

ADAPT (NORTH EAST)

England & Wales · Charity number 1072632

Details

Other names	ACTION BY DIFFERENTLY ABLED PEOPLE IN TYNEDALE (A.D.A.P.T.), A.D.A.P.T.
Status	Registered
Legal form	Charitable company
Company number	03604980
Registered	1998-11-27
Register	View on the Charity Commission register

Contact

Address	Burn Lane Hexham Northumberland NE46 3HN
Phone	01434600599
Email	generaloffice@adapt-tyndale.org.uk
Website	www.adapt-ne.org.uk

Activities

Objects: (A) TO IMPROVE THE QUALITY OF LIFE OF PEOPLE WITH SENSORY, PHYSICAL AND LEARNING DISABILITIES AND MENTAL HEALTH PROBLEMS, THEIR FAMILIES AND CARERS IN THE NORTH EAST(B) TO PROVIDE RELIEF TO INHABITANTS WHO HAVE NEED BECAUSE OF YOUTH, AGE, SICKNESS, MENTAL OR PHYSICAL DISABILITY OR POVERTY BY THE PROVISION AND MAINTENANCE OF A NON-PROFIT COMMUNITY TRANSPORT SERVICE.

Activities: To improve the quality of life for disabled and disadvantaged people

Classification

- **How:** Provides Services, Acts As An Umbrella Or Resource Body
- **What:** Disability
- **Who:** People With Disabilities

Geography

- **Area of benefit:** NORTH EAST ENGLAND
- Durham
- North Tyneside
- Northumberland
- South Tyneside
- Sunderland

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£1,004,904	£1,068,346	£593,891	35
2024-03-31	£976,355	£982,465	£657,333	37
2023-03-31	£1,076,346	£1,083,644	£663,443	43
2022-03-31	£1,002,046	£949,464	£645,741	45
2021-03-31	£922,095	£883,218	£593,159	45

Trustees

Name	Role	Appointed
LORRAINE HERSHON	Chair	
ANITA STEVENSON		
ANNIE BISHOP		
George Dennis Clarke		2023-12-31
Mavis Anne Ostler		2017-09-06
Michael Briggs		2017-09-06
ROSEMARY EILEEN THEOBALDS		

ADAPT (NORTH EAST)

England & Wales - Charity number 1072632

Accounts

Charity registration number 1072632 (England and Wales)

Company registration number 03604980

ADAPT (NORTH EAST)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

ADAPT (NORTH EAST)

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	A Bishop M Briggs G Clarke L Hershon P Maginn M Ostler A Stevenson R E Theobalds
Secretary	E Prudhoe
Charity number (England and Wales)	1072632
Company number	03604980
Registered office	Adapt (North East) Old Highways Depot Burn Lane Hexham Northumberland NE46 3HN
Auditor	Sumer Auditco Limited Finchale House Belmont Business Park Durham DH1 1TW
Bankers	Unity Trust Bank Nine Brindleyplace 4 Oozells Square Birmingham B1 2HB

ADAPT (NORTH EAST)

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ADAPT (NORTH EAST)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2025

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 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 1 January 2019).

Objectives and activities

The charity's objective is to improve the quality of life of both disabled and disadvantaged people in the North East, with a focus on Northumberland.

To provide relief to inhabitants in the North East who have need because of youth, age, sickness, mental or physical disability or poverty by the provision and maintenance of a non-profit community transport service.

Public benefit

From 1 April 2008, section 4 of the Charities Act 2006 requires all charities to meet the legal requirement that its aims are for the public benefit. The Trustees confirm that they have complied with the duty to have due regard to the Charity Commission's general guidance on public benefit.

The Charity Commission states that there are two principles to be met in order to show that an organisation's aims are for the public benefit: firstly, there must be an identifiable benefit or benefits and secondly that the benefit must be to the public, or a section of the public.

The Trustees are satisfied that the aims and objectives of the charity, and the activities reported on above, meet these principles.

Significant activities

The main activities of the charity are to provide information, advice and projects are defined by need. Currently, they are information and guidance, advocacy and community transport.

Adapt provides the Healthwatch function for Northumberland, providing to the public the consumer champion role for Health and Social Care.

Adapt provides general advocacy for qualifying adults in Northumberland and specialist advocacy for parents referred through Northumberland Children's Services. Adapt within its work across Northumberland provides a network for groups and organisations who are providing services for people with Learning Disabilities.

Adapt provides the Social Prescribing service for three Primary Care Networks across Northumberland and North Tyneside including West Northumberland PCN, Northumbria PCN and North Shields PCN.

Under the Memorandum & Articles of Association the charity has the power to invest the monies of the Association not immediately required for its purposes in or upon such investments, securities or property as may be thought fit, subject nevertheless to such conditions (if any) and such consents (if any) as may for the time being be imposed or required by law and subject also as hereinafter provided.

Volunteers

The organisation works closely with volunteers who help to provide a successful service within the community during the financial year.

Achievements and performance

Significant activities and achievements against objectives

Throughout the year Adapt (North East) continued to deliver the Healthwatch function and the NHS independent complaints advocacy service for Northumberland County and the statutory Advocacy service for Northumberland County Council.

ADAPT (NORTH EAST)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2025**

Traveling with Confidence is new joint venture project with Your Voice Counts which aims to increase travel skills and confidence of people with learning difficulties.

Adapt (North East) continued to provide the Social Prescribing Service for West Northumberland PCN, Northumbria Primary Care Network and North Shields PCN.

Financial review

Reserves policy

The Trustees monitor the finances of the Charity on a regular basis and feel the risk to be minimal in reducing the level of free reserves and wish to ensure the future prospects of the Charity by securing a suitable base for its operations.

The Trustees have determined that the appropriate level of free reserves (unrestricted net current assets), which were £119,835 (see note 26) should be equivalent to be not less than 45% of the core costs. As at 31 March 2025 reserves are below this target.

Our policy is therefore to increase the reserves (which are carried forward for future core activities) to at least this level by maintaining the operating surpluses and judicious investment management of our investment assets.

The trustees have ensured the restricted funds received from various sources have been used effectively and within the funders remit.

The trustees have ensured the unrestricted funds have been used to develop the sustainability of Adapt (North East).

Note 24 and 25 to the financial statements describes the various funds of the charity and summarises the year's movements on each fund.

The results for the year are set out on page 8.

Income increased by £28,549 compared to last year.

Resources expended in the year total £1,068,346 and remain in line with prior years and are as expected. Overall, a deficit of £63,442 has occurred in the financial year. This is after depreciation charges of £3,350.

The trustees are satisfied with level of performance in the year. Total funds at 31 March 2025 were £593,891 (2024: £657,333) of which £153,420 (2024: £151,230) were restricted and £440,471 (2024: £506,103) were unrestricted. The trustees are satisfied with the overall position.

Plans for future periods

Adapt (North East) is planning to build on current services and develop new ones to meet requirements of disabled and disadvantaged people.

Adapt (North East) has been successful in delivering Social Prescribing Services and plans to widen this offer working with the NHS.

Adapt (North East) will be reviewing the position of the Cafe @ Burn Lane due to the loss suffered in this financial year. This was mainly contributed to the rising costs of food and utilities.

Structure, governance and management

Adapt (North East) is a company limited by guarantee and does not have a share capital. It is a registered charity and is governed by its Memorandum & Articles of Association.

ADAPT (NORTH EAST)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2025**

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

A Bishop
M Briggs
G Clarke
L Hershon
P Maginn
M Ostler
A Stevenson
R E Theobalds

Recruitment and appointment of trustees

Trustees are recruited for skills to enable them to contribute to the governance of Adapt, a variety of mediums are used to recruit suitable trustees. Trustees hold office for an agreed period of time and are ratified at the Annual General Meeting.

Organisational structure

The Trustee board of honorary officers and its members are responsible for the day to day running of the charity. The Trustee board meets bi-monthly and is fully conversant with its legal obligations and has policies and procedures to review the work of the charity.

Induction and training of trustees

Trustees have agreed to review training on an ongoing basis, with individual trustees accessing relevant training as required.

Related parties

Adapt (North East) works closely with local voluntary and statutory organisations including, Northumberland County Council.

Statement of trustees' responsibilities

The trustees, who are also the directors of ADAPT (North East) for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

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

ADAPT (NORTH EAST)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Auditor

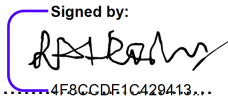
In accordance with the company's articles, a resolution proposing that Sumer Auditco Limited be reappointed as auditor of the company will be put at a General Meeting.

Risk management

The trustees have examined the main areas of the charity's activities, and looked at the main risks likely to arise in each of these areas. The trustees consider that the systems that have been adopted are adequate to minimise those risks to an acceptable level in the day to day operation of the charity.

It is the opinion of the trustees that for the financial year ended 31 March 2025 the charity has achieved its objectives.

The trustees' report was approved by the Board of Trustees.

Signed by:

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L Hershon
Trustee

17 December 2025
Date:

ADAPT (NORTH EAST)

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF ADAPT (NORTH EAST)

Opinion

We have audited the financial statements of ADAPT (North East) (the 'Charity') for the year ended 31 March 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including 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 charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, 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 Charity 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 Charity'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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

ADAPT (NORTH EAST)

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF ADAPT (NORTH EAST)

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the Charity for the purpose 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 Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Capability of the audit in detecting irregularities, including fraud

Based on our understanding of the charitable company and the sector in which it operates, we identified that the following laws and regulations are significant to the entity:

- Those laws and regulations considered to have a direct effect on the financial statements including UK financial reporting standards and Charities Act 2011, Employment and Pension legislation.
- Those laws and regulations for which non-compliance may be fundamental to the operating aspects of the Charity and therefore may have a material effect on the financial statements include compliance with charitable objectives, public benefit, fundraising regulations, safeguarding, data protection and health and safety legislation.

These matters were discussed amongst the engagement team at the planning stage and the team remained alert throughout the audit.

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: inquiries of management and the Trustees as to whether the entity complies with such laws and regulations; enquiries with the same concerning any actual or potential litigation or claims; inspection of relevant legal correspondence and legal costs incurred; review of Trustee meeting minutes; testing the appropriateness of journal entries; and the performance of analytical review to identify unexpected movements in account balances which may be indicative of fraud.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

ADAPT (NORTH EAST)

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF ADAPT (NORTH EAST)

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Signed by:

David Holloway

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David Holloway BA FCA DChA (Senior Statutory Auditor)
For and on behalf of Sumer Auditco Limited Registered Auditors
Accountants
Finchale House
Belmont Business Park
Durham
DH1 1TW

17 December 2025
Date:

Sumer Auditco Limited is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

ADAPT (NORTH EAST)**STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT****FOR THE YEAR ENDED 31 MARCH 2025**

Current financial year		Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Total 2024 £
	Notes				
Income and endowments from:					
Donations and legacies	3	2,480	-	2,480	1,362
Charitable activities	4	147,878	684,646	832,524	830,689
Other trading activities	5	129,503	-	129,503	62,710
Investments	6	40,397	-	40,397	77,510
Other income	7	-	-	-	4,084
Total income		320,258	684,646	1,004,904	976,355
Expenditure on:					
Raising funds	8	94,288	-	94,288	12,365
Charitable activities	9	291,602	682,456	974,058	970,100
Total expenditure		385,890	682,456	1,068,346	982,465
Net income/(expenditure) and movement in funds		(65,632)	2,190	(63,442)	(6,110)
Reconciliation of funds:					
Fund balances at 1 April 2024		506,103	151,230	657,333	663,443
Fund balances at 31 March 2025		440,471	153,420	593,891	657,333

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 12 to 25 form part of these financial statements.

ADAPT (NORTH EAST)**STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)
INCLUDING INCOME AND EXPENDITURE ACCOUNT****FOR THE YEAR ENDED 31 MARCH 2025**

Prior financial year		Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
	Notes			
Income and endowments from:				
Donations and legacies	3	1,362	-	1,362
Charitable activities	4	158,686	672,003	830,689
Other trading activities	5	62,710	-	62,710
Investments	6	77,510	-	77,510
Other income	7	4,084	-	4,084
Total income		304,352	672,003	976,355
Expenditure on:				
Raising funds	8	12,365	-	12,365
Charitable activities	9	297,151	672,949	970,100
Total expenditure		309,516	672,949	982,465
Net income and movement in funds		(5,164)	(946)	(6,110)
Reconciliation of funds:				
Fund balances at 1 April 2023		511,267	152,176	663,443
Fund balances at 31 March 2024		506,103	151,230	657,333

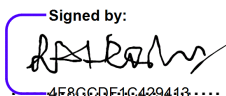
ADAPT (NORTH EAST)**BALANCE SHEET****AS AT 31 MARCH 2025**

	Notes	2025 £	£	2024 £	£
Fixed assets					
Tangible assets	15		7,167		7,042
Investment property	16		575,000		575,000
Investments	17		1		1
			<u>582,168</u>		<u>582,043</u>
Current assets					
Stocks	18		-		185
Debtors	19		64,012		159,848
Cash at bank and in hand			302,909		278,173
			<u>366,921</u>		<u>438,206</u>
Creditors: amounts falling due within one year	21		<u>(93,666)</u>		<u>(95,796)</u>
Net current assets			<u>273,255</u>		<u>342,410</u>
Total assets less current liabilities			<u>855,423</u>		<u>924,453</u>
Creditors: amounts falling due after more than one year	22		<u>(261,532)</u>		<u>(267,120)</u>
Net assets			<u><u>593,891</u></u>		<u><u>657,333</u></u>
The funds of the Charity					
Restricted income funds	24		153,420		151,230
Unrestricted funds	25		440,471		506,103
			<u><u>593,891</u></u>		<u><u>657,333</u></u>

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

The financial statements were approved by the trustees on 17 December 2025

Signed by:


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L Hershon
Trustee

Company registration number 03604980 (England and Wales)

ADAPT (NORTH EAST)**STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED 31 MARCH 2025**

	Notes	2025 £	£	2024 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	28		(7,026)		33,070
Investing activities					
Purchase of tangible fixed assets		(3,475)		(5,438)	
Proceeds from disposal of tangible fixed assets		-		4,084	
Investment income received		40,397		77,510	
Net cash generated from investing activities			36,922		76,156
Financing activities					
Repayment of bank loans		(5,160)		(4,883)	
Net cash used in financing activities			(5,160)		(4,883)
Net increase in cash and cash equivalents			24,736		104,343
Cash and cash equivalents at beginning of year			278,173		173,830
Cash and cash equivalents at end of year			302,909		278,173

ADAPT (NORTH EAST)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

Charity information

ADAPT (North East) is a private company limited by guarantee incorporated in England and Wales. The registered office is Adapt (North East), Old Highways Depot, Burn Lane, Hexham, Northumberland, NE46 3HN.

1.1 Basis of preparation

The financial statements have been prepared in accordance with the Charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "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)". The Charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably. The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of grants, donations and gifts are included in full in the Statement of Financial Activities when the trust 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.
- Investment income is included when receivable.
- Incoming resources from charitable trading activities are accounted for when earned.
- Income from commercial trading activities is recognised as earned (as the related services are provided).

1.5 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

ADAPT (NORTH EAST)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

Allocation and apportionment of costs

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	25% Straight line
Fixtures and fittings	25% Straight line
Motor vehicles	25% Straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

1.8 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.9 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.10 Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

1.11 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

ADAPT (NORTH EAST)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

1.12 Financial instruments

The Charity 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 Charity's balance sheet when the Charity 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 the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank 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 operations 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.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

1.13 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

ADAPT (NORTH EAST)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

2 Critical accounting estimates and judgements

In the application of the Charity’s accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Income from donations and legacies

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Donations and gifts	1,327	1,021
Membership fees	1,153	341
	<u>2,480</u>	<u>1,362</u>

ADAPT (NORTH EAST)**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025****4 Income from charitable activities**

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Core and Transport						
Bus hire	31,742	-	31,742	31,767	-	31,767
Contract income	58,713	-	58,713	84,213	-	84,213
Grants	57,423	60,539	117,962	41,950	-	41,950
Training	-	-	-	756	-	756
Healthwatch						
Grants	-	215,679	215,679	-	204,529	204,529
Advocacy service						
Grants	-	54,002	54,002	-	63,071	63,071
Living Well						
Grants	-	352,426	352,426	-	358,693	358,693
SMI Project						
Grants	-	-	-	-	16,652	16,652
Thriving together						
Grants	-	2,000	2,000	-	29,058	29,058
	<u>147,878</u>	<u>684,646</u>	<u>832,524</u>	<u>158,686</u>	<u>672,003</u>	<u>830,689</u>

Grants received, included in the above, are as follows:

	2025	2024
Northumberland County Council	268,711	323,329
BSOG	7,078	5,950
West Northumberland PCN	138,063	186,712
North Shields PCN	107,538	65,100
Dial-a-ride	14,283	-
GetAbout	36,000	-
Ponteland Medical Group	106,826	-
Your Voice Counts	60,539	-
Thriving Together Learning	2,000	-
Northumbria PCN	-	102,740
Cumbria, Northumberland, Tyne and Wear NHS Foundation Trust	-	4,800
Mental Health Concern	-	16,652
Healthwatch	-	4,279
DWP Access to Work	-	3,182
Other	1,031	1,209
	<u>742,069</u>	<u>713,953</u>

ADAPT (NORTH EAST)**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 MARCH 2025**5 Income from other trading activities**

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Cafe income	87,728	21,903
Room hire and sundry income	41,775	40,807
	<u> </u>	<u> </u>
Other trading activities	129,503	62,710
	<u> </u>	<u> </u>

6 Income from investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Rental income	40,397	38,260
Income from unlisted investments	-	39,250
	<u> </u>	<u> </u>
	40,397	77,510
	<u> </u>	<u> </u>

7 Other income

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Net gain on disposal of tangible fixed assets	-	4,084
	<u> </u>	<u> </u>

8 Expenditure on raising funds

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Fundraising and publicity		
Cafe expenses	39,035	12,365
	<u> </u>	<u> </u>
Trading costs		
Staff costs	55,253	-
	<u> </u>	<u> </u>
Total costs	94,288	12,365
	<u> </u>	<u> </u>

ADAPT (NORTH EAST)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

9 Expenditure on charitable activities

	Support and		Support and		Total	
	Direct costs	governance costs	Total	Direct costs	governance costs	Total
	2025	2025	2025	2024	2024	2024
	£	£	£	£	£	£
Core and transport	122,358	191,677	314,035	57,754	241,050	298,804
Healthwatch	192,550	17,312	209,862	181,724	13,776	195,500
Advocacy service	78,781	4,663	83,444	80,012	58	80,070
Bernicia Hardship fund	-	-	-	2,237	-	2,237
Living well	336,016	1,770	337,786	358,693	-	358,693
SMI Project	8,873	3,616	12,489	17,045	3,135	20,180
Thriving together	-	16,442	16,442	14,616	-	14,616
	<u>738,578</u>	<u>235,480</u>	<u>974,058</u>	<u>712,081</u>	<u>258,019</u>	<u>970,100</u>

ADAPT (NORTH EAST)**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 MARCH 2025**10 Support costs allocated to activities**

	2025	2024
	£	£
Staff costs	121,522	146,481
Depreciation	3,350	3,180
Rent, rates and water	5,292	4,463
Insurance	7,113	6,161
Light and heat	27,515	22,074
Telephone	7,936	9,251
Printing postage and stationery	3,609	6,593
Advertising	156	7,195
Sundries	2,895	6,104
Repairs and maintenance	14,154	10,157
Computer support	5,413	6,082
Finance costs	23,503	22,975
Governance costs	13,022	7,303
	<u>235,480</u>	<u>258,019</u>
Analysed between:		
Core and transport	191,677	241,050
Healthwatch	17,312	13,776
Advocacy service	4,663	58
Living well	1,770	-
SMI Project	3,616	3,135
Thriving together	16,442	-
	<u>235,480</u>	<u>258,019</u>

11 Net movement in funds

	2025	2024
	£	£
The net movement in funds is stated after charging/(crediting):		
Fees payable to the charity's auditor:		
- for the audit of the charity's financial statements	6,500	-
- for independent examination fees	-	3,800
- for other financial services	6,086	2,327
Depreciation of owned tangible fixed assets	3,350	3,180
Loss/(profit) on disposal of tangible fixed assets	-	(4,084)
	<u>15,936</u>	<u>2,223</u>

12 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits during the current or prior year.

