

Charity registration number 1090261

Company registration number 03055620 (England and Wales)

EAST DURHAM PARTNERSHIP LIMITED
(A COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

EAST DURHAM PARTNERSHIP LIMITED
(A COMPANY LIMITED BY GUARANTEE)
LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	B Hart J McLoughlin M McNichol P R Cooper	(Appointed 24 April 2024)
Chief Executive Officer	E Foxton	
Charity number	1090261	
Company number	03055620	
Registered office	1 Kilburn Drive Seaview Industrial Estate Horden County Durham United Kingdom SR8 4TQ	
Auditor	Azets Audit Services Wynyard Park House Wynyard Avenue Wynyard United Kingdom TS22 5TB	

**EAST DURHAM PARTNERSHIP LIMITED
(A COMPANY LIMITED BY GUARANTEE)
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**EAST DURHAM PARTNERSHIP LIMITED
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 JULY 2024**

The Trustees, who are also directors of the charity for the purposes of the Companies Act, present their annual report and the financial statements for the year ended 31 July 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charitable company's [governing document], the Companies Act 2006 and "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).

Structure, governance and management

Governing document

The organisation is a charitable company limited by guarantee, incorporated on 11 May 1995 and registered as a charity on 25 January 2002. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. The Articles were updated in 2014 to more accurately reflect the modern activity undertaken by the Charity. Under these revised Articles the Board comprises four trustees and the geographical area of scope is extended. The objectives of the Charity are to promote any charitable purpose for the benefit of the East Durham community and in particular for the advancement of education and the furtherance of health and the relief of poverty, illness, distress and sickness.

The directors of the charitable company are its trustees for the purpose of charity law, and throughout the report are collectively referred to as the trustees.

Recruitment and appointment of trustees

Under the requirements of the company's Memorandum and Articles of Association one third of the trustees are required to retire by rotation at each Annual General Meeting.

New trustees are elected at the Annual General Meeting as other trustees stand down. Once elected trustees are given appropriate roles and have one vote each which will contribute to the decision making process.

Trustee induction and training

Trustees undergo an induction period which includes specific training relevant to financial regulations and other responsibilities and accountabilities. Current trustees have attended a formal training programme which will be continually updated. Trustees are kept abreast of current developments by means of Charities Commission bulletins.

Trustees and directors

The following people served during the period:

K. Hawkrigge-Smith (company director) - resigned 24 April 2024
M. McNichol (Deputy Chair, company director)
J.T. McLoughlin (company director)
B. Hart (Chair, company director)
P.R. Cooper (company director)

EAST DURHAM PARTNERSHIP LIMITED
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2024

Organisational structure

The organisational structure has contracted and now consists of a part time Chief Executive Officer and a small team of staff with delegated responsibility, each of whom is in charge of a specific area of activity. The team meet regularly and report back to the trustees who retain ultimate authority for making decisions. The financial manager oversees financial transactions in conjunction with the Chief Executive Officer. The board of trustees retains paid consultants who support and advise the board on an ongoing basis with regard to financial audit, Human resources and health and safety. The board can elect to co-opt advisers as and when appropriate to inform the decision making process.

Risk management

The Trustees have reviewed the major risks to which the charity is exposed and systems have been established to mitigate those risks. The Charity has been re-accredited with the Matrix Quality standard demonstrating the high level of importance placed on the provision of quality programmes by the trustees and the management of associated risks. External risks to funding have resulted in a strategic plan which allows for the diversification of funding and activities. Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects and to ensure consistent quality of delivery for all operational aspects of the charitable company. These procedures are periodically reviewed both internally and externally to ensure that they still meet the needs of the charity. Financial controls are monitored regularly and further new controls have been introduced since the end of the period.

Related parties

Mr JT McLoughlin, Trustee, is an employee of the company's bankers Lloyds.

Transactions with related parties are disclosed in the notes to the financial statements.

