Within one year	373,912	278,541
Between one and five years	680,652	674,231
More than five years	-	1,019
Total	**1,054,564**	**953,791**

15. MOVEMENT IN FUNDS

2025	Incoming resources £	Outgoing resources £	Movement in funds £
Unrestricted Funds			
General Fund	2,726,632	(2,541,222)	185,410
	2,726,632	**(2,541,222)**	**185,410**
Restricted Funds			
Mid Durham AAP	-	(10,904)	(10,904)
Hadley Trust	86,400	(97,271)	(10,871)
Jill & Norman Franklin Trust	40,700	(40,170)	530
Curtin PARP Fund	-	(2,800)	(2,800)
Gateshead Council - Small Projects Grant 2024	-	(4,554)	(4,554)
County Durham Household Support Fund - 2024 Round 2	-	(23,379)	(23,379)
Benefact Trust	-	(5,146)	(5,146)
Barbour Foundation	5,000	-	5,000
Commonweal	3,000	(3,000)	-
Gateshead Community Chest 2025	9,660	(4,830)	4,830
Gateshead Council Household Support Fund 2025	6,720	(5,690)	1,030
County Durham Household Support Fund - 2025 Round 1	90,000	(47,711)	42,289
Jill Franklin Trust	40,700	(30,525)	10,175
Key Fund Enterprise Growth*	34,500	-	34,500
Linder Foundation	15,673	(15,673)	-
Mercers Foundation	30,000	(30,000)	-
Sir James Knott	10,000	(10,000)	-
The Gateshead VCSE Fund	24,215	(24,215)	-
Watson Family Charitable Fund	10,000	(5,000)	5,000
Gateshead Community Foundation	11,889	-	11,889
	418,457	**(360,868)**	**57,589**
Total Funds	**3,145,089**	**(2,902,090)**	**242,999**

HANDCRAFTED

Financial Statements 1st January - 31st December 2025

2025	Balance at 1 Jan 2025 £	Movement in funds £	Transfers between funds £	Balance at 31 Dec 2025 £
Unrestricted Funds				
General Fund	224,097	185,410	34,500	444,007
	224,097	**185,410**	**34,500**	**444,007**
Restricted Funds				
Mid Durham AAP	10,904	(10,904)	-	-
Hadley Trust	10,871	(10,871)	-	-
Jill & Norman Franklin Trust	9,645	530	-	10,175
Curtin PARP Fund	2,800	(2,800)	-	-
Gateshead Council - Small Projects Grant 2024	4,554	(4,554)	-	-
County Durham Household Support Fund - 2024 Round 2	23,379	(23,379)	-	-
Benefact Trust	5,146	(5,146)		-
Barbour Foundation	-	5,000	-	5,000
Gateshead Community Chest 2025	-	4,830	-	4,830
Gateshead Council Household Support Fund 2025	-	1,030	-	1,030
County Durham Household Support Fund - 2025 Round 1	-	42,289	-	42,289
Jill Franklin Trust	-	10,175	-	10,175
Key Fund Enterprise Growth*	-	34,500	(34,500)	-
Watson Family Charitable Fund	-	5,000	-	5,000
Gateshead Community Foundation	-	11,889	-	11,889
	67,299	**57,589**	**(34,500)**	**90,388**
Total Funds	**291,396**	**242,999**	**-**	**534,395**

*Restricted fund spent on Fixed Assets and, hence, transferred to the Unrestricted Funds.