Expenses for trustee's offering volunteering service of £180 was paid during the year (2024: £Nil).

ADAPT (NORTH EAST)**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025****13 Employees**

The average monthly number of employees during the year was:

	2025 Number	2024 Number
Charitable activities	32	34
Administration and governance	3	3
Total	35	37

Employment costs

	2025 £	2024 £
Wages and salaries	727,592	696,983
Social security costs	53,639	49,380
Other pension costs	26,774	24,631
	808,005	770,994

There were no employees whose annual remuneration was more than £60,000.

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

	2025 £	2024 £
Aggregate compensation	57,663	57,663

14 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

ADAPT (NORTH EAST)**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 MARCH 2025**15 Tangible fixed assets**

	Plant and equipment £	Fixtures and fittings £	Motor vehicles £	Total £
Cost				
At 1 April 2024	16,590	209,969	99,112	325,671
Additions	3,475	-	-	3,475
At 31 March 2025	20,065	209,969	99,112	329,146
Depreciation and impairment				
At 1 April 2024	9,548	209,969	99,112	318,629
Depreciation charged in the year	3,350	-	-	3,350
At 31 March 2025	12,898	209,969	99,112	321,979
Carrying amount				
At 31 March 2025	7,167	-	-	7,167
At 31 March 2024	7,042	-	-	7,042

16 Investment property

	2025
	£
Fair value	
At 1 April 2024 and 31 March 2025	575,000

Investment property comprises £575,000. The fair value of the investment property has been arrived at on the basis of a valuation carried out on 31 March 2025 based on an open market value basis by the Trustees.

17 Fixed asset investments

	Unlisted investments £
Cost or valuation	
At 1 April 2024 & 31 March 2025	1
Carrying amount	
At 31 March 2025	1
At 31 March 2024	1

18 Stocks

	2025	2024
	£	£
Finished goods and goods for resale	-	185

ADAPT (NORTH EAST)**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025****19 Debtors**

	2025	2024
	£	£
Amounts falling due within one year:		
Trade debtors	45,968	91,247
Amounts owed by subsidiary undertakings	5,011	55,229
Other debtors	1,882	1,287
Prepayments and accrued income	11,151	12,085
	<u>64,012</u>	<u>159,848</u>

20 Loans and overdrafts

	2025	2024
	£	£
Bank loans	<u>266,975</u>	<u>272,135</u>
Payable within one year	5,443	5,015
Payable after one year	<u>261,532</u>	<u>267,120</u>

The long-term loans are secured by way of debenture, including both fixed and floating charges, over all land & buildings owned by the charity, and all associated plant & machinery and rental income.

21 Creditors: amounts falling due within one year

	Notes	2025	2024
		£	£
Bank loans	20	5,443	5,015
Other taxation and social security		15,319	12,111
Trade creditors		8,413	16,488
Other creditors		5,141	3,998
Accruals and deferred income		59,350	58,184
		<u>93,666</u>	<u>95,796</u>

22 Creditors: amounts falling due after more than one year

	Notes	2025	2024
		£	£
Bank loans	20	<u>261,532</u>	<u>267,120</u>

23 Retirement benefit schemes

	2025	2024
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>26,774</u>	<u>24,631</u>

ADAPT (NORTH EAST)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

23 Retirement benefit schemes

(Continued)

The Charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Charity in an independently administered fund.

24 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 April 2024 £	Incoming resources £	Resources expended £	At 31 March 2025 £
Healthwatch Northumberland	59,183	215,679	(209,862)	65,000
Advocacy Service	28,000	54,002	(82,002)	-
Bernicia Hardship Fund	3,465	352,426	(355,891)	-
Northumberland Food	13,651	-	(1,000)	12,651
Social Isolation Fund	20,000	-	(1,770)	18,230
SMI Project	12,489	-	(12,489)	-
Thriving Together	14,442	2,000	(16,442)	-
Travelling with confidence	-	60,539	(3,000)	57,539
	<u>151,230</u>	<u>684,646</u>	<u>(682,456)</u>	<u>153,420</u>

Previous year:

	At 1 April 2023 £	Incoming resources £	Resources expended £	At 31 March 2024 £
Healthwatch Northumberland	50,153	204,530	(195,500)	59,183
Advocacy Service	45,000	63,070	(80,070)	28,000
Bernicia Hardship Fund	6,175	358,693	(358,693)	6,175
Nothumberland Food	14,831	-	(2,710)	12,121
Social Isolation Fund	20,000	-	(1,180)	18,820
SMI Project	16,017	16,652	(20,180)	12,489
Thriving Together	-	29,058	(14,616)	14,442
	<u>152,176</u>	<u>672,003</u>	<u>(672,949)</u>	<u>151,230</u>

25 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2024 £	Incoming resources £	Resources expended £	At 31 March 2025 £
General funds	<u>506,103</u>	<u>320,258</u>	<u>(385,890)</u>	<u>440,471</u>

ADAPT (NORTH EAST)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

25 Unrestricted funds (Continued)

Previous year:	At 1 April 2023	Incoming resources	Resources expended	At 31 March 2024
	£	£	£	£
General funds	511,267	304,352	(309,516)	506,103

26 Analysis of net assets between funds

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £
At 31 March 2025:			
Tangible assets	7,167	-	7,167
Investment properties	575,000	-	575,000
Investments	1	-	1
Current assets/(liabilities)	119,835	153,420	273,255
Long term liabilities	(261,532)	-	(261,532)
	440,471	153,420	593,891
	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
At 31 March 2024:			
Tangible assets	7,042	-	7,042
Investment properties	575,000	-	575,000
Investments	1	-	1
Current assets/(liabilities)	191,180	151,230	342,410
Long term liabilities	(267,120)	-	(267,120)
	506,103	151,230	657,333

27 Related party transactions

Transactions with related parties

During the year the Charity entered into the following transactions with related parties:

During the year 1 trustee's family received a hardship grant of £600 from a Social Prescribing referral.

Expenses for trustee's offering volunteering service of £180 was paid during the year.

ADAPT (NORTH EAST)**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 MARCH 2025

28	Cash (absorbed by)/generated from operations	2025 £	2024 £
	Deficit for the year	(63,442)	(6,110)
	Adjustments for:		
	Investment income recognised in statement of financial activities	(40,397)	(77,510)
	Gain on disposal of tangible fixed assets	-	(4,084)
	Depreciation and impairment of tangible fixed assets	3,350	3,180
	Movements in working capital:		
	Decrease/(increase) in stocks	185	(185)
	Decrease in debtors	95,836	67,076
	(Decrease)/increase in creditors	(2,558)	50,703
	Cash (absorbed by)/generated from operations	(7,026)	33,070
29	Analysis of changes in net funds		
		At 1 April 2024 £	Cash flowsAt 31 March 2025 £
	Cash at bank and in hand	278,173	24,736
	Loans falling due within one year	(5,015)	(428)
	Loans falling due after more than one year	(267,120)	5,588
		6,038	29,896
			35,934

ADAPT (NORTH EAST)

England & Wales - Charity number 1072632

Accounts

REGISTERED COMPANY NUMBER: 03604980 (England and Wales)
REGISTERED CHARITY NUMBER: 1072632

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024
FOR
ADAPT (NORTH EAST)

RMT Ribchesters
Accountants and Business Advisors
Finchale House
Belmont Business Park
Durham
DH1 1TW

ADAPT (NORTH EAST)

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2024. 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 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The charity's objective is to improve the quality of life of both disabled and disadvantaged people in the North East, with a focus on Northumberland.

To provide relief to inhabitants in the North East who have need because of youth, age, sickness, mental or physical disability or poverty by the provision and maintenance of a non-profit community transport service.

Significant activities

The main activities of the charity are to provide information, advice and projects are defined by need. Currently they are information and guidance, advocacy and community transport.

Adapt provides the Healthwatch function for Northumberland, providing to the public the consumer champion role for Health and Social Care.

Adapt provides General advocacy for qualifying adults in Northumberland and specialist advocacy for parents referred through Northumberland Children's Services. Adapt within its work across Northumberland provides a network for groups and organisations who are providing services for people with Learning Disabilities.

Adapt provides the Social Prescribing service for three Primary Care Networks across Northumberland and North Tyneside including West Northumberland PCN, Northumbria PCN and North Shields PCN.

Under the Memorandum & Articles of Association the charity has the power to invest the monies of the Association not immediately required for its purposes in or upon such investments, securities or property as may be thought fit, subject nevertheless to such conditions (if any) and such consents (if any) as may for the time being be imposed or required by law and subject also as hereinafter provided.

Public benefit

From 1 April 2008, section 4 of the Charities Act 2006 requires all charities to meet the legal requirement that its aims are for the public benefit. The Trustees confirm that they have complied with the duty to have due regard to the Charity Commission's general guidance on public benefit.

The Charity Commission states that there are two principles to be met in order to show that an organisation's aims are for the public benefit: firstly, there must be an identifiable benefit or benefits and secondly that the benefit must be to the public, or a section of the public.

The Trustees are satisfied that the aims and objectives of the charity, and the activities reported on above, meet these principles.

Volunteers

The organisation works closely with volunteers who help to provide a successful service within the community during the financial year.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Throughout the year Adapt (North East) continued to deliver the Healthwatch function and the NHS independent complaints advocacy service for Northumberland County and the statutory Advocacy service for Northumberland County Council.

Adapt (North East) continued to provide the Social Prescribing Service for West Northumberland PCN, Northumbria Primary Care Network and North Shields PCN.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024**

FINANCIAL REVIEW

Reserves policy

The Trustees monitor the finances of the Charity on a regular basis and feel the risk to be minimal in reducing the level of free reserves and wish to ensure the future prospects of the Charity by securing a suitable base for its operations.

The Trustees have determined that the appropriate level of free reserves, which were £191,180, should be equivalent to be not less than 45% of the core costs. As at 31 March 2024 reserves are below this target.

Our policy is therefore to increase the reserves (which are carried forward for future core activities) to at least this level by maintaining the operating surpluses and judicious investment management of our investment assets.

The trustees have ensured the restricted funds received from various sources have been used effectively and within the funders remit.

The trustees have ensured the unrestricted funds have been used to develop the sustainability of Adapt (North East).

Note 22 to the financial statements describes the various funds of the charity and summarises the year's movements on each fund.

The results for the year are set out on page 6.

Income decreased by £99,991 compared to last year.

Resources expended in the year total £982,465 and remain in line with prior years and are as expected. Overall, a deficit of £6,110 has occurred in the financial year. This is after depreciation charges of £3,180.

The trustees are satisfied with level of performance in the year. Unrestricted funds were £506,103 and the trustees are satisfied with the overall position.

FUTURE PLANS

Adapt (North East) is planning to build on current services and develop new ones to meet requirements of disabled and disadvantaged people.

Adapt (North East) has been successful in delivering Social Prescribing Services and plans to widen this offer working with the NHS.

Adapt (North East) having established Café @ Burn Lane as a standalone project recognise the future ability to support beneficiaries through activities which include food and have plans to develop specific opportunities.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Adapt (North East) is a company limited by guarantee and does not have a share capital. It is a registered charity and is governed by its Memorandum & Articles of Association.

Recruitment and appointment of new trustees

Trustees are recruited for skills to enable them to contribute to the governance of Adapt, a variety of mediums are used to recruit suitable trustees. Trustees hold office for an agreed period of time and are ratified at the Annual General Meeting.

Organisational structure

The Trustee board of honorary officers and its members are responsible for the day to day running of the charity. The Trustee board meets bi-monthly and is fully conversant with its legal obligations and has policies and procedures to review the work of the charity.

Induction and training of new trustees

Trustees have agreed to review training on an ongoing basis, with individual trustees accessing relevant training as required.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Related parties

Adapt (North East) works closely with local voluntary and statutory organisations including, Northumberland County Council.

Risk management

The trustees have examined the main areas of the charity's activities, and looked at the main risks likely to arise in each of these areas. The trustees consider that the systems that have been adopted are adequate to minimise those risks to an acceptable level in the day to day operation of the charity.

It is the opinion of the trustees that for the financial year ended 31 March 2024 the charity has achieved its objectives.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

03604980 (England and Wales)

Registered Charity number

1072632

Registered office

Adapt (North East)
Old Highways Depot
Burn Lane
Hexham
Northumberland
NE46 3HN

Trustees

P Maginn
R E Theobalds
L Hershon
A Stevenson
G Clarke (appointed 26/4/2023)
A Bishop
M Ostler
M Briggs

Company Secretary

Mrs E Prudhoe

Independent Examiner

David Holloway BA(hons) FCA DChA
RMT Ribchesters
Accountants and Business Advisors
Finchale House
Belmont Business Park
Durham
DH1 1TW

Bankers

Unity Trust plc
Nine Brindleyplace
Birmingham
B1 2HB

Approved by order of the board of trustees on 14th November 2024 and signed on its behalf by:

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024**

A handwritten signature in black ink, appearing to read 'L Hershon', with a horizontal line underneath the name.

.....
L Hershon - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
ADAPT (NORTH EAST)**

Independent examiner's report to the trustees of ADAPT (North East) ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2024.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

1. accounting records were not kept in respect of the Company as required by Section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of Section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

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

David Holloway BA(hons) FCA DChA

RMT Ribchesters
Accountants and Business Advisors
Finchale House
Belmont Business Park
Durham
DH1 1TW

Date:

ADAPT (NORTH EAST)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2024

	Notes	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	1,362	-	1,362	1,556
Charitable activities					
Transport provision	5	122,686	-	122,686	120,759
Healthwatch		-	204,529	204,529	190,333
Advocacy service		-	63,071	63,071	317,331
Getabout car scheme		36,000	-	36,000	35,992
Living Well		-	358,693	358,693	295,767
SMI Project		-	16,652	16,652	16,652
Thriving Together		-	29,058	29,058	-
Other trading activities	3	62,710	-	62,710	23,807
Investment income	4	77,510	-	77,510	70,549
Other income		4,084	-	4,084	3,600
Total		304,352	672,003	976,355	1,076,346
EXPENDITURE ON					
Raising funds	6	12,365	-	12,365	-
Charitable activities					
Core activities	7	177,260	1,653	178,913	181,768
Transport provision		93,355	-	93,355	95,479
Healthwatch		-	195,500	195,500	185,381
Advocacy service		-	80,070	80,070	302,330
Getabout car scheme		26,536	-	26,536	22,284
Living Well		-	358,693	358,693	295,767
Bernicia hardship fund		-	2,237	2,237	-
SMI Project		-	20,180	20,180	635
Thriving Together		-	14,616	14,616	-
Total		309,516	672,949	982,465	1,083,644
Net gains on investments		-	-	-	25,000
NET INCOME/(EXPENDITURE)		(5,164)	(946)	(6,110)	17,702
RECONCILIATION OF FUNDS					
Total funds brought forward		511,267	152,176	663,443	645,741
TOTAL FUNDS CARRIED FORWARD		506,103	151,230	657,333	663,443

The notes form part of these financial statements

ADAPT (NORTH EAST) (REGISTERED NUMBER: 03604980)

**BALANCE SHEET
31 MARCH 2024**

	Notes	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
FIXED ASSETS					
Tangible assets	13	7,042	-	7,042	4,784
Investments					
Investments	14	1	-	1	1
Investment property	15	575,000	-	575,000	575,000
		<u>582,043</u>	<u>-</u>	<u>582,043</u>	<u>579,785</u>
CURRENT ASSETS					
Stocks	16	185	-	185	-
Debtors	17	100,539	59,309	159,848	226,925
Cash at bank		143,661	134,512	278,173	173,830
		<u>244,385</u>	<u>193,821</u>	<u>438,206</u>	<u>400,755</u>
CREDITORS					
Amounts falling due within one year	18	(53,205)	(42,591)	(95,796)	(48,884)
NET CURRENT ASSETS		<u>191,180</u>	<u>151,230</u>	<u>342,410</u>	<u>351,871</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		773,223	151,230	924,453	931,656
CREDITORS					
Amounts falling due after more than one year	19	(267,120)	-	(267,120)	(268,213)
NET ASSETS		<u>506,103</u>	<u>151,230</u>	<u>657,333</u>	<u>663,443</u>
FUNDS	22				
Unrestricted funds				506,103	511,267
Restricted funds				151,230	152,176
TOTAL FUNDS				<u>657,333</u>	<u>663,443</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2024.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2024 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The notes form part of these financial statements

BALANCE SHEET - continued
31 MARCH 2024

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

The financial statements were approved by the Board of Trustees and authorised for issue on 14/11/2024 and were signed on its behalf by:

A handwritten signature in black ink, appearing to read 'L Hershon', with a horizontal line extending from the end of the signature.