Objectives and activities

The objectives of the company are to promote within the UK any charitable purpose and in particular the advancement of education and the furtherance of health and the relief of poverty, distress and sickness.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the company's aims and objectives and in planning how the company's future activities will contribute to the aims and objectives they have set. Trustees aim to be deliberately flexible in their approach to planning and adopt a strategy of adaptation to change in order to be able to direct available staff and resources towards delivery of activities and projects matched to ever changing local needs. The East Durham Community comprises many super output areas where the need exists for action which addresses chronic poverty and hardship. Consequently during 23-24 the Charity has prioritised provision of essential household items and services in collaboration with statutory agencies as a priority, supplemented by provision of a food bank for disadvantaged residents. Staff have significant experience in delivery of such projects and many live and work in disadvantaged areas themselves.

Additionally in 2023-24 The Trustees have planned to provide a menu of activities locally typically those supporting people with mental health issues/loneliness, isolation and dementia including not least the many elderly people resident in care homes in the area or living alone with the support of carers. The company has endeavoured to achieve its aims for the public benefit by maximising its projects which support third and public sector agencies where the ability to react quickly to new temporary funding is only possible through collaboration. High volume collaborative contract work delivered in particular with CDCF (Point North) DCC and Greggs Hardship Fund has resulted in dual benefit to both disadvantaged residents and to the Charity itself by sustaining employment for 10 staff who would otherwise be unemployed and also offering goods for sale to members of the public who are mostly on low incomes. The volume of activity in this area of work increased substantially due to delivery of sub contracted work funded through local authority household support grants. The warehouse projects also offer work experience for the disadvantaged members of the community.

Trustees have regard to CCNI guidance on public benefit and regularly review the Charity's aims and objectives to reflect this.

**EAST DURHAM PARTNERSHIP LIMITED
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2024**

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the company's aims and objectives and in planning the company's future activities. The trustees consider how planned activities will contribute to the aims and objectives they have set.

Achievements and performance

The company endeavours to achieve its aims for the public benefit by maximising its projects which support third and public sector agencies to provide household goods for disadvantaged residents and undertaking local community projects (typically those supporting people with mental health issues/loneliness, isolation and dementia). The warehouse facility provides employment for 10 staff who would otherwise be unemployed and also offers goods for sale to members of the public who are mostly on low incomes. The warehouse projects offer work experience for the disadvantaged members of the community. Projects are supported by a number of volunteers.

2023-24 was a year of further change following the cost of living increases brought about by the Ukraine issue and supply shortages after Covid.

A continuation grant from the Sir James Knott Foundation alongside support from both County Durham Foundation helped to fund running costs and retain staff.

Succession planning and up skilling of senior members of staff in preparation for the planned retirement of the current CEO has been ongoing.

Financial review

Results

Incoming resources increased by 37.9% from £755,055 in 2023 to £1,041,199 in 2024. This is a temporary increase due to an increase in grants received and income will return to 2023 levels in the future.

Overall funds increased by £151,030 in the year from £712,694 to £863,724 compared with a decrease in funds of £38,174 in the previous year from £750,868 to £712,694. Included within this are restricted funds totalling £475,976 (2023: £461,451).

The charity retained key staff during the year. The maintenance of its furniture staff presence at its property in Horden, Peterlee is considered fundamental to the operations of the Charity and its public image.

The level of unrestricted reserves of £387,748 and the level of cash held at bank of £268,700 at 31 July 2024 are deemed to be sufficient to allow the charity to continue to operate for a period of at least the next 12 months from the date of signing this report.

Principal funding sources

The main source of income derives from furniture contracts and the sale of furniture and white goods, with the addition of HSF grants and donations.

Investment policy

The trustees consider that any excess cash funds should be placed on bank deposit. This policy will be reviewed by the management committee should excess funds become significant. An amount of £53,843 was held in an interest-bearing account with Lloyds at the balance sheet date.

