

NORTH EAST EQUALITY & DIVERSITY LIMITED

England & Wales · Charity number 1120968

Details

Other names	TRANSPORT IN NORTH NORTHUMBERLAND LIMITED
Status	Registered
Legal form	Charitable company
Company number	05817797
Registered	2007-09-26
Register	View on the Charity Commission register

Contact

Address	Old Fire Station South Road Alnwick Northumberland NE66 2PA
Phone	01665605780
Email	administration@needltd.co.uk
Website	www.needltd.co.uk

Activities

Objects: 1) TO PROVIDE A COMMUNITY TRANSPORT SERVICE FOR SUCH OF THE INHABITANTS OF THE UNITED KINGDOM WHO ARE IN NEED OF SUCH A SERVICE BECAUSE OF AGE, SICKNESS OR DISABILITY (MENTAL OR PHYSICAL), OR POVERTY, OR BECAUSE OF A LACK OF AVAILABILITY OF ADEQUATE AND SAFE PUBLIC PASSENGER SERVICES. 2) THE PROMOTION OF EQUALITY AND DIVERSITY FOR THE PUBLIC BENEFIT IN THE NORTH EAST OF ENGLAND AND THE BORDERS REGION BY: A) ADVANCING EDUCATION AND RAISING AWARENESS IN EQUALITY AND DIVERSITY B) PROMOTING ACTIVITIES TO FOSTER UNDERSTANDING BETWEEN PEOPLE FROM DIVERSE BACKGROUNDS C) PROVIDING COMPREHENSIVE ADVICE AND SUPPORT THROUGH BY GIVING ADVICE, REPRESENTATION, AND ADVOCACY

Activities: 1) To provide a community transport service for the inhabitants of the UK with an emphasis on North East of England and the Borders Region who are in need of such a service due to age, disability (mental or physical), poverty, or because of a lack of availability of adequate and safe public passenger

services.2) Provide and promote services for and with people with disabilities3) Training

Classification

- **How:** Provides Services, Other Charitable Activities
- **What:** General Charitable Purposes, Education/training, Disability, Other Charitable Purposes
- **Who:** Children/young People, Elderly/old People, People With Disabilities, Other Charities Or Voluntary Bodies

Geography

- **Area of benefit:** NORTHUMBERLAND
- Gateshead
- Newcastle Upon Tyne City
- North Tyneside
- Northumberland
- South Tyneside
- Sunderland

Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£965,659	£910,916	£-166,334	35
2024-08-31	£859,601	£922,540	£-221,077	36
2023-08-31	£754,706	£788,467	£-158,138	35
2022-08-31	£676,295	£662,357	£-124,377	38
2021-08-31	£615,644	£709,446	£-138,315	44
2020-08-31	£691,765	£844,301	£-44,514	46

Trustees

Name	Role	Appointed
Henry Pottle		
PETER SLATER		2015-12-17
Peter Hignett		
Roger Styring		

NORTH EAST EQUALITY & DIVERSITY LIMITED

England & Wales - Charity number 1120968

Accounts

Company registration number: 05817797

Charity registration number: 1120968

North East Equality & Diversity Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2025

Wellway Accountants Limited
Borough Hall
Wellway
Morpeth
Northumberland
NE61 1BN

North East Equality & Diversity Limited

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North East Equality & Diversity Limited

Reference and Administrative Details

Trustees	R Styring H Pottle P Hignett
Secretary	J Robb
Senior Management / Leadership Team	J Robb
Registered Office	Old Fire Station South Road Alnwick Northumberland NE66 2PA The charity is incorporated in England and Wales.
Company Registration Number	05817797
Charity Registration Number	1120968
Solicitors:	Ward Hadaway Sandgate House 102 Quayside Newcastle upon Tyne Tyne & Wear NE1 3DX
Bankers	Lloyds TSB Newcastle 102 Grey Street Newcastle Upon Tyne Tyne & Wear NE1 6AG
Independent Examiner	Wellway Accountants Limited Borough Hall Wellway Morpeth Northumberland NE61 1BN

North East Equality & Diversity Limited

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 August 2025.

Objectives and activities

Objects and aims

The object of the charitable company is:

The promotion of equality and diversity for the public benefit in the North East of England and the Borders Region by;

- a) advancing education and raising awareness in equality and diversity
- b) promoting activities to foster understanding between people from diverse backgrounds
- c) providing comprehensive advice and support through giving advice, representation and advocacy

Fundraising disclosures

The charity does not use a professional fundraiser or commercial participator to raise funds. Any monies raised from the public follows all guidance set out by the Charities Commission and UK law in every respect. We respect the privacy and contact preferences of all public donors.

North East Equality & Diversity Limited

Trustees' Report

Public benefit

NEED Ltd provides a community transport service to the inhabitants of the United Kingdom who are in need of these services because of age, sickness or disability (mental and physical), or poverty, or because of a lack of availability of adequate and safe passenger public services. The organisation is widely recognised for providing excellent services to our users. This is undoubtedly due to the dedication of our Board of Directors (Trustees) and staff. Our Private Vehicle Operator Licences have given us the ability to provide transport in remote rural areas where roads are too narrow for larger buses, and in particular access to rural farmsteads.

Following on from last year, NEED Ltd has made steady progress in recovering from the after effects of the government restrictions introduced both nationally and locally to control the pandemic caused by Covid 19. Activities in some areas are back to pre-pandemic levels; however, other areas are still recovering slowly. We have continued to work closely with Northumberland County Council (NCC) to maintain essential transport services to schools and with those disadvantaged and vulnerable people living in isolated communities throughout the North East of England, especially in Northumberland and on Tyneside. We have recently renegotiated our contract to provide patient transport services to and from hospitals and other health care facilities, still providing services to the North East Ambulance Service (NEAS) but through a third-party provider Fleet Solutions North East (FSNE). NEED Ltd has also continued to work closely with doctor's GP practices and dental practitioners to provide services to those people the means to attend vital health appointments who live in the most rural isolated areas or who are unable to afford private or public transport. Although health restrictions have been relaxed during the period, we have continued to maintain our own very strict clean down routines of our vehicles on a regular basis. It is to the staff's credit that they have continued to accept the challenge with dedicated professionalism.

The carrying of groups of passengers from care homes and other locations for day trips has slowly recovered but is yet to reach pre-pandemic levels. Ad hoc transport arrangements, which formed a significant part of our business pre-Covid, has largely recovered and there has been a steady increase in individuals and groups using our transport facilities over the year. This slightly lower than hoped for overall recovery has once again had an impact on NEED's financial affairs but there are encouraging signs of increased usage. The lack of government support during the pandemic left the organisation with significant debt problems; however, the organisation is gradually paying back its bounce-back and private loans.

The Old Fire Station in Alnwick that NEED Ltd presently rents from Northumberland County Council (NCC), has been the subject of much discussion during the year, the charity has long held an aspiration to purchase the property. During the year, NCC decided to sell the site and invited NEED Ltd, along with others, to make a sealed bid application. The NEED Ltd bid was accepted. The charity is now progressing the legal process to purchase the site. NEED Ltd has been in discussion for a few years now with various other charitable sector organisations to use the building to its most mutually beneficial extent. The intention, when the purchase is complete, is to renovate and refurbish the property to provide affordable office space and facilities for use as a community hub by some of the other voluntary sector community organisations and social enterprises that have been in contact with the organisation. NEED Ltd is once again indebted to NCC for its patience and tolerance in taking into account our financial plight throughout the previous years.

NEED Ltd is 100% fully sustainable and a self-sufficient organisation using its contracts with NCC and FSNE (NEAS) to subsidise the charity's other activities in disadvantaged areas. The charity is looking forward to the new challenges ahead over the next 12 months. As chair, I would like to formally thank all NEED Ltd staff, drivers, passenger assistants, and board members for their continued commitment to the organisation.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

North East Equality & Diversity Limited

Trustees' Report

Use of volunteers

NEED Ltd is fortunate to have a number of volunteers willing to give their time freely to provide governance for the Organisation. This contribution is greatly valued by staff, service users and myself as Chairman of NEED Ltd. I would therefore like to take this opportunity to record my appreciation to these dedicated people.

Going concern

The preparation of the 1st September 2024 to 31st August 2025 Annual Accounts has been an encouraging task. The relaxation of the restrictions imposed due to the recent Covid-19 pandemic across United Kingdom has helped to improve the financial performance and future planning of the charitable organisation. In particular there is increasing evidence that care homes and community groups are starting to recover their confidence and willingness to travel, and in using NEED Ltd.'s services. There has been a continued and noticeable rise in financial performance since these restrictions were eased in the early part of 2022 but regular trips for our historic groups are still not quite back to pre-pandemic levels. NEED Ltd has operated at a minimum staffing level throughout the financial year and has also considerably reduced its vehicle maintenance expenditure by covering an appreciable amount of work in house.

In the last couple of years, the unforeseen increases in the cost of vehicle parts, their availability and also the availability of vehicle mechanics in garages has resulted in long downtimes of vehicles, necessitating the use of expensive short term lease vehicles. Thankfully, the organisation has still remained resilient, mainly due to the continuing NCC contracts requiring the organisation to provide transport for children to attend school. This anchor has resulted in the financial stability of the organisation.

The stabilisation of fuel prices and the reduced volatility of national and international economies have reduced the financial disruption of the organisation.

NEED Ltd has successfully maintained its ISO 9001 certification, a requirement of NCC contracts. We have also maintained our preferred contractor status with NCC, once again achieving the highest score of 98% in their compliance audit. The new 5-year school contracts, reviewed at 12 monthly intervals, have bedded in well. These 13 contracts have been running since April 2024 and are in addition to the existing 5 SEN contracts that were not out for tender last year. The new contracts are on a much more flexible basis for NEED Ltd when compared to the previous fixed price, fixed term 5-year non-reviewable contracts and give a much more realistic and stable environment.

Our contract with North East Ambulance Service (NEAS) to provide patient transport to hospitals has continued throughout the period, albeit for administrative purposes, through a third-party provider FSNE. There have been unforeseen minor interruptions but NEED Ltd has continued to provide a regular service, this has been particularly beneficial to those patients on dialysis.

We are confident that the level of travel for a number of groups and individuals will continue to increase in the next few months. Larger bus companies with their own economic difficulties find it difficult to service remote isolated areas using their larger buses. The number of route miles covered by NEED Ltd continues to show an increasing trend, particularly in isolated areas. We also continue to witness an increasing number of enquiries from the community sector. In time, this will undoubtedly increase the income of the organisation and provide even more stabilised growth.

NEED Ltd has continued to adopt a slightly a more relaxed financial approach to its operations, compared to the previous year. New NCC School 5-year contracts have been secured and we are confident that transport arrangements for care home and community work will continue to recover to near previous historic levels, this we feel bodes well for the future.

North East Equality & Diversity Limited

Trustees' Report

In order to sustain the financial viability of the organisation during the current and subsequent years the following measures have already been taken:-

- We retrained two of our drivers to provide in-house training.
- We have entered into an arrangement with an external organisation to provide further training that cannot presently be delivered by our own staff.
- We've maintained a very much slimmer staffing structure. However, we realise that the present office staff structure of a single post with part time support carries a significant level of risk and vulnerability. Therefore we have introduced mechanisms that mitigate this risk by providing more additional support when required, this we feel provides built-in resilience. The Board of Trustees provides a strategic overview and also shares in some of the day-to-day decision making where necessary.
- Office staff have a wide range of skills that allows them to take on any of the current posts, giving significant flexibility.
- A review of all staff training has been conducted to ensure that all personnel meet the requirements of their posts and continue to develop and extend their skills.
- We've conducted a thorough review of all of our contracts to ensure we fully cover costs and optimise income.
- We've rationalised the types of vehicles within our fleet to be more 'fit for purpose'.
- NEAS continue to require us to operate using 'Ambulance' standard buses that are easier to clean down.
- We have made savings by investing in garage equipment which enables us to carry out some expensive routine servicing and testing of our vehicles in house.
- We're systematically engaged in marketing and networking to attract new business.

The Trustees believe that these measures will create a sustainable and resilient organisation capable of rising to the challenge of this most difficult recovery period and will maintain its viability, even in the event of worsening trading conditions.

Structure, governance and management

Nature of governing document

North East Equality and Diversity Limited (NEED Ltd.) is constituted as a registered charity and a company under guarantee in accordance with its Memorandum and Articles of Association dated 16 May 2006 and last amended 25 March 2010.

Induction and training of trustees

New trustees undergo an induction process to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision-making process, the business plan and recent financial performance of the charity. Trustees are encouraged to attend appropriate external training events.

Organisational structure

Day to day management is vested in the Transport Manager of the charity, who meets with the Board of Trustees on the fourth Friday of every month. The Transport Manager meets regularly with the Chair (in addition to the formal meetings) and appraises him of any significant issues that arise between meetings.

North East Equality & Diversity Limited

Trustees' Report

Major risks and management of those risks

Risk Policy

The Trustees are responsible for assessing the major risks to which the charitable company is exposed and for establishing systems to mitigate those risks. They have considered risks which could have a negative effect on the charitable company's ability to pursue its aims, both in terms of the likelihood of these occurring and the probable impact of such events.

The trustees continue to review and monitor these and any new risks and the adequacy of the control systems in place to reduce them.

Financial instruments

Objectives and policies

The charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the charity's policies approved by the board of trustees which provide written principles on the use of financial derivatives to manage those risks. The charity does not use financial instruments for speculative purposes.

Cash flow risk

The charity's activities expose it to primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The charity uses foreign exchange forward contracts and interest rate swap contracts to hedge these exposures.

Interest bearing assets and liabilities are held at fixed rate to ensure certainty of cash flows.

Credit risk

The charity's principle financial assets are bank balances and cash, trade and other receivables, and investments. The charity's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The charity has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the charity uses a mixture of long-term and short-term debt finance.

Further details regarding liquidity risk can be found in the Statement of Accounting Policies in the financial statements.

Statement of trustees' responsibilities

The trustees (who are also the directors of North East Equality & Diversity Limited for the purposes 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

North East Equality & Diversity Limited

Trustees' Report

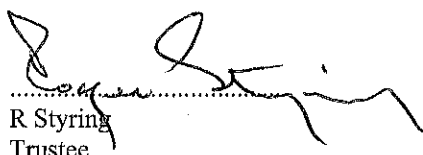
Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including its income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 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 charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that can 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.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The annual report was approved by the trustees of the charity on 23 January 2026 and signed on its behalf by:



.....
R Styring
Trustee

North East Equality & Diversity Limited

Independent Examiner's Report to the trustees of North East Equality & Diversity Limited ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 August 2025.

Responsibilities and basis of report

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

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

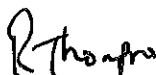
Independent examiner's statement

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

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

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

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



.....
R Thompson
ICAEW
FCA BA(Hons) AIFP
Borough Hall
Wellway
Morpeeth
Northumberland
NE61 1BN

23 January 2026

North East Equality & Diversity Limited

Statement of Financial Activities for the Year Ended 31 August 2025 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Total 2025 £
Income and Endowments from:			
Donations and legacies	3	70,139	70,139
Charitable activities	4	894,895	894,895
Other income	5	625	625
Total income		<u>965,659</u>	<u>965,659</u>
Expenditure on:			
Charitable activities	6	<u>(910,916)</u>	<u>(910,916)</u>
Total expenditure		<u>(910,916)</u>	<u>(910,916)</u>
Net income		<u>54,743</u>	<u>54,743</u>
Net movement in funds		54,743	54,743
Reconciliation of funds			
Total funds brought forward		<u>(221,077)</u>	<u>(221,077)</u>
Total funds carried forward	18	<u>(166,334)</u>	<u>(166,334)</u>
	Note	Unrestricted funds £	Total 2024 £
Income and Endowments from:			
Donations and legacies	3	26,886	26,886
Charitable activities	4	831,674	831,674
Other income	5	1,041	1,041
Total income		<u>859,601</u>	<u>859,601</u>
Expenditure on:			
Charitable activities	6	<u>(922,540)</u>	<u>(922,540)</u>
Total expenditure		<u>(922,540)</u>	<u>(922,540)</u>
Net expenditure		<u>(62,939)</u>	<u>(62,939)</u>
Net movement in funds		(62,939)	(62,939)
Reconciliation of funds			
Total funds brought forward		<u>(158,138)</u>	<u>(158,138)</u>
Total funds carried forward	18	<u>(221,077)</u>	<u>(221,077)</u>

All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown for 2024 is shown in note 18.

The notes on pages 12 to 22 form an integral part of these financial statements.

North East Equality & Diversity Limited

(Registration number: 05817797)
Balance Sheet as at 31 August 2025

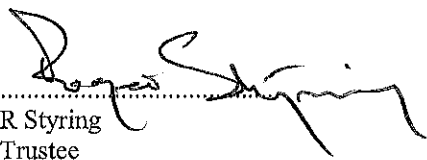
	Note	2025 £	2024 £
Fixed assets			
Tangible assets	13	95,493	137,626
Current assets			
Debtors	14	13,926	22,451
Cash at bank and in hand	15	<u>35,626</u>	<u>50</u>
		49,552	22,501
Creditors: Amounts falling due within one year	16	<u>(268,389)</u>	<u>(317,150)</u>
Net current liabilities		<u>(218,837)</u>	<u>(294,649)</u>
Total assets less current liabilities		(123,344)	(157,023)
Creditors: Amounts falling due after more than one year	17	<u>(42,990)</u>	<u>(64,054)</u>
Net liabilities		<u>(166,334)</u>	<u>(221,077)</u>
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		<u>(166,334)</u>	<u>(221,077)</u>
Total funds	18	<u>(166,334)</u>	<u>(221,077)</u>

For the financial year ending 31 August 2025 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements on pages 9 to 22 were approved by the trustees, and authorised for issue on 23 January 2026 and signed on their behalf by:


R Styring
Trustee

The notes on pages 12 to 22 form an integral part of these financial statements.

North East Equality & Diversity Limited

Statement of Cash Flows for the Year Ended 31 August 2025

	Note	2025 £	2024 £
Cash flows from operating activities			
Net cash income/(expenditure)		54,743	(62,939)
Adjustments to cash flows from non-cash items			
Depreciation		42,133	46,919
		<u>96,876</u>	<u>(16,020)</u>
Working capital adjustments			
Decrease/(increase) in debtors	14	8,525	(4,670)
(Decrease)/increase in creditors	16	(2,578)	43,236
Net cash flows from operating activities		<u>102,823</u>	<u>22,546</u>
Cash flows from investing activities			
Purchase of tangible fixed assets	13	-	(49,925)
Cash flows from financing activities			
Repayment of loans and borrowings	16	(33,639)	8,615
Repayment of capital element of finance leases and HP contracts		(22,659)	9,108
Net cash flows from financing activities		<u>(56,298)</u>	<u>17,723</u>
Net increase/(decrease) in cash and cash equivalents		46,525	(9,656)
Cash and cash equivalents at 1 September		<u>(10,899)</u>	<u>(1,243)</u>
Cash and cash equivalents at 31 August		<u>35,626</u>	<u>(10,899)</u>

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 12 to 22 form an integral part of these financial statements.

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2025

1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Old Fire Station

South Road

Alnwick

Northumberland

NE66 2PA

These financial statements were authorised for issue by the trustees on 23 January 2026.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with 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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

North East Equality & Diversity Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

The financial statements have been prepared on a going concern basis.

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2025

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Gift aid

Incoming resources from tax reclaims are included in the Statement of Financial Activities at the same time as the gift to which they relate.

Charitable activities

Income from contracts for supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Other income

Vehicles donated in kind are recognised as voluntary income when there is evidence of entitlement to the gift, receipt is probable and the amount can be measured reliably. The vehicle is capitalised as a tangible fixed asset using the cost value (which is equivalent to the income recognised). Where there is a restriction of purpose or use ongoing, then the income and the asset are recognised within restricted funds.

Income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received, if the value can be reliably measured. No amounts are included for the contribution of general volunteers.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable 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.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2025

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £250.00 or more are initially recorded at cost.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Motor vehicles	Over 7 years straight line
Plant and machinery	Over 5 years straight line
Office equipment	Over 5 years straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2025

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Pensions and other post retirement obligations

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Income from donations and legacies

	Unrestricted funds General £	Total 2025 £	Total 2024 £
Donations and legacies;			
Donations from individuals	-	-	500
Regular giving and capital donations	70,139	70,139	26,386
	<u>70,139</u>	<u>70,139</u>	<u>26,886</u>

4 Income from charitable activities

	Unrestricted funds General £	Total 2025 £	Total 2024 £
Income from charitable activities	894,895	894,895	831,674
	<u>894,895</u>	<u>894,895</u>	<u>831,674</u>

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2025

5 Other income

	Unrestricted funds General £	Total 2025 £	Total 2024 £
Other trading income	625	625	1,041

6 Expenditure on charitable activities

	Note	Unrestricted General £	Total 2025 £	Total 2024 £
Community transport services		331,406	331,406	397,252
Staff costs		518,295	518,295	478,940
Allocated support costs		51,297	51,297	38,744
Governance costs	7	9,918	9,918	7,604
		910,916	910,916	922,540

In addition to the expenditure analysed above, there are also governance costs of £9,918 (2024 - £7,604) which relate directly to charitable activities. See note 7 for further details.

7 Analysis of governance costs

Governance costs

	Unrestricted funds General £	Total 2025 £	Total 2024 £
Independent examiner fees			
Examination of the financial statements	3,450	3,450	3,450
Legal fees	6,468	6,468	4,154
	9,918	9,918	7,604

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2025

8 Net incoming/outgoing resources

Net (incoming)/outgoing resources for the year include:

	2025 £	2024 £
Operating leases - other assets	4,907	7,513
Depreciation of fixed assets	<u>42,133</u>	<u>44,928</u>

9 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

10 Staff costs

The aggregate payroll costs were as follows:

	2025 £	2024 £
Staff costs during the year were:		
Wages and salaries	474,919	453,737
Social security costs	27,429	20,082
Pension costs	6,183	5,121
Other staff costs - pension arrears	<u>9,764</u>	<u>-</u>
	<u>518,295</u>	<u>478,940</u>

Included in staff costs is a payment of £9,764 for pension arrears dating back as far as 2016, which had been omitted from previous financial statements until the charity was made aware of the arrears and settled the balance with the pension provider.

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2025 No	2024 No
Staff employed	<u>35</u>	<u>36</u>

No employee received emoluments of more than £60,000 during the year.

11 Independent examiner's remuneration

	2025 £	2024 £
Examination of the financial statements	<u>3,450</u>	<u>3,450</u>

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2025

12 Taxation

The charity is a registered charity and is therefore exempt from taxation.