HANDCRAFTED

Financial Statements 1st January - 31st December 2025

2024	Incoming resources £	Outgoing resources £	Movement in funds £
Unrestricted Funds			
General Fund	1,875,543	(2,006,376)	(130,833)
	1,875,543	**(2,006,376)**	**(130,833)**
Restricted Funds			
County Durham Household Support Fund	3,359	(24,985)	(21,626)
Mid Durham AAP	16,356	(5,452)	10,904
Hadley Trust	78,897	(68,026)	10,871
Hadley Trust Capital Grant 2024	15,000	-	15,000
Jug of Oil	1,500	(1,500)	-
Key Fund Grant	34,500	-	34,500
Willan Trust	10,000	(10,000)	-
Jill & Norman Franklin Trust	38,580	(28,935)	9,645
Gateshead Community Chest	10,000	(10,000)	-
Big Issue EGC Grant	30,000	-	30,000
County Durham Household Support Fund - 2024 Round 1	33,500	(33,500)	-
Sir James Knott	10,000	(10,000)	-
Curtin PARP Fund	4,200	(1,400)	2,800
Gateshead Council - Small Projects Grant 2024	4,968	(414)	4,554
County Durham Household Support Fund - 2024 Round 2	35,000	(11,621)	23,379
Chester le Street Primary Care Network Community Investment Fund	9,858	(9,858)	-
Benefact Trust	9,500	(4,354)	5,146
Mercer's Foundation	34,080	(34,080)	-
	379,298	**(254,125)**	**125,173**
Total Funds	**2,254,841**	**(2,260,501)**	**(5,660)**

HANDCRAFTED

Financial Statements 1st January - 31st December 2025

2024	Balance at 1 Jan 2024 £	Movement in funds £	Transfers between funds £	Balance at 31 Dec 2024 £
Unrestricted Funds				
General Fund	255,430	(130,833)	99,500	224,097
	255,430	**(130,833)**	**99,500**	**224,097**
Restricted Funds				
County Durham Household Support Fund	21,626	(21,626)	-	-
Hadley Trust Capital Grant*	20,000	-	(20,000)	-
Mid Durham AAP	-	10,904	-	10,904
Hadley Trust	-	10,871	-	10,871
Hadley Trust Capital Grant 2024*	-	15,000	(15,000)	-
Key Fund Grant*	-	34,500	(34,500)	-
Jill & Norman Franklin Trust	-	9,645	-	9,645
Big Issue EGC Grant*	-	30,000	(30,000)	-
Curtin PARP Fund	-	2,800	-	2,800
Gateshead Council - Small Projects Grant 2024	-	4,554	-	4,554
County Durham Household Support Fund - 2024 Round 2	-	23,379	-	23,379
Benefact Trust	-	5,146	-	5,146
	41,626	**125,173**	**(99,500)**	**67,299**
Total Funds	**297,056**	**(5,660)**	**-**	**291,396**

*Restricted fund spent on Fixed Assets and, hence, transferred to the Unrestricted Funds.

16. RESTRICTED FUNDS

County Durham Household Support Fund
To provide financial and material support for 200 people severely affected by poverty, disadvantage, and isolation in County Durham.

Hadley Trust Capital Grant
Towards the purchase of the Shakespeare - the home of our Gateshead hub. This was used to purchase the Shakespeare - an unrestricted asset - and so transferred to the unrestricted fund.

Mid Durham AAP
Towards running costs of Durham Womens Woodwork session and 1/3 salary of a support worker working with vulnerable women.

Hadley Trust
To support our work with young care leavers in County Durham and Gateshead. The grant covers 50% of the salaries for key staff supporting young care leavers.

Hadley Trust Capital Grant 2024
Towards the refurbishment of a specific new property for care leavers.

Jug of Oil
Towards setting up a community cafe in Sunderland.

Key Fund Grant
Towards the purchase of two houses, as part of the Key Fund mixed loan/grant.

Willan Trust
Towards costs of Engage Support Worker to work with vulnerable young people.

Jill & Norman Franklin Trust
Towards salaries of 2x Durham Training Supervisors.

Gateshead Community Chest
Towards Gateshead Community Development Manager's salary.

Big Issue EGC Grant
Towards the purchase of properties as part of the Big Issue EGC Loan.

County Durham Household Support Fund - 2024 Round 1
To provide financial and material support for at risk households in County Durham.

Sir James Knott
£30,000 over 3 years towards Gateshead Community Development Manager's salary.

Curtin PARP Fund
Accredited training for 12 to achieve Level 2 Barista Skills and Level 2 Food Safety in our Gateshead hub.

Gateshead Council - Small Projects Grant 2024
To provide healthy eating sessions for care leavers.

County Durham Household Support Fund - 2024 Round 2
To provide financial and material support for at risk households in County Durham. To be spent by 31st March 2025.

Chester le Street Primary Care Network Community Investment Fund
To fund the salary of a Kitchen Training Supervisor for the Chester-le-Street hub's training kitchen.