EAST DURHAM PARTNERSHIP LIMITED
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2024

The Trustees has assessed the major risks to which the charitable company is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Reserves policy

The trustees have established a policy whereby unrestricted reserves are maintained at a level sufficient to meet management and administration costs for the foreseeable future. The strict control of unrestricted cash flows and income from the delivery of charitable projects has enabled the charitable company to achieve this aim at the balance sheet date. However, in view of uncertainties facing the charitable sector in the current economic climate, the reported level of reserves may not be maintained in future periods. The trustees have decided that the organisation must aim to retain sufficient reserves to fulfil its financial commitments should income generated from the company's core activities cease. The commitments would include six months operational and salaries costs for existing members of staff. At the balance sheet date, this equates to approx. £200,000 which is more than covered by cash at bank. The level of reserves are monitored on a weekly basis by the financial manager in an attempt to maintain the desired level of reserves.

Plans for future periods

The trustees have agreed to continue with current initiatives such as supporting individuals to access DCC and Greggs Hardship grants and low cost loan support from NEFCU. Local disadvantaged residents will continue to be offered work placements and free advice and guidance. Given the company's long standing presence and reputation for reliability, the Trustees consider that it is essential that the facility is kept open and fully stocked as far as is possible.

Although the financial future is uncertain at this point, we are confident we have sufficient resources and plans in place including additional contracted work resulting from both existing and new collaborations.

Short term planning involves continuation of current projects alongside ongoing modernisation of the premises to meet changing demands (to include leasing of specific unused areas in order to increase income), the purchase of a new vehicle (for transporting increased volumes of essential furniture and appliances) which will replace an existing older van.

The future direction of the Charity is to continue strengthening EDPs establishment in terms of staff and Trustees by becoming more self-reliant whilst simultaneously maximising benefit resulting from collaborative projects.

Auditor

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

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



B Hart
Trustee

Dated: 14/4/25

**EAST DURHAM PARTNERSHIP LIMITED
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 JULY 2024**

The Trustees, who are also the directors of East Durham Partnership Limited 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 charitable company 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

**EAST DURHAM PARTNERSHIP LIMITED
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT**

TO THE TRUSTEES OF EAST DURHAM PARTNERSHIP LIMITED

Opinion

We have audited the financial statements of East Durham Partnership Limited (the 'charitable company') for the year ended 31 July 2024 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 July 2024 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 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 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 require 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.

**EAST DURHAM PARTNERSHIP LIMITED
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEES OF EAST DURHAM PARTNERSHIP LIMITED**

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 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 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.

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.

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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

**EAST DURHAM PARTNERSHIP LIMITED
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEES OF EAST DURHAM PARTNERSHIP LIMITED**

Other matters - comparative figures and opening balances

The comparative figures and disclosures included within these financial statements are unaudited as the company was entitled to audit exemption in the prior period. We have performed appropriate procedures and obtained sufficient audit evidence to satisfy ourselves that the opening balances do not contain misstatements that materially effect the current period's financial statements..

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.

Azet Audit Services

**Graham Fitzgerald BA FCA DChA (Senior Statutory Auditor)
for and on behalf of Azets Audit Services**

15/4/2025
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**Chartered Accountants
Statutory Auditor**

Wynyard Park House
Wynyard Avenue
Wynyard
United Kingdom
TS22 5TB

Azets Audit Services is eligible for appointment as auditor of the charitable company by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

EAST DURHAM PARTNERSHIP LIMITED
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JULY 2024

		Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Notes							
<u>Income and endowments from:</u>							
Donations and grants	3	-	360,121	360,121	-	49,750	49,750
Charitable activities	4	678,734	-	678,734	696,720	-	696,720
Investments	5	2,264	-	2,264	730	-	730
Other income	6	-	-	-	7,855	-	7,855
Total income		680,998	360,121	1,041,119	705,305	49,750	755,055
<u>Expenditure on:</u>							
Charitable activities	7	540,796	345,587	886,383	734,908	58,321	793,229
Other	11	3,697	9	3,706	-	-	-
Total expenditure		544,493	345,596	890,089	734,908	58,321	793,229
Net income/(expenditure) for the year/							
Net movement in funds		136,505	14,525	151,030	(29,603)	(8,571)	(38,174)
Fund balances at 1 August 2023							
		251,243	461,451	712,694	280,846	470,022	750,868
Fund balances at 31 July 2024							
		387,748	475,976	863,724	251,243	461,451	712,694

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

EAST DURHAM PARTNERSHIP LIMITED
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET
AS AT 31 JULY 2024

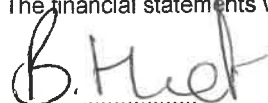
	Notes	2024 £	£	2023 £	£
Fixed assets					
Tangible assets	13		498,640		499,986
Current assets					
Stocks	14	54,184		42,294	
Debtors	15	76,760		34,510	
Cash at bank and in hand		268,700		158,034	
		399,644		234,838	
Creditors: amounts falling due within one year	16	(34,560)		(22,130)	
Net current assets			365,084		212,708
Total assets less current liabilities			863,724		712,694
Income funds					
Restricted funds	17		475,976		461,451
Unrestricted funds			387,748		251,243
			863,724		712,694

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 July 2024, although an audit has been carried out under section 144 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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 14/4/25



B Hart
Trustee

Company registration number 03055620

EAST DURHAM PARTNERSHIP LIMITED
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	20		134,792		(8,656)
Investing activities					
Purchase of tangible fixed assets		(27,790)		(910)	
Proceeds from disposal of tangible fixed assets		1,400		14,005	
Investment income received		2,264		730	
Net cash (used in)/generated from investing activities			(24,126)		13,825
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			110,666		5,169
Cash and cash equivalents at beginning of year			158,034		152,865
Cash and cash equivalents at end of year			268,700		158,034

EAST DURHAM PARTNERSHIP LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

1 Accounting policies

Charity information

East Durham Partnership Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 1 Kilburn Drive, Seaview Industrial Estate, Horden, County Durham, SR8 4TQ, United Kingdom.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charitable company's governing document, the Companies Act 2006 and "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)". The charitable company is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The prior year financial statements were not subject to audit as they did not exceed the audit threshold.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charitable company 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.

The Covid 19 pandemic has had an impact on every business, due to the nature of the charitable company the effects have so far been limited.

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 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.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charitable company.

1.4 Income

Income is recognised when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charitable company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charitable company has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

EAST DURHAM PARTNERSHIP LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2024

1 Accounting policies

(Continued)

Grants, including capital grants, are recognised when the charitable company becomes unconditionally entitled to the grant.

Income from sales of stock is recognised at the date of sale. Donated goods for resale are recognised in the period in which they are sold. A stock of donated goods for resale is also held, but not recognised on the balance sheet, on the basis that valuation of the donated goods is not possible at the time of receipt.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Expenditure is recognised on an accruals basis as a liability is incurred.

Costs of generating funds comprise the costs associated with the provision of management and educational services and operation of the furniture, recycling and other activities.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

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:

Freehold land and buildings	2% per annum straight line (4% improvements)
Fixtures and fittings	25% per annum reducing balance
Computers	40% per annum reducing balance
Motor vehicles	25% per annum reducing balance

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 Impairment of fixed assets

At each reporting end date, the charitable company 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).

**EAST DURHAM PARTNERSHIP LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2024**

1 Accounting policies

(Continued)

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.9 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.

1.10 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 charitable company's balance sheet when the charitable 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 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 charitable company's contractual obligations expire or are discharged or cancelled.

EAST DURHAM PARTNERSHIP LIMITED
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2024

1 Accounting policies

(Continued)

1.11 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 charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

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

2 Critical accounting estimates and judgements

In the application of the charitable company'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.