13 Tangible fixed assets

	Furniture and equipment £	Motor vehicles £	Total £
Cost			
At 1 September 2024	<u>7,886</u>	<u>520,598</u>	<u>528,484</u>
At 31 August 2025	<u>7,886</u>	<u>520,598</u>	<u>528,484</u>
Depreciation			
At 1 September 2024	6,090	384,768	390,858
Charge for the year	<u>1,192</u>	<u>40,941</u>	<u>42,133</u>
At 31 August 2025	<u>7,282</u>	<u>425,709</u>	<u>432,991</u>
Net book value			
At 31 August 2025	<u>604</u>	<u>94,889</u>	<u>95,493</u>
At 31 August 2024	<u>1,796</u>	<u>135,830</u>	<u>137,626</u>

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2025

Assets held under finance leases and hire purchase contracts

The net carrying amount of tangible assets includes the following amounts in respect of assets held under finance leases and hire purchase contracts:

	2025 £	2024 £
Motor vehicles	<u>47,999</u>	<u>57,197</u>

14 Debtors

	2025 £	2024 £
Trade debtors	12,424	11,292
Prepayments	950	1,035
Other debtors	552	10,124
	<u>13,926</u>	<u>22,451</u>

15 Cash and cash equivalents

	2025 £	2024 £
Cash on hand	50	50
Cash at bank	<u>35,576</u>	<u>-</u>
	35,626	50
Bank overdrafts	<u>-</u>	<u>(10,949)</u>
Cash and cash equivalents in statement of cash flows	<u>35,626</u>	<u>(10,899)</u>

16 Creditors: amounts falling due within one year

	2025 £	2024 £
Bank overdrafts	-	10,949
Bank loans	5,956	5,956
Other loans	103,744	131,426
Hire purchase and finance leases	15,108	22,660
Other taxation and social security	144,873	160,674
VAT repayable	(11,439)	(23,198)
Other creditors	147	1
Accruals	<u>10,000</u>	<u>8,682</u>
	<u>268,389</u>	<u>317,150</u>

Bank borrowings

Bounce back loan is denominated in with a nominal interest rate of 2.5% (2024 - £3), and the final instalment is due on 30 June 2030. The carrying amount at year end is £28,788 (2024 - £34,744).

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2025

Other borrowings

North Star loan with a carrying amount of £Nil (2024 - £5,682) is denominated in with a nominal interest rate of 6% (2024 - 6%). The final instalment is due on 28 February 2025.

17 Creditors: amounts falling due after one year

	2025 £	2024 £
Bank loans	22,831	28,788
Hire purchase and finance leases	20,159	35,266
	<u>42,990</u>	<u>64,054</u>

Included in the creditors are the following amounts due after more than five years:

	2025 £	2024 £
After more than five years by instalments	-	(4,902)

18 Funds

	Balance at 1 September 2024 £	Incoming resources £	Resources expended £	Balance at 31 August 2025 £
Unrestricted funds				
General	<u>(221,077)</u>	<u>965,659</u>	<u>(910,916)</u>	<u>(166,334)</u>

	Balance at 1 September 2023 £	Incoming resources £	Resources expended £	Balance at 31 August 2024 £
Unrestricted funds				
General	<u>(158,138)</u>	<u>859,601</u>	<u>(922,540)</u>	<u>(221,077)</u>

19 Analysis of net assets between funds

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2025

	Unrestricted funds General £	Total funds at 31 August 2025 £
Tangible fixed assets	95,493	95,493
Current assets	49,552	49,552
Current liabilities	(268,389)	(268,389)
Creditors over 1 year	(42,990)	(42,990)
Total net assets	<u>(166,334)</u>	<u>(166,334)</u>
	Unrestricted funds General £	Total funds at 31 August 2024 £
Tangible fixed assets	137,626	137,626
Current assets	22,501	22,501
Current liabilities	(317,150)	(317,150)
Creditors over 1 year	(64,054)	(64,054)
Total net assets	<u>(221,077)</u>	<u>(221,077)</u>

20 Analysis of net funds

	At 1 September 2024 £	Financing cash flows £	At 31 August 2025 £
Cash at bank and in hand	50	-	50
Bank overdraft	(10,949)	46,525	35,576
	(10,899)	46,525	35,626
Debt due within one year	(137,382)	27,681	(109,701)
Debt due after more than one year	(28,787)	5,956	(22,831)
Finance leases and hire purchase contracts	(57,926)	22,660	(35,266)
Net debt	(234,994)	102,822	(132,172)

	At 1 September 2023 £	Financing cash flows £	New finance leases £	At 31 August 2024 £
Cash at bank and in hand	50	-	-	50
Bank overdraft	(1,293)	(9,656)	-	(10,949)
	(1,243)	(9,656)	-	(10,899)
Debt due within one year	(118,089)	(19,293)	-	(137,382)
Debt due after more than one year	(39,467)	10,680	-	(28,787)
Finance leases and hire purchase contracts	(48,818)	34,080	(43,188)	(57,926)
Net debt	(207,617)	15,811	(43,188)	(234,994)

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2025

21 Related party transactions

During the year the charity made the following related party transactions:

VETRA Limited

The charitable company is the only member of VETRA Limited, a company limited by guarantee. VETRA Limited remained dormant throughout the financial period. Payments on behalf of VETRA Limited were made of £192 in the period (2024 - £nil).

At the balance sheet date the amount due from VETRA Limited was £552 (2024 - £360).

C Watson

During the financial period, the former Finance Officer has given the charitable company interest free loans of £nil (2024 - £nil) and been repaid loans of £nil (2024 - £nil).

The loans are interest free and repayable on demand.

At the balance sheet date the amount due to C Watson was £9,091 (2024 - £9,091).

J Robb

During the financial period, the employee has given the charitable company interest free loans of £nil (2024 - £150) and been repaid loans of £nil (2024 - £nil).

The loans are interest free and repayable on demand

At the balance sheet date the amount due to J Robb was £400 (2024 - £400).

R Styring

During the financial period, the Chairman has given the charitable company interest free loans of £20,000 (2024 - £34,908) and been repaid loans of £42,000 (2024 - £15,000).

The loans are interest free and repayable on demand.

At the balance sheet date the amount due to R Styring was £94,254 (2024 - £116,254).

North East Equality & Diversity Limited

Detailed Statement of Financial Activities for the Year Ended 31 August 2025

	Total 2025 £	Total 2024 £
Income and Endowments from:		
Donations and legacies (analysed below)	70,139	26,886
Charitable activities (analysed below)	894,895	831,674
Other income (analysed below)	625	1,041
	<u>965,659</u>	<u>859,601</u>
Total income		
Expenditure on:		
Charitable activities (analysed below)	(910,916)	(922,540)
	<u>(910,916)</u>	<u>(922,540)</u>
Total expenditure		
Net income/(expenditure)	54,743	(62,939)
Net movement in funds	54,743	(62,939)
Reconciliation of funds		
Total funds brought forward	(221,077)	(158,138)
Total funds carried forward	<u>(166,334)</u>	<u>(221,077)</u>

This page does not form part of the statutory financial statements.

North East Equality & Diversity Limited

Detailed Statement of Financial Activities for the Year Ended 31 August 2025

	Total 2025 £	Total 2024 £
<i>Donations and legacies</i>		
Appeals and donations	-	500
Subscriptions	1,646	2,118
Sponsorship	68,493	24,268
	<u>70,139</u>	<u>26,886</u>
<i>Charitable activities</i>		
NCC school contract	771,489	685,498
Brokerage income	-	9,700
NEAS contract	79,592	93,259
Dial a Ride	19,997	31,625
Need a Car	4,925	3,761
Community Transport	18,892	7,831
	<u>894,895</u>	<u>831,674</u>
<i>Other income</i>		
Other income	625	1,041
	<u>625</u>	<u>1,041</u>
<i>Charitable activities</i>		
Depreciation of motor vehicles	(40,941)	(45,727)
Wages and salaries	(474,919)	(453,737)
Staff NIC (Employers)	(27,429)	(20,082)
Staff pensions (Defined contribution) - pension scheme 1	(6,183)	(5,121)
Staff pensions (Arrears) - pension scheme 1	(9,764)	-
Staff training	(80)	(645)
Volunteer expenses	(1,106)	(788)
Rent and rates	(8,289)	(4,675)
Light, heat and power	(14,022)	(4,571)
Insurance	(8,636)	(2,145)
Repairs and maintenance	(1,698)	(2,262)
Repairs and renewals	-	(192)
Telephone and computer costs	(11,575)	(12,500)
Office expenses	(1,030)	(1,622)
Trade subscriptions	(667)	(855)
Hire of other assets (Operating leases)	(4,907)	(7,513)
Motor expenses	(13,778)	(8,916)
Petrol or diesel	(76,563)	(91,951)
Motor insurance	(40,613)	(42,806)
Motor repairs and renewals	(131,947)	(120,307)

This page does not form part of the statutory financial statements.

North East Equality & Diversity Limited

Detailed Statement of Financial Activities for the Year Ended 31 August 2025

	Total 2025 £	Total 2024 £
Car hire and leasing expenses (Spot hire)	(504)	(46,956)
Travel and subsistence	(1,302)	(4,154)
Advertising	(317)	-
Legal and professional fees	(7,728)	(6,608)
Bad debts written off	-	(6,740)
Bank interest payable	(1,140)	(3,456)
Other interest payable	(8,694)	(10,421)
Hire purchase interest	(5,016)	(7,072)
Depreciation of plant and machinery	(1,192)	(1,192)
Loan interest	(958)	(1,922)
Independent examiner's fee	(3,450)	(3,450)
Legal and professional fees	(6,468)	(4,154)
	<u>(910,916)</u>	<u>(922,540)</u>

NORTH EAST EQUALITY & DIVERSITY LIMITED

England & Wales - Charity number 1120968

Accounts

Company registration number: 05817797

Charity registration number: 1120968

North East Equality & Diversity Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2024

Wellway Accountants Limited
Borough Hall
Wellway
Morpeth
Northumberland
NE61 1BN

North East Equality & Diversity Limited

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North East Equality & Diversity Limited

Reference and Administrative Details

Trustees	R Styring H Pottle P Hignett
Secretary	J Robb
Senior Management / Leadership Team	J Robb
Registered Office	Old Fire Station South Road Alnwick Northumberland NE66 2PA The charity is incorporated in England and Wales.
Company Registration Number	05817797
Charity Registration Number	1120968
Solicitors:	Ward Hadaway Sandgate House 102 Quayside Newcastle upon Tyne Tyne & Wear NE1 3DX
Bankers	Lloyds TSB Newcastle 102 Grey Street Newcastle Upon Tyne Tyne & Wear NE1 6AG
Independent Examiner	Wellway Accountants Limited Borough Hall Wellway Morpeth Northumberland NE61 1BN

North East Equality & Diversity Limited

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 August 2024.

Objectives and activities

Objects and aims

The object of the charitable company is:

The promotion of equality and diversity for the public benefit in the North East of England and the Borders Region by;

- a) advancing education and raising awareness in equality and diversity
- b) promoting activities to foster understanding between people from diverse backgrounds
- c) providing comprehensive advice and support through giving advice, representation and advocacy

Fundraising disclosures

The charity does not use a professional fundraiser or commercial participator to raise funds. Any monies raised from the public follows all guidance set out by the Charities Commission and UK law in every respect. We respect the privacy and contact preferences of all public donors.

North East Equality & Diversity Limited

Trustees' Report

Public benefit

NEED Ltd provides a community transport service to the inhabitants of the United Kingdom who are in need of these services because of age, sickness or disability (mental and physical), or poverty, or because of a lack of availability of adequate and safe passenger public services. The organisation is widely recognised for providing excellent services to our users. This is undoubtedly due to the dedication of our Board of Directors (Trustees) and staff. Our Private Vehicle Operator Licences have given us the ability to provide transport in remote rural areas where roads are too narrow for larger buses, and in particular access to rural farmsteads.

Following on from last year, NEED Ltd is still slowly recovering from the after effects of the government restrictions introduced both nationally and locally to control the pandemic caused by Covid 19. We have continued to work closely with Northumberland County Council (NCC) to maintain essential transport services to schools and with those disadvantaged and vulnerable people living in isolated communities throughout the North East of England, especially Northumberland and Tyneside. We have continued to comply with all government health risk advice and control measures in order to provide essential transport services. We have also worked closely with the North East Ambulance Service (NEAS) to provide transport services to and from hospitals and other health care facilities. We have also continued to work closely with GP Practices and Dental Clinics to provide services enabling those people living in the most rurally isolated areas, or who are unable to afford private or public transport, the means to attend vital health appointments.

Although restrictions have continued to be relaxed during the period, we have continued to maintain our own very strict clean down routines of our vehicles on a regular basis. It is to the staff's credit that they have continued to accept the challenge with dedicated professionalism.

The carrying of groups of passengers from care homes and other locations for day trips and ad hoc arrangements, which formed a significant part of our business pre-Covid, has still not recovered to pre-pandemic levels, although there has been a steady increase in individuals and groups using our transport facilities over the year. This slower than hoped for recovery has once again had a significant impact on NEED's financial affairs. The lack of government support during the pandemic left the organisation with significant debt problems, although we are gradually able to pay back our bounce-back and private loans.

The Old Fire Station in Alnwick that we rent from Northumberland County Council (NCC), has been the subject of much discussion during the year. The charity still has an aspiration to purchase the property when the financial climate is more favourable. NEED Ltd has been in discussion with various other charitable sector organisations to use the building to its most mutually beneficial extent. It is once again indebted to NCC for its patience and tolerance in taking into account our financial plight throughout the period. The intention, when the purchase is complete, is still to renovate and refurbish the property to provide affordable office space and facilities for use by some of the other voluntary sector community organisations and social enterprises that we have been in contact with.

In normal times NEED Ltd is 100% fully sustainable and self-sufficient organisation. Even in these difficult trading times, we are looking forward to the new challenges ahead over the next 12 months. I would like to formally thank all NEED Ltd staff, drivers, passenger assistants, and board members for their continued commitment to the organisation.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Use of volunteers

NEED Ltd is fortunate to have a number of volunteers willing to give their time freely to provide governance for the Organisation. This contribution is greatly valued by staff, service users and myself as Chairman of NEED Ltd. I would therefore like to take this opportunity to record my appreciation to these dedicated people.

North East Equality & Diversity Limited

Trustees' Report

Going concern

The preparation of the 1st September 2023 to 31st August 2024 Annual Accounts has been a difficult task. The lifting of restrictions imposed due to the recent Covid-19 pandemic across United Kingdom has helped to improve the financial performance and future planning of the charitable organisation. In particular there is increasing evidence of care homes and community groups starting to recover their confidence and willingness to travel, and in using NEED Ltd.'s services. There has been a noticeable lift in financial performance since these restrictions were eased in the early part of 2022 but regular trips for our historic groups are still not at pre-pandemic levels. NEED Ltd has operated at a minimum staffing level throughout the financial year and has also considerably reduced its vehicle maintenance expenditure by covering an appreciable amount of work in house.

The unforeseen increases in the cost of vehicle parts, their availability and also the availability of vehicle mechanics in garages has resulted in long downtimes of vehicles, necessitating the use of expensive short term lease vehicles. Thankfully, the organisation has still remained resilient, mainly due to the continuing NCC contracts requiring the organisation to provide transport for children to attend school. This has resulted in the financial stability of the organisation, albeit still at a reduced income level.

The added burden of rising fuel prices and volatile national and international economies, mainly due to the various world political situations, has added much financial disruption for the organisation. NEED Ltd is thankful for the uplift in financial support given by the government and NCC that significantly reduced the effects of the volatility of this fuel market.

NEED Ltd has successfully maintained its ISO 9001 certification, a requirement of NCC contracts. We have also maintained our preferred contractor status with NCC, once again achieving the highest score of 98% in their compliance audit. As forecast last year, NCC have recently retendered their school contracts and NEED Ltd was successful in securing 13 of them, each on a 5-year basis, reviewed at 12 monthly intervals. These new contracts have been running since April 2024 and are in addition to the existing 5 SEN contracts that were not out for tender at this time. The new contracts are on a much more flexible and beneficial basis to NEED Ltd when compared to the previous fixed price, fixed term 5-year non-reviewable contracts.

Our contract with North East Ambulance Service (NEAS) to provide patient transport to hospitals has continued throughout the period. There have been unforeseen minor interruptions but we have continued to provide a regular service and in fact have increased our activities, this has been particularly beneficial to those patients on dialysis.

We are confident that the level of travel for a number of groups and individuals will continue to increase in the next few months due to the economic difficulties experienced by larger bus operators, who find it difficult to service remote isolated areas using their larger buses. The number of route miles covered by NEED Ltd shows an increasing trend. We continue to witness an increasing number of enquiries from the community sector in particular. In time, this will undoubtedly increase the income of the organisation and provide growth.

NEED Ltd has therefore adopted a slightly less cautious financial approach to its operations, compared to the previous year. New NCC School 5-year contracts have been secured and we are confident that transport arrangements for care home and community work will continue to recover to near previous historic levels, this we feel bodes well for the future.

North East Equality & Diversity Limited

Trustees' Report

In order to sustain the financial viability of the organisation during the current and subsequent years the following measures have already been taken:-

- We retrained two of our drivers to provide in-house training.
- We have entered into an arrangement with an external organisation to provide further training that cannot presently be delivered by our own staff.
- We've maintained a very much slimmer staffing structure. However, we realise that the present office staff structure of a single post with part time support carries a significant level of risk and vulnerability. Therefore we have introduced mechanisms that mitigate this risk by providing more additional support when required, this we feel provides built-in resilience. The Board of Trustees provides a strategic overview and also shares in some of the day-to-day decision making where necessary.
- Office staff have a wide range of skills that allows them to take on any of the current posts, giving significant flexibility.
- A review of all staff training has been conducted to ensure that all personnel meet the requirements of their posts and continue to develop and extend their skills.
- We've conducted a thorough review of all of our contracts to ensure we fully cover costs and optimise income.
- We've rationalised the types of vehicles within our fleet to be more 'fit for purpose'.
- NEAS continue to require us to operate using 'Ambulance' standard buses that are easier to clean down.
- We have made savings by investing in garage equipment which enables us to carry out some expensive routine servicing and testing of our vehicles in house.
- We're systematically engaged in marketing and networking to attract new business.

The Trustees believe that these measures will create a sustainable and resilient organisation capable of rising to the challenge of this most difficult recovery period and will maintain its viability, even in the event of worsening trading conditions.

Structure, governance and management

Nature of governing document

North East Equality and Diversity Limited (NEED Ltd) is constituted as a registered charity and a company under guarantee in accordance with its Memorandum and Articles of Association dated 16 May 2006 and last amended 25 March 2010.

Induction and training of trustees

New trustees undergo an induction process to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision-making process, the business plan and recent financial performance of the charity. Trustees are encouraged to attend appropriate external training events.

Organisational structure

Day to day management is vested in the Transport Manager of the charity, who meets with the Board of Trustees on the fourth Friday of every month. The Transport Manager meets regularly with the Chair (in addition to the formal meetings) and appraises him of any significant issues that arise between meetings.

North East Equality & Diversity Limited

Trustees' Report

Major risks and management of those risks

Risk Policy

The Trustees are responsible for assessing the major risks to which the charitable company is exposed and for establishing systems to mitigate those risks. They have considered risks which could have a negative effect on the charitable company's ability to pursue its aims, both in terms of the likelihood of these occurring and the probable impact of such events.

The trustees continue to review and monitor these and any new risks and the adequacy of the control systems in place to reduce them.

Financial instruments

Objectives and policies

The charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the charity's policies approved by the board of trustees which provide written principles on the use of financial derivatives to manage those risks. The charity does not use financial instruments for speculative purposes.

Cash flow risk

The charity's activities expose it to primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The charity uses foreign exchange forward contracts and interest rate swap contracts to hedge these exposures.

Interest bearing assets and liabilities are held at fixed rate to ensure certainty of cash flows.

Credit risk

The charity's principle financial assets are bank balances and cash, trade and other receivables, and investments. The charity's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The charity has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the charity uses a mixture of long-term and short-term debt finance.

Further details regarding liquidity risk can be found in the Statement of Accounting Policies in the financial statements.

North East Equality & Diversity Limited

Trustees' Report

Statement of trustees' responsibilities

The trustees (who are also the directors of North East Equality & Diversity Limited for the purposes 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including its income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 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 charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that can 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.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The annual report was approved by the trustees of the charity on 12 May 2025 and signed on its behalf by:

.....
R Styring
Trustee

North East Equality & Diversity Limited

Statement of Financial Activities for the Year Ended 31 August 2024 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Total 2024 £
Income and Endowments from:			
Donations and legacies	3	26,886	26,886
Charitable activities	4	831,674	831,674
Other income	5	<u>1,041</u>	<u>1,041</u>
Total income		<u>859,601</u>	<u>859,601</u>
Expenditure on:			
Charitable activities	6	<u>(922,540)</u>	<u>(922,540)</u>
Total expenditure		<u>(922,540)</u>	<u>(922,540)</u>
Net expenditure		<u>(62,939)</u>	<u>(62,939)</u>
Net movement in funds		(62,939)	(62,939)
Reconciliation of funds			
Total funds brought forward		<u>(158,138)</u>	<u>(158,138)</u>
Total funds carried forward	18	<u>(221,077)</u>	<u>(221,077)</u>
	Note	Unrestricted funds £	Total 2023 £
Income and Endowments from:			
Donations and legacies	3	15,315	15,315
Charitable activities	4	738,486	738,486
Other income	5	<u>905</u>	<u>905</u>
Total income		<u>754,706</u>	<u>754,706</u>
Expenditure on:			
Charitable activities	6	<u>(788,467)</u>	<u>(788,467)</u>
Total expenditure		<u>(788,467)</u>	<u>(788,467)</u>
Net expenditure		<u>(33,761)</u>	<u>(33,761)</u>
Net movement in funds		(33,761)	(33,761)
Reconciliation of funds			
Total funds brought forward		<u>(124,377)</u>	<u>(124,377)</u>
Total funds carried forward	18	<u>(158,138)</u>	<u>(158,138)</u>

All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown for 2023 is shown in note 18.

The notes on pages 11 to 21 form an integral part of these financial statements.

North East Equality & Diversity Limited

(Registration number: 05817797)
Balance Sheet as at 31 August 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	13	137,626	134,620
Current assets			
Debtors	14	22,451	17,781
Cash at bank and in hand	15	<u>50</u>	<u>50</u>
		22,501	17,831
Creditors: Amounts falling due within one year	16	<u>(317,150)</u>	<u>(250,910)</u>
Net current liabilities		<u>(294,649)</u>	<u>(233,079)</u>
Total assets less current liabilities		(157,023)	(98,459)
Creditors: Amounts falling due after more than one year	17	<u>(64,054)</u>	<u>(59,679)</u>
Net liabilities		<u>(221,077)</u>	<u>(158,138)</u>
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		<u>(221,077)</u>	<u>(158,138)</u>
Total funds	18	<u>(221,077)</u>	<u>(158,138)</u>

For the financial year ending 31 August 2024 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements on pages 8 to 21 were approved by the trustees, and authorised for issue on 12 May 2025 and signed on their behalf by:

.....
R Styring
Trustee

The notes on pages 11 to 21 form an integral part of these financial statements.

North East Equality & Diversity Limited

Statement of Cash Flows for the Year Ended 31 August 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash expenditure		(62,939)	(33,761)
Adjustments to cash flows from non-cash items			
Depreciation		46,919	41,314
		(16,020)	7,553
Working capital adjustments			
(Increase)/decrease in debtors	14	(4,670)	35,646
Increase/(decrease) in creditors	16	43,236	(15,011)
Net cash flows from operating activities		22,546	28,188
Cash flows from investing activities			
Purchase of tangible fixed assets	13	(49,925)	(53,959)
Cash flows from financing activities			
Repayment of loans and borrowings	16	8,615	6,226
Repayment of capital element of finance leases and HP contracts		9,108	(7,114)
Net cash flows from financing activities		17,723	(888)
Net decrease in cash and cash equivalents		(9,656)	(26,659)
Cash and cash equivalents at 1 September		(1,243)	25,416
Cash and cash equivalents at 31 August		(10,899)	(1,243)

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 11 to 21 form an integral part of these financial statements.

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2024

1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Old Fire Station
South Road
Alnwick
Northumberland
NE66 2PA

These financial statements were authorised for issue by the trustees on 12 May 2025.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with 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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

North East Equality & Diversity Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

The financial statements have been prepared on a going concern basis.

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2024

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Gift aid

Incoming resources from tax reclaims are included in the Statement of Financial Activities at the same time as the gift to which they relate.

