

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

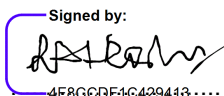
ADAPT (NORTH EAST)**BALANCE SHEET****AS AT 31 MARCH 2025**

	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>593,891</u>		<u>657,333</u>
The funds of the Charity					
Restricted income funds	24		153,420		151,230
Unrestricted funds	25		440,471		506,103
			<u>593,891</u>		<u>657,333</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
	<u>20,065</u>	<u>209,969</u>	<u>99,112</u>	<u>329,146</u>
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
	<u>12,898</u>	<u>209,969</u>	<u>99,112</u>	<u>321,979</u>
At 31 March 2025	12,898	209,969	99,112	321,979
Carrying amount				
At 31 March 2025	7,167	-	-	7,167
	<u>7,042</u>	<u>-</u>	<u>-</u>	<u>7,042</u>
At 31 March 2024	7,042	-	-	7,042
	<u>7,042</u>	<u>-</u>	<u>-</u>	<u>7,042</u>

16 Investment property

	2025 £
Fair value	
At 1 April 2024 and 31 March 2025	575,000
	<u>575,000</u>

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
	<u>1</u>
Carrying amount	
At 31 March 2025	1
	<u>1</u>
At 31 March 2024	1
	<u>1</u>

18 Stocks

	2025 £	2024 £
Finished goods and goods for resale	-	185
	<u>-</u>	<u>185</u>

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