.....
L Hershon - Trustee

ADAPT (NORTH EAST)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 £	2023 £
Cash flows from operating activities			
Cash generated from operations	1	96,532	(50,659)
Interest paid		(21,885)	(14,331)
Net cash provided by/(used in) operating activities		<u>74,647</u>	<u>(64,990)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(5,438)	(360)
Sale of tangible fixed assets		4,084	3,600
Dividends received		39,250	37,000
Net cash provided by investing activities		<u>37,896</u>	<u>40,240</u>
Cash flows from financing activities			
Loan repayments in year		(4,883)	(6,966)
Loan to subsidiary		(3,317)	(6,263)
Net cash used in financing activities		<u>(8,200)</u>	<u>(13,229)</u>
Change in cash and cash equivalents in the reporting period		<u>104,343</u>	<u>(37,979)</u>
Cash and cash equivalents at the beginning of the reporting period		<u>173,830</u>	<u>211,809</u>
Cash and cash equivalents at the end of the reporting period		<u><u>278,173</u></u>	<u><u>173,830</u></u>

The notes form part of these financial statements

ADAPT (NORTH EAST)

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2024

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2024 £	2023 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(6,110)	17,702
Adjustments for:		
Depreciation charges	3,180	3,680
Losses on investments	-	(25,000)
Profit on disposal of fixed assets	(4,084)	(3,600)
Interest paid	21,885	14,331
Dividends received	(39,250)	(37,000)
Increase in stocks	(185)	-
Decrease/(increase) in debtors	70,393	(28,060)
Increase in creditors	50,703	7,288
Net cash provided by/(used in) operations	<u>96,532</u>	<u>(50,659)</u>

2. ANALYSIS OF CHANGES IN NET (DEBT)/FUNDS

	At 1.4.23 £	Cash flow £	At 31.3.24 £
Net cash			
Cash at bank	173,830	104,343	278,173
	<u>173,830</u>	<u>104,343</u>	<u>278,173</u>
Debt			
Debts falling due within 1 year	(8,805)	3,791	(5,014)
Debts falling due after 1 year	(268,213)	1,093	(267,120)
	<u>(277,018)</u>	<u>4,884</u>	<u>(272,134)</u>
Total	<u>(103,188)</u>	<u>109,227</u>	<u>6,039</u>

The notes form part of these financial statements

ADAPT (NORTH EAST)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

1. ACCOUNTING POLICIES

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 Reporting 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, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably. The following specific policies are applied to particular categories of income:

-Voluntary income is received by way of grants, donations and gifts are included in full in the Statement of Financial Activities when the trust 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.

-Investment income is included when receivable.

-Incoming resources from charitable trading activities are accounted for when earned.

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

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Allocation and apportionment of costs

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on the basis of time spent.

Tangible fixed assets

Land and buildings are included at their current market value. All other tangible fixed assets are stated at cost less depreciation. Items of equipment are capitalised where the purchase price exceeds £300.

Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Equipment	- 25% straight line
Fixtures and fittings	- 25% straight line
Motor vehicles	- 25% straight line

Investment property

Investment property is shown at most recent valuation. Any movement arising from changes in market value is recognised in the period.

Related party exemption

The charitable company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024

1. ACCOUNTING POLICIES - continued

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

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.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme and pension contributions are charged to the profit and loss account to spread the cost of the pensions over the employees working lives.

Financial instruments

The charitable 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, other loans, and preference shares that are classified as debt, 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.

ADAPT (NORTH EAST)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2024

2. DONATIONS AND LEGACIES

	2024	2023
	£	£
Donations	1,019	502
Membership subscriptions	343	1,054
	<u>1,362</u>	<u>1,556</u>

3. OTHER TRADING ACTIVITIES

	2024	2023
	£	£
Cafe income	21,903	-
Room hire and sundry income	40,807	23,807
	<u>62,710</u>	<u>23,807</u>

4. INVESTMENT INCOME

	2024	2023
	£	£
Rents received	38,260	33,549
Distribution from subsidiary	39,250	37,000
	<u>77,510</u>	<u>70,549</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2024	2023
		£	£
Bus hire	Transport provision	31,767	25,152
Contract income	Transport provision	84,213	85,273
Grants	Transport provision	5,950	8,634
Training	Transport provision	756	1,700
Grants	Healthwatch	204,529	190,333
Grants	Advocacy service	63,071	317,331
Grants	Getabout car scheme	36,000	35,992
Grants	Living Well	358,693	295,767
Grants	SMI Project	16,652	16,652
Grants	Thriving Together	29,058	-
		<u>830,689</u>	<u>976,834</u>

Grants received, included in the above, are as follows:

	2024	2023
	£	£
Northumberland County Council	323,329	532,656
BSOG	5,950	8,634
West Northumberland PCN	186,712	208,981
Northumbria PCN	102,740	86,286
Cumbria, Northumberland, Tyne and Wear NHS Foundation Trust	4,800	4,000
Mental Health Concern	16,652	16,652
Independence At Home	-	500
Other	1,209	-
	<u>641,392</u>	<u>857,709</u>
Carried forward	641,392	857,709

ADAPT (NORTH EAST)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2024

5. INCOME FROM CHARITABLE ACTIVITIES - continued

	2024	2023
	£	£
Brought forward	641,392	857,709
NHS England	-	5,500
Healthwatch	4,279	1,500
North Shields PCN	65,100	-
DWP - Access to work	3,182	-
	<u>713,953</u>	<u>864,709</u>

6. RAISING FUNDS

Other trading activities

	2024	2023
	£	£
Purchases	12,550	-
Closing stock	(185)	-
	<u>12,365</u>	<u>-</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 8) £	Totals £
Core activities	(61,986)	240,899	178,913
Transport provision	93,202	153	93,355
Healthwatch	181,724	13,776	195,500
Advocacy service	80,012	58	80,070
Getabout car scheme	26,536	-	26,536
Living Well	358,693	-	358,693
Bernicia hardship fund	2,237	-	2,237
SMI Project	17,045	3,135	20,180
Thriving Together	14,616	-	14,616
	<u>712,079</u>	<u>258,021</u>	<u>970,100</u>

8. SUPPORT COSTS

	Management £	Finance £	Governance costs £	Totals £
Core activities	211,797	22,975	6,127	240,899
Transport provision	153	-	-	153
Healthwatch	13,776	-	-	13,776
Advocacy service	58	-	-	58
SMI Project	3,135	-	-	3,135
	<u>228,919</u>	<u>22,975</u>	<u>6,127</u>	<u>258,021</u>

ADAPT (NORTH EAST)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2024

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2024	2023
	£	£
Depreciation - owned assets	3,180	3,680
Surplus on disposal of fixed assets	(4,084)	(3,600)
Other non-audit services	2,327	-
Independent examination	3,800	-
Auditors' remuneration	-	3,200
Auditors' remuneration for non audit work	-	6,000
	<u> </u>	<u> </u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2024 nor for the year ended 31 March 2023.

Trustees' expenses

No expenses were paid to trustees during the year (2023: £nil).

11. STAFF COSTS

	2024	2023
	£	£
Wages and salaries	696,981	787,657
Social security costs	49,380	58,926
Other pension costs	24,631	27,560
	<u> </u>	<u> </u>
	<u>770,992</u>	<u>874,143</u>

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

	2024	2023
Charitable activities	34	40
Administration & Governance	3	3
	<u> </u>	<u> </u>
	<u>37</u>	<u>43</u>

No employees received emoluments in excess of £60,000.

ADAPT (NORTH EAST)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024**

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	1,556	-	1,556
Charitable activities			
Transport provision	120,759	-	120,759
Healthwatch	-	190,333	190,333
Advocacy service	-	317,331	317,331
Getabout car scheme	35,992	-	35,992
Living Well	-	295,767	295,767
SMI Project	-	16,652	16,652
Other trading activities	23,807	-	23,807
Investment income	70,549	-	70,549
Other income	3,600	-	3,600
Total	<u>256,263</u>	<u>820,083</u>	<u>1,076,346</u>
EXPENDITURE ON			
Charitable activities			
Core activities	173,116	8,652	181,768
Transport provision	95,479	-	95,479
Healthwatch	-	185,381	185,381
Advocacy service	-	302,330	302,330
Getabout car scheme	22,284	-	22,284
Living Well	-	295,767	295,767
SMI Project	-	635	635
Total	<u>290,879</u>	<u>792,765</u>	<u>1,083,644</u>
Net gains on investments	<u>25,000</u>	<u>-</u>	<u>25,000</u>
NET INCOME/(EXPENDITURE)	(9,616)	27,318	17,702
RECONCILIATION OF FUNDS			
Total funds brought forward	520,883	124,858	645,741
TOTAL FUNDS CARRIED FORWARD	<u><u>511,267</u></u>	<u><u>152,176</u></u>	<u><u>663,443</u></u>

ADAPT (NORTH EAST)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2024

13. TANGIBLE FIXED ASSETS

	Equipment £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1 April 2023	11,852	209,969	99,112	320,933
Additions	5,438	-	-	5,438
Disposals	(700)	-	-	(700)
At 31 March 2024	16,590	209,969	99,112	325,671
DEPRECIATION				
At 1 April 2023	7,068	209,969	99,112	316,149
Charge for year	3,180	-	-	3,180
Eliminated on disposal	(700)	-	-	(700)
At 31 March 2024	9,548	209,969	99,112	318,629
NET BOOK VALUE				
At 31 March 2024	7,042	-	-	7,042
At 31 March 2023	4,784	-	-	4,784

14. FIXED ASSET INVESTMENTS

	Unlisted investments £
MARKET VALUE	
At 1 April 2023 and 31 March 2024	1
NET BOOK VALUE	
At 31 March 2024	1
At 31 March 2023	1

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

Cafe @ Burn Lane Limited

Registered office: Burn Lane, Hexham, NE46 3HN

Nature of business: Cafe

Class of share:	% holding
Ordinary	1

ADAPT (NORTH EAST)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2024

15. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 April 2023	
and 31 March 2024	575,000
NET BOOK VALUE	
At 31 March 2024	575,000
At 31 March 2023	575,000

Investment property was valued at open market value on 31 March 2024 by the Trustees, at £575,000.

If investment property had not been re-valued, it would have been included at the historical cost of £721,920.

16. STOCKS

	2024	2023
	£	£
Stocks	185	-

17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Trade debtors	91,247	138,016
Amounts owed by group undertakings	55,229	51,913
VAT	1,287	6,727
Accrued income	7,410	21,811
Prepayments	4,675	8,458
	159,848	226,925

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Bank loans and overdrafts (see note 20)	5,014	8,805
Trade creditors	16,488	12,063
Social security and other taxes	12,111	10,541
Other creditors	3,998	4,728
Accruals and deferred income	58,185	12,747
	95,796	48,884

ADAPT (NORTH EAST)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2024

19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2024	2023
	£	£
Bank loans (see note 20)	267,120	268,213

20. LOANS

An analysis of the maturity of loans is given below:

	2024	2023
	£	£
Amounts falling due within one year on demand:		
Bank loans	5,014	8,805
Amounts falling between one and two years:		
Bank loans	5,443	9,105
Amounts falling due between two and five years:		
Bank loans - 2-5 years	19,230	28,182
Amounts falling due in more than five years:		
Repayable by instalments:		
Bank loans more 5 yr by instal	242,447	230,926

21. SECURED DEBTS

The following secured debts are included within creditors:

	2024	2023
	£	£
Bank loans	272,134	277,018

The bank loans are secured by way of a debenture, including both fixed and floating charges, over all land & buildings owned by the charity, and all associated plant & machinery and rental income.

22. MOVEMENT IN FUNDS

	At 1.4.23	Net movement in funds	At 31.3.24
	£	£	£
Unrestricted funds			
General fund	511,267	(5,164)	506,103
Restricted funds			
Healthwatch Northumberland	50,153	9,030	59,183
Advocacy Service	45,000	(17,000)	28,000
Bernicia Hardship Fund	6,175	(2,710)	3,465
Northumberland Food	14,831	(1,180)	13,651
Social Isolation Fund	20,000	-	20,000
SMI Project	16,017	(3,528)	12,489
Thriving Together	-	14,442	14,442
	152,176	(946)	151,230
TOTAL FUNDS	663,443	(6,110)	657,333

ADAPT (NORTH EAST)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2024

22. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	304,352	(309,516)	(5,164)
Restricted funds			
Healthwatch Northumberland	204,530	(195,500)	9,030
Advocacy Service	63,070	(80,070)	(17,000)
Living Well	358,693	(358,693)	-
Bernicia Hardship Fund	-	(2,710)	(2,710)
Northumberland Food	-	(1,180)	(1,180)
SMI Project	16,652	(20,180)	(3,528)
Thriving Together	29,058	(14,616)	14,442
	<u>672,003</u>	<u>(672,949)</u>	<u>(946)</u>
TOTAL FUNDS	<u><u>976,355</u></u>	<u><u>(982,465)</u></u>	<u><u>(6,110)</u></u>

Comparatives for movement in funds

	At 1.4.22 £	Net movement in funds £	At 31.3.23 £
Unrestricted funds			
General fund	520,883	(9,616)	511,267
Restricted funds			
Healthwatch Northumberland	45,200	4,953	50,153
Advocacy Service	30,000	15,000	45,000
Bernicia Hardship Fund	9,658	(3,483)	6,175
Northumberland Food	20,000	(5,169)	14,831
Social Isolation Fund	20,000	-	20,000
SMI Project	-	16,017	16,017
	<u>124,858</u>	<u>27,318</u>	<u>152,176</u>
TOTAL FUNDS	<u><u>645,741</u></u>	<u><u>17,702</u></u>	<u><u>663,443</u></u>

ADAPT (NORTH EAST)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2024

22. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	256,263	(290,879)	25,000	(9,616)
Restricted funds				
Healthwatch Northumberland	190,333	(185,380)	-	4,953
Advocacy Service	317,331	(302,331)	-	15,000
Living Well	295,767	(295,767)	-	-
Bernicia Hardship Fund	-	(3,483)	-	(3,483)
Northumberland Food	-	(5,169)	-	(5,169)
SMI Project	16,652	(635)	-	16,017
	<u>820,083</u>	<u>(792,765)</u>	<u>-</u>	<u>27,318</u>
TOTAL FUNDS	<u>1,076,346</u>	<u>(1,083,644)</u>	<u>25,000</u>	<u>17,702</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.22 £	Net movement in funds £	At 31.3.24 £
Unrestricted funds			
General fund	520,883	(14,780)	506,103
Restricted funds			
Healthwatch Northumberland	45,200	13,983	59,183
Advocacy Service	30,000	(2,000)	28,000
Bernicia Hardship Fund	9,658	(6,193)	3,465
Northumberland Food	20,000	(6,349)	13,651
Social Isolation Fund	20,000	-	20,000
SMI Project	-	12,489	12,489
Thriving Together	-	14,442	14,442
	<u>124,858</u>	<u>26,372</u>	<u>151,230</u>
TOTAL FUNDS	<u>645,741</u>	<u>11,592</u>	<u>657,333</u>

ADAPT (NORTH EAST)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2024

22. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	560,615	(600,395)	25,000	(14,780)
Restricted funds				
Healthwatch Northumberland	394,863	(380,880)	-	13,983
Advocacy Service	380,401	(382,401)	-	(2,000)
Living Well	654,460	(654,460)	-	-
Bernicia Hardship Fund	-	(6,193)	-	(6,193)
Northumberland Food	-	(6,349)	-	(6,349)
SMI Project	33,304	(20,815)	-	12,489
Thriving Together	29,058	(14,616)	-	14,442
	<u>1,492,086</u>	<u>(1,465,714)</u>	<u>-</u>	<u>26,372</u>
TOTAL FUNDS	<u>2,052,701</u>	<u>(2,066,109)</u>	<u>25,000</u>	<u>11,592</u>

Healthwatch Northumberland

Adapt (North East) provide the host role for Healthwatch Northumberland, which was launched on 1st April 2013. There are Healthwatch organisations in all council areas in England, and together they provide users of health and social care services a powerful voice both locally and nationally.

Advocacy Service

Adapt (North East) secured the contract in July 2014 to provide the statutory and non statutory advocacy services for Northumberland including Independent Mental Capacity Advocacy, Independent Mental Health Advocacy and General Advocacy provision under the banner Northumberland Independent Advocacy Service.

Living Well

Living Well Service provides Social Prescribing Services across West Northumberland area working in partnership with West Northumberland Primary Care Network - Social prescribing is a means of enabling GPs , nurses and other health and care professionals to refer people to a range of local, non-clinical services.

Bernicia Hardship Fund

The COVID-19 Bernini Hardship fund has been facilitated by Adapt in partnership with Northumberland County Council for the benefit of people across West Northumberland who have been negatively impacted by COVID-19.

Northumberland Food

Northumberland Nourish Food Fund for West Northumberland is being managed by Adapt in partnership with Northumberland County Council to provide funds for the food related activities.

Social Isolation Fund

Adapt (NE) secured a grant from Northumberland County Council to support individuals socially isolated.

SMI Project

Adapt (NE) is working in partnership with Everyturn Mental Health, to deliver a project for people with Serious Mental Illness to support them to access physical health checks and wider support they may require.

Thriving Together

ADAPT (NORTH EAST)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2024

22. MOVEMENT IN FUNDS - continued

Thriving Together is the voluntary and community sector vehicle for partnership working across Northumberland, Adapt have secured funding to develop, deliver and support a Learning Disability Network for groups and organisations delivering services for people with learning disabilities across Northumberland.

23. RELATED PARTY DISCLOSURES

The charitable company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

ADAPT (NORTH EAST)

England & Wales - Charity number 1072632

Accounts

REGISTERED COMPANY NUMBER: 03604980 (England and Wales)
REGISTERED CHARITY NUMBER: 1072632

**REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023
FOR
ADAPT (NORTH EAST)**

Ribchesters Group Limited
Registered Auditors
Finchale House
Belmont Business Park
Durham
DH1 1TW

ADAPT (NORTH EAST)

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ADAPT (NORTH EAST)
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2023. 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 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The charity's objective is to improve the quality of life of both disabled and disadvantaged people in the North East, with a focus on Northumberland.

To provide relief to inhabitants in the North East who have need because of youth, age, sickness, mental or physical disability or poverty by the provision and maintenance of a non-profit community transport service.

Significant activities

The main activities of the charity are to provide information, advice and projects are defined by need. Currently they are information and guidance, advocacy and community transport.

Adapt provides the Healthwatch function for Northumberland, providing to the public the consumer champion role for Health and Social Care.

Adapt provided the statutory Advocacy service across Northumberland providing advocacy under the Care Act, Mental Capacity Act, Mental Health Act and NHS Complaints legislation until 31st May 2023. From 1st June 2023 Adapt will no longer provide statutory advocacy for adults within Northumberland. Adapt will continue to provide General advocacy for qualifying adults in Northumberland and specialist advocacy for parents referred through Northumberland Childrens Services.

Adapt provides the Social Prescribing service for West Northumberland under contract with West Northumberland Primary Care Network. From April 2023 Adapt provides the Social Prescribing Service for Northumbria Primary Care Network.

Under the Memorandum & Articles of Association the charity has the power to invest the monies of the Association not immediately required for its purposes in or upon such investments, securities or property as may be thought fit, subject nevertheless to such conditions (if any) and such consents (if any) as may for the time being be imposed or required by law and subject also as hereinafter provided.

Public benefit

From 1 April 2008, section 4 of the Charities Act 2006 requires all charities to meet the legal requirement that its aims are for the public benefit. The Trustees confirm that they have complied with the duty to have due regard to the Charity Commission's general guidance on public benefit.