Charitable activities

Income from contracts for supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Other income

Vehicles donated in kind are recognised as voluntary income when there is evidence of entitlement to the gift, receipt is probable and the amount can be measured reliably. The vehicle is capitalised as a tangible fixed asset using the cost value (which is equivalent to the income recognised). Where there is a restriction of purpose or use ongoing, then the income and the asset are recognised within restricted funds.

Income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received, if the value can be reliably measured. No amounts are included for the contribution of general volunteers.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable 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.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2024

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £250.00 or more are initially recorded at cost.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Motor vehicles	Over 7 years straight line
Plant and machinery	Over 5 years straight line
Office equipment	Over 5 years straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2024

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Pensions and other post retirement obligations

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Income from donations and legacies

	Unrestricted funds General £	Total 2024 £	Total 2023 £
Donations and legacies;			
Donations from individuals	500	500	14,500
Regular giving and capital donations	26,386	26,386	815
	<u>26,886</u>	<u>26,886</u>	<u>15,315</u>

4 Income from charitable activities

	Unrestricted funds General £	Total 2024 £	Total 2023 £
	<u>831,674</u>	<u>831,674</u>	<u>738,486</u>

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2024

5 Other income

	Unrestricted funds General £	Total 2024 £	Total 2023 £
Other trading income	1,041	1,041	905

6 Expenditure on charitable activities

	Note	Unrestricted General £	Total 2024 £	Total 2023 £
Community transport services		397,252	397,252	358,969
Staff costs		478,940	478,940	398,203
Allocated support costs		38,744	38,744	25,493
Governance costs	7	7,604	7,604	5,802
		922,540	922,540	788,467

**Total
expenditure
£**

In addition to the expenditure analysed above, there are also governance costs of £7,604 (2023 - £5,802) which relate directly to charitable activities. See note 7 for further details.

7 Analysis of governance costs

Governance costs

	Unrestricted funds General £	Total 2024 £	Total 2023 £
Independent examiner fees			
Examination of the financial statements	3,450	3,450	2,015
Legal fees	4,154	4,154	3,787
	7,604	7,604	5,802

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2024

8 Net incoming/outgoing resources

Net (incoming)/outgoing resources for the year include:

	2024 £	2023 £
Operating leases - plant and machinery	-	10,728
Operating leases - other assets	7,513	3,570
Depreciation of fixed assets	44,928	41,313

9 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

10 Staff costs

The aggregate payroll costs were as follows:

	2024 £	2023 £
Staff costs during the year were:		
Wages and salaries	453,737	381,055
Social security costs	20,082	12,980
Pension costs	5,121	4,168
	478,940	398,203

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2024 No	2023 No
Staff employed	36	35

No employee received emoluments of more than £60,000 during the year.

11 Independent examiner's remuneration

	2024 £	2023 £
Examination of the financial statements	3,450	2,015

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2024

12 Taxation

The charity is a registered charity and is therefore exempt from taxation.

13 Tangible fixed assets

	Furniture and equipment £	Motor vehicles £	Total £
Cost			
At 1 September 2023	7,886	470,673	478,559
Additions	-	49,925	49,925
At 31 August 2024	<u>7,886</u>	<u>520,598</u>	<u>528,484</u>
Depreciation			
At 1 September 2023	4,898	339,041	343,939
Charge for the year	1,192	45,727	46,919
At 31 August 2024	<u>6,090</u>	<u>384,768</u>	<u>390,858</u>
Net book value			
At 31 August 2024	<u>1,796</u>	<u>135,830</u>	<u>137,626</u>
At 31 August 2023	<u>2,988</u>	<u>131,632</u>	<u>134,620</u>

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2024

Assets held under finance leases and hire purchase contracts

The net carrying amount of tangible assets includes the following amounts in respect of assets held under finance leases and hire purchase contracts:

	2024 £	2023 £
Motor vehicles	<u>57,197</u>	<u>79,128</u>

14 Debtors

	2024 £	2023 £
Trade debtors	11,292	7,234
Prepayments	1,035	425
Other debtors	<u>10,124</u>	<u>10,122</u>
	<u>22,451</u>	<u>17,781</u>

15 Cash and cash equivalents

	2024 £	2023 £
Cash on hand	50	50
Bank overdrafts	<u>(10,949)</u>	<u>(1,293)</u>
Cash and cash equivalents in statement of cash flows	<u>(10,899)</u>	<u>(1,243)</u>

16 Creditors: amounts falling due within one year

	2024 £	2023 £
Bank overdrafts	10,949	1,293
Bank loans	5,956	5,882
Trade creditors	-	6,460
Other loans	131,426	112,206
Hire purchase and finance leases	22,660	28,606
Other taxation and social security	160,674	148,100
VAT repayable	(23,198)	(52,806)
Other creditors	1	(1)
Accruals	<u>8,682</u>	<u>1,170</u>
	<u>317,150</u>	<u>250,910</u>

Bank borrowings

Bounce back loan is denominated in with a nominal interest rate of 2.8% (2023 - £3), and the final instalment is due on 30 June 2030. The carrying amount at year end is £34,314 (2023 - £40,196).

Other borrowings

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2024

North Star loan with a carrying amount of £5,708 (2023 - £11,673) is denominated in with a nominal interest rate of 6% (2023 - 6%). The final instalment is due on 28 February 2025.

17 Creditors: amounts falling due after one year

	2024 £	2023 £
Bank loans	28,788	34,314
Other loans	-	5,153
Hire purchase and finance leases	35,266	20,212
	<u>64,054</u>	<u>59,679</u>

Included in the creditors are the following amounts due after more than five years:

	2024 £	2023 £
After more than five years by instalments	<u>(4,902)</u>	<u>(10,784)</u>

Bank loans and overdrafts after five years

Amounts due in more than five years relate to bank loans, which are due to be repaid by June 2030. The rate of interest on this bank loan is 2.79%.

18 Funds

	Balance at 1 September 2023 £	Incoming resources £	Resources expended £	Balance at 31 August 2024 £
Unrestricted funds				
General	<u>(158,138)</u>	<u>859,601</u>	<u>(922,540)</u>	<u>(221,077)</u>

	Balance at 1 September 2022 £	Incoming resources £	Resources expended £	Balance at 31 August 2023 £
Unrestricted funds				
General	<u>(124,377)</u>	<u>754,706</u>	<u>(788,467)</u>	<u>(158,138)</u>

19 Analysis of net assets between funds

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2024

	Unrestricted funds General £	Total funds at 31 August 2024 £
Tangible fixed assets	137,626	137,626
Current assets	22,501	22,501
Current liabilities	(317,150)	(317,150)
Creditors over 1 year	(64,054)	(64,054)
Total net assets	<u>(221,077)</u>	<u>(221,077)</u>
	Unrestricted funds General £	Total funds at 31 August 2023 £
Tangible fixed assets	134,620	134,620
Current assets	17,831	17,831
Current liabilities	(250,910)	(250,910)
Creditors over 1 year	(59,679)	(59,679)
Total net assets	<u>(158,138)</u>	<u>(158,138)</u>

20 Analysis of net funds

	At 1 September 2023 £	Financing cash flows £	New HP contracts £	At 31 August 2024 £
Cash at bank and in hand	50	-	-	50
Bank overdraft	(1,293)	(9,656)	-	(10,949)
	(1,243)	(9,656)	-	(10,899)
Debt due within one year	(118,089)	(4,338)	-	(122,427)
Debt due after more than one year	(39,467)	11,035	-	(28,432)
Finance leases and hire purchase contracts	(48,818)	34,080	(43,188)	(57,926)
Net debt	(207,617)	31,121	(43,188)	(219,684)
		At 1 September 2022 £	Financing cash flows £	At 31 August 2023 £
Cash at bank and in hand		25,416	(25,366)	50
Bank overdraft		-	(1,293)	(1,293)
		25,416	(26,659)	(1,243)
Debt due within one year		(101,054)	(17,035)	(118,089)
Debt due after more than one year		(50,276)	10,809	(39,467)
Finance leases and hire purchase contracts		(55,932)	7,114	(48,818)
Net debt		(181,846)	(25,771)	(207,617)

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2024

21 Related party transactions

During the year the charity made the following related party transactions:

VETRA Limited

The charitable company is the only member of VETRA Limited, a company limited by guarantee. VETRA Limited remained dormant throughout the financial period. Payments on behalf of VETRA Limited were made of £nil in the period (2023 - £360).

At the balance sheet date the amount due from VETRA Limited was £360 (2023 - £360).

C Watson

During the financial period, the former Finance Officer has given the charitable company interest free loans of £nil (2023 - £nil) and been repaid loans of £nil (2023 - £nil).

The loans are interest free and repayable on demand.

At the balance sheet date the amount due to C Watson was £9,091 (2023 - £9,091).

J Robb

During the financial period, the employee has given the charitable company interest free loans of £150 (2023 - £650) and been repaid loans of £nil (2023 - £400).

The loans are interest free and repayable on demand.

At the balance sheet date the amount due to J Robb was £400 (2023 - £250).

R Styring

During the financial period, the Chairman has given the charitable company interest free loans of £34,908 (2023 - £33,500) and been repaid loans of £15,000 (2023 - £17,000).

The loans are interest free and repayable on demand.

At the balance sheet date the amount due to R Styring was £116,254 (2023 - £96,346).

North East Equality & Diversity Limited

Detailed Statement of Financial Activities for the Year Ended 31 August 2024

	Total 2024 £	Total 2023 £
Income and Endowments from:		
Donations and legacies (analysed below)	26,886	15,315
Charitable activities (analysed below)	831,674	738,486
Other income (analysed below)	1,041	905
	<u>859,601</u>	<u>754,706</u>
Total income		
	<u>859,601</u>	<u>754,706</u>
Expenditure on:		
Charitable activities (analysed below)	(922,540)	(788,467)
	<u>(922,540)</u>	<u>(788,467)</u>
Total expenditure		
	<u>(922,540)</u>	<u>(788,467)</u>
Net expenditure		
	<u>(62,939)</u>	<u>(33,761)</u>
Net movement in funds		
	(62,939)	(33,761)
Reconciliation of funds		
Total funds brought forward	(158,138)	(124,377)
	<u>(158,138)</u>	<u>(124,377)</u>
Total funds carried forward	<u>(221,077)</u>	<u>(158,138)</u>

North East Equality & Diversity Limited

Detailed Statement of Financial Activities for the Year Ended 31 August 2024

	Total 2024 £	Total 2023 £
<i>Donations and legacies</i>		
Appeals and donations	500	14,500
Subscriptions	2,118	815
Sponsorship	24,268	-
	<u>26,886</u>	<u>15,315</u>
<i>Charitable activities</i>		
NCC school contract	685,498	624,075
Brokerage income	9,700	14,637
NEAS contract	93,259	88,271
Dial a Ride	31,625	5,683
Need a Car	3,761	5,820
Community Transport	7,831	-
	<u>831,674</u>	<u>738,486</u>
<i>Other income</i>		
Other income	1,041	905
	<u>1,041</u>	<u>905</u>
<i>Charitable activities</i>		
Depreciation of motor vehicles	(45,727)	(40,121)
Wages and salaries	(453,737)	(381,055)
Staff NIC (Employers)	(20,082)	(12,980)
Staff pensions (Defined contribution) - pension scheme 1	(5,121)	(4,168)
Staff training	(645)	(195)
Volunteer expenses	(788)	(1,104)
Rent and rates	(4,675)	(5,955)
Light, heat and power	(4,571)	-
Insurance	(2,145)	(1,815)
Repairs and maintenance	(2,262)	(1,186)
Repairs and renewals	(192)	(493)
Telephone and computer costs	(12,500)	(9,289)
Office expenses	(1,622)	(2,477)
Trade subscriptions	(855)	(1,506)
Hire of other assets (Operating leases)	(7,513)	(3,570)
Motor expenses	(8,916)	(8,749)
Petrol or diesel	(91,951)	(89,417)
Motor insurance	(42,806)	(41,721)
Motor repairs and renewals	(120,307)	(118,471)
Car hire and leasing expenses (Spot hire)	(46,956)	(25,641)

This page does not form part of the statutory financial statements.

North East Equality & Diversity Limited

Detailed Statement of Financial Activities for the Year Ended 31 August 2024

	Total 2024 £	Total 2023 £
Travel and subsistence	(4,154)	(1,697)
Advertising	-	(250)
Legal and professional fees	(6,608)	(6,443)
Bad debts written off	(6,740)	(3,426)
Bank interest payable	(3,456)	(1,201)
Other interest payable	(10,421)	(6,354)
Hire purchase interest	(7,072)	(10,375)
Depreciation of plant and machinery	(1,192)	(1,192)
Loan interest	(1,922)	(1,814)
Independent examiner's fee	(3,450)	(2,015)
Legal and professional fees	(4,154)	(3,787)
	<u>(922,540)</u>	<u>(788,467)</u>

This page does not form part of the statutory financial statements.

NORTH EAST EQUALITY & DIVERSITY LIMITED

England & Wales - Charity number 1120968

Accounts

Company registration number: 05817797

Charity registration number: 1120968

North East Equality & Diversity Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2023

Wellway Accountants Limited
Borough Hall
Wellway
Morpeth
Northumberland
NE61 1BN

North East Equality & Diversity Limited

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North East Equality & Diversity Limited

Reference and Administrative Details

Trustees	R Styring H Pottle P Hignett
Secretary	J Robb
Senior Management / Leadership Team	J Robb
Registered Office	Old Fire Station South Road Alnwick Northumberland NE66 2PA
Company Registration Number	05817797
Charity Registration Number	1120968
Solicitors:	Ward Hadaway Sandgate House 102 Quayside Newcastle upon Tyne Tyne & Wear NE1 3DX
Bankers	Lloyds TSB Newcastle 102 Grey Street Newcastle Upon Tyne Tyne & Wear NE1 6AG
Independent Examiner	Wellway Accountants Limited Borough Hall Wellway Morpeth Northumberland NE61 1BN

North East Equality & Diversity Limited

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 August 2023.

Objectives and activities

Objects and aims

The object of the charitable company is:

The promotion of equality and diversity for the public benefit in the North East of England and the Borders Region by;

- a) advancing education and raising awareness in equality and diversity
- b) promoting activities to foster understanding between people from diverse backgrounds
- c) providing comprehensive advice and support through giving advice, representation and advocacy

Fundraising disclosures

The charity does not use a professional fundraiser or commercial participator to raise funds. Any monies raised from the public follows all guidance set out by the Charities Commission and UK law in every respect. We respect the privacy and contact preferences of all public donors.

North East Equality & Diversity Limited

Trustees' Report

Public benefit

NEED Ltd provides a community transport service to the inhabitants of the United Kingdom who are in need of these services because of age, sickness or disability (mental and physical), or poverty, or because of a lack of availability of adequate and safe passenger public services. It is recognised for providing excellent services to our users. This is undoubtedly due to the dedication of our Board of Directors (Trustees) and staff. Our Private Vehicle Operator Licences have given us the ability to provide transport in remote rural areas where roads are too narrow for larger minibuses, and in particular access to rural farmsteads.

This year has seen a slight recovery from the after effects of the government restrictions introduced both nationally and locally to control the pandemic caused by Covid 19. We have continued to work closely with Northumberland County Council (NCC) to maintain essential transport services to schools and with those disadvantaged and vulnerable people living in isolated communities throughout the North East of England, especially Northumberland and Tyneside. We have continued to comply with the various government health risk control measures in order to provide essential transport services. We have also worked closely with the North East Ambulance Service (NEAS) to provide transport services to and from hospitals and other health care facilities. We have also continued to work closely with GP Practices and Dental Clinics to provide services enabling those people living in the most rurally isolated areas, or who are unable to afford private or public transport, the means to attend vital health appointments.

Although restrictions have been eased during the period, this has remained a difficult time for our staff. We have continued to maintain our very strict clean down routines of our vehicles on a regular basis. It is to their credit that they have accepted the challenge with dedicated professionalism. Needless to say, these measures have added a significant financial burden to the organisation.

The carrying of groups of passengers from care homes and other locations for day trips and ad hoc arrangements, which formed a significant part of our business pre-Covid still has not recovered to its previous levels, although there has been an increase in individuals being transported from these facilities. This slow recovery has once again had a significant impact on NEED's financial wellbeing. The submission of a number of applications for support from government sources did not meet their criteria and the organisation was almost entirely reliant on the previously negotiated bounce back loan facility and from individual loans.

The Old Fire Station in Alnwick that we rent from Northumberland County Council (NCC), has been the subject of much discussion. The charity still has an aspiration to purchase the property when the financial climate is more favourable. NEED Ltd has been in discussion with various other charitable sector organisations to use the building to its most mutually beneficial extent. It is once again indebted to NCC for its patience and tolerance in taking into account our financial plight throughout the period. The intention, when the purchase is complete, is still to renovate and refurbish the property to provide affordable office space and facilities for use by some of the voluntary sector community organisations and social enterprises that we have been in contact with.

In normal times NEED Ltd is 100% fully sustainable and self-sufficient organisation. Even in these difficult trading times, we are looking forward to the new challenges ahead over the next 12 months. I would like to formally thank all NEED Ltd staff, drivers, passenger assistants, and board members for their continued commitment to the organisation.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Use of volunteers

NEED Ltd is fortunate to have a number of volunteers willing to give their time freely to provide governance for the Organisation. This contribution is greatly valued by staff, service users and myself as Chairman of NEED Ltd. I would therefore like to take this opportunity to record my appreciation to these dedicated people.

North East Equality & Diversity Limited

Trustees' Report

Going concern

The preparation of the 1st September 2022 to 31st August 2023 of the Annual Accounts has been a difficult task. The easing of restrictions imposed due to the recent coronavirus pandemic across United Kingdom has helped to slightly improve the financial performance and future planning of the charitable organisation. In particular there is increasing evidence of care homes and community groups starting to recover their confidence in using NEED Ltd.'s services. There has been a noticeable lift in financial performance since these restrictions were eased in the early part of 2022 but regular trips for our historic groups are still not at pre-pandemic levels. NEED Ltd has operated at a minimum staffing level throughout the financial year and has also reduced its vehicle maintenance expenditure by covering some of costs in house.

The unforeseen increases in the cost of vehicle parts, their availability and also the availability of vehicle mechanics in garages has resulted in long downtimes of vehicles, necessitating the use of expensive short term lease vehicles. Thankfully, the organisation has still remained resilient, mainly due to the continuing NCC contracts requiring the organisation to provide transport for children to attend school. This has resulted in the financial stability of the organisation, albeit still at a reduced income level for the time being.

The added burden of rising fuel prices and volatile national and international economies, mainly due to the various world political situations, has added much financial disruption for the organisation. NEED Ltd is thankful for the uplift in financial support given by the government and NCC that significantly reduced the effects of the volatility of this fuel market.

NEED has successfully maintained its ISO 9001 certification, a requirement of NCC contracts. We have also maintained our preferred contractor status with NCC, once again achieving 98% in their compliance audit. This stands us in good stead for future contracts, our present 5 year fixed price contracts are coming to an end during the next financial year and we look forward to submitting new tenders.

Our contract with North East Ambulance Service (NEAS) to provide patient transport to hospitals has continued throughout the period. There have been unforeseen minor interruptions but we have continued to provide a regular service and in fact have increased our activities, this has been particularly beneficial to those patients on dialysis.

We are confident that the level of travel for a number of groups and individuals will continue to increase in the next few weeks and months, the number of route miles covered by the organisation shows an increasing trend. We are at last witnessing an increasing number of enquiries from the community sector in particular. This will increase the income of the organisation and provide a growth. The uncertainty around this remains a concern, therefore we have still adopted a slightly pessimistic approach in financial terms to this part of our operation.

We have made certain assumptions to enable NEED Ltd to make a prudent financial forecast for the next twelve months. Two scenarios have been considered;-

1. We expect that NCC school transport arrangements will be maintained at our current level of 14 NCC contracts and that the present 3 SEN contracts will continue for the forecast period. Care home and community transport will continue at a low level. NEAS contract work will continue at its present level. This represents a worst case scenario.
2. A slightly less cautious approach in that NCC School transport arrangements will increase due to new contract work being awarded. Care home and community work will recover to near previous historic levels.

We have adopted measures that will cope with either of these scenarios.

North East Equality & Diversity Limited

Trustees' Report

In order to sustain the financial viability of the organisation during the current and subsequent years the following measures have already been taken:-

- We retrained two of our drivers to provide in-house training.
- We have entered into an arrangement with an external organisation to provide further training that cannot presently be delivered by our own staff.
- We've implemented a very much slimmer staffing structure. The present office staff structure of a single post and part time support that operates on a much-increased level of risk. There are mechanisms in place that provide more additional support when required, this provides built-in resilience. The Board of Trustees provides a strategic overview and also shares in some of the day-to-day decision making where necessary.
- Office staff have a wide range of skills that allows them to take on any of the current posts, giving significant flexibility.
- A review of all staff training has been conducted to ensure that all personnel meet the requirements of their posts and continue to develop and extend their skills.
- We've conducted a thorough review of all of our contracts to ensure we fully cover costs and optimise income.
- We've rationalised the types of vehicles within our fleet to be more 'fit for purpose'.
- NEAS continue to require us to operate using 'Ambulance' standard buses that are easier to clean down.
- We have made savings by investing in garage equipment which enables us to carry out some expensive routine servicing and testing of our vehicles in house.
- We're systematically engaged in marketing and networking to attract new business.
- We're actively seeking further grant funding to help support the charity through these continuing difficult and uncertain times.

The Trustees believe that these measures will create a sustainable and resilient organisation capable of rising to the challenge of this most difficult period, and maintaining its viability even in the worst-case scenario.

Structure, governance and management

Nature of governing document

North East Equality and Diversity Limited is constituted as a registered charity and a company under guarantee in accordance with its Memorandum and Articles of Association dated 16 May 2006 and last amended 25 March 2010.

Induction and training of trustees

New trustees, undergo an induction process to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making processes, the business plan and recent financial performance of the charity. Trustees are encouraged to attend appropriate external training events.

Organisational structure

Day to day management is vested in a professional team led by the Transport Manager of the charity, who meets with the Board of Trustees on the fourth Thursday of every month. The Transport Manager meets regularly with the Chair (in addition to the formal meetings) and appraises him of any significant issues that arise between meetings.

North East Equality & Diversity Limited

Trustees' Report

Major risks and management of those risks

Risk Policy

The trustees are responsible for assessing the major risks to which the charitable company is exposed, and for establishing systems to mitigate those risks, they have considered risks which could have a negative effect on the charitable company's ability to pursue its aims, both in terms of the likelihood of these occurring and probable impact of such events.

The trustees continue to review and monitor these risks, and the adequacy of the systems in place to reduce them.

Financial instruments

Objectives and policies

The charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the charity's policies approved by the board of trustees, which provide written principles on the use of financial derivatives to manage these risks. The charity does not use derivative financial instruments for speculative purposes.

Cash flow risk

The charity's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The charity uses foreign exchange forward contracts and interest rate swap contracts to hedge these exposures.

Interest bearing assets and liabilities are held at fixed rate to ensure certainty of cash flows.

Credit risk

The charity's principal financial assets are bank balances and cash, trade and other receivables, and investments. The charity's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The charity has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the charity uses a mixture of long-term and short-term debt finance.

Further details regarding liquidity risk can be found in the Statement of accounting policies in the financial statements.

Statement of trustees' responsibilities

The trustees (who are also the directors of North East Equality & Diversity Limited for the purposes 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including its income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

North East Equality & Diversity Limited

Trustees' Report

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 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 charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that can 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.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The annual report was approved by the trustees of the charity on 27 June 2024 and signed on its behalf by:

.....
R Styring
Trustee

North East Equality & Diversity Limited

Independent Examiner's Report to the trustees of North East Equality & Diversity Limited ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 August 2023.