Critical judgements

Life of assets

The directors of the company estimate the useful life of any assets bought by the company. This is carried out on a case by case basis.

3 Donations and grants

	Restricted funds	Restricted funds
	2024	2023
	£	£
County Durham Community Foundation (CDCF)	264,159	15,000
Poverty Grant	10,000	13,250
Cree	3,000	3,000
Sir James Knott	15,000	15,000
Hadrian	-	1,000
Charities Trust	-	500
Warm Space	-	2,000
National Lottery	67,962	-
	<u>360,121</u>	<u>49,750</u>

EAST DURHAM PARTNERSHIP LIMITED
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FOR THE YEAR ENDED 31 JULY 2024

4 Charitable activities

		Furniture 2024 £	Furniture 2023 £
Unrestricted Funds			
Furniture and White Goods Sales		669,660	679,164
Rental Income and room hire		8,333	14,578
Cafe Sales		741	2,631
Sales of fabrics etc		-	347
		<u>678,734</u>	<u>696,720</u>
Principal funding sources	Category	Furniture 2024 £	Furniture 2023 £
Sales to individuals	Furniture and sales of fabrics	30,567	56,478
Greggs voucher scheme	Furniture	245,426	287,817
Enterprise Durham Partnership Limited	Furniture	-	-
Durham County Council	Furniture	27,990	160,741
Hartlepool Borough Council	Furniture	117,628	106,221
Holistic Temporary Accommodation and Support Service	Furniture	-	10,985
Citizens Advice Bureau	Furniture	7,032	13,232
Sanctum Housing	Furniture	1,250	22,688
Believe Housing	Furniture	2,851	-
Hand	Furniture	80,705	-
ABI	Furniture	8,794	-
Addictions NE	Furniture	24,319	-
BSLF	Furniture	62,879	-
East Durham Trust	Furniture	33,694	-
Gentoo	Furniture	755	-
Groundwork	Furniture	10,038	-
Olive + Norman Field	Furniture	5,825	-
Stronger Families	Furniture	7,289	-
YMCA	Furniture	2,616	-
		<u>669,659</u>	<u>658,162</u>
Other		9,074	38,558
		<u>678,734</u>	<u>696,720</u>

EAST DURHAM PARTNERSHIP LIMITED
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2024

5 Investments

	Unrestricted funds	Unrestricted funds
	2024	2023
	£	£
Interest receivable	2,264	730

6 Other income

	Total	Unrestricted funds
	2024	2023
	£	£
Net gain on disposal of tangible fixed assets	-	7,855
	-	7,855

**EAST DURHAM PARTNERSHIP LIMITED
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FOR THE YEAR ENDED 31 JULY 2024**

7 Charitable Expenditure		Furniture 2024 £	Mental Health 2024 £	Governance 2024 £	Total 2024 £	Furniture 2023 £	Mental Health 2023 £	Governance 2023 £	Total 2023 £
Direct									
Furniture, white goods and fabrics		532,521	-	-	532,521	467,579	-	-	467,579
Wages		98,562	-	-	98,562	26,114	44,500	-	70,614
Equipment hire		3,120	-	-	3,120	3,120	-	-	3,120
Fixed asset costs		25,182	-	-	25,182	21,740	-	-	21,740
Other running costs		20,085	-	-	20,085	11,385	-	-	11,385
Motor and travelling exps		19,622	-	-	19,622	20,848	-	-	20,848
		<u>699,092</u>	<u>-</u>	<u>-</u>	<u>699,092</u>	<u>550,786</u>	<u>44,500</u>	<u>-</u>	<u>595,286</u>
Support									
Wages		104,187	-	5,484	109,671	122,861	-	6,143	129,004
Premises		36,736	-	-	36,736	35,717	-	-	35,717
Bank charges		569	-	-	569	423	-	-	423
Professional fees		4,480	-	-	4,480	564	-	-	564
Fixed asset costs		-	-	-	-	1,064	-	-	1,064
Insurance		15,267	-	-	15,267	15,808	-	-	15,808
Accountancy		-	-	15,924	15,924	-	-	7,822	7,822
Other		4,484	-	-	4,484	1,624	-	-	1,624
		<u>169,589</u>	<u>-</u>	<u>21,408</u>	<u>190,997</u>	<u>183,978</u>	<u>-</u>	<u>13,965</u>	<u>197,943</u>
		<u>868,681</u>	<u>-</u>	<u>21,408</u>	<u>890,089</u>	<u>734,764</u>	<u>44,500</u>	<u>13,965</u>	<u>793,229</u>