The Charity Commission states that there are two principles to be met in order to show that an organisation's aims are for the public benefit: firstly there must be an identifiable benefit or benefits and secondly that the benefit must be to the public, or a section of the public.

The Trustees are satisfied that the aims and objectives of the charity, and the activities reported on above, meet these principles.

Volunteers

The organisation works closely with volunteers who help to provide a successful service within the community during the financial year.

ADAPT (NORTH EAST)
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Throughout the year Adapt (North East) continued to deliver the Healthwatch function and the NHS independent complaints advocacy service for Northumberland County and the statutory Advocacy service for Northumberland County Council.

Adapt (North East) continued to provide the Social Prescribing Service for West Northumberland and Northumbria Primary Care Network.

FINANCIAL REVIEW

Reserves policy

The Trustees monitor the finances of the Charity on a regular basis and feel the risk to be minimal in reducing the level of free reserves and wish to ensure the future prospects of the Charity by securing a suitable base for its operations.

The Trustees have determined that the appropriate level of free reserves, which were £199,695, should be equivalent to be not less than 45% of the core costs. As at 31 March 2023 reserves are below this target.

Our policy is therefore to increase the reserves (which are carried forward for future core activities) to at least this level by maintaining the operating surpluses and judicious investment management of our investment assets.

The trustees have ensured the restricted funds received from various sources have been used effectively and within the funders remit.

The trustees have ensured the unrestricted funds have been used to develop the sustainability of Adapt (North East).

Note 20 to the financial statements describes the various funds of the charity and summarises the year's movements on each fund.

The results for the year are set out on page 9.

During the year income increased by £74,300

Total resources expended total £1,083,644 and remain in line with prior years and are as expected. Overall a surplus of £17,702 has occurred in the financial year. This is after depreciation charges of £3,680.

The trustees are satisfied with level of performance in the year. Unrestricted funds were £511,267 and the trustees are satisfied with the overall position.

FUTURE PLANS

Adapt (North East) is planning to build on current services and develop new ones to meet requirements of disabled and disadvantaged people.

Adapt (North East) has been successful in delivering Social Prescribing Services and plans to widen this offer working with the NHS.

Adapt (North East) having established Café@Burn Lane as a stand alone project recognise the future ability to support beneficiaries through activities which include food and have plans to develop specific opportunities.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Adapt (North East) is a company limited by guarantee and does not have a share capital. It is a registered charity and is governed by its Memorandum & Articles of Association.

Recruitment and appointment of new trustees

Trustees are recruited for skills to enable them to contribute to the governance of Adapt, a variety of mediums are used to recruit suitable trustees. Trustees hold office for an agreed period of time and are ratified at the Annual General Meeting.

ADAPT (NORTH EAST)
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

The Trustee board of honorary officers and its members are responsible for the day to day running of the charity. The Trustee board meets bi-monthly and is fully conversant with its legal obligations and has policies and procedures to review the work of the charity.

Induction and training of new trustees

Trustees have agreed to review training on an ongoing basis, with individual trustees accessing relevant training as required.

Related parties

Adapt (North East) works closely with local voluntary and statutory organisations including, Northumberland County Council.

Risk management

The trustees have examined the main areas of the charity's activities, and looked at the main risks likely to arise in each of these areas. The trustees consider that the systems that have been adopted are adequate to minimise those risks to an acceptable level in the day to day operation of the charity.

It is the opinion of the trustees that for the financial year ended 31 March 2023 the charity has achieved its objectives.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

03604980 (England and Wales)

Registered Charity number

1072632

Registered office

Adapt (North East)
Old Highways Depot
Burn Lane
Hexham
Northumberland
NE46 3HN

Trustees

P Maginn
R E Theobalds
L Hershon
A Stevenson
G Clarke (appointed 26/4/2023)
A Bishop
M Ostler
M Briggs

Company Secretary

Mrs E Prudhoe

Senior Statutory Auditor

David Holloway BA FCA DChA

ADAPT (NORTH EAST)
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

REFERENCE AND ADMINISTRATIVE DETAILS

Auditors

Ribchesters Group Limited
Registered Auditors
Finchale House
Belmont Business Park
Durham
DH1 1TW

Bankers

Unity Trust plc
Nine Brindleyplace
Birmingham
B1 2HB

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of ADAPT (North East) 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 those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity 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 business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

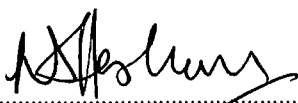
In so far as the trustees are aware:

- 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, Ribchesters Group Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on and signed on its behalf by:



.....
L Hershon - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ADAPT (NORTH EAST)

Opinion

We have audited the financial statements of ADAPT (North East) (the 'charitable company') for the year ended 31 March 2023 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 March 2023 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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
ADAPT (NORTH EAST)**

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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ADAPT (NORTH EAST)

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, tax legislation, employment, environmental 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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
ADAPT (NORTH EAST)**

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.

David Holloway BA FCA DChA (Senior Statutory Auditor)
for and on behalf of Ribchesters Group Limited
Registered Auditors
Finchale House
Belmont Business Park
Durham
DH1 1TW

Date:

ADAPT (NORTH EAST)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	1,556	-	1,556 ✓	18,946
Charitable activities					
Transport provision	5	120,759	-	120,759	87,653
Healthwatch		-	190,333	190,333	212,600
Advocacy service		-	317,331	317,331	337,880
Getabout car scheme		35,992	-	35,992	36,238
Living Well		-	295,767	295,767	181,118
Community support		-	-	-	20,000
SMI Project		-	16,652	16,652	-
Other trading activities	3	23,807	-	23,807	31,515
Investment income	4	70,549	-	70,549	76,096
Other income		3,600	-	3,600	-
Total		<u>256,263</u>	<u>820,083</u>	<u>1,076,346</u>	<u>1,002,046</u>
EXPENDITURE ON					
Charitable activities					
Core activities	6	173,116	8,652	181,768	71,235
Transport provision		95,479	-	95,479	101,352
Healthwatch		-	185,381	185,381	223,370
Advocacy service		-	302,330	302,330	307,880
Cafe @ Burn Lane		-	-	-	37,500
Getabout car scheme		22,284	-	22,284	36,238
Living Well		-	295,767	295,767	171,889
SMI Project		-	635	635	-
Total		<u>290,879</u>	<u>792,765</u>	<u>1,083,644</u>	<u>949,464</u>
Net gains on investments		<u>25,000</u>	<u>-</u>	<u>25,000</u>	<u>-</u>
NET INCOME/(EXPENDITURE)		(9,616)	27,318	17,702	52,582
RECONCILIATION OF FUNDS					
Total funds brought forward		520,883	124,858	645,741	593,159
TOTAL FUNDS CARRIED FORWARD		<u><u>511,267</u></u>	<u><u>152,176</u></u>	<u><u>663,443</u></u>	<u><u>645,741</u></u>

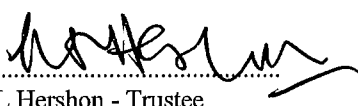
The notes form part of these financial statements

BALANCE SHEET
31 MARCH 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
FIXED ASSETS					
Tangible assets	12	4,784	-	4,784	8,104
Investments					
Investments	13	1	-	1	1
Investment property	14	575,000	-	575,000	550,000
		<u>579,785</u>	<u>-</u>	<u>579,785</u>	<u>558,105</u>
CURRENT ASSETS					
Debtors	15	165,260	61,665	226,925	192,602
Cash at bank		<u>83,319</u>	<u>90,511</u>	<u>173,830</u>	<u>211,809</u>
		<u>248,579</u>	<u>152,176</u>	<u>400,755</u>	<u>404,411</u>
CREDITORS					
Amounts falling due within one year	16	(48,884)	-	(48,884)	(41,350)
NET CURRENT ASSETS		<u>199,695</u>	<u>152,176</u>	<u>351,871</u>	<u>363,061</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>779,480</u>	<u>152,176</u>	<u>931,656</u>	<u>921,166</u>
CREDITORS					
Amounts falling due after more than one year	17	(268,213)	-	(268,213)	(275,425)
NET ASSETS		<u>511,267</u>	<u>152,176</u>	<u>663,443</u>	<u>645,741</u>
FUNDS	20				
Unrestricted funds				511,267	520,883
Restricted funds				<u>152,176</u>	<u>124,858</u>
TOTAL FUNDS				<u>663,443</u>	<u>645,741</u>

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

The financial statements were approved by the Board of Trustees and authorised for issue on and were signed on its behalf by:


L Hershon - Trustee

ADAPT (NORTH EAST)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	(50,659)	(13,519)
Interest paid		(14,331)	(9,171)
Net cash used in operating activities		<u>(64,990)</u>	<u>(22,690)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(360)	(2,326)
Sale of tangible fixed assets		3,600	-
Dividends received		37,000	37,500
Net cash provided by investing activities		<u>40,240</u>	<u>35,174</u>
Cash flows from financing activities			
Loan repayments in year		(6,966)	(8,211)
Loan to subsidiary		(6,263)	(39,242)
Net cash used in financing activities		<u>(13,229)</u>	<u>(47,453)</u>
Change in cash and cash equivalents in the reporting period		<u>(37,979)</u>	<u>(34,969)</u>
Cash and cash equivalents at the beginning of the reporting period		<u>211,809</u>	<u>246,778</u>
Cash and cash equivalents at the end of the reporting period		<u><u>173,830</u></u>	<u><u>211,809</u></u>

The notes form part of these financial statements

ADAPT (NORTH EAST)

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2023

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023 £	2022 £
Net income for the reporting period (as per the Statement of Financial Activities)	17,702	52,582
Adjustments for:		
Depreciation charges	3,680	54,894
Losses on investments	(25,000)	-
Profit on disposal of fixed assets	(3,600)	-
Interest paid	14,331	9,171
Dividends received	(37,000)	(37,500)
Increase in debtors	(28,060)	(98,154)
Increase in creditors	7,288	5,488
Net cash used in operations	<u>(50,659)</u>	<u>(13,519)</u>

2. ANALYSIS OF CHANGES IN NET DEBT

	At 1.4.22 £	Cash flow £	At 31.3.23 £
Net cash			
Cash at bank	211,809	(37,979)	173,830
	<u>211,809</u>	<u>(37,979)</u>	<u>173,830</u>
Debt			
Debts falling due within 1 year	(8,559)	(246)	(8,805)
Debts falling due after 1 year	(275,425)	7,212	(268,213)
	<u>(283,984)</u>	<u>6,966</u>	<u>(277,018)</u>
Total	<u>(72,175)</u>	<u>(31,013)</u>	<u>(103,188)</u>

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES

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 Reporting 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, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably. The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of grants, donations and gifts are included in full in the Statement of Financial Activities when the trust 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.
- Investment income is included when receivable.
- Incoming resources from charitable trading activities are accounted for when earned.
- Income from commercial trading activities is recognised as earned (as the related services are provided).

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Allocation and apportionment of costs

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on the basis of time spent.

Tangible fixed assets

Land and buildings are included at their current market value. All other tangible fixed assets are stated at cost less depreciation. Items of equipment are capitalised where the purchase price exceeds £300.

Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Equipment	- 25% straight line
Fixtures and fittings	- 25% straight line
Motor vehicles	- 25% straight line

Investment property

Investment property is shown at most recent valuation. Any movement arising from changes in market value is recognised in the period.

Related party exemption

The charitable company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

ADAPT (NORTH EAST)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES - continued

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.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme and pension contributions are charged to the profit and loss account to spread the cost of the pensions over the employees working lives.

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, other loans, and preference shares that are classified as debt, 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.

ADAPT (NORTH EAST)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2023

5. INCOME FROM CHARITABLE ACTIVITIES - continued

Grants received, included in the above, are as follows:

	2023	2022
	£	£
Northumberland County Council	532,656	606,718
BSOG	8,634	1,827
West Northumberland PCN	208,981	171,318
Wellbeing Cafe Project	-	9,800
Northumbria PCN	86,286	-
Cumbria, Northumberland, Tyne and Wear NHS Foundation Trust	4,000	-
Mental Health Concern	16,652	-
Independence At Home	500	-
NHS England	5,500	-
Healthwatch England	1,500	-
	<u>864,709</u>	<u>789,663</u>

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 7) £	Totals £
Core activities	9,453	172,315	181,768
Transport provision	95,225	254	95,479
Healthwatch	170,654	14,727	185,381
Advocacy service	267,560	34,770	302,330
Getabout car scheme	22,284	-	22,284
Living Well	267,227	28,540	295,767
SMI Project	635	-	635
	<u>833,038</u>	<u>250,606</u>	<u>1,083,644</u>

7. SUPPORT COSTS

	Management £	Finance £	Governance costs £	Totals £
Core activities	147,920	15,195	9,200	172,315
Transport provision	254	-	-	254
Healthwatch	14,727	-	-	14,727
Advocacy service	34,770	-	-	34,770
Living Well	28,540	-	-	28,540
	<u>226,211</u>	<u>15,195</u>	<u>9,200</u>	<u>250,606</u>

ADAPT (NORTH EAST)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2023

2. DONATIONS AND LEGACIES

	2023	2022
	£	£
Donations	502	1,215
Grants	-	17,481
Membership subscriptions	1,054	250
	<u>1,556</u>	<u>18,946</u>

Grants received, included in the above, are as follows:

	2023	2022
	£	£
Northumberland County Council	-	5,917
Coronavirus Job Retention Scheme	-	11,564
	<u>-</u>	<u>17,481</u>

3. OTHER TRADING ACTIVITIES

	2023	2022
	£	£
Room hire and sundry income	<u>23,807</u>	<u>31,515</u>

4. INVESTMENT INCOME

	2023	2022
	£	£
Rents received	33,549	38,596
Distribution from subsidiary	37,000	37,500
	<u>70,549</u>	<u>76,096</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2023	2022
		£	£
Bus hire	Transport provision	25,152	28,842
Contract income	Transport provision	85,273	55,454
Grants	Transport provision	8,634	1,827
Training	Transport provision	1,700	1,530
Grants	Healthwatch	190,333	212,600
Grants	Advocacy service	317,331	337,880
Grants	Getabout car scheme	35,992	36,238
Grants	Living Well	295,767	181,118
Grants	Community support	-	20,000
Grants	SMI Project	16,652	-
		<u>976,834</u>	<u>875,489</u>

ADAPT (NORTH EAST)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2023

8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2023	2022
	£	£
Depreciation - owned assets	3,680	54,894
Surplus on disposal of fixed assets	(3,600)	-
Auditors' remuneration	3,200	3,000
Auditors' remuneration for non audit work	6,000	5,195
	<u> </u>	<u> </u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2023 nor for the year ended 31 March 2022.

Trustees' expenses

No expenses were paid to trustees during the year (2022: £nil).

10. STAFF COSTS

	2023	2022
	£	£
Wages and salaries	787,657	678,183
Social security costs	58,926	46,225
Other pension costs	27,560	20,817
	<u> </u>	<u> </u>
	874,143	745,225

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

	2023	2022
Charitable activities	40	36
Administration & Governance	3	3
	<u> </u>	<u> </u>
	43	39

No employees received emoluments in excess of £60,000.

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
INCOME AND ENDOWMENTS FROM			
Donations and legacies	18,944	2	18,946
Charitable activities			
Transport provision	-	87,653	87,653
Healthwatch	-	212,600	212,600
Advocacy service	-	337,880	337,880
Getabout car scheme	-	36,238	36,238
Living Well	9,800	171,318	181,118
Community support	-	20,000	20,000
Other trading activities	31,515	-	31,515

ADAPT (NORTH EAST)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
Investment income	76,096	-	76,096
Total	136,355	865,691	1,002,046
EXPENDITURE ON			
Charitable activities			
Core activities	71,235	-	71,235
Transport provision	-	101,352	101,352
Healthwatch	-	223,370	223,370
Advocacy service	-	307,880	307,880
Cafe @ Burn Lane	-	37,500	37,500
Getabout car scheme	-	36,238	36,238
Living Well	-	171,889	171,889
Total	71,235	878,229	949,464
NET INCOME/(EXPENDITURE)	65,120	(12,538)	52,582
RECONCILIATION OF FUNDS			
Total funds brought forward	455,763	137,396	593,159
TOTAL FUNDS CARRIED FORWARD	520,883	124,858	645,741

12. TANGIBLE FIXED ASSETS

	Equipment £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1 April 2022	13,452	209,969	240,770	464,191
Additions	360	-	-	360
Disposals	(1,960)	-	(141,658)	(143,618)
At 31 March 2023	11,852	209,969	99,112	320,933
DEPRECIATION				
At 1 April 2022	6,377	208,940	240,770	456,087
Charge for year	2,651	1,029	-	3,680
Eliminated on disposal	(1,960)	-	(141,658)	(143,618)
At 31 March 2023	7,068	209,969	99,112	316,149
NET BOOK VALUE				
At 31 March 2023	4,784	-	-	4,784
At 31 March 2022	7,075	1,029	-	8,104

ADAPT (NORTH EAST)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2023

13. FIXED ASSET INVESTMENTS

	Unlisted investments £
MARKET VALUE	
At 1 April 2022 and 31 March 2023	1
NET BOOK VALUE	
At 31 March 2023	1
At 31 March 2022	1

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

Cafe @ Burn Lane Limited

Registered office: Burn Lane, Hexham, NE46 3HN

Nature of business: Cafe

	% holding	2023 £	31/3/22 £
Class of share:			
Ordinary	1	-	127
Aggregate capital and reserves		-	38,055
Profit for the year		-	

14. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 April 2022	550,000
Revaluation	25,000
At 31 March 2023	575,000
NET BOOK VALUE	
At 31 March 2023	575,000
At 31 March 2022	550,000

Investment property was valued at open market value on 31 March 2023 by the Trustees, at £575,000.

If investment property had not been re-valued, it would have been included at the historical cost of £721,920.

ADAPT (NORTH EAST)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade debtors	138,016	136,533
Amounts owed by group undertakings	51,913	45,650
VAT	6,727	5,089
Accrued income	21,811	573
Prepayments	8,458	4,757
	<u>226,925</u>	<u>192,602</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Bank loans and overdrafts (see note 18)	8,805	8,559
Trade creditors	12,063	4,871
Social security and other taxes	10,541	14,055
Other creditors	4,728	3,826
Accruals and deferred income	12,747	10,039
	<u>48,884</u>	<u>41,350</u>

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2023	2022
	£	£
Bank loans (see note 18)	<u>268,213</u>	<u>275,425</u>

18. LOANS

An analysis of the maturity of loans is given below:

	2023	2022
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>8,805</u>	<u>8,559</u>
Amounts falling between one and two years:		
Bank loans	<u>9,105</u>	<u>8,805</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>28,182</u>	<u>28,182</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Bank loans more 5 yr by instal	230,926	238,438

ADAPT (NORTH EAST)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2023

19. SECURED DEBTS

The following secured debts are included within creditors:

	2023 £	2022 £
Bank loans	<u>277,018</u>	<u>283,984</u>

The bank loans are secured by way of a debenture, including both fixed and floating charges, over all land & buildings owned by the charity, and all associated plant & machinery and rental income.