Responsibilities and basis of report

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

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

Independent examiner's statement

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

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

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

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

.....
R Thompson
ICAEW
FCA BA(Hons) AIFP
Borough Hall
Wellway
Morpeth
Northumberland
NE61 1BN

27 June 2024

North East Equality & Diversity Limited

Statement of Financial Activities for the Year Ended 31 August 2023 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Total 2023 £
Income and Endowments from:			
Donations and legacies	3	15,315	15,315
Charitable activities	4	738,486	738,486
Other income	5	905	905
Total income		<u>754,706</u>	<u>754,706</u>
Expenditure on:			
Charitable activities	6	<u>(788,467)</u>	<u>(788,467)</u>
Total expenditure		<u>(788,467)</u>	<u>(788,467)</u>
Net expenditure		<u>(33,761)</u>	<u>(33,761)</u>
Net movement in funds		(33,761)	(33,761)
Reconciliation of funds			
Total funds brought forward		<u>(124,377)</u>	<u>(124,377)</u>
Total funds carried forward	20	<u>(158,138)</u>	<u>(158,138)</u>
	Note	Unrestricted funds £	Total 2022 £
Income and Endowments from:			
Donations and legacies	3	25,276	25,276
Charitable activities	4	650,599	650,599
Other income	5	420	420
Total income		<u>676,295</u>	<u>676,295</u>
Expenditure on:			
Charitable activities	6	<u>(662,357)</u>	<u>(662,357)</u>
Total expenditure		<u>(662,357)</u>	<u>(662,357)</u>
Net income		<u>13,938</u>	<u>13,938</u>
Net movement in funds		13,938	13,938
Reconciliation of funds			
Total funds brought forward		<u>(138,315)</u>	<u>(138,315)</u>
Total funds carried forward	20	<u>(124,377)</u>	<u>(124,377)</u>

All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown for 2022 is shown in note 20.

The notes on pages 12 to 23 form an integral part of these financial statements.

North East Equality & Diversity Limited

(Registration number: 05817797)
Balance Sheet as at 31 August 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	13	134,620	121,975
Current assets			
Debtors	14	17,781	53,427
Cash at bank and in hand	15	50	25,416
		17,831	78,843
Creditors: Amounts falling due within one year	16	(250,910)	(255,273)
Net current liabilities		(233,079)	(176,430)
Total assets less current liabilities		(98,459)	(54,455)
Creditors: Amounts falling due after more than one year	17	(59,679)	(69,922)
Net liabilities		(158,138)	(124,377)
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		(158,138)	(124,377)
Total funds	20	(158,138)	(124,377)

For the financial year ending 31 August 2023 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements on pages 9 to 23 were approved by the trustees, and authorised for issue on 27 June 2024 and signed on their behalf by:

.....
R Styring
Trustee

The notes on pages 12 to 23 form an integral part of these financial statements.

North East Equality & Diversity Limited

Statement of Cash Flows for the Year Ended 31 August 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash (expenditure)/income		(33,761)	13,938
Adjustments to cash flows from non-cash items			
Depreciation		41,314	41,767
Profit on disposal of tangible fixed assets		-	(916)
		<u>7,553</u>	<u>54,789</u>
Working capital adjustments			
Decrease/(increase) in debtors	14	35,646	(34,118)
(Decrease)/increase in creditors	16	<u>(15,011)</u>	<u>46,368</u>
Net cash flows from operating activities		<u>28,188</u>	<u>67,039</u>
Cash flows from investing activities			
Purchase of tangible fixed assets	13	(53,959)	-
Sale of tangible fixed assets		-	917
Net cash flows from investing activities		<u>(53,959)</u>	<u>917</u>
Cash flows from financing activities			
Repayment of loans and borrowings	16	6,226	(1,594)
Repayment of capital element of finance leases and HP contracts	18	<u>(7,114)</u>	<u>(43,619)</u>
Net cash flows from financing activities		<u>(888)</u>	<u>(45,213)</u>
Net (decrease)/increase in cash and cash equivalents		(26,659)	22,743
Cash and cash equivalents at 1 September		<u>25,416</u>	<u>2,673</u>
Cash and cash equivalents at 31 August		<u>(1,243)</u>	<u>25,416</u>

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 12 to 23 form an integral part of these financial statements.

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2023

1 Charity status

The charity is limited by guarantee, incorporated in , and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Old Fire Station
South Road
Alnwick
Northumberland
NE66 2PA

These financial statements were authorised for issue by the trustees on 27 June 2024.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with 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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

North East Equality & Diversity Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

The financial statements have been prepared on a going concern basis.

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2023

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Gift aid

Incoming resources from tax reclaims are included in the Statement of Financial Activities at the same time as the gift to which they relate.

Charitable activities

Income from contracts for supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Other income

Vehicles donated in kind are recognised as voluntary income when there is evidence of entitlement to the gift, receipt is probable and the amount can be measured reliably. The vehicle is capitalised as a tangible fixed asset using the cost value (which is equivalent to the income recognised). Where there is a restriction of purpose or use ongoing, then the income and the asset are recognised within restricted funds.

Income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received, if the value can be reliably measured. No amounts are included for the contribution of general volunteers.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable 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.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2023

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £250.00 or more are initially recorded at cost.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Motor vehicles	Over 7 years straight line
Plant and machinery	Over 5 years straight line
Office equipment	Over 5 years straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2023

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Pensions and other post retirement obligations

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Income from donations and legacies

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Donations and legacies;			
Donations from individuals	14,500	14,500	-
Regular giving and capital donations	815	815	25,276
	<u>15,315</u>	<u>15,315</u>	<u>25,276</u>

4 Income from charitable activities

	Unrestricted funds General £	Total 2023 £	Total 2022 £
	<u>738,486</u>	<u>738,486</u>	<u>650,599</u>

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2023

5 Other income

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Other trading income	905	905	420

6 Expenditure on charitable activities

	Note	Unrestricted General £	Total 2023 £	Total 2022 £
Community transport services		358,969	358,969	287,256
Staff costs		398,203	398,203	339,009
Allocated support costs		25,493	25,493	24,632
Governance costs	7	5,802	5,802	11,460
		<u>788,467</u>	<u>788,467</u>	<u>662,357</u>

**Total
expenditure
£**

In addition to the expenditure analysed above, there are also governance costs of £5,802 (2022 - £11,460) which relate directly to charitable activities. See note 7 for further details.

7 Analysis of governance costs

Governance costs

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Staff costs			
Wages and salaries	-	-	3,894
Independent examiner fees			
Examination of the financial statements	2,015	2,015	1,065
Other fees paid to examiners	-	-	1,450
Legal fees	3,787	3,787	4,767
Depreciation, amortisation and other similar costs	-	-	1
Other governance costs	-	-	283
	<u>5,802</u>	<u>5,802</u>	<u>11,460</u>

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2023

8 Net incoming/outgoing resources

Net (incoming)/outgoing resources for the year include:

	2023 £	2022 £
Operating leases - plant and machinery	10,728	41,262
Operating leases - other assets	3,570	5,319
Profit on disposal of tangible fixed assets	-	(916)
Depreciation of fixed assets	<u>41,313</u>	<u>41,767</u>

9 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

10 Staff costs

The aggregate payroll costs were as follows:

	2023 £	2022 £
Staff costs during the year were:		
Wages and salaries	381,055	332,075
Social security costs	12,980	7,671
Pension costs	<u>4,168</u>	<u>3,157</u>
	<u>398,203</u>	<u>342,903</u>

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2023 No	2022 No
Staff employed	<u>35</u>	<u>38</u>

No employee received emoluments of more than £60,000 during the year.

11 Independent examiner's remuneration

	2023 £	2022 £
Examination of the financial statements	<u>2,015</u>	<u>1,065</u>
Other fees to examiners		
All other services	<u>-</u>	<u>1,450</u>

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2023

12 Taxation

The charity is a registered charity and is therefore exempt from taxation.

13 Tangible fixed assets

	Furniture and equipment £	Motor vehicles £	Total £
Cost			
At 1 September 2022	7,886	416,714	424,600
Additions	<u>-</u>	<u>53,959</u>	<u>53,959</u>
At 31 August 2023	<u>7,886</u>	<u>470,673</u>	<u>478,559</u>
Depreciation			
At 1 September 2022	3,706	298,919	302,625
Charge for the year	<u>1,192</u>	<u>40,122</u>	<u>41,314</u>
At 31 August 2023	<u>4,898</u>	<u>339,041</u>	<u>343,939</u>
Net book value			
At 31 August 2023	<u><u>2,988</u></u>	<u><u>131,632</u></u>	<u><u>134,620</u></u>
At 31 August 2022	<u><u>4,180</u></u>	<u><u>117,795</u></u>	<u><u>121,975</u></u>

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2023

Assets held under finance leases and hire purchase contracts

The net carrying amount of tangible assets includes the following amounts in respect of assets held under finance leases and hire purchase contracts:

	2023 £	2022 £
Motor vehicles	<u>79,128</u>	<u>88,270</u>

14 Debtors

	2023 £	2022 £
Trade debtors	7,234	38,292
Prepayments	425	15,135
Other debtors	<u>10,122</u>	<u>-</u>
	<u>17,781</u>	<u>53,427</u>

15 Cash and cash equivalents

	2023 £	2022 £
Cash on hand	50	50
Cash at bank	<u>-</u>	<u>25,366</u>
	50	25,416
Bank overdrafts	<u>(1,293)</u>	<u>-</u>
Cash and cash equivalents in statement of cash flows	<u>(1,243)</u>	<u>25,416</u>

16 Creditors: amounts falling due within one year

	2023 £	2022 £
Bank overdrafts	1,293	-
Bank loans	5,882	5,882
Trade creditors	6,460	25,912
Other loans	112,206	95,171
Hire purchase and finance leases	28,606	36,286
Other taxation and social security	148,100	97,678
VAT repayable	(52,806)	(9,893)
Other creditors	(1)	1,722
Accruals	<u>1,170</u>	<u>2,515</u>
	<u>250,910</u>	<u>255,273</u>

Bank borrowings

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2023

Bounce back loan is denominated in with a nominal interest rate of 2.5% (2022 - £3), and the final instalment is due on 30 June 2030. The carrying amount at year end is £40,196 (2022 - £46,079).

Other borrowings

North Star loan with a carrying amount of £11,673 (2022 - £16,315) is denominated in with a nominal interest rate of 6% (2022 - 6%). The final instalment is due on 28 February 2025.

17 Creditors: amounts falling due after one year

	2023 £	2022 £
Bank loans	34,314	40,196
Other loans	5,153	10,080
Hire purchase and finance leases	20,212	19,646
	<u>59,679</u>	<u>69,922</u>

Included in the creditors are the following amounts due after more than five years:

	2023 £	2022 £
After more than five years by instalments	<u>(10,784)</u>	<u>(16,667)</u>

Bank loans and overdrafts after five years

Amounts due in more than five years relate to bank loans, which are due to be repaid by June 2030. The rate of interest on this bank loan is 2.5%.

18 Obligations under leases and hire purchase contracts

The total value of future minimum lease payments was as follows:

	2023 £	2022 £
Within one year	(3,895)	(15,244)
In two to five years	<u>(9,089)</u>	<u>(11,685)</u>
	<u>(12,984)</u>	<u>(26,929)</u>

19 Commitments

Capital commitments

The company has non-cancellable operating leases.

The total amount contracted for but not provided in the financial statements was £Nil (2022 - £11,349).

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2023

20 Funds

	Balance at 1 September 2022 £	Incoming resources £	Resources expended £	Balance at 31 August 2023 £
Unrestricted funds				
General	<u>(124,377)</u>	<u>754,706</u>	<u>(788,467)</u>	<u>(158,138)</u>

	Balance at 1 September 2021 £	Incoming resources £	Resources expended £	Balance at 31 August 2022 £
Unrestricted funds				
General	<u>(138,315)</u>	<u>676,295</u>	<u>(662,357)</u>	<u>(124,377)</u>

21 Analysis of net assets between funds

	Unrestricted funds General £	Total funds at 31 August 2023 £
Tangible fixed assets	134,620	134,620
Current assets	17,831	17,831
Current liabilities	(250,910)	(250,910)
Creditors over 1 year	<u>(59,679)</u>	<u>(59,679)</u>
Total net assets	<u>(158,138)</u>	<u>(158,138)</u>
	Unrestricted funds General £	Total funds at 31 August 2022 £
Tangible fixed assets	121,975	121,975
Current assets	78,843	78,843
Current liabilities	(255,273)	(255,273)
Creditors over 1 year	<u>(69,922)</u>	<u>(69,922)</u>
Total net assets	<u>(124,377)</u>	<u>(124,377)</u>

22 Analysis of net funds

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2023

	At 1 September 2022 £	Financing cash flows £	At 31 August 2023 £
Cash at bank and in hand	25,416	(26,659)	(1,243)
Debt due within one year	(101,054)	(17,035)	(118,089)
Debt due after more than one year	(50,276)	10,809	(39,467)
Finance leases and hire purchase contracts	(55,932)	7,114	(48,818)
Net debt	<u>(181,846)</u>	<u>(25,771)</u>	<u>(207,617)</u>

	At 1 September 2021 £	Financing cash flows £	At 31 August 2022 £
Cash at bank and in hand	2,673	22,742	25,415
Debt due within one year	(91,382)	(9,672)	(101,054)
Debt due after more than one year	(61,541)	11,265	(50,276)
Finance leases and hire purchase contracts	(99,551)	43,619	(55,932)
Net debt	<u>(249,801)</u>	<u>67,954</u>	<u>(181,847)</u>

23 Related party transactions

During the year the charity made the following related party transactions:

VETRA Limited

The charitable company is the only member of VETRA Limited, a company limited by guarantee. VETRA Limited remained dormant throughout the financial period. Payments on behalf of VETRA Limited were made of £360 in the period (2022 - £nil).

At the balance sheet date the amount due from VETRA Limited was £360 (2022 - £Nil).

C Watson

During the financial period, the former Finance Officer has given the charitable company interest free loans of £nil (2022 - £nil) and been repaid loans of £0 (2022 - £800).

The loans are interest free and repayable on demand.

At the balance sheet date the amount due to C Watson was £9,091 (2022 - £9,091).

R Styring

During the financial period, the Chairman has given the charitable company interest free loans of £33,500 (2022 - £9,000) and been repaid loans of £17,000 (2022 - £nil).

The loans are interest free and repayable on demand.

At the balance sheet date the amount due to R Styring was £96,346 (2022 - £79,846).

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2023

J Robb

During the financial period, the employee has given the charitable company interest free loans of £650 (2022 - £nil) and been repaid loans of £400 (2022 - £nil).

The loans are interest free and repayable on demand

At the balance sheet date the amount due from J Robb was £250 (2022 - £Nil).

North East Equality & Diversity Limited

Detailed Statement of Financial Activities for the Year Ended 31 August 2023

	Total 2023 £	Total 2022 £
Income and Endowments from:		
Donations and legacies (analysed below)	15,315	25,276
Charitable activities (analysed below)	738,486	650,599
Other income (analysed below)	905	420
	<u>754,706</u>	<u>676,295</u>
Total income		
	<u>754,706</u>	<u>676,295</u>
Expenditure on:		
Charitable activities (analysed below)	(788,467)	(662,357)
	<u>(788,467)</u>	<u>(662,357)</u>
Total expenditure		
	<u>(788,467)</u>	<u>(662,357)</u>
Net (expenditure)/income		
	<u>(33,761)</u>	<u>13,938</u>
Net movement in funds		
	(33,761)	13,938
Reconciliation of funds		
Total funds brought forward	(124,377)	(138,315)
	<u>(124,377)</u>	<u>(138,315)</u>
Total funds carried forward	<u>(158,138)</u>	<u>(124,377)</u>

North East Equality & Diversity Limited

Detailed Statement of Financial Activities for the Year Ended 31 August 2023

	Total 2023 £	Total 2022 £
<i>Donations and legacies</i>		
Appeals and donations	14,500	-
Subscriptions	815	1,008
Sponsorship	-	24,268
	<u>15,315</u>	<u>25,276</u>
<i>Charitable activities</i>		
NCC school contract	624,075	524,734
Brokerage income	14,637	14,796
NEAS contract	88,271	101,819
Dial a Ride	5,683	9,250
Need a Car	5,820	-
	<u>738,486</u>	<u>650,599</u>
<i>Other income</i>		
Other income	905	420
	<u>905</u>	<u>420</u>
<i>Charitable activities</i>		
Depreciation of motor vehicles	(40,121)	(40,495)
Profit/(loss) on disposal of tangible fixed assets	-	916
Wages and salaries	(381,055)	(328,181)
Staff NIC (Employers)	(12,980)	(7,671)
Staff pensions (Defined contribution) - pension scheme 1	(4,168)	(3,157)
Staff training	(195)	(1,860)
Volunteer expenses	(1,104)	(196)
Rent and rates	(5,955)	(4,250)
Insurance	(1,815)	(718)
Repairs and maintenance	(1,186)	(2,006)
Repairs and renewals	(493)	(163)
Telephone and computer costs	(9,289)	(8,761)
Office expenses	(2,477)	(1,911)
Trade subscriptions	(1,506)	(1,018)
Hire of other assets (Operating leases)	(3,570)	(5,308)
Motor expenses	(8,749)	(7,893)
Petrol or diesel	(89,417)	(81,890)
Motor insurance	(41,721)	(39,140)
Motor repairs and renewals	(118,471)	(51,144)
Car hire and leasing expenses (Spot hire)	(25,641)	(37,269)
Travel and subsistence	(1,697)	(3,980)

This page does not form part of the statutory financial statements.

North East Equality & Diversity Limited

Detailed Statement of Financial Activities for the Year Ended 31 August 2023

	Total 2023 £	Total 2022 £
Advertising	(250)	-
Legal and professional fees	(6,443)	(6,233)
Bad debts written off	(3,426)	-
Bank interest payable	(1,201)	(1,599)
Other interest payable	(6,354)	(1,704)
Hire purchase interest	(10,375)	(11,959)
Depreciation of plant and machinery	(1,192)	(1,192)
Depreciation of office equipment	-	(79)
Loan interest	(1,814)	(2,036)
Wages and salaries	-	(3,894)
Rent and rates	-	(49)
Insurance	-	(8)
Repairs and maintenance	-	(23)
Telephone and computer costs	-	(101)
Office expenses	-	(23)
Hire of other assets (Operating leases)	-	(61)
Independent examiner's fee	(2,015)	(1,065)
Bookkeeping and other accounting services	-	(1,450)
Legal and professional fees	(3,787)	(4,767)
Bank interest payable	-	(18)
Depreciation of office equipment	-	(1)
	<u>(788,467)</u>	<u>(662,357)</u>

This page does not form part of the statutory financial statements.

NORTH EAST EQUALITY & DIVERSITY LIMITED

England & Wales - Charity number 1120968

Accounts

Company registration number: 05817797

Charity registration number: 1120968

North East Equality & Diversity Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2022

Wellway Accountants Limited
Borough Hall
Wellway
Morpeth
Northumberland
NE61 1BN

North East Equality & Diversity Limited

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North East Equality & Diversity Limited

Reference and Administrative Details

Trustees	R Styring H Pottle P Hignett P Slater (resigned 6 November 2021)
Secretary	J Robb
Senior Management / Leadership Team	J Robb Paul Chipchase (Resigned 12 Feb 2021) Steve McHenry (Resigned 10 May 2021) Charlotte Watson (Resigned 16 November 2021) Stu Newbiggin (Resigned 8 July 2022)
Registered Office	Old Fire Station South Road Alnwick Northumberland NE66 2PA
Company Registration Number	05817797
Charity Registration Number	1120968
Solicitors:	Ward Hadaway Sandgate House 102 Quayside Newcastle upon Tyne Tyne & Wear NE1 3DX
Bankers	Lloyds TSB Newcastle 102 Grey Street Newcastle Upon Tyne Tyne & Wear NE1 6AG
Independent Examiner	Wellway Accountants Limited Borough Hall Wellway Morpeth Northumberland NE61 1BN

North East Equality & Diversity Limited

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 August 2022.

Objectives and activities

Objects and aims

The object of the charitable company is:

The promotion of equality and diversity for the public benefit in the North East of England and the Borders Region by;

- a) advancing education and raising awareness in equality and diversity
- b) promoting activities to foster understanding between people from diverse backgrounds
- c) providing comprehensive advice and support through giving advice, representation and advocacy

Fundraising disclosures

The charity does not use a professional fundraiser or commercial participator to raise funds. Any monies raised from the public follows all guidance set out by the Charities Commission and UK law in every respect. We respect the privacy and contact preferences of all public donors.

North East Equality & Diversity Limited

Trustees' Report

Public benefit

NEED Ltd provides a community transport service to the inhabitants of the United Kingdom who are in need of these services because of age, sickness or disability (mental and physical), or poverty, or because of a lack of availability of adequate and safe passenger public services. It is recognised for providing excellent services to our users. This is undoubtedly due to the dedication of our Board of Directors (Trustees) and staff.

This year has been another very testing time for NEED Ltd. This has been a continuation from the previous year and is entirely due to the government restrictions introduced both nationally and locally to control the pandemic caused by Covid 19. We have worked closely with Northumberland County Council (NCC) to maintain essential transport services to schools and with those disadvantaged and vulnerable people living in isolated communities throughout Northumberland and Tyneside. We have complied with the various government health risk control measures to provide essential transport services. We have also worked closely with the North East Ambulance Service (NEAS) to provide transport services to both Covid and non-Covid patients to and from hospital. This has been a difficult time for our staff, not only in the transportation of our passengers but also in carrying out the very strict clean down routines of their vehicles on a regular basis. It is to their credit that they have accepted the challenge with dedicated professionalism. Needless to say, these measures have added a significant financial burden to the organisation.

As last year, a significant part of our business, that of carrying passengers from care homes and other locations for day trips and ad hoc arrangements, had to remain suspended until near the end of the organisation's financial year end. This, once again has had a major impact on NEED's financial wellbeing, necessitating the submission of a number of applications for support from government sources including the bounce back loan facility.

Our Private Vehicle Operator Licences have given us the ability to provide transport in remote rural areas where roads are too narrow for larger minibuses, and in particular access to rural farmsteads.

We have continued to work closely with GP Practices and Dental Clinics to provide services enabling those most rurally isolated or who are unable to afford private or public transport the means to attend vital health appointments.

The Old Fire Station in Alnwick that we rent from Northumberland County Council (NCC), has been the subject of much discussion. The charity still has an aspiration to purchase the property when the financial climate is more favourable. NEED Ltd is once again indebted to NCC for its patience and tolerance in taking into account our plight throughout the period. The intention, when the purchase is complete, is still to renovate and refurbish the property to provide affordable office space and facilities for use by voluntary sector community organisations and social enterprises.

In normal times NEED Ltd is 100% fully sustainable and self-sufficient organisation. Even in these difficult trading times, we are looking forward to the new challenges ahead over the next 12 months. I would like to formally thank all NEED Ltd staff, drivers, passenger assistants, and board members for their continued commitment to the organisation.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Use of volunteers

NEED Ltd is fortunate to have a number of volunteers willing to give their time freely to provide governance for the Organisation. This contribution is greatly valued by staff, service users and myself as Chairman of NEED Ltd. I would therefore like to take this opportunity to record my appreciation to those dedicated people.