Benefact Trust
Towards providing life skills training for young care leavers in County Durham.

Mercer's Foundation
To run a diverse community space in Gateshead, welcoming marginalised people to offer the support, training and opportunities that can help them thrive.

16. RESTRICTED FUNDS (CONTINUED)

Barbour Foundation

Towards salary of a support worker in Sunderland

Commonweal

To conduct a feasibility study for new asylum-seeker housing model

Gateshead Council Household Support Fund 2025

To provide daily free, nutritious meals and hands-on cooking skills sessions at our Gateshead Hub.

County Durham Household Support Fund - 2025 Round 1

To provide financial and material support for people severely affected by poverty, disadvantage, and isolation in County Durham.

Key Fund Enterprise Growth

Towards purchase of 2 properties for work with Children-in-care through the Hummingbird project.

Linder Foundation

Towards staff costs of two care leaver support workers.

The Gateshead VCSE Fund

Towards salaries for 2x Gateshead support workers.

Watson Family Charitable Fund

Towards launching the initiative of running the Own My Life course in Low Newton Prison.

Gateshead Community Foundation

Run an employability course for 10 people and 5 six-month supported employment placement in Gateshead.

17. RELATED PARTY TRANSACTIONS

From 11th October 2020 the charity has a four-year lease on a one-bed property that is owned by Janet and Graham Buttanshaw, parents of Mark Buttanshaw. The property is used to provide supported accommodation to the beneficiaries of the charity. The lease is at a below market rate of £2,400 per annum, plus an annual property management fee of £1,431. This was renewed for a further 3 years on 1st March 2024 at a below market rate lease of £3,000 per annum.

From 13th April 2018 the charity has a lease on a two-bed property that is owned by Daniel and Abigail Northover. The property is used to provide supported accommodation to the beneficiaries of the charity. This lease was set at a peppercorn rate of £1 per annum. The lease was renewed on 1st April 2024 at a below market rate of £6,000 per annum and is in line with the affordable rate (80% of market rate) for similar properties in the area.

From 28th August 2025 the charity has a three-year lease on a five-bed property that is owned by Nicholas Keith Turner and Grace Turner, parents-in-law of Daniel Northover. The property is used to provide supported accommodation to the beneficiaries of the charity. The lease is at a below market rate of £25,500 per annum, rising by £1000 every 12 months. 2025 payments totalled £10,625. £3,461.40 was received from Nicholas & Grace Turner to cover costs of repairs on the property.

During the year three trustees donated £1,050 (2024: £840). Additionally, £5,400 was also received from the parent of Daniel Northover and a £675 donation from a company in which one of the trustees are associated.

This is in accordance with the Articles of Association and advice sought from the Charity Commission.

No other trustees received any remuneration in the year or any reimbursement of expenses incurred in carrying out their duties (2024: none).

18. 2024 STATEMENT OF FINANCIAL ACTIVITIES

(INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)
FOR THE PERIOD 1 JANUARY 2024 TO 31 DECEMBER 2024

	2024 Unrestricted funds £	2024 Restricted funds £	2024 Total funds £
INCOME FROM:			
Donations and legacies	141,518	-	141,518
Charitable activities			
Housing	1,175,373	79,500	1,254,873
Training	183,538	117,542	301,080
Support	343,914	180,756	524,670
Opportunities	25,150	1,500	26,650
Gain on disposal	6,050	-	6,050
Total	**1,875,543**	**379,298**	**2,254,841**
EXPENDITURE ON:			
Charitable activities			
Housing	(1,036,592)	-	(1,036,592)
Training	(349,934)	(84,493)	(434,427)
Support	(348,310)	(168,132)	(516,442)
Opportunities	(103,788)	(1,500)	(105,288)
Loss on disposal	(167,752)	-	(167,752)
Total	**(2,006,376)**	**(254,125)**	**(2,260,501)**
Net income/(expenditure)	**(130,833)**	**125,173**	**(5,660)**
Transfers between funds	99,500	(99,500)	-
Net movement in Funds	**(31,333)**	**25,673**	**(5,660)**
RECONCILIATION OF FUNDS			
Total funds brought forward	255,430	41,626	297,056
Total funds carried forward	**224,097**	**67,299**	**291,396**