20. MOVEMENT IN FUNDS

	At 1.4.22 £	Net movement in funds £	At 31.3.23 £
Unrestricted funds			
General fund	520,883	(9,616)	511,267
Restricted funds			
Healthwatch Northumberland	45,200	4,953	50,153
Advocacy Service	30,000	15,000	45,000
Bernicia Hardship Fund	9,658	(3,483)	6,175
Northumberland Food	20,000	(5,169)	14,831
Social Isolation Fund	20,000	-	20,000
SMI Project	-	16,017	16,017
	<u>124,858</u>	<u>27,318</u>	<u>152,176</u>
TOTAL FUNDS	<u>645,741</u>	<u>17,702</u>	<u>663,443</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	256,263	(290,879)	25,000	(9,616)
Restricted funds				
Healthwatch Northumberland	190,333	(185,380)	-	4,953
Advocacy Service	317,331	(302,331)	-	15,000
Living Well	295,767	(295,767)	-	-
Bernicia Hardship Fund	-	(3,483)	-	(3,483)
Northumberland Food	-	(5,169)	-	(5,169)
SMI Project	16,652	(635)	-	16,017
	<u>820,083</u>	<u>(792,765)</u>	<u>-</u>	<u>27,318</u>
TOTAL FUNDS	<u>1,076,346</u>	<u>(1,083,644)</u>	<u>25,000</u>	<u>17,702</u>

ADAPT (NORTH EAST)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2023

20. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.21 £	Net movement in funds £	At 31.3.22 £
Unrestricted funds			
General fund	455,763	65,120	520,883
Restricted funds			
Healthwatch Northumberland	55,970	(10,770)	45,200
Advocacy Service	-	30,000	30,000
Transport	13,698	(13,698)	-
Cafe @ Burn Lane	37,500	(37,500)	-
Bernicia Hardship Fund	10,228	(570)	9,658
Northumberland Food	20,000	-	20,000
Social Isolation Fund	-	20,000	20,000
	<u>137,396</u>	<u>(12,538)</u>	<u>124,858</u>
TOTAL FUNDS	<u>593,159</u>	<u>52,582</u>	<u>645,741</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	136,355	(71,235)	65,120
Restricted funds			
Healthwatch Northumberland	212,600	(223,370)	(10,770)
Advocacy Service	337,880	(307,880)	30,000
Transport	86,124	(99,822)	(13,698)
Getabout Car Scheme	36,238	(36,238)	-
Midas Training	1,530	(1,530)	-
Cafe @ Burn Lane	-	(37,500)	(37,500)
Living Well	171,319	(171,319)	-
Bernicia Hardship Fund	-	(570)	(570)
Social Isolation Fund	20,000	-	20,000
	<u>865,691</u>	<u>(878,229)</u>	<u>(12,538)</u>
TOTAL FUNDS	<u>1,002,046</u>	<u>(949,464)</u>	<u>52,582</u>

ADAPT (NORTH EAST)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2023

20. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.21 £	Net movement in funds £	At 31.3.23 £
Unrestricted funds			
General fund	455,763	55,504	511,267
Restricted funds			
Healthwatch Northumberland	55,970	(5,817)	50,153
Advocacy Service	-	45,000	45,000
Transport	13,698	(13,698)	-
Cafe @ Burn Lane	37,500	(37,500)	-
Bernicia Hardship Fund	10,228	(4,053)	6,175
Northumberland Food	20,000	(5,169)	14,831
Social Isolation Fund	-	20,000	20,000
SMI Project	-	16,017	16,017
	<u>137,396</u>	<u>14,780</u>	<u>152,176</u>
TOTAL FUNDS	<u>593,159</u>	<u>70,284</u>	<u>663,443</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	392,618	(362,114)	25,000	55,504
Restricted funds				
Healthwatch Northumberland	402,933	(408,750)	-	(5,817)
Advocacy Service	655,211	(610,211)	-	45,000
Transport	86,124	(99,822)	-	(13,698)
Getabout Car Scheme	36,238	(36,238)	-	-
Midas Training	1,530	(1,530)	-	-
Cafe @ Burn Lane	-	(37,500)	-	(37,500)
Living Well	467,086	(467,086)	-	-
Bernicia Hardship Fund	-	(4,053)	-	(4,053)
Northumberland Food	-	(5,169)	-	(5,169)
Social Isolation Fund	20,000	-	-	20,000
SMI Project	16,652	(635)	-	16,017
	<u>1,685,774</u>	<u>(1,670,994)</u>	<u>-</u>	<u>14,780</u>
TOTAL FUNDS	<u>2,078,392</u>	<u>(2,033,108)</u>	<u>25,000</u>	<u>70,284</u>

Healthwatch Northumberland

Adapt (North East) provide the host role for Healthwatch Northumberland, which was launched on 1st April 2013. There are Healthwatch organisations in all council areas in England, and together they provide users of health and social care services a powerful voice both locally and nationally.

Transport

ADAPT (NORTH EAST)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2023

20. MOVEMENT IN FUNDS - continued

To provide transport for young people in Northumberland, enabling them to access services and facilities.

Advocacy Service

Adapt (North East) secured the contract in July 2014 to provide the statutory and non statutory advocacy services for Northumberland including Independent Mental Capacity Advocacy, Independent Mental Health Advocacy and General Advocacy provision under the banner Northumberland Independent Advocacy Service.

Getabout Car Scheme

Getabout is a scheme for people who have difficulty getting around Northumberland. Getabout will seek to find the most appropriate way of solving the transport problems for individuals across Northumberland.

Cafe @ Burn Lane

To provide a space for meetings and social activities for the charity's users and provide an income stream to the charity.

Living Well

Living Well Service provides Social Prescribing Services across West Northumberland area working in partnership with West Northumberland Primary Care Network - Social prescribing is a means of enabling GPs, nurses and other health and care professionals to refer people to a range of local, non-clinical services.

Bernicia Hardship Fund

The COVID-19 Bernicia Hardship fund has been facilitated by Adapt in partnership with Northumberland County Council for the benefit of people across West Northumberland who have been negatively impacted by COVID-19.

Northumberland Food

Northumberland Nourish Food Fund for West Northumberland is being managed by Adapt in partnership with Northumberland County Council to provide funds for the food related activities.

Social Isolation Fund

Adapt (NE) secured a grant from Northumberland County Council to support individuals socially isolated.

SMI Project

Adapt (NE) is working in partnership with Everyturn Mental Health, to deliver a project for people with Serious Mental Illness to support them to access physical health checks and wider support they may require.

21. RELATED PARTY DISCLOSURES

The charitable company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

ADAPT (NORTH EAST)

DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2023

	2023 £	2022 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	502	1,215
Grants	-	17,481
Membership subscriptions	1,054	250
	1,556	18,946
Other trading activities		
Room hire and sundry income	23,807	31,515
Investment income		
Rents received	33,549	38,596
Distribution from subsidiary	37,000	37,500
	70,549	76,096
Charitable activities		
Bus hire	25,152	28,842
Contract income	85,273	55,454
Grants	864,709	789,663
Training	1,700	1,530
	976,834	875,489
Other income		
Gain on sale of tangible fixed assets	3,600	-
Total incoming resources	1,076,346	1,002,046
EXPENDITURE		
Charitable activities		
Wages	669,397	562,606
Social security	50,902	38,725
Pensions	21,691	16,450
Volunteer expenses	4,023	292
Employee expenses	335	64
Room hire & event support	938	-
Employee training	250	-
Motor expenses	9,931	10,944
Motor licences and permits	891	1,167
Motor insurance	4,293	7,127
Motor fuel	20,955	15,226
Grants paid	2,750	13,575
Subscriptions	280	441
Advocacy service expenses	18,713	6,261
Healthwatch expenses	9,516	9,000
Carried forward	814,865	681,878

This page does not form part of the statutory financial statements

ADAPT (NORTH EAST)

DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2023

	2023 £	2022 £
Charitable activities		
Brought forward	814,865	681,878
Social car expenses	-	480
Bernicia expenses	3,483	570
Northumberland food expenses	5,169	-
Living well expenses	9,521	-
	833,038	682,928
Support costs		
Management		
Wages	118,260	115,577
Social security	8,024	7,500
Pensions	5,869	4,367
Rent, rates and water	4,610	4,109
Insurance	6,158	4,608
Light and heat	19,838	15,511
Telephone	9,642	5,225
Printing, postage and delivery	6,739	9,153
Advertising	7,806	8,107
Sundries	6,465	3,653
Repairs and maintenance	17,765	7,916
Computer support	6,846	7,832
HMRC penalties	200	-
Legal fees	2,240	-
Bad debts	2,069	-
Plant and machinery depreciation	2,651	2,402
Fixtures and fittings	1,029	52,492
	226,211	248,452
Finance		
Bank charges	864	718
Loan interest	14,331	9,171
	15,195	9,889
Governance costs		
Accountancy	9,200	8,195
	9,200	8,195
Total resources expended	1,083,644	949,464
Net (expenditure)/income before gains and losses	(7,298)	52,582
Unrealised recognised gains and losses		
Unrealised gains/(losses) on investment property	25,000	-
	25,000	-
Net income	17,702	52,582

This page does not form part of the statutory financial statements

ADAPT (NORTH EAST)

England & Wales - Charity number 1072632

Accounts

REGISTERED COMPANY NUMBER: 03604980 (England and Wales)
REGISTERED CHARITY NUMBER: 1072632

**REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022
FOR
ADAPT (NORTH EAST)**

Ribchesters Group Limited,
Chartered Accountants
and Registered Auditors
Finchale House
Belmont Business Park
Durham
DH1 1TW

ADAPT (NORTH EAST)

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

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ADAPT (NORTH EAST)
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2022. 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 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The charity's objective is to improve the quality of life of both disabled and disadvantaged people in the North East, with a focus on Northumberland.

To provide relief to inhabitants in the North East who have need because of youth, age, sickness, mental or physical disability or poverty by the provision and maintenance of a non-profit community transport service.

Significant activities

The main activities of the charity are to provide information, advice and projects are defined by need. Currently they are information and guidance, advocacy and community transport.

Adapt provides the Healthwatch function for Northumberland, providing to the public the consumer champion role for Health and Social Care.

Adapt provides the statutory Advocacy service across Northumberland providing advocacy under the Care Act, Mental Capacity Act, Mental Health Act and NHS Complaints legislation.

Adapt provides the Social Prescribing service for West Northumberland under contract with West Northumberland Primary Care Network.

Under the Memorandum & Articles of Association the charity has the power to invest the monies of the Association not immediately required for its purposes in or upon such investments, securities or property as may be thought fit, subject nevertheless to such conditions (if any) and such consents (if any) as may for the time being be imposed or required by law and subject also as hereinafter provided.

Public benefit

From 1 April 2008, section 4 of the Charities Act 2006 requires all charities to meet the legal requirement that its aims are for the public benefit. The Trustees confirm that they have complied with the duty to have due regard to the Charity Commission's general guidance on public benefit.

The Charity Commission states that there are two principles to be met in order to show that an organisation's aims are for the public benefit: firstly there must be an identifiable benefit or benefits and secondly that the benefit must be to the public, or a section of the public.

The Trustees are satisfied that the aims and objectives of the charity, and the activities reported on above, meet these principles

Volunteers

The organisation works closely with volunteers who help to provide a successful service within the community during the financial year.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Adapt (North East) continued to deliver the Healthwatch function and the NHS independent complaints advocacy service for Northumberland County Council.

Adapt (North East) continued to deliver the statutory Advocacy service for Northumberland County Council.

Adapt (North East) continued to provide the Social Prescribing Service for West Northumberland and Northumbria Primary Care Network.

ADAPT (NORTH EAST)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

FINANCIAL REVIEW

Reserves policy

The Trustees monitor the finances of the Charity on a regular basis and feel the risk to be minimal in reducing the level of free reserves and wish to ensure the future prospects of the Charity by securing a suitable base for its operations.

The Trustees have determined that the appropriate level of free reserves (currently £238,203) should be equivalent to be not less than 45% of the core costs, which equates to £200,000. As at 31 March 2022 reserves are above this target.

Our policy is therefore to maintain the reserves (which are carried forward for future core activities) at least at these current levels by maintaining the operating surpluses and judicious investment management of our investment assets.

The trustees have ensured the restricted funds received from various sources have been used effectively and within the funders remit.

The trustees have ensured the unrestricted funds have been used to develop the sustainability of Adapt (North East).

Note 20 to the financial statements describes the various funds of the charity and summarises the year's movements on each fund.

The results for the year are set out on page 9.

During the year income increased by £79,951.

Total resources expended total £949,464 and remain in line with prior years and are as expected. Overall a surplus of £52,582 has occurred in the financial year. This is after depreciation charges of £54,894.

The trustees are satisfied with level of performance in the year. Unrestricted funds were £520,883 and the trustees are satisfied with the overall position.

FUTURE PLANS

Adapt (North East) is planning to build on current services and develop new ones to meet requirements of disabled and disadvantaged people.

Adapt wishes to develop the remainder of its site to develop a disability resource centre and community café.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Adapt (North East) is a company limited by guarantee and does not have a share capital. It is a registered charity and is governed by its Memorandum & Articles of Association.

Recruitment and appointment of new trustees

Trustees are recruited for skills to enable them to contribute to the governance of Adapt, a variety of mediums are used to recruit suitable trustees. Trustees hold office for an agreed period of time and are ratified at the Annual General Meeting.

Organisational structure

The Trustee board of honorary officers and its members are responsible for the day to day running of the charity. The Trustee board meets bi-monthly and is fully conversant with its legal obligations and has policies and procedures to review the work of the charity.

Induction and training of new trustees

Trustees have agreed to review training on an ongoing basis, with individual trustees accessing relevant training as required.

Related parties

Adapt (North East) works closely with local voluntary and statutory organisations including, Northumberland County Council.

ADAPT (NORTH EAST)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The trustees have examined the main areas of the charity's activities, and looked at the main risks likely to arise in each of these areas. The trustees consider that the systems that have been adopted are adequate to minimise those risks to an acceptable level in the day to day operation of the charity.

It is the opinion of the trustees that for the financial year ended 31 March 2022 the charity has achieved its objectives.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

03604980 (England and Wales)

Registered Charity number

1072632

Registered office

Adapt (North East)
Old Highways Depot
Burn Lane
Hexham
Northumberland
NE46 3HN

Trustees

P Maginn
R E Theobalds
L Hershon
A Stevenson
A Bishop
M Ostler
M Briggs

Company Secretary

Mrs E Prudhoe

Senior Statutory Auditor

David Holloway BA FCA DChA

Auditors

Ribchesters Group Limited,
Chartered Accountants
and Registered Auditors
Finchale House
Belmont Business Park
Durham
DH1 1TW

Bankers

Unity Trust plc
Nine Brindleyplace
Birmingham
B1 2HB

ADAPT (NORTH EAST)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of ADAPT (North East) 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 those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity 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 business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable 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 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, Ribchesters Group Limited,, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 23 November 2022 and signed on its behalf by:

L Hershon - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ADAPT (NORTH EAST)

Opinion

We have audited the financial statements of ADAPT (North East) (the 'charitable company') for the year ended 31 March 2022 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 March 2022 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.

Other matter

The charitable company claimed exemption from audit in the year ended 31 March 2021. The comparative figures included in the financial statements were not subject to audit at that time. We have however been able to satisfy ourselves that those comparatives were properly prepared and therefore this matter does not impact our audit opinion. We have not modified our opinion, therefore, in respect of this matter.

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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
ADAPT (NORTH EAST)**

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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ADAPT (NORTH EAST)

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, tax legislation, employment, environmental 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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
ADAPT (NORTH EAST)**

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.

David Holloway BA FCA DChA (Senior Statutory Auditor)
for and on behalf of Ribchesters Group Limited,
Chartered Accountants
and Registered Auditors
Finchale House
Belmont Business Park
Durham
DH1 1TW

Date:

ADAPT (NORTH EAST)

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	18,944	2	18,946	118,857
Charitable activities					
Transport provision		-	87,653	87,653	115,107
Healthwatch		-	212,600	212,600	200,000
Advocacy service		-	337,880	337,880	245,000
Getabout car scheme		-	36,238	36,238	36,804
Living Well		9,800	171,318	181,118	97,253
Community support		-	20,000	20,000	40,000
Other trading activities	3	31,515	-	31,515	20,825
Investment income	4	<u>76,096</u>	<u>-</u>	<u>76,096</u>	<u>48,249</u>
Total		<u>136,355</u>	<u>865,691</u>	<u>1,002,046</u>	<u>922,095</u>
EXPENDITURE ON					
Charitable activities	6				
Core activities		71,235	-	71,235	106,117
Transport provision		-	101,352	101,352	122,931
Healthwatch		-	223,370	223,370	212,828
Advocacy service		-	307,880	307,880	247,089
Cafe @ Burn Lane		-	37,500	37,500	37,500
Getabout car scheme		-	36,238	36,238	36,803
Living Well		-	171,889	171,889	110,178
Community support		<u>-</u>	<u>-</u>	<u>-</u>	<u>9,772</u>
Total		<u>71,235</u>	<u>878,229</u>	<u>949,464</u>	<u>883,218</u>
NET INCOME/(EXPENDITURE)		65,120	(12,538)	52,582	38,877
RECONCILIATION OF FUNDS					
Total funds brought forward		455,763	137,396	593,159	554,282
TOTAL FUNDS CARRIED FORWARD		<u>520,883</u>	<u>124,858</u>	<u>645,741</u>	<u>593,159</u>

The notes form part of these financial statements

ADAPT (NORTH EAST) (REGISTERED NUMBER: 03604980)

**BALANCE SHEET
31 MARCH 2022**

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	12	8,104	-	8,104	60,672
Investments					
Investments	13	1	-	1	1
Investment property	14	<u>550,000</u>	<u>-</u>	<u>550,000</u>	<u>550,000</u>
		558,105	-	558,105	610,673
CURRENT ASSETS					
Debtors	15	117,402	75,200	192,602	55,206
Cash at bank		<u>162,151</u>	<u>49,658</u>	<u>211,809</u>	<u>246,778</u>
		279,553	124,858	404,411	301,984
CREDITORS					
Amounts falling due within one year	16	<u>(41,350)</u>	<u>-</u>	<u>(41,350)</u>	<u>(35,601)</u>
NET CURRENT ASSETS		<u>238,203</u>	<u>124,858</u>	<u>363,061</u>	<u>266,383</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		796,308	124,858	921,166	877,056
CREDITORS					
Amounts falling due after more than one year	17	<u>(275,425)</u>	<u>-</u>	<u>(275,425)</u>	<u>(283,897)</u>
NET ASSETS		<u>520,883</u>	<u>124,858</u>	<u>645,741</u>	<u>593,159</u>
FUNDS	20				
Unrestricted funds				520,883	455,763
Restricted funds				<u>124,858</u>	<u>137,396</u>
TOTAL FUNDS				<u>645,741</u>	<u>593,159</u>