North East Equality & Diversity Limited

Trustees' Report

Going concern

The preparation of the 1st September 2021 to 31st August 2022 and submission of the Annual Accounts has been a difficult task. The restrictions due to the continuing coronavirus pandemic across United Kingdom has greatly affected the financial performance and future planning of the charitable organisation. In particular the total lockdown of care homes and community groups has had a further adverse effect on our income during the financial year. There has been a noticeable lift in financial performance since the restrictions were eased in the early part of 2022 but regular outings for our historic groups have been slow in recovering. NEED Ltd introduced emergency measures to reduce expenditure to cover the shortfall in income by reducing costs, particularly staff costs but also by covering some of our maintenance activity in house. Thankfully, the organisation remained resilient due to the continuing NCC contracts requiring the organisation to provide transport for children to attend school. This has resulted in a degree of stability of the financial position of the organisation, albeit still at a reduced income level for the time being.

The added burden of rising fuel prices and volatile national and international economies has led to much financial disruption but the organisation has successfully steered its way to a healthier position than a year ago.

NEED has successfully maintained its ISO 9001 certification, a requirement of NCC contracts. We were recently awarded a preferred contractor status with NCC following a 98% achievement in their compliance audit. This stands us in good stead for future contracts.

Our contract with North East Ambulance Service (NEAS) to provide patient transport to hospitals has continued throughout the period. There have been unforeseen minor interruptions but we have continued to provide a regular service and in fact have increased our activities, this has been particularly beneficial to those patients on dialysis.

We have witnessed an increasing level of travel for a number of groups that will continue to increase in the next few weeks and months as confidence returns. We are witnessing an increasing number of enquiries from the community sector in particular. This will increase the income of the organisation and provide a growth. The uncertainty around this remains a concern, therefore we have adopted a slightly pessimistic approach in financial terms to this part of our operation.

NEED Ltd has taken advantage of the Government backed 'Bounce Back' loan scheme and has borrowed £50,000. We have started our regular repayments and reduced the level of debt to our bank significantly.

We have made certain assumptions to enable NEED Ltd to make a prudent financial forecast for the next twelve months. Two scenarios have been considered:-

1. We expect that NCC school transport arrangements will be maintained at our current level of 14 NCC contracts and that the present 3 SEN contracts will continue for the forecast period. Care home and community transport will continue at a low level. NEAS contract work will continue at its present level. This represents a worst case scenario.

2. A slightly less cautious approach in that NCC School transport arrangements will increase due to new contract work being awarded. Care home and community work will recover to near previous historic levels.

We have adopted measures that will cope with either of these scenarios.

North East Equality & Diversity Limited

Trustees' Report

In order to sustain the financial viability of the organisation during the current and subsequent years the following measures have already been taken:-

- We retrained two of our drivers to provide in-house training.
- We have entered into an arrangement with an external organisation to provide further training that cannot presently be delivered by our own staff.
- We've implemented a very much slimmer staffing structure. The present office staff structure of 3 posts operates on a collaborative basis with additional support when required to provide built-in resilience. The Board of Trustees provides a strategic overview and also shares in the day to day decision making where necessary. This optimisation of our management structure has significantly reduced our staffing costs.
- Office staff have a wide range of skills that allows them to take on any of the current posts, giving significant flexibility.
- A review of all staff training has been conducted to ensure that all personnel meet the requirements of their posts and continue to develop and extend their skills.
- We've conducted a thorough review of all of our contracts to ensure we fully cover costs and optimise income.
- We've rationalised the types of vehicles within our fleet to be more 'fit for purpose'. After a number of years of service using standard minibuses
- NEAS have required us to operate using 'Ambulance' standard buses that are easier to clean down.
- We have made savings by investing in garage equipment which enables us to carry out some expensive routine servicing and testing in house.
- We're systematically engaged in marketing and networking to attract new business.
- We're actively seeking further grant funding to help support the charity through these continuing difficult and uncertain times.

I believe that these measures will create a sustainable and resilient organisation capable of rising to the challenge of this most difficult period, and maintaining its viability even in the worst-case scenario.

Structure, governance and management

Nature of governing document

North East Equality and Diversity Limited is constituted as a registered charity and a company under guarantee in accordance with its Memorandum and Articles of Association dated 16 May 2006 and last amended 25 March 2010.

Induction and training of trustees

New trustees, undergo an induction process to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making processes, the business plan and recent financial performance of the charity. Trustees are encouraged to attend appropriate external training events.

Organisational structure

Day to day management is vested in a professional team led by the Transport Manager of the charity, who meets with the Board of Trustees on the fourth Thursday of every month. The Transport Manager meets regularly with the Chair (in addition to the formal meetings) and appraises him of any significant issues that arise between meetings.

North East Equality & Diversity Limited

Trustees' Report

Major risks and management of those risks

Risk Policy

The trustees are responsible for assessing the major risks to which the charitable company is exposed, and for establishing systems to mitigate those risks, they have considered risks which could have a negative effect on the charitable company's ability to pursue its aims, both in terms of the likelihood of these occurring and probable impact of such events.

The trustees continue to review and monitor these risks, and the adequacy of the systems in place to reduce them.

Financial instruments

Objectives and policies

The charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the charity's policies approved by the board of trustees, which provide written principles on the use of financial derivatives to manage these risks. The charity does not use derivative financial instruments for speculative purposes.

Cash flow risk

The charity's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The charity uses foreign exchange forward contracts and interest rate swap contracts to hedge these exposures.

Interest bearing assets and liabilities are held at fixed rate to ensure certainty of cash flows.

Credit risk

The charity's principal financial assets are bank balances and cash, trade and other receivables, and investments. The charity's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The charity has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the charity uses a mixture of long-term and short-term debt finance.

Further details regarding liquidity risk can be found in the Statement of accounting policies in the financial statements.

Statement of trustees' responsibilities

The trustees (who are also the directors of North East Equality & Diversity Limited for the purposes 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including its income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

North East Equality & Diversity Limited

Trustees' Report

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 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 charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that can 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.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The annual report was approved by the trustees of the charity on 28 June 2023 and signed on its behalf by:

.....
R Styring
Trustee

North East Equality & Diversity Limited

Independent Examiner's Report to the trustees of North East Equality & Diversity Limited ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 August 2022.

Responsibilities and basis of report

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

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

Independent examiner's statement

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

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

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

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

.....
R Thompson
ICAEW
FCA BA(Hons) AIFP
Borough Hall
Wellway
Morpeth
Northumberland
NE61 1BN

28 June 2023

North East Equality & Diversity Limited

Statement of Financial Activities for the Year Ended 31 August 2022 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Total 2022 £
Income and Endowments from:			
Donations and legacies	3	25,276	25,276
Charitable activities	4	650,599	650,599
Other income	5	420	420
Total income		<u>676,295</u>	<u>676,295</u>
Expenditure on:			
Charitable activities	6	<u>(662,357)</u>	<u>(662,357)</u>
Total expenditure		<u>(662,357)</u>	<u>(662,357)</u>
Net income		<u>13,938</u>	<u>13,938</u>
Net movement in funds		13,938	13,938
Reconciliation of funds			
Total funds brought forward		<u>(138,315)</u>	<u>(138,315)</u>
Total funds carried forward	20	<u>(124,377)</u>	<u>(124,377)</u>
		Unrestricted funds £	Total 2021 £
Income and Endowments from:			
Donations and legacies	3	60,757	60,757
Charitable activities	4	553,117	553,117
Other income	5	1,770	1,770
Total income		<u>615,644</u>	<u>615,644</u>
Expenditure on:			
Charitable activities	6	<u>(709,446)</u>	<u>(709,446)</u>
Total expenditure		<u>(709,446)</u>	<u>(709,446)</u>
Net expenditure		<u>(93,802)</u>	<u>(93,802)</u>
Net movement in funds		(93,802)	(93,802)
Reconciliation of funds			
Total funds brought forward		<u>(44,513)</u>	<u>(44,513)</u>
Total funds carried forward	20	<u>(138,315)</u>	<u>(138,315)</u>

All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown for 2021 is shown in note 20.

The notes on pages 12 to 23 form an integral part of these financial statements.

North East Equality & Diversity Limited

(Registration number: 05817797)
Balance Sheet as at 31 August 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	13	121,975	163,743
Current assets			
Debtors	14	53,427	19,309
Cash at bank and in hand	15	<u>25,416</u>	<u>2,673</u>
		78,843	21,982
Creditors: Amounts falling due within one year	16	<u>(255,273)</u>	<u>(206,567)</u>
Net current liabilities		<u>(176,430)</u>	<u>(184,585)</u>
Total assets less current liabilities		(54,455)	(20,842)
Creditors: Amounts falling due after more than one year	17	<u>(69,922)</u>	<u>(117,473)</u>
Net liabilities		<u>(124,377)</u>	<u>(138,315)</u>
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		<u>(124,377)</u>	<u>(138,315)</u>
Total funds	20	<u>(124,377)</u>	<u>(138,315)</u>

For the financial year ending 31 August 2022 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements on pages 9 to 23 were approved by the trustees, and authorised for issue on 28 June 2023 and signed on their behalf by:

.....
R Styring
Trustee

The notes on pages 12 to 23 form an integral part of these financial statements.

North East Equality & Diversity Limited

Statement of Cash Flows for the Year Ended 31 August 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash income/(expenditure)		13,938	(93,802)
Adjustments to cash flows from non-cash items			
Depreciation		41,767	50,852
Profit on disposal of tangible fixed assets		(916)	(14,128)
		<u>54,789</u>	<u>(57,078)</u>
Working capital adjustments			
Increase in debtors	14	(34,118)	(5,562)
Increase in creditors	16	<u>46,368</u>	<u>9,183</u>
Net cash flows from operating activities		<u>67,039</u>	<u>(53,457)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets	13	-	(37,551)
Sale of tangible fixed assets		<u>917</u>	<u>14,128</u>
Net cash flows from investing activities		<u>917</u>	<u>(23,423)</u>
Cash flows from financing activities			
Repayment of loans and borrowings	16	(1,594)	68,226
Repayment of capital element of finance leases and HP contracts	18	<u>(43,619)</u>	<u>(46,037)</u>
Net cash flows from financing activities		<u>(45,213)</u>	<u>22,189</u>
Net increase/(decrease) in cash and cash equivalents		22,743	(54,691)
Cash and cash equivalents at 1 September		<u>2,673</u>	<u>57,364</u>
Cash and cash equivalents at 31 August		<u><u>25,416</u></u>	<u><u>2,673</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 12 to 23 form an integral part of these financial statements.

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2022

1 Charity status

The charity is limited by guarantee, incorporated in , and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Old Fire Station
South Road
Alnwick
Northumberland
NE66 2PA

These financial statements were authorised for issue by the trustees on 28 June 2023.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with 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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

North East Equality & Diversity Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

The financial statements have been prepared on a going concern basis.

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2022

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Gift aid

Incoming resources from tax reclaims are included in the Statement of Financial Activities at the same time as the gift to which they relate.

Charitable activities

Income from contracts for supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Other income

Vehicles donated in kind are recognised as voluntary income when there is evidence of entitlement to the gift, receipt is probable and the amount can be measured reliably. The vehicle is capitalised as a tangible fixed asset using the cost value (which is equivalent to the income recognised). Where there is a restriction of purpose or use ongoing, then the income and the asset are recognised within restricted funds.

Income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received, if the value can be reliably measured. No amounts are included for the contribution of general volunteers.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable 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.

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2022

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £250.00 or more are initially recorded at cost.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Motor vehicles	Over 7 years straight line
Plant and machinery	Over 5 years straight line
Office equipment	Over 5 years straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly.

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2022

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Pensions and other post retirement obligations

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2022

3 Income from donations and legacies

	Unrestricted funds General £	Total 2022 £	Total 2021 £
Donations and legacies;			
Donations from individuals	-	-	(39,667)
Grants, including capital grants;			
Government grants	-	-	68,969
Grants from other charities	-	-	6,000
Regular giving and capital donations	25,276	25,276	25,455
	<u>25,276</u>	<u>25,276</u>	<u>60,757</u>

4 Income from charitable activities

Unrestricted funds General £	Total 2022 £	Total 2021 £
650,599	650,599	553,117
<u>650,599</u>	<u>650,599</u>	<u>553,117</u>

5 Other income

Unrestricted funds General £	Total 2022 £	Total 2021 £
420	420	1,770
<u>420</u>	<u>420</u>	<u>1,770</u>

6 Expenditure on charitable activities

	Note	Unrestricted General £	Total 2022 £	Total 2021 £
Community transport services		287,256	287,256	238,600
Staff costs		339,009	339,009	417,737
Allocated support costs	7	24,632	24,632	28,829
Governance costs	7	11,460	11,460	24,280
		<u>662,357</u>	<u>662,357</u>	<u>709,446</u>

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2022

**Total
expenditure
£**

In addition to the expenditure analysed above, there are also governance costs of £11,460 (2021 - £24,280) which relate directly to charitable activities. See note 7 for further details.

7 Analysis of governance and support costs

Governance costs

	Unrestricted funds General £	Total 2022 £	Total 2021 £
Staff costs			
Wages and salaries	3,894	3,894	16,616
Independent examiner fees			
Examination of the financial statements	1,065	1,065	2,500
Other fees paid to examiners	1,450	1,450	1,667
Legal fees	4,767	4,767	2,380
Depreciation, amortisation and other similar costs	1	1	13
Other governance costs	283	283	1,104
	<u>11,460</u>	<u>11,460</u>	<u>24,280</u>

8 Net incoming/outgoing resources

Net (incoming)/outgoing resources for the year include:

	2022 £	2021 £
Operating leases - plant and machinery	41,262	40,415
Operating leases - other assets	5,319	5,400
Profit on disposal of tangible fixed assets	(916)	(14,128)
Depreciation of fixed assets	<u>41,767</u>	<u>50,932</u>

9 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

10 Staff costs

The aggregate payroll costs were as follows:

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2022

	2022 £	2021 £
Staff costs during the year were:		
Wages and salaries	332,075	419,806
Social security costs	7,671	11,832
Pension costs	3,157	2,715
	<u>342,903</u>	<u>434,353</u>

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2022 No	2021 No
Staff employed	<u>38</u>	<u>44</u>

No employee received emoluments of more than £60,000 during the year.

11 Independent examiner's remuneration

	2022 £	2021 £
Examination of the financial statements	<u>1,065</u>	<u>2,500</u>
Other fees to examiners		
All other services	<u>1,450</u>	<u>1,667</u>

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2022

12 Taxation

The charity is a registered charity and is therefore exempt from taxation.

13 Tangible fixed assets

	Furniture and equipment £	Motor vehicles £	Total £
Cost			
At 1 September 2021	7,886	434,542	442,428
Disposals	<u>-</u>	<u>(17,828)</u>	<u>(17,828)</u>
At 31 August 2022	<u>7,886</u>	<u>416,714</u>	<u>424,600</u>
Depreciation			
At 1 September 2021	2,434	276,251	278,685
Charge for the year	1,272	40,495	41,767
Eliminated on disposals	<u>-</u>	<u>(17,827)</u>	<u>(17,827)</u>
At 31 August 2022	<u>3,706</u>	<u>298,919</u>	<u>302,625</u>
Net book value			
At 31 August 2022	<u>4,180</u>	<u>117,795</u>	<u>121,975</u>
At 31 August 2021	<u>5,452</u>	<u>158,291</u>	<u>163,743</u>

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2022

Assets held under finance leases and hire purchase contracts

The net carrying amount of tangible assets includes the following amounts in respect of assets held under finance leases and hire purchase contracts:

	2022 £	2021 £
Motor vehicles	<u>88,270</u>	<u>118,391</u>

14 Debtors

	2022 £	2021 £
Trade debtors	38,292	12,536
Prepayments	<u>15,135</u>	<u>6,773</u>
	<u>53,427</u>	<u>19,309</u>

15 Cash and cash equivalents

	2022 £	2021 £
Cash on hand	50	50
Cash at bank	<u>25,366</u>	<u>2,623</u>
	<u>25,416</u>	<u>2,673</u>

16 Creditors: amounts falling due within one year

	2022 £	2021 £
Bank loans	5,882	4,774
Trade creditors	25,912	8,787
Other loans	95,171	86,608
Hire purchase and finance leases	36,286	43,619
Other taxation and social security	97,678	75,199
VAT repayable	(9,893)	(17,537)
Other creditors	1,722	1,142
Accruals	<u>2,515</u>	<u>3,975</u>
	<u>255,273</u>	<u>206,567</u>

Bank borrowings

Bounce back loan is denominated in with a nominal interest rate of 2.5% (2021 - £3), and the final instalment is due on 30 June 2030. The carrying amount at year end is £46,079 (2021 - £50,000).

Other borrowings

North Star loan with a carrying amount of £16,315 (2021 - £22,187) is denominated in with a nominal interest rate of 6% (2021 - 6%). The final instalment is due on 28 February 2025.

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2022

17 Creditors: amounts falling due after one year

	2022 £	2021 £
Bank loans	40,196	45,226
Other loans	10,080	16,315
Hire purchase and finance leases	19,646	55,932
	<u>69,922</u>	<u>117,473</u>

Included in the creditors are the following amounts due after more than five years:

	2022 £	2021 £
After more than five years by instalments	<u>(16,667)</u>	<u>(16,662)</u>

Bank loans and overdrafts after five years

Amounts due in more than five years relate to bank loans, which are due to be repaid by December 2028. The rate of interest on this bank loan is 2.5%.

18 Obligations under leases and hire purchase contracts

The total value of future minimum lease payments was as follows:

	2022 £	2021 £
Within one year	(15,244)	(43,276)
In two to five years	<u>(11,685)</u>	<u>(15,580)</u>
	<u>(26,929)</u>	<u>(58,856)</u>

19 Commitments

Capital commitments

The company has non-cancellable operating leases.

The total amount contracted for but not provided in the financial statements was £11,349 (2021 - £38,102).

20 Funds

	Balance at 1 September 2021 £	Incoming resources £	Resources expended £	Balance at 31 August 2022 £
Unrestricted funds				
General	<u>(138,315)</u>	<u>676,295</u>	<u>(662,357)</u>	<u>(124,377)</u>

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2022

	Balance at 1 September 2020 £	Incoming resources £	Resources expended £	Balance at 31 August 2021 £
Unrestricted funds				
General	<u>(44,513)</u>	<u>615,644</u>	<u>(709,446)</u>	<u>(138,315)</u>

21 Analysis of net assets between funds

	Unrestricted funds General £	Total funds at 31 August 2022 £
Tangible fixed assets	121,975	121,975
Current assets	78,843	78,843
Current liabilities	(255,273)	(255,273)
Creditors over 1 year	<u>(69,922)</u>	<u>(69,922)</u>
Total net assets	<u>(124,377)</u>	<u>(124,377)</u>
	Unrestricted funds General £	Total funds at 31 August 2021 £
Tangible fixed assets	163,743	163,743
Current assets	21,982	21,982
Current liabilities	(206,567)	(206,567)
Creditors over 1 year	<u>(117,473)</u>	<u>(117,473)</u>
Total net assets	<u>(138,315)</u>	<u>(138,315)</u>

22 Analysis of net funds

	At 1 September 2021 £	Financing cash flows £	At 31 August 2022 £
Cash at bank and in hand	2,673	22,742	25,415
Debt due within one year	(91,382)	(9,672)	(101,054)
Debt due after more than one year	(61,541)	11,265	(50,276)
Finance leases and hire purchase contracts	<u>(99,551)</u>	<u>43,619</u>	<u>(55,932)</u>
Net debt	<u>(249,801)</u>	<u>67,954</u>	<u>(181,847)</u>

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2022

	At 1 September 2020 £	Financing cash flows £	At 31 August 2021 £
Cash at bank and in hand	76,587	(73,914)	2,673
Bank overdraft	(19,223)	19,223	-
	57,364	(54,691)	2,673
Debt due within one year	(14,177)	(77,205)	(91,382)
Debt due after more than one year	(70,520)	8,979	(61,541)
Finance leases and hire purchase contracts	(145,588)	46,037	(99,551)
Net debt	(172,921)	(76,880)	(249,801)

23 Related party transactions

During the year the charity made the following related party transactions:

VETRA Limited

The charitable company is the only member of VETRA Limited, a company limited by guarantee. VETRA Limited remained dormant throughout the financial period and there have been no transactions with the charitable company (2021 - £nil).

At the balance sheet date the amount due to/from VETRA Limited was £Nil (2021 - £Nil).

C Watson

During the financial period, the former Finance Officer has given the charitable company interest free loans of £nil (2021 - £7,559) and been repaid loans of £800 (2021 - £1,500).

The loans are interest free and repayable on demand.

At the balance sheet date the amount due to C Watson was £9,091 (2021 - £9,891).

R Styring

During the financial period, the Chairman has given the charitable company interest free loans of £9,000 (2021 - £30,846) and been repaid loans of £nil (2021 - £nil).

The loans are interest free and repayable on demand.

At the balance sheet date the amount due to R Styring was £79,846 (2021 - £70,846).

North East Equality & Diversity Limited

Detailed Statement of Financial Activities for the Year Ended 31 August 2022

	Total 2022 £	Total 2021 £
Income and Endowments from:		
Donations and legacies (analysed below)	25,276	60,757
Charitable activities (analysed below)	650,599	553,117
Other income (analysed below)	420	1,770
	<u>676,295</u>	<u>615,644</u>
Total income		
	<u>676,295</u>	<u>615,644</u>
Expenditure on:		
Charitable activities (analysed below)	(662,357)	(709,446)
	<u>(662,357)</u>	<u>(709,446)</u>
Total expenditure		
	<u>(662,357)</u>	<u>(709,446)</u>
Net income/(expenditure)		
	<u>13,938</u>	<u>(93,802)</u>
Net movement in funds		
	13,938	(93,802)
Reconciliation of funds		
Total funds brought forward	(138,315)	(44,513)
	<u>(138,315)</u>	<u>(44,513)</u>
Total funds carried forward	<u>(124,377)</u>	<u>(138,315)</u>

North East Equality & Diversity Limited

Detailed Statement of Financial Activities for the Year Ended 31 August 2022

	Total 2022 £	Total 2021 £
<i>Donations and legacies</i>		
Appeals and donations	-	(39,667)
UK Government grants	-	68,969
Grants - other agencies	-	6,000
Subscriptions	1,008	1,187
Sponsorship	24,268	24,268
	<u>25,276</u>	<u>60,757</u>
<i>Charitable activities</i>		
NCC school contract	524,734	473,858
Brokerage income	14,796	4,091
NEAS contract	101,819	55,559
Dial a Ride	9,250	19,058
Need a Car	-	551
	<u>650,599</u>	<u>553,117</u>
<i>Other income</i>		
Other income	420	1,770
	<u>420</u>	<u>1,770</u>
<i>Charitable activities</i>		
Purchases	-	(2,479)
Depreciation of motor vehicles	(40,495)	(49,920)
Profit/(loss) on disposal of tangible fixed assets	916	14,085
Wages and salaries	(328,181)	(403,190)
Staff NIC (Employers)	(7,671)	(11,832)
Staff pensions (Defined contribution) - pension scheme 1	(3,157)	(2,715)
Staff training	(1,860)	(4,148)
Volunteer expenses	(196)	(1,020)
Rent and rates	(4,250)	(3,442)
Insurance	(718)	(1,654)
Repairs and maintenance	(2,006)	(2,433)
Repairs and renewals	(163)	(809)
Telephone and computer costs	(8,761)	(11,440)
Office expenses	(1,911)	(1,846)
Trade subscriptions	(1,018)	(1,332)
Hire of other assets (Operating leases)	(5,308)	(5,198)
Motor expenses	(7,893)	(9,082)
Petrol or diesel	(81,890)	(52,558)
Motor insurance	(39,140)	(36,236)

This page does not form part of the statutory financial statements.