EAST DURHAM PARTNERSHIP LIMITED
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2024

7	Charitable Expenditure	(Continued)				
Analysis by fund						
Unrestricted funds	523,085	-	21,408	544,493	720,943	734,908
Restricted funds	345,596	-	-	345,596	13,821	58,321
	868,681	-	21,408	890,089	734,764	793,229

EAST DURHAM PARTNERSHIP LIMITED
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2024

8 Auditor's remuneration

Fees payable to the charitable company's auditor and associates:	2024	2023
	£	£
Audit of the charitable company's annual accounts	10,845	-

9 Trustees

None of the Trustees (or any persons connected with them) received any remuneration, benefits or expenses refunded from the charitable company during the year.

10 Employees

The average monthly number of employees during the year was:

	2024	2023
	Number	Number
Project work and activities for generating funds	7	8
Administration and support	3	3
Total	10	11

Employment costs	2024	2023
	£	£
Wages and salaries	191,478	177,197
Social security costs	9,522	7,593
Other pension costs	12,717	14,828
	213,717	199,618

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

11 Other

	Unrestricted funds	Restricted funds	Total	Total
	2024	2024	2024	2023
	£	£	£	£
Net loss on disposal of tangible fixed assets	3,697	9	3,706	-
	3,697	9	3,706	-

EAST DURHAM PARTNERSHIP LIMITED
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FOR THE YEAR ENDED 31 JULY 2024

12 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

13 Tangible fixed assets

	Freehold land and buildings	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 August 2023	738,251	46,288	21,908	34,765	841,212
Additions	-	-	-	27,790	27,790
Disposals	-	(3,330)	(8,589)	(10,995)	(22,914)
At 31 July 2024	738,251	42,958	13,319	51,560	846,088
Depreciation and impairment					
At 1 August 2023	254,396	44,398	21,617	20,814	341,225
Depreciation charged in the year	16,031	253	87	7,660	24,031
Eliminated in respect of disposals	-	(2,452)	(8,516)	(6,840)	(17,808)
At 31 July 2024	270,427	42,199	13,188	21,634	347,448
Carrying amount					
At 31 July 2024	467,824	759	131	29,926	498,640
At 31 July 2023	483,855	1,888	291	13,952	499,986

14 Stocks

	2024 £	2023 £
Finished goods and goods for resale	54,184	42,294

15 Debtors

	2024 £	2023 £
Amounts falling due within one year:		
Trade debtors	56,353	33,877
Other debtors	19,272	-
Prepayments and accrued income	1,135	633
	76,760	34,510

EAST DURHAM PARTNERSHIP LIMITED
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FOR THE YEAR ENDED 31 JULY 2024

16 Creditors: amounts falling due within one year

	2024	2023
	£	£
Other taxation and social security	9,954	14,550
Trade creditors	10,611	118
Other creditors	35	916
Accruals and deferred income	13,960	6,546
	<u>34,560</u>	<u>22,130</u>