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

The financial statements were approved by the Board of Trustees and authorised for issue on 23 November 2022 and were signed on its behalf by:

L Hershon - Trustee

The notes form part of these financial statements

ADAPT (NORTH EAST)
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	(13,519)	104,665
Interest paid		<u>(9,171)</u>	<u>(13,261)</u>
Net cash (used in)/provided by operating activities		<u>(22,690)</u>	<u>91,404</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(2,326)	(7,916)
Sale of tangible fixed assets		-	2,300
Dividends received		<u>37,500</u>	<u>7,950</u>
Net cash provided by investing activities		<u>35,174</u>	<u>2,334</u>
Cash flows from financing activities			
Loan repayments in year		(8,211)	(2,192)
Loan to subsidiary		<u>(39,242)</u>	<u>(4,514)</u>
Net cash used in financing activities		<u>(47,453)</u>	<u>(6,706)</u>
Change in cash and cash equivalents in the reporting period		(34,969)	87,032
Cash and cash equivalents at the beginning of the reporting period		<u>246,778</u>	<u>159,746</u>
Cash and cash equivalents at the end of the reporting period		<u>211,809</u>	<u>246,778</u>

The notes form part of these financial statements

ADAPT (NORTH EAST)

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022**

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net income for the reporting period (as per the Statement of Financial Activities)	52,582	38,877
Adjustments for:		
Depreciation charges	54,894	70,547
Loss on disposal of fixed assets	-	168
Interest paid	9,171	13,261
Dividends received	(37,500)	(7,950)
Increase in debtors	(98,154)	(9,900)
Increase/(decrease) in creditors	<u>5,488</u>	<u>(338)</u>
Net cash (used in)/provided by operations	<u>(13,519)</u>	<u>104,665</u>

2. ANALYSIS OF CHANGES IN NET DEBT

	At 1.4.21 £	Cash flow £	At 31.3.22 £
Net cash			
Cash at bank	<u>246,778</u>	<u>(34,969)</u>	<u>211,809</u>
	<u>246,778</u>	<u>(34,969)</u>	<u>211,809</u>
Debt			
Debts falling due within 1 year	(8,298)	(261)	(8,559)
Debts falling due after 1 year	<u>(283,897)</u>	<u>8,472</u>	<u>(275,425)</u>
	<u>(292,195)</u>	<u>8,211</u>	<u>(283,984)</u>
Total	<u>(45,417)</u>	<u>(26,758)</u>	<u>(72,175)</u>

The notes form part of these financial statements

ADAPT (NORTH EAST)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES

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 Reporting 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, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably. The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of grants, donations and gifts are included in full in the Statement of Financial Activities when the trust 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.
- Investment income is included when receivable.
- Incoming resources from charitable trading activities are accounted for when earned.
- Income from commercial trading activities is recognised as earned (as the related services are provided).

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Allocation and apportionment of costs

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on the basis of time spent.

Tangible fixed assets

Land and buildings are included at their current market value. All other tangible fixed assets are stated at cost less depreciation. Items of equipment are capitalised where the purchase price exceeds £300.

Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Equipment	10% to 33% straight line
Fixtures and fittings	25% straight line
Motor vehicles	25% reducing balance and 25% straight line

Investment property

Investment property is shown at most recent valuation. Any movement arising from changes in market value is recognised in the period.

Related party exemption

The charitable company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

ADAPT (NORTH EAST)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

1. ACCOUNTING POLICIES - continued

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.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme and pension contributions are charged to the profit and loss account to spread the cost of the pensions over the employees working lives.

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, other loans, and preference shares that are classified as debt, 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.

ADAPT (NORTH EAST)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2022

2. DONATIONS AND LEGACIES

	2022	2021
	£	£
Donations	1,215	2,443
Grants	17,481	116,326
Membership subscriptions	250	88
	<u>18,946</u>	<u>118,857</u>

Grants received, included in the above, are as follows:

	2022	2021
	£	£
Northumberland County Council	5,917	37,668
Coronavirus Job Retention Scheme	<u>11,564</u>	<u>78,658</u>
	<u>17,481</u>	<u>116,326</u>

3. OTHER TRADING ACTIVITIES

	2022	2021
	£	£
Room hire and sundry income	<u>31,515</u>	<u>20,825</u>

4. INVESTMENT INCOME

	2022	2021
	£	£
Rents received	38,596	40,299
Distribution from subsidiary	<u>37,500</u>	<u>7,950</u>
	<u>76,096</u>	<u>48,249</u>

5. INCOME FROM CHARITABLE ACTIVITIES

		2022	2021
	Activity	£	£
Bus hire	Transport provision	12,132	12,974
Contract income	Transport provision	55,454	49,487
Grants	Transport provision	18,537	52,646
Training	Transport provision	1,530	-
Grants	Healthwatch	212,600	200,000
Grants	Advocacy service	337,880	245,000
Grants	Getabout car scheme	36,238	36,804
Grants	Living Well	181,118	97,253
Grants	Community support	<u>20,000</u>	<u>40,000</u>
		<u>875,489</u>	<u>734,164</u>

ADAPT (NORTH EAST)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

5. INCOME FROM CHARITABLE ACTIVITIES - continued

Grants received, included in the above, are as follows:

	2022	2021
	£	£
Northumberland County Council	606,718	501,000
BSOG	1,827	3,766
West Northumberland PCN	171,318	97,253
Other	16,710	49,684
Bernicia Homes	-	20,000
Wellbeing Cafe Project	9,800	-
	<u>806,373</u>	<u>671,703</u>

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 7) £	Totals £
Core activities	78	71,157	71,235
Transport provision	95,254	6,098	101,352
Healthwatch	173,088	50,282	223,370
Advocacy service	224,822	83,058	307,880
Cafe @ Burn Lane	-	37,500	37,500
Getabout car scheme	20,459	15,779	36,238
Living Well	169,227	2,662	171,889
	<u>682,928</u>	<u>266,536</u>	<u>949,464</u>

7. SUPPORT COSTS

	Management £	Finance £	Governance costs £	Totals £
Core activities	53,073	9,889	8,195	71,157
Transport provision	6,098	-	-	6,098
Healthwatch	50,282	-	-	50,282
Advocacy service	83,058	-	-	83,058
Cafe @ Burn Lane	37,500	-	-	37,500
Getabout car scheme	15,779	-	-	15,779
Living Well	2,662	-	-	2,662
	<u>248,452</u>	<u>9,889</u>	<u>8,195</u>	<u>266,536</u>

ADAPT (NORTH EAST)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2022

8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2022	2021
	£	£
Depreciation - owned assets	54,894	70,547
Deficit on disposal of fixed assets	-	168
Independent examination	-	3,250
Other non-independent examination services	-	3,103
Auditors' remuneration	3,000	-
Auditors' remuneration for non audit work	<u>5,195</u>	<u>-</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2022 nor for the year ended 31 March 2021.

Trustees' expenses

No expenses were paid to trustees during the year (2021: £nil).

10. STAFF COSTS

	2022	2021
	£	£
Wages and salaries	687,183	605,085
Social security costs	46,225	37,917
Other pension costs	<u>20,817</u>	<u>17,238</u>
	<u>754,225</u>	<u>660,240</u>

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

	2022	2021
Charitable activities	36	34
Administration & Governance	<u>3</u>	<u>3</u>
	<u>39</u>	<u>37</u>

No employees received emoluments in excess of £60,000.

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	118,857	-	118,857
Charitable activities			
Transport provision	-	115,107	115,107
Healthwatch	-	200,000	200,000
Advocacy service	-	245,000	245,000
Getabout car scheme	-	36,804	36,804
Living Well	-	97,253	97,253
Community support	-	40,000	40,000

ADAPT (NORTH EAST)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
Other trading activities	18,882	1,943	20,825
Investment income	<u>48,249</u>	<u>-</u>	<u>48,249</u>
Total	<u>185,988</u>	<u>736,107</u>	<u>922,095</u>
EXPENDITURE ON			
Charitable activities			
Core activities	106,117	-	106,117
Transport provision	-	122,931	122,931
Healthwatch	-	212,828	212,828
Advocacy service	-	247,089	247,089
Cafe @ Burn Lane	-	37,500	37,500
Getabout car scheme	-	36,803	36,803
Living Well	-	110,178	110,178
Community support	<u>-</u>	<u>9,772</u>	<u>9,772</u>
Total	<u>106,117</u>	<u>777,101</u>	<u>883,218</u>
NET INCOME/(EXPENDITURE)	79,871	(40,994)	38,877

RECONCILIATION OF FUNDS

Total funds brought forward	375,892	178,390	554,282
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS CARRIED FORWARD	<u>455,763</u>	<u>137,396</u>	<u>593,159</u>

12. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1 April 2021	11,126	209,969	240,770	461,865
Additions	<u>2,326</u>	<u>-</u>	<u>-</u>	<u>2,326</u>
At 31 March 2022	<u>13,452</u>	<u>209,969</u>	<u>240,770</u>	<u>464,191</u>
DEPRECIATION				
At 1 April 2021	3,975	156,448	240,770	401,193
Charge for year	<u>2,402</u>	<u>52,492</u>	<u>-</u>	<u>54,894</u>
At 31 March 2022	<u>6,377</u>	<u>208,940</u>	<u>240,770</u>	<u>456,087</u>
NET BOOK VALUE				
At 31 March 2022	<u>7,075</u>	<u>1,029</u>	<u>-</u>	<u>8,104</u>
At 31 March 2021	<u>7,151</u>	<u>53,521</u>	<u>-</u>	<u>60,672</u>

ADAPT (NORTH EAST)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2022

13. FIXED ASSET INVESTMENTS

	Unlisted investments £
MARKET VALUE	
At 1 April 2021 and 31 March 2022	<u>1</u>
NET BOOK VALUE	
At 31 March 2022	<u>1</u>
At 31 March 2021	<u>1</u>

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

Cafe @ Burn Lane Limited

Registered office: Burn Lane, Hexham, NE46 3HN

Nature of business: Cafe

	% holding	31/3/22 £	31/3/21 £
Class of share:			
Ordinary	1		
Aggregate capital and reserves		127	55
Profit for the year		<u>38,055</u>	<u>7,974</u>

14. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 April 2021 and 31 March 2022	<u>550,000</u>
NET BOOK VALUE	
At 31 March 2022	<u>550,000</u>
At 31 March 2021	<u>550,000</u>

Investment property was valued at open market value on 7 October 2019 by Walhouse Surveyors Limited, RICS, at £550,000.

If investment property had not been re-valued, it would have been included at the historical cost of £721,920.

ADAPT (NORTH EAST)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade debtors	136,533	30,540
Amounts owed by group undertakings	45,650	6,408
VAT	5,089	11,686
Accrued income	573	-
Prepayments	<u>4,757</u>	<u>6,572</u>
	<u>192,602</u>	<u>55,206</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Bank loans and overdrafts (see note 18)	8,559	8,298
Trade creditors	4,871	8,257
Social security and other taxes	14,055	13,097
Other creditors	3,826	216
Accrued expenses	<u>10,039</u>	<u>5,733</u>
	<u>41,350</u>	<u>35,601</u>

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2022	2021
	£	£
Bank loans (see note 18)	<u>275,425</u>	<u>283,897</u>

18. LOANS

An analysis of the maturity of loans is given below:

	2022	2021
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>8,559</u>	<u>8,298</u>
Amounts falling between one and two years:		
Bank loans	<u>8,805</u>	<u>8,559</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>28,182</u>	<u>27,958</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Bank loans more 5 yr by instal	238,438	247,380

ADAPT (NORTH EAST)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2022

19. SECURED DEBTS

The following secured debts are included within creditors:

	2022	2021
	£	£
Bank loans	<u>283,984</u>	<u>292,195</u>

The bank loans are secured by way of a debenture, including both fixed and floating charges, over all land & buildings owned by the charity, and all associated plant & machinery and rental income.

20. MOVEMENT IN FUNDS

	At 1.4.21	Net movement in funds	At 31.3.22
	£	£	£
Unrestricted funds			
General fund	455,763	65,120	520,883
Restricted funds			
Healthwatch Northumberland	55,970	(10,770)	45,200
Advocacy Service	-	30,000	30,000
Transport	13,698	(13,698)	-
Cafe @ Burn Lane	37,500	(37,500)	-
Bernicia hardship fund	10,228	(570)	9,658
Northumberland Food	20,000	-	20,000
Social Isolation Fund	-	20,000	20,000
	<u>137,396</u>	<u>(12,538)</u>	<u>124,858</u>
TOTAL FUNDS	<u>593,159</u>	<u>52,582</u>	<u>645,741</u>

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	136,355	(71,235)	65,120
Restricted funds			
Healthwatch Northumberland	212,600	(223,370)	(10,770)
Advocacy Service	337,880	(307,880)	30,000
Transport	86,124	(99,822)	(13,698)
Getabout Car Scheme	36,238	(36,238)	-
Midas Training	1,530	(1,530)	-
Cafe @ Burn Lane	-	(37,500)	(37,500)
Living Well	171,319	(171,319)	-
Bernicia hardship fund	-	(570)	(570)
Social Isolation Fund	20,000	-	20,000
	<u>865,691</u>	<u>(878,229)</u>	<u>(12,538)</u>
TOTAL FUNDS	<u>1,002,046</u>	<u>(949,464)</u>	<u>52,582</u>

ADAPT (NORTH EAST)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

20. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.20 £	Net movement in funds £	At 31.3.21 £
Unrestricted funds			
General fund	375,892	79,871	455,763
Restricted funds			
Healthwatch Northumberland	67,993	(12,023)	55,970
Advocacy Service	949	(949)	-
Transport	21,523	(7,825)	13,698
Cafe @ Burn Lane	75,000	(37,500)	37,500
Living Well	12,925	(12,925)	-
Bernicia hardship fund	-	10,228	10,228
Northumberland Food	-	20,000	20,000
	<u>178,390</u>	<u>(40,994)</u>	<u>137,396</u>
TOTAL FUNDS	<u>554,282</u>	<u>38,877</u>	<u>593,159</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	185,988	(106,117)	79,871
Restricted funds			
Healthwatch Northumberland	200,805	(212,828)	(12,023)
Advocacy Service	246,140	(247,089)	(949)
Transport	115,106	(122,931)	(7,825)
Getabout Car Scheme	36,803	(36,803)	-
Cafe @ Burn Lane	-	(37,500)	(37,500)
Living Well	97,253	(110,178)	(12,925)
Bernicia hardship fund	20,000	(9,772)	10,228
Northumberland Food	20,000	-	20,000
	<u>736,107</u>	<u>(777,101)</u>	<u>(40,994)</u>
TOTAL FUNDS	<u>922,095</u>	<u>(883,218)</u>	<u>38,877</u>

ADAPT (NORTH EAST)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2022

20. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.20 £	Net movement in funds £	At 31.3.22 £
Unrestricted funds			
General fund	375,892	144,991	520,883
Restricted funds			
Healthwatch Northumberland	67,993	(22,793)	45,200
Advocacy Service	949	29,051	30,000
Transport	21,523	(21,523)	-
Cafe @ Burn Lane	75,000	(75,000)	-
Living Well	12,925	(12,925)	-
Bernicia hardship fund	-	9,658	9,658
Northumberland Food	-	20,000	20,000
Social Isolation Fund	-	20,000	20,000
	<u>178,390</u>	<u>(53,532)</u>	<u>124,858</u>
TOTAL FUNDS	<u>554,282</u>	<u>91,459</u>	<u>645,741</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	322,343	(177,352)	144,991
Restricted funds			
Healthwatch Northumberland	413,405	(436,198)	(22,793)
Advocacy Service	584,020	(554,969)	29,051
Transport	201,230	(222,753)	(21,523)
Getabout Car Scheme	73,041	(73,041)	-
Midas Training	1,530	(1,530)	-
Cafe @ Burn Lane	-	(75,000)	(75,000)
Living Well	268,572	(281,497)	(12,925)
Bernicia hardship fund	20,000	(10,342)	9,658
Northumberland Food	20,000	-	20,000
Social Isolation Fund	20,000	-	20,000
	<u>1,601,798</u>	<u>(1,655,330)</u>	<u>(53,532)</u>
TOTAL FUNDS	<u>1,924,141</u>	<u>(1,832,682)</u>	<u>91,459</u>

Healthwatch Northumberland

Adapt (North East) provide the host role for Healthwatch Northumberland, which was launched on 1st April 2013. There are Healthwatch organisations in all council areas in England, and together they provide users of health and social care services a powerful voice both locally and nationally.

Transport

To provide transport for young people in Northumberland, enabling them to access services and facilities.

ADAPT (NORTH EAST)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2022

20. MOVEMENT IN FUNDS - continued

Advocacy Service

Adapt (North East) secured the contract in July 2014 to provide the statutory and non statutory advocacy services for Northumberland including Independent Mental Capacity Advocacy, Independent Mental Health Advocacy and General Advocacy provision under the banner Northumberland Independent Advocacy Service.

Getabout Car Scheme

Getabout is a scheme for people who have difficulty getting around Northumberland. Getabout will seek to find the most appropriate way of solving the transport problems for individuals across Northumberland.

Cafe @ Burn Lane

To provide a space for meetings and social activities for the charity's users and provide an income stream to the charity.

Living Well

Living Well Service provides Social Prescribing Services across West Northumberland area working in partnership with West Northumberland Primary Care Network - Social prescribing is a means of enabling GPs, nurses and other health and care professionals to refer people to a range of local, non-clinical services.

Bernicia hardship fund

The COVID-19 Bernicia Hardship fund has been facilitated by Adapt in partnership with Northumberland County Council for the benefit of people across West Northumberland who have been negatively impacted by COVID-19.

Northumberland Nourish Food food

Northumberland Nourish Food Fund for West Northumberland is being managed by Adapt in partnership with Northumberland County Council to provide funds for the food related activities.

21. RELATED PARTY DISCLOSURES

The charitable company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

ADAPT (North East)

Audit Findings Report

Year ended 31 March 2022

oribchesters
chartered accountants

ADAPT (North East)
Audit Findings Report for the Year Ended 31 March 2022

1. Introduction

We are pleased to report our Audit Findings and other matters to the Trustees of ADAPT (North East) (the charitable company) for the year ended 31 March 2022.

Our responsibilities as auditors are set out in the International Standards on Auditing (UK and Ireland) ("ISAs"). We are responsible for forming and expressing an opinion on the financial statements which have been prepared by management.

The audit of the financial statements does not relieve management or those charged with governance of their responsibilities for the financial statements.