North East Equality & Diversity Limited

Detailed Statement of Financial Activities for the Year Ended 31 August 2022

	Total 2022 £	Total 2021 £
Motor repairs and renewals	(51,144)	(30,749)
Car hire and leasing expenses (Spot hire)	(37,269)	(40,415)
Travel and subsistence	(3,980)	(3,232)
Advertising	-	(17)
Legal and professional fees	(6,233)	(5,701)
Bank interest payable	(1,599)	(2,492)
Other interest payable	(1,704)	(3,096)
Hire purchase interest	(11,959)	(9,459)
Depreciation of plant and machinery	(1,192)	(597)
Depreciation of office equipment	(79)	(324)
Loan interest	(2,036)	(1,835)
Wages and salaries	(3,894)	(16,616)
Rent and rates	(49)	(133)
Insurance	(8)	(64)
Repairs and maintenance	(23)	(95)
Telephone and computer costs	(101)	(443)
Office expenses	(23)	(71)
Hire of other assets (Operating leases)	(61)	(202)
Independent examiner's fee	(1,065)	(2,500)
Bookkeeping and other accounting services	(1,450)	(1,667)
Legal and professional fees	(4,767)	(2,380)
Bank interest payable	(18)	(96)
Depreciation of office equipment	(1)	(13)
	<u>(662,357)</u>	<u>(709,446)</u>

This page does not form part of the statutory financial statements.

NORTH EAST EQUALITY & DIVERSITY LIMITED

England & Wales - Charity number 1120968

Accounts

Company registration number: 05817797

Charity registration number: 1120968

North East Equality & Diversity Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2021

Wellway Accountants Limited
Borough Hall
Wellway
Morpeth
Northumberland
NE61 1BN

North East Equality & Diversity Limited

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North East Equality & Diversity Limited

Reference and Administrative Details

Trustees	R Styring H Pottle P Hignett P Slater (resigned 6 November 2021)
Secretary	J Robb
Senior Management Team	P Chipchase (resigned 12 February 2021) S McHenry (resigned 10 May 2021) C Watson J Robb S Newbegin
Principal Office	Old Fire Station South Road Alnwick Northumberland NE66 2PA
Company Registration Number	05817797
Charity Registration Number	1120968
Solicitors	Ward Hadaway Sandgate House 102 Quayside Newcastle upon Tyne Tyne & Wear NE1 3DX
Bankers	Lloyds TSB Newcastle 102 Grey Street Newcastle Upon Tyne Tyne & Wear NE1 6AG
Independent Examiner	Wellway Accountants Limited Borough Hall Wellway Morpeth Northumberland NE61 1BN

North East Equality & Diversity Limited

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 August 2021.

Objectives and activities

Objects and aims

The object of the charitable company is:

The promotion of equality and diversity for the public benefit in the North East of England and the Borders Region by;

- a) advancing education and raising awareness in equality and diversity
- b) promoting activities to foster understanding between people from diverse backgrounds
- c) providing comprehensive advice and support through giving advice, representation and advocacy

Fundraising disclosures

The charity is required to report how it deals with fundraising from the public. The charity does not use a professional fundraiser or commercial participator to raise funds. Any monies raised from the public follows all guidance set out by the Charity Commission and UK law in every respect. We respect the privacy and contact preferences of all public donors.

Public benefit

NEED Ltd provides a community transport service to the inhabitants of the United Kingdom who are in need of these services because of age, sickness or disability (mental and physical), or poverty, or because of a lack of availability of adequate and safe passenger public services. It is recognised for providing excellent services to our users. This is undoubtedly due to the dedication of our Board of Directors (Trustees), and staff.

This year has been another very testing time for NEED Ltd. This has been entirely due to the government restrictions introduced both nationally and locally to control the pandemic caused by Covid 19. However, in these extremely difficult times we have worked closely with Northumberland County Council (NCC) to maintain essential transport services to schools for children of key workers and for those living in isolated communities throughout Northumberland and Tyneside. We have also worked closely with the North East Ambulance Service (NEAS) to provide transport services to both Covid and non-Covid patients to and from hospital. This has been a trying time for our staff, not only in the transportation of our passengers but also in carrying out the very strict clean down routines of their vehicles on a regular basis. It is to their credit that they have accepted the challenge with dedicated professionalism. This extra shielding that in the main was purchased last year has, needless to say, needed a considerable amount of continued investment for the purchase of replacement cleaning materials in order to carry out this essential work. It has also involved increasing our driver's hours to allow this cleaning to take place, a factor that was not taken into account within our contracts.

Unfortunately, a significant part of our business, that of carrying passengers from care homes and other locations for day trips and ad hoc arrangements, had to be suspended in March 2020 due to the government's strict lock down rules to control the Covid 19 pandemic. This of course has had a major impact on NEED's financial wellbeing, necessitating the submission of a number of applications for support from government sources including the bounce back loan facility.

Our Private Vehicle Operator Licences have given us the ability to provide transport in remote rural areas where roads are too narrow for larger minibuses, and in particular access to rural farmsteads.

We have continued to work closely with GP Practices and Dental Clinics to provide services enabling those most rurally isolated or who are unable to afford private or public transport the means to attend vital health appointments.

North East Equality & Diversity Limited

Trustees' Report

The aspiration to purchase the Old Alnwick Fire Station, in Alnwick, which is presently rented from Northumberland County Council (NCC), has had to be put on hold yet again due to the financial impact of the Covid restrictions that we have operated under in the 12 months of this financial year. NEED Ltd is indebted to NCC for its patience and tolerance in taking into account our plight throughout the period. The intention when the purchase is complete is still to renovate and refurbish the property to provide affordable office space and facilities for use by community organisations and social enterprises.

In normal times NEED Ltd is 100% fully sustainable and self-sufficient organisation. Even in these difficult trading times, we are looking forward to the new challenges ahead over the next 12 months. I would like to formally thank all NEED Ltd staff, drivers, passenger assistants, and board members for their continued commitment to the organisation.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Use of volunteers

NEED Ltd is fortunate to have a number of volunteers willing to give their time freely to provide governance for the Organisation. This contribution is greatly valued by staff, service users, and myself as Chairman of NEED Ltd. I would therefore like to take this opportunity to record my appreciation to those who give their time freely.

Statistical Review

NEED Ltd has achieved the following during 2020-21

- Transportation of 47,394 passengers, a fall of 9,775 on the previous year.
 - 4,981 were older people
 - 3,251 were people with a disability
 - 41,113 were rurally/socially isolated
 - 1,951 were people with mental health issues
- ISO 9001:2015 International Quality Accreditation awarded
- Expansion of NEED a Car Scheme to operate in an area of 20 mile radius around Alnwick, including Amble, Hadston, Warkworth, Belford, Rothbury and Seahouses.
- 6 Dial-a-Ride services continued to operate in conjunction with Northumberland County Council (NCC)
- Expansion of GP and Dental Healthcare Services (727 single passenger journeys)
- Continued to operate 6 Private Hire Vehicle Licence vehicles (PHVL)
- Continuing to train staff for their Private Hire Vehicle Licence (PHVL)
- Continued provision of Dialysis Patient Transport for North East Ambulance Service (NEAS)
- Provision of adhoc Patient Transport as required by North East Ambulance Service (NEAS).
- Formed a consortium with SP Training to deliver Driver Certificate of Professional Competence Training

Vehicles

NEED Ltd operates a fleet of 29 accessible and non-accessible vehicles ranging from 1-16 passenger seats. 22 are owned by the organisation and 7 are leased vehicles

Dial-a-Ride Services

Continuation and extension of door to door accessible minibus services enabling 1634 passengers with mobility issues the independence to access to fresh food outlets in Wooler, Alnwick and Morpeth. These are contracted community services in partnership with Northumberland County Council (NCC).

NEED -a-Car Scheme

Our car scheme offers transport to individuals to attend health services, access leisure services or simply to go shopping. Our drivers will carry shopping to the service user's door. This scheme has contracted due to Covid restrictions from 1922 passengers to 1,619.

North East Equality & Diversity Limited

Trustees' Report

Healthcare Services

GP Referral Scheme -this essential service collects rurally isolated patients from their homes and transports them to various GP surgeries. The patients are then collected and returned to their homes after their health appointment. This allows GP's and nurses time to see more patients in surgery and less time travelling to rurally isolated people who do not necessarily need a home visit.

Benefits to users – they become less isolated, more socially interactive with improved mental wellbeing

Dental Referral Scheme- similar scheme to GP Referral Scheme a door to door service for those who are unable to attend the clinic due to isolation or poverty.

Group Transport

There are a number of groups who continue to use this service, despite the restrictions imposed on the organisation by the government's Covid rules. Users varied from small unconstituted groups, to voluntary and statutory organisations. A driver and/or passenger assistant can be provided or the hirer can use their own driver as long as the individual has been trained in MIDAS (Minibus Drivers Awareness Scheme) and have a valid license with the relevant categories to drive a minibus.

Individual Transport

NEED offers small accessible Multi-Purpose Vehicles with or without a driver for those who wish to travel alone or with a small group of up to 16 family/friends.

Trained Staff

NEED Ltd are able to supply driver and passenger assistant services with or without vehicles.

Training

NEED delivered the following training in 2020-21

- Passenger Transport Assistants
- Minibus Drivers Awareness Scheme
- Driver Certificate of Professional Competence (In conjunction with TTS).

All of our courses are accredited.

Contracts

NEED Ltd bids for contracts to cover our core costs, expand our services and enable us to provide low cost community transport.

Our main commissioners are:

Commissioner:
Northumberland County Council

Contracts
22 Home to School contracts including SEN children
Dial-A-Ride x 6 (Door to Door) services

North East Ambulance Service
1 and 2 man crews

Dialysis Transport Service
Patient Transport Service (adhoc)
Urgent Care (A&E) Support (adhoc)

NEED Ltd is a preferred provider for: Northumberland County Council, North Tyneside Council, Northumberland, Tyne and Wear NHS Foundation Trust, North East Ambulance Service Foundation Trust, Northumbria Healthcare Trust, Cumbria Partnership NHS Trust, Gateshead Council and NEXUS.

North East Equality & Diversity Limited

Trustees' Report

Community

The main charitable aim of NEED is to provide transport to the most vulnerable members of the community. To this end our community work takes the form of "door to door" services such as Dial-a-Ride services and our NEED a car scheme, transporting individuals to fresh food outlets, health appointments, social events etc. and group transport i.e. transporting 4 to 16 people including the provision of transport for youth groups.

Vetra

Vetra Ltd is a wholly owned commercial trading subsidiary of NEED Ltd, as such contracts can lie outside the charitable remit thus opening up a more commercial and competitive arena. All surplus revenue is gifted into NEED Ltd.

North East Equality & Diversity Limited

Trustees' Report

Thanks to Funders/Partners

The Board would like to thank the following organisations for their support during 2020-21

Jackson's Garage
North Star Ventures
Wellway Accountants Ltd
Ward Hadaway Solicitors
Lloyds Bank
D2 Insurance
CVM Group
SP Training
TTS Training
Northumberland County Council
North East Ambulance Service NHS Foundation Trust
Northumberland, Tyne & Wear NHS Foundation Trust
Northumbria Healthcare NHS Foundation
Community Transport Association
Social Investment Business
St John's Ambulance Service
All GP Surgeries
All Dental Clinics
Alnwick Gardens
St Paul's Court
Weavers Court
Percy Court
Grovewood House
Elpha lodge
Hillcrest
Abbeyfield
Summerhill
Solvit IT
Alnwick Community Centre
Seahouses Hub
James Calvert Spence College
Duchess Community High School
St Paul's RVCA Middle School
Seahouses Primary School
Ellingham Primary School
Whittingham Primary School
Longhoughton Primary School
St Michaels Primary School
Hospice Care
Arthritis Care
Stroke Association
Alnwick Town Council
Alnwick District Parish Councils
Jason Gallagher Graphics
Border Tyres
Lifting & Cooling
RAM Tracking
EP Morris
TMC
TMS
Blackshaws Garage

North East Equality & Diversity Limited

Trustees' Report

Going concern

The preparation of the 1st September 2020 to 31st August 2021 and submission of the Annual Accounts has been a difficult task. The continuing coronavirus pandemic across United Kingdom and the resultant Covid 19 restrictions and precautions introduced by the government on 23rd March 2020 to combat the spread of this virus has greatly affected the financial performance and future planning of the charitable organisation. In particular the total lockdown of care homes and community groups has had a devastating effect on our income during the financial year. There has been a noticeable lift in financial performance since the restrictions were eased in the early part of 2022 but regular outings for our historic groups is only just starting to increase as confidence continues to grow. NEED Ltd introduced emergency measures to reduce expenditure to cover the shortfall in income by reducing costs, particularly staff costs but also by covering some of our maintenance activity in house. Thankfully, the organisation remained resilient due to the financial support given to it by Northumberland County Council (NCC) in the continuing requirement to provide transport for children to attend school. The organisation took advantage of the government's furlough scheme during 2020-21 but all staff are now re-employed as care home and community activities slowly return to normal.

NCC maintained their financial support by honouring our contracts with them throughout the spring and summer terms of 2020 so that we could respond flexibly to transporting the ever changing passengers and passenger numbers to various schools in the locality. The successful management of this difficult task in unprecedented times has been down to the close working relationship between NEED Ltd and NCC. This was particularly helpful at a time when the government were continually changing the guidance for seating arrangements on buses, minibuses and taxis. Schools eventually returned to being fully open and NEED Ltd continues to fulfil its contracts in the normal manner. This has resulted in a degree of stability of the financial position of the organisation, albeit at a reduced income level for the time being.

A thorough review of NEED's operating costs was carried out in the realisation that severe reductions needed to be made. Existing contract margins were examined on all NCC runs, particularly those nearing the end of their 5 year term. The 13 least cost effective ones were handed back to NCC for retendering. NEED Ltd were successful in winning 5 of them. The 6 Special Educational Needs (SEN) contracts were retendered and we were successful at winning 3 of them, at an enhanced margin. The income from these further contracts has at least matched and slightly exceeded the income from the previous 13 but the fuel and vehicle running costs have been substantially reduced. The review also resulted in a number of office staff posts being lost. The previous Chief Executive had resigned on 31st October 2020, further reductions in numbers were made by not filling job vacancies and rescheduling work accordingly.

NEED Ltd now operates 14 school transport contracts with NCC, some of which were due for retendering in April of this year but which have been extended until March 2023. There is an increasing amount of competition in the field of SEN transport and numbers of clients requiring this type of transport vary from year to year and sometimes month to month. However, we know from our discussions with NCC that NEED Ltd is a highly regarded operator in this specialist field. New tenders are issued on a regular basis throughout the year as other operators discover that their original tender prices are not viable and new clients appear who require transport. We are hopeful of winning further work in this area.

Our contract with North East Ambulance Service (NEAS) to provide patient transport has continued throughout the period. There was a slight interruption in the service when the specification for the type of vehicle that we use was changed at short notice and we had to buy a very specialist vehicle. The continuing contract has been successfully delivered for a number of months now with only minor interruptions and we have recently been asked to increase our hours.

North East Equality & Diversity Limited

Trustees' Report

We anticipate that normal travel arrangements for all groups will continue to increase in the next few weeks and months, we are witnessing an increasing number of enquiries from the community sector in particular. This will increase the income of the organisation and provide a growth of the organisation. Although the uncertainty around this remains a concern, we have adopted a slightly pessimistic approach in financial terms to this part of our operation.

NEED Ltd has taken advantage of the Government backed 'Bounce Back' loan scheme and has borrowed £50,000. We were granted an extension to the payback start date and the term of the loan. Repayments have now started. The organisation has also been given a £25,000 business support grant administered by NCC on behalf of the Government and we have recently been given a further £10,000 support from the second phase of this scheme.

We have made certain assumptions to enable NEED Ltd to make a prudent financial forecast for the next twelve months. Two scenarios have been considered:

1. A very cautious approach in that NCC school transport arrangements will be maintained at our current level of 14 NCC contracts and that the present 3 SEN contracts will continue for the forecast period. Care home and community transport will continue at a low level. NEAS contract work will continue at its present level. This represents a worst case scenario.
2. A slightly less cautious approach in that NCC School transport arrangements will increase due to new contract work being awarded. Care home and community work will recover to near previous historic levels.

We have adopted measures that will cope with either of these scenarios.

In order to sustain the financial viability of the organisation during the current and subsequent years the following measures have already been taken:-

- We retrained two of our drivers to provide in-house training.
- We have entered into an arrangement with an external organisation to provide further training that cannot presently be delivered by our own staff.
- We've implemented a very much slimmer staffing structure. The present office staff structure of 3 posts operates on a collaborative basis with additional support when required to provide built-in resilience. The Board of Trustees provides a strategic overview and also shares in day to day decision making. This optimisation of our management structure has significantly reduced our staffing costs.
- Office staff have a wide range of skills that allows them to take on any of the current posts, giving significant flexibility.
- A review of all staff training has been conducted to ensure that all personnel meet the requirements of their posts and continue to develop and extend their skills.
- We've conducted a thorough review of all of our contracts to ensure we fully cover costs and optimise income.
- We've rationalised the types of vehicles within our fleet to be more 'fit for purpose'. After a number of years of service using standard minibuses NEAS have required us to operate using 'Ambulance' standard buses that are easier to clean down. This is to comply with the very strict guidelines when transporting potential Covid 19 patients. We have purchased a new vehicle to replace the previous two standard vehicles and rescheduled its location and use in a much more economic and efficient way.
- We have made savings by investing in garage equipment which enables us to carry out some expensive routine servicing and testing in house.
- We're systematically engaged in marketing and networking to attract new business.
- We're actively seeking further grant funding to help support the charity through these continuing difficult and uncertain times.

I believe that these measures will create a sustainable and resilient organisation capable of rising to the challenge of this most difficult period, and maintaining its viability even in the very cautious scenario.

North East Equality & Diversity Limited

Trustees' Report

Structure, governance and management

Nature of governing document

North East Equality and Diversity Limited is constituted as a registered charity and a company under guarantee in accordance with its Memorandum and Articles of Association dated 16 May 2006 and last amended 25 March 2010.

Induction and training of trustees

New trustees, undergo an induction process to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making processes, the business plan and recent financial performance of the charity. Trustees are encouraged to attend appropriate external training events.

Organisational structure

Day to day management is vested in a professional team led by the Chief Executive of the charity, who meets with the board on a six-weekly basis. The Chief Executive meets regularly with the Chair (in addition to the former meetings) and appraises him of any significant issues as they may arise between meetings.

Major risks and management of those risks

Risk Policy

The trustees are responsible for assessing the major risks to which the charitable company is exposed, and for establishing systems to mitigate those risks, they have considered risks which could have a negative effect on the charitable company's ability to pursue its aims, both in terms of the likelihood of these occurring and probable impact of such events.

The trustees continue to review and monitor these risks, and the adequacy of the systems in place to reduce them.

Financial instruments

Objectives and policies

The charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the charity's policies approved by the board of trustees, which provide written principles on the use of financial derivatives to manage these risks. The charity does not use derivative financial instruments for speculative purposes.

Credit risk

The charity's principal financial assets are bank balances and cash, trade and other receivables, and investments. The charity's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The charity has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

North East Equality & Diversity Limited

Trustees' Report

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the charity uses a mixture of long-term and short-term debt finance.

Further details regarding liquidity risk can be found in the Statement of accounting policies in the financial statements.

The annual report was approved by the trustees of the charity on 18 May 2022 and signed on its behalf by:

.....

R Styring
Trustee

North East Equality & Diversity Limited

Statement of Trustees' Responsibilities

The trustees (who are also the directors of North East Equality & Diversity Limited for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and 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 charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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.

Approved by the trustees of the charity on 30 June 2022 and signed on its behalf by:

.....
R Styring
Trustee

North East Equality & Diversity Limited

Independent Examiner's Report to the trustees of North East Equality & Diversity Limited

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 August 2021 which are set out on pages 12 to 27.

Respective responsibilities of trustees and examiner

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

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

Independent examiner's statement - matter of concern identified

Since North East Equality & Diversity Limited's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of FCA BA(Hons) AIFP, which is one of the listed bodies.

I have completed my examination. I have identified matters of concern that we have placed in note 1 in the financial statements, which indicate that there is a material uncertainty in the forecasts and projections over the timing and level of projected future income and therefore the derived cashflows of the charitable company. As stated in note 1, these conditions indicate that a material uncertainty exists, that may cast significant doubt on the charitable company's ability to continue as a going concern should these conditions occur. My opinion is not modified in respect of this matter.

I confirm that no other matters have come to my attention in connection with the examination giving me reasonable cause to believe that in any material respect:

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

I confirm that there are no other matters to which your attention should be drawn to enable a proper understanding of the accounts to be reached.

North East Equality & Diversity Limited

**Independent Examiner's Report to the trustees of North East Equality & Diversity
Limited**

.....
R Thompson
FCA BA(Hons) AIFP

Borough Hall
Wellway
Morpeth
Northumberland
NE61 1BN

30 June 2022

North East Equality & Diversity Limited

Statement of Financial Activities for the Year Ended 31 August 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Total 2021 £
Income and Endowments from:			
Donations and legacies	3	60,757	60,757
Charitable activities	4	553,117	553,117
Other income	5	1,770	1,770
Total income		615,644	615,644
Expenditure on:			
Charitable activities	6	(709,446)	(709,446)
Total expenditure		(709,446)	(709,446)
Net expenditure		(93,802)	(93,802)
Net movement in funds		(93,802)	(93,802)
Reconciliation of funds			
Total funds brought forward		(44,513)	(44,513)
Total funds carried forward	19	(138,315)	(138,315)
	Note	Unrestricted funds £	Total 2020 £
Income and Endowments from:			
Donations and legacies	3	44,704	44,704
Charitable activities	4	642,370	642,370
Other income	5	4,691	4,691
Total income		691,765	691,765
Expenditure on:			
Charitable activities	6	(844,300)	(844,300)
Total expenditure		(844,300)	(844,300)
Net expenditure		(152,535)	(152,535)
Net movement in funds		(152,535)	(152,535)
Reconciliation of funds			
Total funds brought forward		108,022	108,022
Total funds carried forward	19	(44,513)	(44,513)

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2020 is shown in note 19.

North East Equality & Diversity Limited

(Registration number: 05817797)
Balance Sheet as at 31 August 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	13	163,743	177,044
Current assets			
Debtors	14	19,309	13,747
Cash at bank and in hand		2,673	76,587
		21,982	90,334
Creditors: Amounts falling due within one year	15	(206,567)	(136,367)
Net current liabilities		(184,585)	(46,033)
Total assets less current liabilities		(20,842)	131,011
Creditors: Amounts falling due after more than one year	16	(117,473)	(175,524)
Net liabilities		(138,315)	(44,513)
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		(138,315)	(44,513)
Total funds	19	(138,315)	(44,513)

For the financial year ending 31 August 2021 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

The financial statements on pages 12 to 27 were approved by the trustees, and authorised for issue on 30 June 2022 and signed on their behalf by:

.....
R Styring
Trustee

North East Equality & Diversity Limited

Statement of Cash Flows for the Year Ended 31 August 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash expenditure		(93,802)	(152,535)
Adjustments to cash flows from non-cash items			
Depreciation		50,852	48,629
Loss on disposal of tangible fixed assets		14,128	18,729
		<u>(28,822)</u>	<u>(85,177)</u>
Working capital adjustments			
(Increase)/decrease in debtors	14	(5,562)	19,238
Increase in creditors	15	9,183	67,363
Net cash flows from operating activities		<u>(25,201)</u>	<u>1,424</u>
Cash flows from investing activities			
Purchase of tangible fixed assets	13	(37,551)	-
Sale of tangible fixed assets		<u>(14,128)</u>	<u>63,135</u>
Net cash flows from investing activities		<u>(51,679)</u>	<u>63,135</u>
Cash flows from financing activities			
Repayment of loans and borrowings	15	68,226	43,881
Repayment of capital element of finance leases and HP contracts	17	<u>(46,037)</u>	<u>(44,477)</u>
Net cash flows from financing activities		<u>22,189</u>	<u>(596)</u>
Net (decrease)/increase in cash and cash equivalents		(54,691)	63,963
Cash and cash equivalents at 1 September		<u>57,364</u>	<u>(6,599)</u>
Cash and cash equivalents at 31 August		<u>2,673</u>	<u>57,364</u>

All of the cash flows are derived from continuing operations during the above two periods.