17 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds			
	Balance at 1 August 2022	Incoming resources	Resources expended	Balance at 1 August 2023	Incoming resources	Resources expended	Balance at 31 July 2024
	£	£	£	£	£	£	£
Building and recycling initiative	467,522	-	(13,821)	453,701	-	(13,087)	440,614
Durham County Council - CREE project	1,500	3,000	(3,000)	1,500	3,000	(4,500)	-
Durham Community Foundation	-	15,000	(12,500)	2,500	274,159	(241,297)	35,362
Poverty Hurts	-	13,250	(13,250)	-	-	-	-
Sir James Knott Trust	3,750	15,000	(11,250)	3,750	15,000	(18,750)	-
Hadrian Trust	-	1,000	(1,000)	-	-	-	-
Warm Spaces Charities Trust	-	2,000	(2,000)	-	-	-	-
CREE Plus 2	1,000	-	(1,000)	-	-	-	-
National Lottery Community Fund	-	-	-	-	67,962	(67,962)	-
	<u>470,022</u>	<u>49,750</u>	<u>(58,321)</u>	<u>461,451</u>	<u>360,121</u>	<u>(345,596)</u>	<u>475,976</u>
Unrestricted funds	280,846	705,305	(734,908)	251,243	680,998	(544,493)	387,748
Total funds	<u>750,868</u>	<u>755,055</u>	<u>(793,229)</u>	<u>712,694</u>	<u>1,041,119</u>	<u>(890,089)</u>	<u>863,724</u>

**EAST DURHAM PARTNERSHIP LIMITED
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FOR THE YEAR ENDED 31 JULY 2024**

17 Restricted funds

(Continued)

Building and Reuse Initiative

Provision of staff and resources with which to operate all new and used furniture and appliance projects either directly, or in support of other funders (under contract).

CREE Project

Grant for contribution to activities supporting mental health.

County Durham Community Foundation (CDCF)

Grant towards specified running costs of cafe and used furniture projects.

Poverty Hurts

Grant contribution towards specified overheads which enable activities which address local poverty inc. food poverty.

Sir James Knott

Grant towards operational costs of projects for elderly and isolated (inc, WEd events for the lonely) and the used furniture project.

Warm Spaces

Contribution to specific staff and heating costs in the cafe to offer a warm space for local residents who cannot afford to use heating in their home due to low income.

Charities Trust

Grant EDP was nominated by our insurers (Park) for £500 grant towards specified overheads.

Cree Plus 1+2

Top ups for the mental health projects mentioned in Cree above.

National Lottery Community Fund

Grant to allow the charity to continue to provide it's existing services by assisting with the increased running costs due to the ongoing cost of living crisis.

EAST DURHAM PARTNERSHIP LIMITED
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2024

18 Analysis of net assets between funds

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Fund balances at 31 July 2024 are represented by:						
Tangible assets	58,026	440,614	498,640	46,285	453,701	499,986
Current assets/(liabilities)	329,722	35,362	365,084	204,958	7,750	212,708
	<u>387,748</u>	<u>475,976</u>	<u>863,724</u>	<u>251,243</u>	<u>461,451</u>	<u>712,694</u>

19 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2024 £	2023 £
Aggregate compensation	<u>22,668</u>	<u>23,922</u>

During the financial year a total of £5,600 was received from EDDT with regards to hire of a room on site. EDDT is related by way of a Trustee carrying out the training courses provided. These transactions are carried out on an arms length basis.

20 Cash generated from operations

	2024 £	2023 £
Surplus/(deficit) for the year	151,030	(38,174)
Adjustments for:		
Investment income recognised in statement of financial activities	(2,264)	(730)
Loss/(gain) on disposal of tangible fixed assets	3,706	(7,855)
Depreciation and impairment of tangible fixed assets	24,030	22,804
Movements in working capital:		
(Increase) in stocks	(11,890)	(555)
(Increase)/decrease in debtors	(42,250)	12,582
Increase in creditors	12,430	3,272
Cash generated from/(absorbed by) operations	<u>134,792</u>	<u>(8,656)</u>