We have carried out our audit in accordance with the terms of our letter of engagement - which is dated 3 August 2015 - in order to express an audit opinion for UK statutory purposes on the financial statements of the charitable company for the year ended 31 March 2022.

In this report, we present the key findings from our audit, together with a commentary on the significant matters arising. The matters that have been reported are limited to those deficiencies identified during the audit which we have concluded are of sufficient importance to bring to the attention of the Board of Trustees who are charged with the governance of the charitable company.

This report has been prepared for the sole use of the Trustees of ADAPT (North East). This report may not be provided to third parties without our prior consent. Consent is, and will only be, granted on the basis that such reports are not prepared with the interests of anyone other than the charitable company in mind and that we accept no duty or responsibility to any other party. No responsibilities are accepted by Ribchesters towards any party acting or refraining from action as a result of this report.

We would like to express our thanks to all members of the charitable company's staff who assisted us in carrying out our work.

ADAPT (North East)
Audit Findings Report for the Year Ended 31 March 2022

2. Statutory audit communication
2.1 Objectivity and independence

We conducted our audit in accordance with the Code of Ethics of the Institute of Chartered Accountants in England & Wales and the Ethical Standards published by the United Kingdom Auditing Practices Board.

We have considered our independence and objectivity with respect to the audit for the year ended 31 March 2022. In addition to auditing the financial statements we also provided, through other individuals, the following services to the charitable company for the year ended 31 March 2022:

- Preparation of the Financial Statements from trial the balance provided by the company.
- Preparation of payroll

We have outlined below the safeguards that we have put in place to ensure that the services provided in 2021/22 do not cause any breaches in our independence and objectivity in relation to the audit.

Non-audit service provided	Safeguards put in place to reduce the threat to our integrity, independence and objectivity
Preparation of the Financial Statements from the trial balance provided by the charitable company.	The financial statements are prepared from the records provided. All adjustments are presented to the Finance Sub-Committee for approval before the financial statements have been approved. The financial statements were reviewed by staff who are independent of the audit team.
Preparation of payroll.	This service is provided by a separate department from those who have audited the financial statements.

Ribchesters charged £1,220 plus VAT for the preparation of payroll.

Ribchesters charged £3,400 plus VAT for the preparation of the Financial Statements.

Ribchesters charged £3,000 plus VAT for the audit of the company's financial statements.

ADAPT (North East)

Audit Findings Report for the Year Ended 31 March 2022

To maintain our independence as auditors we can also confirm that:

- Ribchester's, its partners and the audit team have no family, financial, employment, investment or business relationship with the charitable company; and
- Audit and non-audit fees paid by the company do not represent a significant proportion of total fee income for either the firm or the engagement partner.

We confirm that, in our professional judgement, the firm is independent within the meaning of regulatory and professional requirements and the objectivity of the audit engagement partner and audit staff is not impaired. Legal and regulatory requirements in undertaking our audit work we considered compliance with the following legal and regulatory requirements, where relevant:

- Companies Acts.
- Charities Acts.
- Applicable accounting standards, FRS102 and the Charities SORP.

2.2 Audit approach and materiality

Our audit planning has taken account of our knowledge and understanding of the charitable company.

We confirm that there were no restrictions on the scope of our audit procedures and we have been able to undertake our audit work without issue.

In our planning we have taken account of the results of our risk assessments made in accordance with the guidance set by the ISAs. Our consideration of high-risk areas is documented in full within section 3 of this report.

Based on this rigorous process we have used our professional judgement and formed a materiality level. A matter is material if its omission or misstatement would reasonably influence the economic decisions of a user of the financial statements and the value at which if errors, on their own or in aggregate, were uncorrected would result in a potential qualified audit opinion. The audit materiality of the financial statements as a whole has been set at an average of approximately 1% of gross assets and 2% of income. We have considered this level of materiality based on the draft financial statements for the year ended 31 March 2022 and are satisfied that it continues to be appropriate.

ADAPT (North East)

Audit Findings Report for the Year Ended 31 March 2022

Underpinning materiality is a level of triviality, £500, at which any error or omission in excess of this value is recorded and reported to management. Transactions with Trustees and other connected parties which are undisclosed are not considered to be trivial.

In planning and carrying out our work, we applied a materiality level to the company of £11,000 based on the average of 1% of gross assets and 2% of income.

2.3 Accounting policies

In preparing the financial statements of the charitable company, the Trustees are required under FRS 102 to review the charity's accounting policies on an annual basis to ensure they remain appropriate to the circumstances and are properly applied.

We have reviewed the accounting policies selected and operated by the charitable company, and are we satisfied that they are acceptable.

2.4 Significant findings

There were no matters that we feel need bringing to the attention of the Trustees.

2.5 Accounting estimates and judgements

Depreciation is provided on a straight-line basis on the cost of tangible fixed assets, to write them down to their estimated residual values over their expected useful lives.

The principal annual rates used were as follows:

- Equipment - 10% to 33% on cost
- Fixtures and fittings – 25% on cost
- Motor vehicles – 25% reducing balance and 25% straight line.

The charitable company owns a property which is held for investment. Accounting standards requires that this property is carried at open market value in the financial statements. The most recent independent valuation which is available is dated 7 October 2019. This valuation has been used to determine the value for accounting purposes. We have not seen any evidence to suggest that this value is no longer appropriate. We would however advise that the trustees obtain an independent valuation to support future years accounting estimates.

ADAPT (North East)

Audit Findings Report for the Year Ended 31 March 2022

2.6 Funding position at 31 March 2022

Fund balances are the accumulated surpluses that have been retained by the charitable company and carried forward to meet future years activities, such funds are available to the charitable company to enable it to fund future activities. At the balance sheet date, total funds were £645,741 with unrestricted funds amounting to £520,181 and restricted funds being £125,560.

2.7 Reconciliation of audited profit / loss

There are no uncorrected material errors or omissions in isolation or aggregate.

A schedule of errors identified which were identified during the course of our audit work and which have been agreed to be adjusted is attached to this report.

2.8 Significant difficulties encountered during the audit

We did not encounter any significant difficulties during the audit.

2.9 Accounting and financial control systems

During our audit we examined the design and implementation of the internal controls relevant to the accounting systems and procedures.

The review of internal controls was carried out with a view to expressing an opinion on the financial statements for the year and was not directed primarily towards discovering weaknesses or towards the detection of fraud. Therefore, our comments on these systems include only those matters that have come to our attention as a result of our normal audit procedures, and consequently our comments should not be regarded as a comprehensive record of all weaknesses that may exist or of all improvements that might be made. Please refer to section 4 of this report.

2.10 Management representations

We include a copy of the management representation letter. There are certain specific representations which we are required by auditing standards to obtain from management as part of our audit procedures. In addition, we are required to obtain other representations on matters material to the financial statements where other sufficient appropriate audit evidence cannot be reasonably expected to exist.

ADAPT (North East)
Audit Findings Report for the Year Ended 31 March 2022

2.11 Audit opinion

Based upon the findings and conclusions of our work, we expect to issue an unmodified audit opinion on the financial statements.

3. High risk audit areas

Issue	Audit Risk	Audit Procedures undertaken	Conclusion
Completeness of income	There is a risk that income which the Charity is entitled to is not recognised completely and accurately in the financial statements.	We performed detailed testing over all sources of income. This included tests of detail on the customer ledger and non-customer ledger receipts. We also performed analytical review procedures in this area.	Our audit work did not identify any material errors.
Income recognition	There is a risk that income is recognised in an incorrect accounting period.	The accounting policies adopted by the charitable company were reviewed and compared to the requirements of FRS102 and the Charities SORP. Detailed testing of entitlement, certainty and measurement were undertaken across the range of income generative activities. This was supported by analytical review techniques.	We obtained a reasonable level of assurance that income has been appropriately recognised by the charitable company. Revenue recognition policies are in line with FRS102 and The Charities SORP.
Going concern	The Trustees have a responsibility to assess the ability of the charity to continue as a going concern for a period of not less than 12 months following the anticipated date of approval of these financial statements. This is a key risk given	We reviewed current year management information and forward forecasts and tested for reasonableness and consistency of preparation.	We concluded that the adoption of the going concern principle was appropriate.

ADAPT (North East)
Audit Findings Report for the Year Ended 31 March 2022

	the current economic climate and the continuing losses.		
Management override of the system of internal control.	Any system of internal control includes a risk that it may be bypassed by a member or members of the management team. This may lead to transactions being entered into and accounting entries made without the need to follow the documented systems and procedures.	An appropriate level of professional scepticism was applied throughout all areas of our audit testing which included tests of documented controls. We also examined the significant accounting estimates, judgements and journal entries applied to the accounts for evidence of any management bias or material misstatement due to fraud.	We did not discover any evidence of management override of controls during the course of our audit work.
Identification and use of restricted funds.	There is a risk that income with donor restrictions placed on it are not identified as such and those funds are used for purposes other than those requested by the donor.	Our work on testing income and expenditure in the year included checks over the allocation of such income and expenditure to the funds.	We did not identify any material errors in the allocation of income and expenditure to restricted funds.
Transactions with related / connected parties being entered into and / or not being properly disclosed.	That payments are made to related parties and that such transactions – if entered into – are not appropriately disclosed in the financial statements.	Our detailed testing of revenue and expenditure as well as all balance sheet accounts included procedures which sought to identify any related or connected party transactions. We also reviewed governance papers and certificates with the aim of identifying any undisclosed transactions.	There is no register of connected or related parties. We would recommend that such a document is created and reviewed / updated periodically.
The charitable company was exempt from audit at	There is a risk that the opening balances are inaccurate.	This firm prepared the prior period financial statements and undertook an Independent	We gained sufficient assurance as to the completeness and accuracy of the opening balances, but a note of

ADAPT (North East)
Audit Findings Report for the Year Ended 31 March 2022

the prior balance sheet date.		Examination on those financial statements. Whilst the work done fell short of that required should an audit have been undertaken, we did receive a certain level of assurance. We also undertook additional checks during the course of this years audit, on those opening balances.	clarification is included in the report of the auditor on this matter.
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4. Report of significant weaknesses in systems and internal controls

4.1 Introduction

We set out below the significant matters which we became aware of during our audit, which relate to the effectiveness of the charitable company's accounting and financial control systems. We have used the following grading system to indicate the significance of the issues we have raised and the priority that we believe should be given to our recommendations.

Rating	Description
High	Should be urgently attended to by the trustees and management. These are significant issues that may result in a qualification in the audit report in future periods if not satisfactorily addressed.
Moderate	Issues requiring the attention of the trustees and management. Issues ranked as moderate require close monitoring by the board and senior management to ensure timely resolution.
Low	Issues requiring management attention and correction. Issues ranked as low are generally routine in nature and should be resolved by general management. The board and senior management should be aware of these issues to enable monitoring of progress with their resolution. These issues may be reported to management in less detail than more highly rated issues.

ADAPT (North East)

Audit Findings Report for the Year Ended 31 March 2022

Audit finding	Potential effect	Priority	Recommendation	Responsible Owner	Implementation Date
A register of connected and related parties is not maintained.	Related party transactions may not be completely and accurately disclosed in the financial statements.	Moderate	Management undertake a review of related party transactions and keep a register.	Chief Executive	As soon as possible
Approval of invoices	There is a risk that expenditure is committed to without appropriate levels of approval documented.	Moderate	Multiple stage authorisation process implemented	Chief Executive	As soon as possible
There was a difference between gross pay and employer national insurance contributions per the payroll to that recorded in the financial statements. That difference was £7,845. That is not material to the financial statements.	There is a risk that expenditure incurred has been incorrectly classified or a risk that net pay paid is different to that processed through the payroll system.	Low	Whilst we consider that the risk of error or mis statement to be of low impact and low risk, we would advise that the payroll charge per the income and expenditure account is reconciled to the payroll each month. This will reduce the risk of error in the future.	Chief Executive	
We identified certain accounting errors which were not material in isolation or in aggregate. We have provided a schedule of these to management and they have agreed to adjust the accounts.	All adjustments have been accounted for in the final accounts. Therefore, no impact. A schedule of these matters is included in this report.	Low	The schedule of agreed adjustments should be reviewed and any future remedial action considered to reduce the risk of such matters re-occurring in the future.	Chief Executive	

ADAPT (North East)
Audit Findings Report for the Year Ended 31 March 2022

Investment property valuation	Valuation of the property being misstated	Low	To get a professional valuation within the next two years	Chief Executive	Within the next two years
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ADAPT (NORTH EAST)

England & Wales - Charity number 1072632

Accounts

REGISTERED COMPANY NUMBER: 03604980 (England and Wales)
REGISTERED CHARITY NUMBER: 1072632

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021
FOR
ADAPT (NORTH EAST)**

Ribchesters
Chartered Accountants
Finchale House
Belmont Business Park
Durham
DH1 1TW

ADAPT (NORTH EAST)

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FOR THE YEAR ENDED 31 MARCH 2021**

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ADAPT (NORTH EAST)
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2021. 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 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The charity's objective is to improve the quality of life of both disabled and disadvantaged people in the North East, with a focus on Northumberland.

To provide relief to inhabitants in the North East who have need because of youth, age, sickness, mental or physical disability or poverty by the provision and maintenance of a non-profit community transport service.

Significant activities

The main activities of the charity are to provide information, advice and projects are defined by need. Currently they are information and guidance, advocacy and community transport.

Adapt provides the Healthwatch function for Northumberland, providing to the public the consumer champion role for Health and Social Care.

Adapt provides the statutory Advocacy service across Northumberland providing advocacy under the Care Act, Mental Capacity Act, Mental Health Act and NHS Complaints legislation.

Adapt provides the Social Prescribing service for West Northumberland under contract with West Northumberland Primary Care Network.

Under the Memorandum & Articles of Association the charity has the power to invest the monies of the Association not immediately required for its purposes in or upon such investments, securities or property as may be thought fit, subject nevertheless to such conditions (if any) and such consents (if any) as may for the time being be imposed or required by law and subject also as hereinafter provided.

Public benefit

From 1 April 2008, section 4 of the Charities Act 2006 requires all charities to meet the legal requirement that its aims are for the public benefit. The Trustees confirm that they have complied with the duty to have due regard to the Charity Commission's general guidance on public benefit.

The Charity Commission states that there are two principles to be met in order to show that an organisation's aims are for the public benefit: firstly there must be an identifiable benefit or benefits and secondly that the benefit must be to the public, or a section of the public.

The Trustees are satisfied that the aims and objectives of the charity, and the activities reported on above, meet these principles

Volunteers

The organisation works closely with volunteers who help to provide a successful service within the community during the financial year

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Adapt (North East) continued to deliver the Healthwatch function and the NHS independent complaints advocacy service for Northumberland County Council.

Adapt (North East) continued to deliver the statutory Advocacy service for Northumberland County Council.

Adapt has recently been commissioned to provide Social Prescribing Service for West Northumberland.

ADAPT (NORTH EAST)
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021

FINANCIAL REVIEW

Reserves policy

The Trustees monitor the finances of the Charity on a regular basis and feel the risk to be minimal in reducing the level of free reserves and wish to ensure the future prospects of the Charity by securing a suitable base for its operations.

The Trustees have determined that the appropriate level of free reserves (currently £166,487) should be equivalent to be not less than 45% of the core costs, which equates to £200,000. As at 31 March 2021 reserves are below this target.

Our policy is therefore to maintain the reserves (which are carried forward for future core activities) at least at these current levels by maintaining the operating surpluses and judicious investment management of our investment assets.

The Trustees have ensured the restricted funds received from various sources have been used effectively and within the funders remit.

The Trustees have ensured the unrestricted funds have been used to develop the sustainability of Adapt (North East).

Note 20 to the financial statements describes the various funds of the charity and summarises the year's movements on each fund.

The results for the year are set out on page 5.

During the year income increased by £205,166 to £922,095, this was in part due to one off funding to compensate for the impact of Covid-19.

Total resources expended total £883,218 and remain in line with prior years and are as expected. Overall a surplus of £38,877 has occurred in the financial year. This is after depreciation charges of £70,547.

The Trustees are satisfied with level of performance in the year. Unrestricted funds were £455,763 and the Trustees are satisfied with the overall position.

FUTURE PLANS

Adapt (North East) is planning to build on current services and develop new ones to meet requirements of disabled and disadvantaged people.

Adapt wishes to develop the remainder of its site to develop a disability resource centre and community café.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Adapt (North East) is a company limited by guarantee and does not have a share capital. It is a registered charity and is governed by its Memorandum & Articles of Association.

Recruitment and appointment of new trustees

Trustees are recruited for skills to enable them to contribute to the governance of Adapt, a variety of mediums are used to recruit suitable trustees. Trustees hold office for an agreed period of time and are ratified at the Annual General Meeting.

Organisational structure

The Trustee board of honorary officers and its members are responsible for the day to day running of the charity. The Trustee board meets bi-monthly and is fully conversant with its legal obligations and has policies and procedures to review the work of the charity.

Induction and training of new trustees

Trustees have agreed to review training on an ongoing basis, with individual trustees accessing relevant training as required.

Related parties

Adapt (North East) works closely with local voluntary and statutory organisations including, Northumberland County Council.

ADAPT (NORTH EAST)
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The trustees have examined the main areas of the charity's activities, and looked at the main risks likely to arise in each of these areas. The trustees consider that the systems that have been adopted are adequate to minimise those risks to an acceptable level in the day to day operation of the charity.

It is the opinion of the trustees that for the financial year ended 31 March 2020 the charity has achieved its objectives.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

03604980 (England and Wales)

Registered Charity number

1072632

Registered office

Adapt (North East)
Old Highways Depot
Burn Lane
Hexham
Northumberland
NE46 3HN

Trustees

P Maginn
R E Theobalds
L Hershon
A Stevenson
A Bishop
M Ostler
M Briggs

Company Secretary

Mrs E Prudhoe

Independent Examiner

David Holloway
BA FCA DChA
Ribchesters
Chartered Accountants
Finchale House
Belmont Business Park
Durham
DH1 1TW

Bankers

Unity Trust plc
Nine Brindleyplace
Birmingham
B1 2HB

Approved by order of the board of trustees on 18 October 2021 and signed on its behalf by:

L Hershon - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
ADAPT (NORTH EAST)**

Independent examiner's report to the trustees of ADAPT (North East) ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2021.

Responsibilities and basis of report

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

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

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of BA FCA DChA which is one of the listed bodies.