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2021

1 Charity status

The charity is limited by guarantee, incorporated in , and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Old Fire Station

South Road

Alnwick

Northumberland

NE66 2PA

These financial statements were authorised for issue by the trustees on 18 May 2022.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with 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 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

North East Equality & Diversity Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2021

Going concern

The financial statements have been prepared on a going concern basis.

The charity has reported a net deficit for the current financial period to 31 August 2021 of £93,802 (2020 - £152,536). As at the year end 31 August 2021, the balance sheet reports net current liabilities of £184,585 (2020 - £46,033) (in that current liabilities exceed current assets) and a net deficiency of £138,315 (2020 - £44,513) (in that liabilities exceed total assets).

The charity has suffered in the current financial period due to the continuing effects of COVID that have impacted the services they provide. However, Northumberland County Council (NCC) has maintained their financial support to the charity by continuing to fund the contracts. As the impacts of COVID has continued, the charity has reviewed its contracts to ensure that they remained cost effective and retendered for contracts that were handed back due to being less cost effective. The charity has also reviewed the office and staffing costs and taken measures to reduce these where possible. The charity has also utilised the business support grants from NCC to help cover the ongoing costs of the charity.

The charity forecasts together with the measures implemented going forward show that the charity should be able to continue in operational existence for that period, should the income levels return to normal levels. The trustees remain hopeful that the material uncertainties over the possible future income levels do not cast significant doubt on the charity's ability to continue as a going concern. For these reasons the trustees have continued to prepare the financial statements on a going concern basis.

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Gift aid

Incoming resources from tax reclaims are included in the Statement of Financial Activities at the same time as the gift to which they relate.

Charitable activities

Income from contracts for supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2021

Other income

Vehicles donated in kind are recognised as voluntary income when there is evidence of entitlement to the gift, receipt is probable and the amount can be measured reliably. The vehicle is capitalised as a tangible fixed asset using the cost value (which is equivalent to the income recognised). Where there is a restriction of purpose or use ongoing, then the income and the asset are recognised within restricted funds.

Income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received, if the value can be reliably measured. No amounts are included for the contribution of general volunteers.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable 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.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustee's meetings and reimbursed expenses.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2021

Tangible fixed assets

Individual fixed assets costing £250.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Motor vehicles	Over 7 years straight line
Plant and machinery	Over 5 years straight line
Office equipment	Over 5 years straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2021

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustee's discretion in furtherance of the objectives of the charity.

Pensions and other post retirement obligations

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Income from donations and legacies

	Unrestricted funds		
	General £	Total 2021 £	Total 2020 £
Donations and legacies;			
Donations from individuals	(39,667)	(39,667)	-
Grants, including capital grants;			
Government grants	68,969	68,969	17,527
Grants from other charities	6,000	6,000	2,100
Regular giving and capital donations	25,455	25,455	25,077
	<u>60,757</u>	<u>60,757</u>	<u>44,704</u>

4 Income from charitable activities

	Unrestricted funds		
	General £	Total 2021 £	Total 2020 £
	<u>553,117</u>	<u>553,117</u>	<u>642,370</u>

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2021

5 Other income

	Unrestricted funds		
	General	Total	Total
	£	2021	2020
		£	£
Other trading income	1,770	1,770	4,691

6 Expenditure on charitable activities

		Unrestricted funds		
		General	Total	Total
	Note	£	2021	2020
			£	£
Community transport services		238,600	238,600	308,896
Staff costs		417,737	417,737	473,668
Allocated support costs	7	28,829	28,829	24,888
Governance costs	7	24,280	24,280	36,848
		709,446	709,446	844,300

7 Analysis of governance costs

	Unrestricted funds		
	General	Total	Total
	£	2021	2020
		£	£
Staff costs			
Wages and salaries	16,616	16,616	16,482
Independent examiner fees			
Examination of the financial statements	2,500	2,500	2,300
Other fees paid to examiners	1,667	1,667	7,329
Legal fees	2,380	2,380	9,932
Depreciation, amortisation and other similar costs	13	13	15
Other governance costs	1,104	1,104	790
	24,280	24,280	36,848

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2021

8 Net incoming/outgoing resources

Net outgoing resources for the year include:

	2021 £	2020 £
Operating leases - plant and machinery	40,415	32,859
Operating leases - other assets	5,400	2,459
Loss on disposal of tangible fixed assets	14,128	18,729
Depreciation of fixed assets	50,932	48,629

9 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

10 Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
Staff costs during the year were:		
Wages and salaries	419,806	474,101
Social security costs	11,832	12,585
Pension costs	2,715	3,464
	434,353	490,150

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	2021 No	2020 No
Staff employed	44	46

No employee received emoluments of more than £60,000 during the year.

11 Independent examiner's remuneration

	2021 £	2020 £
Examination of the financial statements	2,500	2,300
Other fees to examiners		
All other services	1,667	7,329

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2021

12 Taxation

The charity is a registered charity and is therefore exempt from taxation.

13 Tangible fixed assets

	Furniture and equipment £	Motor vehicles £	Total £
Cost			
At 1 September 2020	1,923	418,827	420,750
Additions	5,963	31,588	37,551
Disposals	-	(15,873)	(15,873)
At 31 August 2021	7,886	434,542	442,428
Depreciation			
At 1 September 2020	1,501	242,205	243,706
Charge for the year	933	49,919	50,852
Eliminated on disposals	-	(15,873)	(15,873)
At 31 August 2021	2,434	276,251	278,685
Net book value			
At 31 August 2021	5,452	158,291	163,743
At 31 August 2020	422	176,622	177,044

Assets held under finance leases and hire purchase contracts

The net carrying amount of tangible assets includes the following amounts in respect of assets held under finance leases and hire purchase contracts:

	2021 £	2020 £
Motor vehicles	118,391	153,940

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2021

14 Debtors

	2021 £	2020 £
Trade debtors	12,536	13,338
Prepayments	6,773	409
	<u>19,309</u>	<u>13,747</u>

15 Creditors: amounts falling due within one year

	2021 £	2020 £
Bank overdrafts	-	19,223
Bank loans	4,774	1,667
Trade creditors	8,787	-
Other loans	86,608	12,510
Hire purchase and finance leases	43,619	40,584
Other taxation and social security	75,199	34,298
VAT grant repayable	(17,537)	5,389
Other creditors	1,142	17,643
Accruals	3,975	5,053
	<u>206,567</u>	<u>136,367</u>

Bank borrowings

Bounce back loan is denominated in with a nominal interest rate of 2.5% (2020 - £3), and the final instalment is due on 31 December 2028. The carrying amount at year end is £50,000 (2020 - £50,000).

Other borrowings

North Star loan with a carrying amount of £22,187 (2020 - £25,000) is denominated in with a nominal interest rate of 6% (2020 - 6%). The final instalment is due on 28 February 2025.

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2021

16 Creditors: amounts falling due after one year

	2021 £	2020 £
Bank loans	45,226	48,333
Other loans	16,315	22,187
Hire purchase and finance leases	55,932	105,004
	<u>117,473</u>	<u>175,524</u>

Included in the creditors are the following amounts due after more than five years:

	2021 £	2020 £
After more than five years by instalments	<u>(16,662)</u>	<u>(16,662)</u>

Bank loans and overdrafts after five years

Amounts due in more than five years relate to bank loans, which are due to be repaid by December 2028. The rate of interest on this bank loan is 2.5%.

17 Obligations under leases and hire purchase contracts

The total value of future minimum lease payments was as follows:

	2021 £	2020 £
Within one year	(43,619)	(40,584)
In two to five years	<u>(55,932)</u>	<u>(105,004)</u>
	<u>(99,551)</u>	<u>(145,588)</u>

18 Commitments

Capital commitments

The company has non-cancellable operating leases.

The total amount contracted for but not provided in the financial statements was £38,102 (2020 - £81,493).

19 Funds

	Balance at 1 September 2020 £	Incoming resources £	Resources expended £	Balance at 31 August 2021 £
Unrestricted funds				
General	<u>44,513</u>	<u>(615,644)</u>	<u>709,446</u>	<u>138,315</u>

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2021

	Balance at 1 September 2019 £	Incoming resources £	Resources expended £	Balance at 31 August 2020 £
Unrestricted funds				
General	(108,022)	(691,765)	844,300	44,513

20 Analysis of net assets between funds

	Unrestricted funds General £	Total funds £
Tangible fixed assets	163,743	163,743
Current assets	21,982	21,982
Current liabilities	(206,567)	(206,567)
Creditors over 1 year	(117,473)	(117,473)
Total net assets	(138,315)	(138,315)

	Unrestricted funds General £	Total funds £
Tangible fixed assets	177,044	177,044
Current assets	90,334	90,334
Current liabilities	(136,367)	(136,367)
Creditors over 1 year	(175,524)	(175,524)
Total net assets	(44,513)	(44,513)

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2021

21 Analysis of net funds

	At 1 September 2020 £	Cash flow £	At 31 August 2021 £
Cash at bank and in hand	76,587	(73,914)	2,673
Bank overdraft	(19,223)	19,223	-
	57,364	(54,691)	2,673
Debt due within one year	(14,177)	(37,205)	(51,382)
Debt due after more than one year	(70,520)	25,641	(44,879)
Finance leases and hire purchase contracts	(145,588)	46,037	(99,551)
Net debt	(172,921)	(20,218)	(193,139)
	At 1 September 2019 £	Cash flow £	At 31 August 2020 £
Cash at bank and in hand	9,827	66,760	76,587
Bank overdraft	(16,476)	(2,747)	(19,223)
	(6,649)	64,013	57,364
Debt due within one year	(40,816)	26,639	(14,177)
Debt due after more than one year	-	(70,520)	(70,520)
Finance leases and hire purchase contracts	(190,065)	44,477	(145,588)
Net debt	(237,530)	64,609	(172,921)

22 Related party transactions

During the year the charity made the following related party transactions:

VETRA Limited

The charitable company is the only member of VETRA Limited, a company limited by guarantee.

VETRA Limited remained dormant throughout the financial period and there have been no transactions with the charitable company (2020 - £nil).

At the balance sheet date the amount due to/(from) VETRA Limited was £Nil (2020 - £Nil).

V Robinson-Caffrey

During the financial period, the former CEO has given the charitable company interest free loans of £nil (2020 - £nil) and has been repaid loans of £5,865 (2020 - £nil).

At the balance sheet date the amount due to/(from) V Robinson-Caffrey was £Nil (2020 - £5,865).

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2021

C Watson

During the financial period, the Finance Officer has given the charitable company interest free loans of £7,559 (2020 - £nil) and been repaid loans of £1,500 (2020 - £9,984).

The loans are interest free and repayable on demand.

At the balance sheet date the amount due to/(from) C Watson was £9,891 (2020 - £3,832).

R Styring

During the financial period, the Finance Officer has given the charitable company interest free loans of £30,846 (2020 - £nil) and been repaid loans of £nil (2020 - £nil).

A loan for cashflow purposes of £40,000 in the 2019 financial period, which had previously been incorrectly categorised as a donation, has been reverted back to a loan.

The loans are interest free and repayable on demand.

At the balance sheet date the amount due to/(from) R Styring was £70,846 (2020 - £Nil).

North East Equality & Diversity Limited

Detailed Statement of Financial Activities for the Year Ended 31 August 2021

	2021	2021	
	Unrestricted funds		Total 2020
	General £	Total £	£
Income and Endowments from:			
Donations and legacies (analysed below)	60,757	60,757	44,704
Charitable activities (analysed below)	553,117	553,117	642,370
Other income (analysed below)	1,770	1,770	4,691
Total income	615,644	615,644	691,765
Expenditure on:			
Charitable activities (analysed below)	(709,446)	(709,446)	(844,300)
Total expenditure	(709,446)	(709,446)	(844,300)
Net expenditure	(93,802)	(93,802)	(152,535)
Net movement in funds	(93,802)	(93,802)	(152,535)
Reconciliation of funds			
Total funds brought forward	(44,513)	(44,513)	108,022
Total funds carried forward	(138,315)	(138,315)	(44,513)

North East Equality & Diversity Limited

Detailed Statement of Financial Activities for the Year Ended 31 August 2021

	2021	2021	
	Unrestricted funds		Total 2020
	General £	Total £	£
<i>Donations and legacies</i>			
Appeals and donations	(39,667)	(39,667)	-
UK Government grants	68,969	68,969	17,527
Grants - other agencies	6,000	6,000	2,100
Subscriptions	1,187	1,187	809
Sponsorship	24,268	24,268	24,268
	60,757	60,757	44,704

	2021	2021	
	Unrestricted funds		Total 2020
	General £	Total £	£
<i>Charitable activities</i>			
NCC school contract	473,858	473,858	517,929
Brokerage income	4,091	4,091	25,121
NEAS contract	55,559	55,559	77,815
Dial a Ride	19,058	19,058	18,784
Need a Car	551	551	2,721
	553,117	553,117	642,370

	2021	2021	
	Unrestricted funds		Total 2020
	General £	Total £	£
<i>Other income</i>			
Other income	1,770	1,770	4,691
	1,770	1,770	4,691

North East Equality & Diversity Limited

Detailed Statement of Financial Activities for the Year Ended 31 August 2021

	2021	2021	
	Unrestricted funds		Total 2020
	General £	Total £	£
<i>Charitable activities</i>			
Purchases	(2,479)	(2,479)	(7,114)
Direct costs	-	-	(6,000)
Depreciation of motor vehicles	(49,920)	(49,920)	(48,207)
(Profit)/loss on disposal of tangible fixed assets	14,085	14,085	(18,730)
Wages and salaries	(403,190)	(403,190)	(457,619)
Staff NIC (Employers)	(11,832)	(11,832)	(12,585)
Staff pensions (Defined contribution) - pension scheme 1	(2,715)	(2,715)	(3,464)
Staff training	(4,148)	(4,148)	(1,117)
Volunteer expenses	(1,020)	(1,020)	(320)
Rent and rates	(3,442)	(3,442)	(2,824)
Insurance	(1,654)	(1,654)	(3,875)
Repairs and maintenance	(2,433)	(2,433)	(336)
Repairs and renewals	(809)	(809)	(3,354)
Telephone and computer costs	(11,440)	(11,440)	(7,469)
Office expenses	(1,846)	(1,846)	(4,964)
Trade subscriptions	(1,332)	(1,332)	(2,610)
Hire of other assets (Operating leases)	(5,198)	(5,198)	(2,671)
Motor expenses	(9,082)	(9,082)	(12,360)
Petrol or diesel	(52,558)	(52,558)	(61,385)
Motor insurance	(36,236)	(36,236)	(28,699)
Motor repairs and renewals	(30,749)	(30,749)	(35,450)
Car hire and leasing expenses (Spot hire)	(40,415)	(40,415)	(41,191)
Travel and subsistence	(3,232)	(3,232)	(841)
Advertising	(17)	(17)	(35)
Legal and professional fees	(5,701)	(5,701)	(5,241)
Bad debts written off	-	-	(17,689)
Bank interest payable	(2,492)	(2,492)	(2,342)
Other interest payable	(3,096)	(3,096)	-
Factoring charges	-	-	(50)
Hire purchase interest	(9,459)	(9,459)	(12,828)
Depreciation of plant and machinery	(597)	(597)	-
Depreciation of office equipment	(324)	(324)	(407)
Loan interest	(1,835)	(1,835)	(5,675)
Governance costs	(24,280)	(24,280)	(36,848)

North East Equality & Diversity Limited

Detailed Statement of Financial Activities for the Year Ended 31 August 2021

2021	2021	
Unrestricted funds		
General £	Total £	Total 2020 £
(709,446)	(709,446)	(844,300)

NORTH EAST EQUALITY & DIVERSITY LIMITED

England & Wales - Charity number 1120968

Accounts

Company registration number: 05817797

Charity registration number: 1120968

NORTH EAST EQUALITY & DIVERSITY LIMITED

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2020

North East Equality & Diversity Limited

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North East Equality & Diversity Limited

Reference and Administrative Details

Trustees	R Styring P Hignett H Pottle P Slater
Secretary	J Robb
Key Management Personnel	Mr Paul Chipchase Mr Steve McHenry Mrs Vee Robinson - Caffrey (resigned 31 October 2020) Mrs Charlotte Watson Mrs Jo Robb
Principal Office	Old Fire Station South Road Alnwick Northumberland NE66 2PA The charity is incorporated in England and Wales.
Company Registration Number	05817797
Charity Registration Number	1120968
Solicitors	Ward Hadaway Sandgate House 102 Quayside Newcastle upon Tyne NE1 3DX
HR & Legal Advisors	Avensure Ltd South Central 11 Peter Street Manchester M2 2QR
Bankers	Lloyds Bank plc 102 Grey Street Newcastle upon Tyne NE1 6AG HSBC Bank plc Alnwick 30 Bondgate Within Alnwick NE66 1TJ
Independent Examiner	MHA Tait Walker Bulman House Regent Centre Gosforth Newcastle upon Tyne NE3 3LS

North East Equality & Diversity Limited

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 August 2020.

Structure, governance and management

Nature of governing document

North East Equality and Diversity Limited is constituted as a registered charity and a company under guarantee in accordance with its Memorandum and Articles of Association dated 16 May 2006 and last amended 25 March 2010.

Induction and training of trustees

New trustees undergo an induction process to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making processes, the business plan and recent financial performance of the charity. Trustees are encouraged to attend appropriate external training events.

Organisational structure

Day to day management is vested in a professional team led by the Chief Executive of the charity, who meets with the board on a six weekly basis. The Chief Executive meets regularly with the Chair (in addition to the formal meetings) and appraises him of any significant issues as they may arise between meetings.

Major risks and management of those risks

Risk Policy

The trustees are responsible for assessing the major risks to which the charitable company is exposed, and for establishing systems to mitigate those risks, they have considered risks which could have a negative effect on the charitable company's ability to pursue its aims, both in terms of the likelihood of these occurring and the probable impact of such events

The trustees continue to review and monitor these risks, and the adequacy of the systems in place to reduce them.

North East Equality & Diversity Limited

Trustees' Report

Objectives and activities

Objects and aims

The object of the charitable company is:

The promotion of equality and diversity for the public benefit in the North East of England and the Borders Region by:

- a) advancing education and raising awareness in equality and diversity
- b) promoting activities to foster understanding between people from diverse backgrounds
- c) providing comprehensive advice and support through giving advice, representation, and advocacy

Fundraising disclosures

The charity is required to report how it deals with fundraising from the public. The charity does not use a professional fundraiser or commercial participator to raise funds. Any monies raised direct from the public follows all guidelines set out by the Charity Commission and UK law in every respect. We respect the privacy and contact preferences of all public donors.

Public benefit

To provide a community transport service of the inhabitants of the United Kingdom who are in need of these services because of age, sickness or disability (mental or physical), or poverty, or because of a lack of availability of adequate and safe passenger public services.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

North East Equality & Diversity Limited

Trustees' Report

Thanks to Funders/Partners

The Board would like to thank the following organisations for their support during 2019-20

Karen Wood North East Social Enterprise Partnership
Paul Jackson of Jackson's Garage
Peter Gilson & Alison Collins of North Star Ventures
Simon Brown - Tait Walker Chartered Accountants
Omar Din - Tait Walker Chartered Accountants
Scott Archibald - Tait Walker Chartered Accountants
Ward Hadaway Solicitors
Avensure Ltd
Tom Gibbard - Lloyds Bank
HSBC
Graham Donachie - D2 Insurance
CVM Group
Northumberland County Council
North East Ambulance Service NHS Foundation Trust
Northumberland, Tyne & Wear NHS Foundation Trust
Northumbria Healthcare NHS Foundation Trust
Community Transport Association
Social Investment Business
St John's Ambulance Service
All GP Surgeries
All Dental Clinics
Alnwick Gardens
St Paul's Court
Weavers Court
Percy Court
Grovewood House
Elpha lodge
Hillcrest
Abbeyfield
Summerhill
Gallery Youth
Contagious
Haltwhistle Partnership
Community 66
Solve IT
Alnwick Community Centre
Seahouses Hub
James Calvert Spence College
Duchess Community High School
Seahouses Primary School
Ellingham Primary School
St Paul's RVCA Middle School
Whittingham Primary School
Longhoughton Primary School
St Michaels Primary School

North East Equality & Diversity Limited

Trustees' Report

Hospice Care
Arthritis Care
Stroke Association
Parish Councils
Jason Gallagher Graphics
Alnwick Tyres
Border Tyres
Lifting & Cooling
RAM Tracking
EP Morris
Eden Lawn
TMC
TMS
Blackshaws Garage

Use of volunteers

NEED is fortunate to have volunteers willing to give their time to provide services for those in need of our transport services. This contribution is greatly valued by the Board of Trustees, staff and service users, as such the Board would like to record their appreciation to those who give their time freely.

North East Equality & Diversity Limited

Trustees' Report

Chairman's statement

NEED Ltd is recognised for providing excellent services to our users. This is undoubtedly due to the dedication of our staff and Board of Directors (Trustees).

Like many other organisations this year has been a very testing time for NEED Ltd, particularly in the last five months of the financial year. This has been entirely due to the government restrictions introduced both nationally and locally to control the pandemic caused by Covid 19. However, in these extremely difficult times we have worked closely with Northumberland County Council (NCC) to maintain essential transport services to schools for children of key workers and for those living in isolated communities throughout Northumberland and Tyneside. We have also worked closely with the North East Ambulance Service (NEAS) to provide transport services to both Covid and non-Covid patients to and from hospital. This has been a trying time for our staff, not only in the transportation of our passengers but also in carrying out the very strict clean down routines of their vehicles on a regular basis. It is to their credit that they have accepted the challenge with their dedicated professionalism. This extra shielding has, needless to say, resulted in NEED Ltd allocating a considerable amount of investment to purchase protective screens, sanitiser dispensers and cleaning materials to carry out this essential work. It has also involved increasing our driver's hours to allow this cleaning to take place.

Unfortunately, a major part of our business carrying passengers from care homes and other locations for day trips and ad hoc arrangements had to be suspended in March due to the government's strict lock down rules to control the Covid 19 pandemic. This of course has had a major impact on NEED's financial wellbeing, necessitating the submission of a number of applications for support from government and other sources.

Our Private Vehicle Operator Licences have given us the ability to provide transport in remote rural areas where roads are too narrow for larger minibuses, and in particular access to rural farmsteads.

We have continued to work closely with GP Practices and Dental Clinics to implement services enabling those most rurally isolated or who are unable to afford private or public transport the means to attend vital health appointments.

The aspiration to purchase the Old Alnwick Fire Station, in Alnwick, has had to be put on hold due to the financial impact of the restrictions that we have operated under in the last 5 months of the financial year. NEED Ltd is indebted to NCC for its patience and tolerance in taking into account our plight towards the end of the financial year. The intention is still to renovate and refurbish the building and site to provide affordable office space and facilities for use by community organisations and social enterprises.

In normal times NEED Ltd is 100% fully sustainable and self-sufficient organisation. Even in these difficult trading times, we are looking forward to the new challenges ahead over the next 12 months. I would like to formally thank all NEED Ltd staff, drivers, passenger assistants, and board members for their continued commitment to the organisation.