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

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

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

David Holloway
BA FCA DChA
Ribchesters
Chartered Accountants
Finchale House
Belmont Business Park
Durham
DH1 1TW

18 October 2021

ADAPT (NORTH EAST)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	118,857	-	118,857	2,119
Charitable activities					
Transport provision	5	-	115,107	115,107	155,815
Healthwatch		-	200,000	200,000	200,000
Advocacy service		-	245,000	245,000	245,000
Getabout car scheme		-	36,804	36,804	36,000
Living Well		-	97,253	97,253	25,589
Community support		-	40,000	40,000	-
Other trading activities	3	18,882	1,943	20,825	11,605
Investment income	4	48,249	-	48,249	40,301
Other income		-	-	-	500
Total		185,988	736,107	922,095	716,929
EXPENDITURE ON					
Charitable activities					
Core activities	6	106,117	-	106,117	99,099
Transport provision		-	122,931	122,931	134,291
Healthwatch		-	212,828	212,828	206,657
Advocacy service		-	247,089	247,089	244,051
Cafe @ Burn Lane		-	37,500	37,500	37,500
Getabout car scheme		-	36,803	36,803	86,000
Living Well		-	110,178	110,178	-
Community support		-	9,772	9,772	-
Total		106,117	777,101	883,218	807,598
Net gains on investments		-	-	-	75,000
NET INCOME/(EXPENDITURE)		79,871	(40,994)	38,877	(15,669)
RECONCILIATION OF FUNDS					
Total funds brought forward		375,892	178,390	554,282	569,951
TOTAL FUNDS CARRIED FORWARD		455,763	137,396	593,159	554,282

The notes form part of these financial statements

BALANCE SHEET
31 MARCH 2021

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
FIXED ASSETS					
Tangible assets	12	23,172	37,500	60,672	125,771
Investments					
Investments	13	1	-	1	1
Investment property	14	550,000	-	550,000	550,000
		<u>573,173</u>	<u>37,500</u>	<u>610,673</u>	<u>675,772</u>
CURRENT ASSETS					
Debtors	15	41,508	13,698	55,206	40,793
Cash at bank		160,580	86,198	246,778	159,746
		<u>202,088</u>	<u>99,896</u>	<u>301,984</u>	<u>200,539</u>
CREDITORS					
Amounts falling due within one year	16	(35,601)	-	(35,601)	(56,399)
NET CURRENT ASSETS		<u>166,487</u>	<u>99,896</u>	<u>266,383</u>	<u>144,140</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		739,660	137,396	877,056	819,912
CREDITORS					
Amounts falling due after more than one year	17	(283,897)	-	(283,897)	(265,630)
NET ASSETS		<u>455,763</u>	<u>137,396</u>	<u>593,159</u>	<u>554,282</u>
FUNDS	20				
Unrestricted funds				455,763	375,892
Restricted funds				137,396	178,390
TOTAL FUNDS				<u>593,159</u>	<u>554,282</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2021 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

BALANCE SHEET - continued
31 MARCH 2021

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

The financial statements were approved by the Board of Trustees and authorised for issue on 18 October 2021 and were signed on its behalf by:

L Hershon - Trustee

ADAPT (NORTH EAST)
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021

Notes	2021 £	2020 £
Cash flows from operating activities		
Cash generated from operations 1	104,665	(3,898)
Interest paid	(13,261)	(17,767)
	<u>91,404</u>	<u>(21,665)</u>
Cash flows from investing activities		
Purchase of tangible fixed assets	(7,916)	(998)
Sale of tangible fixed assets	2,300	500
Dividends received	7,950	8,900
	<u>2,334</u>	<u>8,402</u>
Cash flows from financing activities		
Loan repayments in year	(2,192)	(20,394)
Loan to subsidiary	(4,514)	(1,894)
	<u>(6,706)</u>	<u>(22,288)</u>
Change in cash and cash equivalents in the reporting period	<u>87,032</u>	<u>(35,551)</u>
Cash and cash equivalents at the beginning of the reporting period	<u>159,746</u>	<u>195,297</u>
Cash and cash equivalents at the end of the reporting period	<u><u>246,778</u></u>	<u><u>159,746</u></u>

The notes form part of these financial statements

ADAPT (NORTH EAST)

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2021

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	38,877	(15,669)
Adjustments for:		
Depreciation charges	70,547	71,101
Losses on investments	-	(75,000)
Loss/(profit) on disposal of fixed assets	168	(500)
Interest paid	13,261	17,767
Dividends received	(7,950)	(8,900)
(Increase)/decrease in debtors	(9,900)	3,774
(Decrease)/increase in creditors	(338)	3,529
Net cash provided by/(used in) operations	<u>104,665</u>	<u>(3,898)</u>

2. ANALYSIS OF CHANGES IN NET DEBT

	At 1.4.20 £	Cash flow £	At 31.3.21 £
Net cash			
Cash at bank and in hand	159,746	87,032	246,778
	<u>159,746</u>	<u>87,032</u>	<u>246,778</u>
Debt			
Debts falling due within 1 year	(28,758)	20,460	(8,298)
Debts falling due after 1 year	(265,630)	(18,267)	(283,897)
	<u>(294,388)</u>	<u>2,193</u>	<u>(292,195)</u>
Total	<u>(134,642)</u>	<u>89,225</u>	<u>(45,417)</u>

ADAPT (NORTH EAST)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES

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 Reporting 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, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably. The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of grants, donations and gifts are included in full in the Statement of Financial Activities when the trust 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.
- Investment income is included when receivable.
- Incoming resources from charitable trading activities are accounted for when earned.
- Income from commercial trading activities is recognised as earned (as the related services are provided).

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Allocation and apportionment of costs

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on the basis of time spent.

Tangible fixed assets

Land and buildings are included at their current market value. All other tangible fixed assets are stated at cost less depreciation. Items of equipment are capitalised where the purchase price exceeds £300.

Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Equipment	10% to 33% straight line
Fixtures and fittings	25% straight line
Motor vehicles	25% reducing balance and 25% straight line

Investment property

Investment property is shown at most recent valuation. Any movement arising from changes in market value is recognised in the period.

Related party exemption

The charitable company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

ADAPT (NORTH EAST)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES - continued

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.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme and pension contributions are charged to the profit and loss account to spread the cost of the pensions over the employees working lives.

2. DONATIONS AND LEGACIES

	2021	2020
	£	£
Donations	2,443	1,011
Grants	116,326	-
Membership subscriptions	88	1,108
	<u>118,857</u>	<u>2,119</u>

Grants received, included in the above, are as follows:

	2021	2020
	£	£
Northumberland County Council	37,668	-
Coronavirus Job Retention Scheme	78,658	-
	<u>116,326</u>	<u>-</u>

3. OTHER TRADING ACTIVITIES

	2021	2020
	£	£
Administration charges	-	1,539
Room hire and sundry income	20,825	10,066
	<u>20,825</u>	<u>11,605</u>

ADAPT (NORTH EAST)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

4. INVESTMENT INCOME

	2021	2020
	£	£
Rents received	40,299	31,401
Distribution from subsidiary	7,950	8,900
	<u>48,249</u>	<u>40,301</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2021	2020
		£	£
Bus hire	Transport provision	12,974	69,969
Contract income	Transport provision	49,487	41,751
Grants	Transport provision	52,646	35,762
Training	Transport provision	-	8,333
Grants	Healthwatch	200,000	200,000
Grants	Advocacy service	245,000	245,000
Grants	Getabout car scheme	36,804	36,000
Grants	Living Well	97,253	25,589
Grants	Community support	40,000	-
		<u>734,164</u>	<u>662,404</u>

Grants received, included in the above, are as follows:

	2021	2020
	£	£
Northumberland County Council	501,000	481,000
BSOG	3,766	3,637
West Northumberland PCN	97,253	25,589
Other	49,684	32,125
Bernicia Homes	20,000	-
	<u>671,703</u>	<u>542,351</u>

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs	Support costs (see note 7)	Totals
	£	£	£
Core activities	13,474	92,643	106,117
Transport provision	97,363	25,568	122,931
Healthwatch	139,382	73,446	212,828
Advocacy service	205,479	41,610	247,089
Cafe @ Burn Lane	-	37,500	37,500
Getabout car scheme	19,302	17,501	36,803
Living Well	96,797	13,381	110,178
Community support	9,772	-	9,772
	<u>581,569</u>	<u>301,649</u>	<u>883,218</u>

ADAPT (NORTH EAST)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

7. SUPPORT COSTS

	Management	Finance	Governance costs	Totals
	£	£	£	£
Core activities	75,346	10,944	6,353	92,643
Transport provision	25,568	-	-	25,568
Healthwatch	73,446	-	-	73,446
Advocacy service	41,610	-	-	41,610
Cafe @ Burn Lane	37,500	-	-	37,500
Getabout car scheme	17,501	-	-	17,501
Living Well	13,381	-	-	13,381
	<u>284,352</u>	<u>10,944</u>	<u>6,353</u>	<u>301,649</u>

8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2021	2020
	£	£
Depreciation - owned assets	70,547	71,103
(Deficit)/surplus on disposal of fixed assets	168	(500)
Independent examination	3,250	3,500
Other non-independent examination services	<u>3,103</u>	<u>400</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

Trustees' expenses

No expenses were paid to trustees during the year (2020: £nil).

10. STAFF COSTS

	2021	2020
	£	£
Wages and salaries	605,085	533,961
Social security costs	37,917	32,409
Other pension costs	17,238	13,226
	<u>660,240</u>	<u>579,596</u>

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

	2021	2020
Charitable activities	34	34
Administration & Governance	<u>3</u>	<u>3</u>
	<u>37</u>	<u>37</u>

No employees received emoluments in excess of £60,000.

ADAPT (NORTH EAST)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	2,119	-	2,119
Charitable activities			
Transport provision	-	155,815	155,815
Healthwatch	-	200,000	200,000
Advocacy service	-	245,000	245,000
Getabout car scheme	-	36,000	36,000
Living Well	-	25,589	25,589
Other trading activities	11,605	-	11,605
Investment income	40,301	-	40,301
Other income	500	-	500
Total	54,525	662,404	716,929
EXPENDITURE ON			
Charitable activities			
Core activities	86,434	12,665	99,099
Transport provision	-	134,291	134,291
Healthwatch	-	206,657	206,657
Advocacy service	-	244,051	244,051
Cafe @ Burn Lane	-	37,500	37,500
Getabout car scheme	-	86,000	86,000
Total	86,434	721,164	807,598
Net gains on investments	75,000	-	75,000
NET INCOME/(EXPENDITURE)	43,091	(58,760)	(15,669)
RECONCILIATION OF FUNDS			
Total funds brought forward	332,801	237,150	569,951
TOTAL FUNDS CARRIED FORWARD	375,892	178,390	554,282

ADAPT (NORTH EAST)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

12. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1 April 2020	3,210	209,969	324,784	537,963
Additions	7,916	-	-	7,916
Disposals	-	-	(84,014)	(84,014)
At 31 March 2021	11,126	209,969	240,770	461,865
DEPRECIATION				
At 1 April 2020	2,948	103,956	305,288	412,192
Charge for year	1,027	52,492	17,028	70,547
Eliminated on disposal	-	-	(81,546)	(81,546)
At 31 March 2021	3,975	156,448	240,770	401,193
NET BOOK VALUE				
At 31 March 2021	7,151	53,521	-	60,672
At 31 March 2020	262	106,013	19,496	125,771

13. FIXED ASSET INVESTMENTS

	Unlisted investments £
MARKET VALUE	
At 1 April 2020 and 31 March 2021	1
NET BOOK VALUE	
At 31 March 2021	1
At 31 March 2020	1

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

Cafe @ Burn Lane Limited

Registered office:

Nature of business: Cafe

Class of share:	% holding
Ordinary	1

	2021 £	31/3/20 £
Aggregate capital and reserves	55	36
Profit for the year	7,974	38,126

ADAPT (NORTH EAST)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

14. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 April 2020	
and 31 March 2021	550,000
NET BOOK VALUE	
At 31 March 2021	550,000
At 31 March 2020	550,000

Investment property was valued at open market value on 7 October 2019 by Walhouse Surveyors Limited, RICS, at £550,000. The trustees have considered the need to re-value the property at 31 March 2021 and consider this to still be fair value.

If investment property had not been re-valued, it would have been included at the historical cost of £721,920.

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade debtors	30,540	20,382
Amounts owed by group undertakings	6,408	1,895
VAT	11,686	6,478
Prepayments	6,572	12,038
	<u>55,206</u>	<u>40,793</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Bank loans and overdrafts (see note 18)	8,298	28,758
Trade creditors	8,257	10,759
Social security and other taxes	13,097	10,258
Other creditors	216	2,674
Accrued expenses	5,733	3,950
	<u>35,601</u>	<u>56,399</u>

ADAPT (NORTH EAST)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021	2020
	£	£
Bank loans (see note 18)	283,897	265,630

18. LOANS

An analysis of the maturity of loans is given below:

	2021	2020
	£	£
Amounts falling due within one year on demand:		
Bank loans	8,298	28,758
Amounts falling between one and two years:		
Bank loans	8,559	30,825
Amounts falling due between two and five years:		
Bank loans - 2-5 years	27,958	92,220
Amounts falling due in more than five years:		
Repayable by instalments:		
Bank loans more 5 yr by instal	247,380	142,585

19. SECURED DEBTS

The following secured debts are included within creditors:

	2021	2020
	£	£
Bank loans	292,195	294,388

The bank loans are secured by way of a debenture, including both fixed and floating charges, over all land & buildings owned by the charity, and all associated plant & machinery and rental income.

20. MOVEMENT IN FUNDS

	At 1.4.20	Net movement in funds	At 31.3.21
	£	£	£
Unrestricted funds			
General fund	375,892	79,871	455,763
Restricted funds			
Healthwatch Northumberland	67,993	(12,023)	55,970
Advocacy Service	949	(949)	-
Transport	21,523	(7,825)	13,698
Cafe @ Burn Lane	75,000	(37,500)	37,500
Living Well	12,925	(12,925)	-
Bernicia hardship fund	-	10,228	10,228
Northumberland Food	-	20,000	20,000
	178,390	(40,994)	137,396
TOTAL FUNDS	554,282	38,877	593,159

ADAPT (NORTH EAST)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

20. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	185,988	(106,117)	79,871
Restricted funds			
Healthwatch Northumberland	200,805	(212,828)	(12,023)
Advocacy Service	246,140	(247,089)	(949)
Transport	115,106	(122,931)	(7,825)
Getabout Car Scheme	36,803	(36,803)	-
Cafe @ Burn Lane	-	(37,500)	(37,500)
Living Well	97,253	(110,178)	(12,925)
Bernicia hardship fund	20,000	(9,772)	10,228
Northumberland Food	20,000	-	20,000
	<u>736,107</u>	<u>(777,101)</u>	<u>(40,994)</u>
TOTAL FUNDS	<u>922,095</u>	<u>(883,218)</u>	<u>38,877</u>

Comparatives for movement in funds

	At 1.4.19 £	Net movement in funds £	At 31.3.20 £
Unrestricted funds			
General fund	332,801	43,091	375,892
Restricted funds			
Healthwatch Northumberland	74,650	(6,657)	67,993
Advocacy Service	-	949	949
Transport	-	21,523	21,523
Getabout Car Scheme	50,000	(50,000)	-
Cafe @ Burn Lane	112,500	(37,500)	75,000
Living Well	-	12,925	12,925
	<u>237,150</u>	<u>(58,760)</u>	<u>178,390</u>
TOTAL FUNDS	<u>569,951</u>	<u>(15,669)</u>	<u>554,282</u>

ADAPT (NORTH EAST)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

20. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	54,525	(86,434)	75,000	43,091
Restricted funds				
Healthwatch Northumberland	200,000	(206,657)	-	(6,657)
Advocacy Service	245,000	(244,051)	-	949
Transport	155,814	(134,291)	-	21,523
Getabout Car Scheme	36,000	(86,000)	-	(50,000)
Cafe @ Burn Lane	-	(37,500)	-	(37,500)
Living Well	25,590	(12,665)	-	12,925
	<u>662,404</u>	<u>(721,164)</u>	<u>-</u>	<u>(58,760)</u>
TOTAL FUNDS	<u>716,929</u>	<u>(807,598)</u>	<u>75,000</u>	<u>(15,669)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.19 £	Net movement in funds £	At 31.3.21 £
Unrestricted funds			
General fund	332,801	122,962	455,763
Restricted funds			
Healthwatch Northumberland	74,650	(18,680)	55,970
Transport	-	13,698	13,698
Getabout Car Scheme	50,000	(50,000)	-
Cafe @ Burn Lane	112,500	(75,000)	37,500
Bernicia hardship fund	-	10,228	10,228
Northumberland Food	-	20,000	20,000
	<u>237,150</u>	<u>(99,754)</u>	<u>137,396</u>
TOTAL FUNDS	<u>569,951</u>	<u>23,208</u>	<u>593,159</u>

ADAPT (NORTH EAST)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

20. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	240,513	(192,551)	75,000	122,962
Restricted funds				
Healthwatch Northumberland	400,805	(419,485)	-	(18,680)
Advocacy Service	491,140	(491,140)	-	-
Transport	270,920	(257,222)	-	13,698
Getabout Car Scheme	72,803	(122,803)	-	(50,000)
Cafe @ Burn Lane	-	(75,000)	-	(75,000)
Living Well	122,843	(122,843)	-	-
Bernicia hardship fund	20,000	(9,772)	-	10,228
Northumberland Food	20,000	-	-	20,000
	<u>1,398,511</u>	<u>(1,498,265)</u>	<u>-</u>	<u>(99,754)</u>
TOTAL FUNDS	<u>1,639,024</u>	<u>(1,690,816)</u>	<u>75,000</u>	<u>23,208</u>

Healthwatch Northumberland

Adapt (North East) provide the host role for Healthwatch Northumberland, which was launched on 1st April 2013. There are Healthwatch organisations in all council areas in England, and together they provide users of health and social care services a powerful voice both locally and nationally.

Transport

To provide transport for young people in Northumberland, enabling them to access services and facilities.

Advocacy Service

Adapt (North East) secured the contract in July 2014 to provide the statutory and non statutory advocacy services for Northumberland including Independent Mental Capacity Advocacy, Independent Mental Health Advocacy and General Advocacy provision under the banner Northumberland Independent Advocacy Service.

Getabout Car Scheme

Getabout is a scheme for people who have difficulty getting around Northumberland. Getabout will seek to find the most appropriate way of solving the transport problems for individuals across Northumberland.

Cafe @ Burn Lane

To provide a space for meetings and social activities for the charity's users and provide an income stream to the charity.

Living Well

Living Well Service provides Social Prescribing Services across West Northumberland area working in partnership with West Northumberland Primary Care Network - Social prescribing is a means of enabling GPs, nurses and other health and care professionals to refer people to a range of local, non-clinical services.

Bernicia hardship fund

The COVID-19 Bernicia Hardship fund has been facilitated by Adapt in partnership with Northumberland County Council for the benefit of people across West Northumberland who have been negatively impacted by COVID-19.

Northumberland Nourish Food food

ADAPT (NORTH EAST)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

20. MOVEMENT IN FUNDS - continued

Northumberland Nourish Food Fund for West Northumberland is being managed by Adapt in partnership with Northumberland County Council to provide funds for the food related activities.

21. RELATED PARTY DISCLOSURES

The charitable company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