Roger Styring
Chair - NEED Ltd

North East Equality & Diversity Limited

Trustees' Report

Achievements and performance Review of 2019-2020

NEED Ltd has achieved the following during 2019-20

- Transportation of **57,169** passengers a fall of 25,039 on the previous year.
4,965 were older people
3,082 were people with a disability
46,757 were rurally/socially isolated, the majority of whom were schoolchildren.
2,365 were people with mental health issues
- ISO 9001:2015 International Quality Accreditation awarded
- The NEED a Car Scheme continued to operate in Amble, Hadston, Warkworth, Belford and Seahouses.
- 5 Dial-a-Ride services continued to operate in conjunction with Northumberland County Council (NCC)
- Continued Public Service Route 460 Ellingham to Alnwick.
- Continued operation of GP and Dental Healthcare Services (523 single passenger journeys)
- Continued to operate 6 Private Hire Vehicle Operators Licenses.
- Continuing to train staff for their Private Hire Vehicle Licence (PHVL)
- Provided transport for the Alnwick Food Bank and Covid 19 Mutual Aid Group.
- Continued provision of Dialysis Patient Transport for North East Ambulance Service (NEAS)
- Continued provision of adhoc Patient Transport as required by NEAS.
- Continued to deliver Driver Certificate of Professional Competence Training

Vehicles

NEED Ltd operates a fleet of 29 accessible and non-accessible vehicles ranging from 1-16 passenger seats. 25 are owned by the organisation and 6 are leased vehicles

We now have vehicles situated at the following locations: Alnwick, Hadston, Rothbury, Blyth, Nenthead, Longframlington, Amble, Shilbottle, Belford, Swarland, Morpeth, Cramlington and Hexham.

Vehicle Maintenance

Most of our vehicle routine maintenance was taken 'in house' during the year, allowing the charity to schedule and control repairs and inspections in a more efficient and cost effective manner. This has resulted in significant financial savings.

Dial-a-Ride Services

These are contracted community services operated in partnership with NCC and have been maintained throughout the period despite the pandemic travel restrictions. These door to door accessible minibus journeys have enabled 1923 passengers with mobility issues the independence to access fresh food outlets in Alnwick and/or Morpeth.

North East Equality & Diversity Limited

Trustees' Report

NEED-a-Car Scheme

Our car scheme offers transport to individuals to attend health services, access leisure services or simply to go shopping. Our drivers will carry shopping to the service user's door. This scheme has reduced from 2,761 passengers in our previous financial year to 1,922 in this current financial year because of Covid 19 restrictions.

Fleet Miles

A total of 247,977 miles was covered by NEED's vehicles during this financial year.

Healthcare Services

GP Referral Scheme -this expanding service collects rurally isolated patients from their homes and transports them to various GP surgeries. The patients are then collected and returned to their homes after their health appointment. This allows GP's and nurses time to see more patients in surgery and less time travelling to rurally isolated people who do not necessarily need a home visit.

Benefits to users - they become less isolated, more socially interactive with improved mental wellbeing Dental Referral Scheme- similar scheme to GP Referral Scheme a door to door service for those who are unable to attend the clinic due to isolation or poverty.

Group Transport

There are over 100 groups who use this service, they vary from small unconstituted groups, to voluntary and statutory organisations. A driver and/or passenger assistant can be provided or the hirer can use their own driver as long as the individual has been trained in MIDAS (Minibus Drivers Awareness Scheme) and have a valid license with the relevant categories to drive a minibus.

Individual Transport

NEED offers small accessible Multi- Purpose Vehicles and minibuses with or without a driver for those who wish to travel alone or with a small group of up to 6 family/friends.

Trained Staff

NEED Ltd are able to supply driver and passenger assistant services with or without vehicles.

Training

NEED continued to deliver the following training in 2019-20 :-

- Passenger Transport Assistants.
- Minibus Drivers Awareness Scheme.
- Driver Certificate of Professional Competence.
- All of our courses are accredited through the Open College Network (OCN), SP Training, CTA and NUCO Training

North East Equality & Diversity Limited

Trustees' Report

Contracts

NEED Ltd bids for contracts to cover our core costs, expand our services and enable us to provide low cost community transport.

Our main commissioners are:

Commissioner	Contracts
Northumberland County Council	26 Home to School contracts including SEN children Dial-A-Ride x 4 (Door to Door) services Public service route 460 (Ellingham – Alnwick) on Thursdays
North East Ambulance Service 1 and 2 crews	Dialysis Transport Service Patient Transport Service (adhoc) Urgent Care (A&E) Support (adhoc)
St John's Ambulance Service (community)	Provision of vehicle and driver, 4 days per week transporting clients into Berwick day centre.
Northumbria Healthcare NHS Foundation Trust	Provision of individual transport to 'Falls Clinic'

NEED Ltd is a preferred provider for: Northumberland County Council, North Tyneside Council, Northumberland, Tyne and Wear NHS Foundation Trust, North East Ambulance Service Foundation Trust, Northumbria Healthcare Trust, Cumbria Partnership NHS Trust, Gateshead Council and NEXUS.

Community

The main charitable aim of NEED Ltd is to provide transport to the most vulnerable members of the community. To this end our community work takes the form of "door to door" services such as Dial-a-Ride services, and our NEED a car scheme, transporting individuals to fresh food outlets, health appointments, and social events etc, group transport i.e. transporting 4 to 16 people, provision of transport for youth groups, delivering meals to day centres 3 x per week.

NEED Ltd has this financial year worked extensively with the Alnwick Food Bank delivering food parcels to people's homes twice a week. 1117 food parcels were delivered at a rate of up to 50 parcels a day covering a total of 2261 miles over the period.

North East Equality & Diversity Limited

Trustees' Report

Financial review

Policy on reserves

The calculation of free reserves is based on the definition included in the charity statement of recommended practice (SORP), which provides recommendations for accounting and reporting for charities. The trustees have examined the requirements of the charity to hold free reserves - those reserves not invested in tangible fixed assets, excluding long term liabilities, or designated for a particular purpose. The Trustees considered it would be appropriate to hold the equivalent of three months which would equate to holding approximately £200,000 in free reserves.

At the year end, free reserves were negative £46,034 (2019: negative £65,295). The board are actively looking to increase the free reserves as they implement the new strategic plan and adapt to the industry changes. The also have fixed contracts generating funds to cover the running costs.

Key Management Personnel

The board, who give their time freely and no trustees received remuneration in the year, have considered who the Key Management Personnel (KMP) of the charity, as noted in the Reference and Administration section. Together with the board, these KMP are those in charge of directing and controlling, running and operating the activities of the charity on a day to day basis. The pay of the KMP is reviewed annually and normally increased in accordance with average earnings. The trustees benchmark against pay levels of other charities and similar organisations within the sector and the region. Pay levels are set using this information together with the budget and forecast information, ensuring that the charity can afford any proposed increases. The board then agree any uplift to remuneration.

Going Concern and COVID-19

The charity has suffered, like many others, during the year from the effects of the government's attempts to control the virus COVID-19. A number of care home contracts were suspended due to the residents remaining in lock-down, similarly St John's Ambulance also suspended a contract in Berwick. School transport was intermittent with only children of key workers being transported to school, roughly half of the charity's vehicles were being used on a daily basis, although this varied from day to day. Critically, Northumberland County Council (NCC) has maintained their financial support to the charity by continuing to fund in full all of our contracts with them. The charity's future income stream looked uncertain at times during the year. Since the lockdown measures were eased, schools returned to full capacity and more recently news of the easing of the lockdown measures applied to care homes and day centres has been welcomed. Needless to say that there are a number of possible scenarios for coming months as the lockdown further eases and demand for the charity's services return.

VETRA

Vetra Ltd is a wholly owned commercial trading subsidiary of NEED Ltd, as such contracts can lie outside the charitable remit thus opening up a more commercial and competitive arena. All surplus revenue will be gifted into NEED Ltd.

North East Equality & Diversity Limited

Trustees' Report

Plans for future periods

Aims and key objectives for future periods

The proposed purchase of the Old Fire Station is presently on hold due to the effects of the coronavirus.

Our aim is to eventually to use our facilities to become a Community Business Hub, where community organisations and start up businesses can access affordable offices and facilities and have the support of their peers.

Phase 1 will include the provision of 6 – 8 serviced offices on the ground floor of the building. These refurbished offices will be leased in order to raise income towards the on- going refurbishment costs.

A thorough financial review of all of our contracts has been carried out during the year in order to further understand the charity's financial position. Several areas have been identified where improvements need to be made at an appropriate time.

Staffing levels and management overhead costs have also been reviewed resulting in the termination of the training section of the charity with the loss of two posts. Further reductions may be necessary.

North East Equality & Diversity Limited

Trustees' Report

Statement of Trustees Responsibilities

The trustees (who are also the directors of North East Equality & Diversity Limited for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

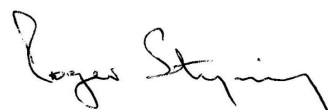
- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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.

Independent Examiner

A resolution to re-appoint Simon Brown BA ACA DChA as independent examiner for the ensuing year will be proposed at the annual general meeting.

The annual report was approved by the trustees of the charity on 25/5/2021 and signed on its behalf by:



R Styring
Trustee

North East Equality & Diversity Limited

Independent Examiner's Report to the trustees of North East Equality & Diversity Limited

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 August 2020 which are set out on pages 15 to 34.

Respective responsibilities of trustees and examiner

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

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

Independent examiner's statement

Since North East Equality & Diversity Limited's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

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

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

North East Equality & Diversity Limited

Independent Examiner's Report to the trustees of North East Equality & Diversity Limited

Material uncertainty relating to going concern.

We draw attention to note 1 in the financial statements, which indicates that there is a material uncertainty in the forecasts and projections over the timing and level of projected future income and therefore the derived cashflows of the charitable company. As stated in note 1, these conditions indicate that a material uncertainty exists, that may cast significant doubt on the charitable company's ability to continue as a going concern should these conditions occur. Our opinion is not modified in respect of this matter.

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



Simon Brown BA ACA DChA
Bulman House
Regent Centre
Gosforth
Newcastle upon Tyne
NE3 3LS

Date: 25/5/2021

MHA Tait Walker is a trading name of Tait Walker LLP.

North East Equality & Diversity Limited

Statement of Financial Activities for the Year Ended 31 August 2020 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Total 2020 £	Total 2019 £
Income and Endowments from:				
Donations and legacies	4	44,704	44,704	79,826
Charitable activities	5	642,370	642,370	641,998
Other trading activities	6	4,691	4,691	22,985
Other income	7	-	-	1,969
Total Income		<u>691,765</u>	<u>691,765</u>	<u>746,778</u>
Expenditure on:				
Charitable activities	8	<u>(844,301)</u>	<u>(844,301)</u>	<u>(783,346)</u>
Total Expenditure		<u>(844,301)</u>	<u>(844,301)</u>	<u>(783,346)</u>
Net expenditure		<u>(152,536)</u>	<u>(152,536)</u>	<u>(36,568)</u>
Net movement in funds		(152,536)	(152,536)	(36,568)
Reconciliation of funds				
Total funds brought forward		<u>108,022</u>	<u>108,022</u>	<u>144,590</u>
Total funds carried forward	22	<u><u>(44,514)</u></u>	<u><u>(44,514)</u></u>	<u><u>108,022</u></u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2019 is shown in note 22.

North East Equality & Diversity Limited

Comparative Statement of Financial Activities for the Year Ended 31 August 2019 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2019 £
Income and Endowments from:				
Donations and legacies	4	79,826	-	79,826
Charitable activities	5	641,998	-	641,998
Other trading activities	6	22,985	-	22,985
Other income	7	1,969	-	1,969
Total income		<u>746,778</u>	<u>-</u>	<u>746,778</u>
Expenditure on:				
Charitable activities	8	<u>(767,430)</u>	<u>(15,916)</u>	<u>(783,346)</u>
Total expenditure		<u>(767,430)</u>	<u>(15,916)</u>	<u>(783,346)</u>
Net expenditure		(20,652)	(15,916)	(36,568)
Transfers between funds		<u>68,971</u>	<u>(68,971)</u>	<u>-</u>
Net movement in funds		48,319	(84,887)	(36,568)
Reconciliation of funds				
Total funds brought forward		<u>59,703</u>	<u>84,887</u>	<u>144,590</u>
Total funds carried forward	22	<u><u>108,022</u></u>	<u><u>-</u></u>	<u><u>108,022</u></u>

North East Equality & Diversity Limited

(Registration number: 05817797)

Balance Sheet as at 31 August 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	15	177,044	307,536
Current assets			
Debtors	16	13,747	60,819
Cash at bank and in hand		<u>76,588</u>	<u>9,827</u>
		90,335	70,646
Creditors: Amounts falling due within one year	17	<u>(136,369)</u>	<u>(135,941)</u>
Net current liabilities		<u>(46,034)</u>	<u>(65,295)</u>
Total assets less current liabilities		131,010	242,241
Creditors: Amounts falling due after more than one year	18	<u>(175,524)</u>	<u>(134,219)</u>
Net (liabilities)/assets		<u>(44,514)</u>	<u>108,022</u>
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		<u>(44,514)</u>	<u>108,022</u>
Total funds	22	<u>(44,514)</u>	<u>108,022</u>

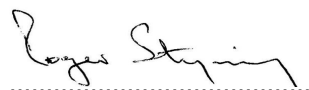
For the financial year ending 31 August 2020 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

The financial statements on pages 15 to 34 were approved by the trustees, and authorised for issue on 25/5/2021 and signed on their behalf by:



R Styring
Trustee

North East Equality & Diversity Limited

Statement of Cash Flows for the Year Ended 31 August 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash expenditure		(152,536)	(36,568)
Adjustments to cash flows from non-cash items			
Depreciation		48,629	64,802
Loss/(Profit) on disposal of tangible fixed assets		18,729	(1,969)
		<u>(85,178)</u>	<u>26,265</u>
Working capital adjustments			
Decrease/(increase) in debtors	16	47,072	(17,471)
Increase in creditors	17	39,532	17,890
		<u>1,426</u>	<u>26,684</u>
Net cash flows from operating activities			
Cash flows from investing activities			
Sale of tangible fixed assets		63,134	3,751
Cash flows from financing activities			
Value of new loans obtained during the period		50,000	41,167
Repayment of loans and borrowings	17	(6,119)	(2,351)
Repayment of capital element of finance leases and HP contracts	19	(44,477)	(47,253)
		<u>(596)</u>	<u>(8,437)</u>
Net cash flows from financing activities			
Net increase in cash and cash equivalents		63,964	21,998
Cash and cash equivalents at 1 September		<u>(6,599)</u>	<u>(28,597)</u>
Cash and cash equivalents at 31 August		<u><u>57,365</u></u>	<u><u>(6,599)</u></u>
Net Cash / (Overdraft)			
Cash on hand		147	147
Cash at bank		76,437	9,676
Short-term deposits		4	4
Bank overdrafts		<u>(19,223)</u>	<u>(16,426)</u>
		<u><u>57,365</u></u>	<u><u>(6,599)</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2020

1 Going Concern

The financial statements have been prepared on a going concern basis.

The charity has reported a net deficit for the current year to 31 August 2020 of £152,536. As at the year end 31 August 2020 the balance sheet reports net current liabilities of £46,034 (in that current liabilities exceed current assets) and a net deficiency of £44,514 (in that total liabilities exceed total assets).

The charity has suffered, like many others, during the year from the effects of the government's attempts to control the virus COVID-19. A number of care home contracts were suspended due to the residents remaining in lock-down, similarly St John's Ambulance also suspended a contract in Berwick. School transport was intermittent with only children of key workers being transported to school, roughly half of the charity's vehicles were being used on a daily basis, although this varied from day to day. Critically, Northumberland County Council (NCC) has maintained their financial support to the charity by continuing to fund in full all of the contracts with them. The charity's future income stream looked uncertain at times during the year. Since the lockdown measures were eased, schools returned to full capacity and more recently news of the easing of the lockdown measures applied to care homes and day centres has been welcomed. Needless to say that there are a number of possible scenarios for the coming months as the lockdown further eases and demand for the charity's services return.

The charity has taken advantage of some of the measures made available from the government including accessing the staff furlough scheme, obtaining a £50,000 bounce back loan and taking repayment holidays on loans and hire purchase agreements.

The charity's budget and forecasts for the next twelve months show that the charity should be able to continue in operational existence for that period, should the trustees' projections about income levels returning to more normal levels occur. The trustees remain hopeful that these material uncertainties over possible future income levels do not cast significant doubt on the charity's ability to continue as a going concern. For these reasons the trustees have continued to prepare the financial statements on a going concern basis.

2 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is: Old Fire Station, South Road, Alnwick, Northumberland, NE66 2PA

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2020

3 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Estimation uncertainty and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported.

Depreciation has been applied to all assets in accordance with the policy included within the accounting policies.

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

There are no key estimates or assumptions to disclose.

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Gift aid

Incoming resources from tax reclaims are included in the Statement of Financial Activities at the same time as the gift to which they relate.

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2020

3 Accounting policies (continued)

Charitable activities

Income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Other income

Vehicles donated in kind are recognised as voluntary income when there is evidence of entitlement to the gift, receipt is probable and the amount can be measured reliably. The vehicle is capitalised as a tangible fixed asset using the cost value (which is equal to the income recognised). Where there is a restriction of purpose or use ongoing, then the income and the asset are recognised within restricted funds.

Income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable 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.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by staff costs by the time spent and other costs by their usage.

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2020

3 Accounting policies (continued)

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £250.00 or more are initially recorded at cost.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Motor Vehicles	Over 7 years straight line
Equipment	Over 5 years straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

During the year the company used invoice discounting service. As you say they raised the invoices on Sage and send to factoring company and then they are advanced the money from the factoring company.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2020

3 Accounting policies (continued)

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Pensions and other post retirement obligations

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2020

4 Income from donations and legacies

	Unrestricted funds		
	General	Total	Total
	£	2020	2019
		£	£
Donations from individuals	-	-	52,116
Government grants	17,527	17,527	-
Grants from other charities	2,100	2,100	2,200
Members subscriptions	809	809	2,223
Bus Operators Grant	24,268	24,268	23,287
	<u>44,704</u>	<u>44,704</u>	<u>79,826</u>

5 Income from charitable activities

	Unrestricted funds		
	General	Total	Total
	£	2020	2019
		£	£
Community transport services	<u>642,370</u>	<u>642,370</u>	<u>641,998</u>
		2020	2019
		£	£
NCC School Contract		517,929	476,453
Brokeridge Income		25,121	48,079
NEAS Contract		77,815	81,131
Dial a Ride		18,784	14,347
Need A car		<u>2,721</u>	<u>21,988</u>
		<u>642,370</u>	<u>641,998</u>

6 Income from other trading activities

	Unrestricted funds		
	General	Total	Total
	£	2020	2019
		£	£
Other trading income	<u>4,691</u>	<u>4,691</u>	<u>22,985</u>

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2020

7 Other income

	Total 2020 £	Total 2019 £
Gains on sale of tangible fixed assets for charity's own use	-	1,969

8 Expenditure on charitable activities

		Unrestricted funds	Total 2020 £	Total 2019 £
	Note	General £		
Community transport services		764,876	764,876	728,359
Allocated support costs	9	42,496	42,496	24,418
Governance costs	9	36,929	36,929	30,569
		<u>844,301</u>	<u>844,301</u>	<u>783,346</u>

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2020

9 Analysis of governance and support costs

Support costs allocated

	Basis of allocation	Governance costs £	Other support costs £	Total 2020 £	Total 2019 £
Staff costs	Direct	16,482	-	16,482	16,723
Independent examiners fees	Direct	2,300	-	2,300	2,200
Bookkeeping and other accounting services	Direct	7,329	-	7,329	1,325
Legal - Building	Direct	5,930	-	5,930	5,387
Payroll costs	Direct	2,044	-	2,044	1,744
Pension advice	Direct	1,046	-	1,046	1,030
Other legal	Direct	912	-	912	838
Premises	Time	101	2,824	2,925	3,250
Communications and IT	Time	267	7,469	7,736	6,672
Insurance	Time	138	3,875	4,013	3,935
Repairs and maintenance	Time	12	336	348	862
Bank fees and interest	Time	81	2,261	2,342	3,389
Office costs	Time	177	4,964	5,141	6,315
Lease costs	Time	95	2,671	2,766	496
Advertising	Time	-	-	-	399
Depreciation	Time	15	407	422	422
		<u>36,929</u>	<u>24,807</u>	<u>61,736</u>	<u>54,987</u>

10 Net incoming/outgoing resources

Net outgoing resources for the year include:

	2020 £	2019 £
Operating leases - plant and machinery	32,589	32,589
Operating leases - other assets	2,459	3,032
Loss /(Profit) on disposal of tangible fixed assets	18,729	(1,969)
Depreciation of fixed assets	<u>48,629</u>	<u>64,802</u>

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2020

11 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

12 Staff costs

The aggregate payroll costs were as follows:

	2020 £	2019 £
Staff costs during the year were:		
Wages and salaries	473,013	410,825
Social security costs	13,416	13,568
Pension costs	3,722	2,781
	<u>490,151</u>	<u>427,174</u>

The monthly average number of persons (including senior management team) employed by the charity during the year was as follows:

	2020 No	2019 No
Staff employed	<u>46</u>	<u>39</u>

No employee received emoluments of more than £60,000 during the year.

The total employee benefits of the key management personnel of the charity were £79,744 (2019 - £80,537).

13 Independent examiner's remuneration

	2020 £	2019 £
Examination of the financial statements	<u>2,300</u>	<u>2,300</u>
Other fees to examiners		
All other assurance services	<u>7,328</u>	<u>1,225</u>

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2020

14 Taxation

The charity is a registered charity and is therefore exempt from taxation.

15 Tangible fixed assets

	Furniture and equipment £	Motor vehicles £	Total £
Cost			
At 1 September 2019	1,923	572,303	574,226
Disposals	-	(153,476)	(153,476)
At 31 August 2020	1,923	418,827	420,750
Depreciation			
At 1 September 2019	1,079	265,611	266,690
Charge for the year	422	48,207	48,629
Eliminated on disposals	-	(71,613)	(71,613)
At 31 August 2020	1,501	242,205	243,706
Net book value			
At 31 August 2020	422	176,622	177,044
At 31 August 2019	844	306,692	307,536

Assets held under finance leases and hire purchase contracts

The net carrying amount of tangible assets includes the following amounts in respect of assets held under finance leases and hire purchase contracts:

	2020 £	2019 £
Motor Vehicles	153,940	223,456

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2020

16 Debtors

	2020 £	2019 £
Trade debtors	13,339	23,762
Prepayments	408	408
Accrued income	-	2,925
Other debtors	-	33,724
	<u>13,747</u>	<u>60,819</u>

17 Creditors: amounts falling due within one year

	2020 £	2019 £
Bank overdrafts	19,223	16,426
Bank loans	1,667	-
Trade creditors	-	2,806
Other loans	12,510	40,816
Hire purchase and finance leases	40,584	55,846
Other taxation and social security	34,298	11,016
VAT	5,388	-
Other creditors	17,646	5,556
Accruals	5,053	3,475
	<u>136,369</u>	<u>135,941</u>

The hire purchase liabilities are secured over the vehicles they relate to.

Other loans include; amounts due which are interest free and repayable on demand; and, amounts due to North Star which incurs interest at 6%.

Bank loans include; a Bounce Back Loan which is interest free for 12 months and then incurs interest at 2.5%.

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2020

18 Creditors: amounts falling due after one year

	2020 £	2019 £
Bank loans	48,333	-
Other loans	22,187	-
Hire purchase and finance leases	105,004	134,219
	<u>175,524</u>	<u>134,219</u>

The hire purchase liabilities are secured over the vehicles they relate to.

Other loans include amounts due to North Star which incur interest at 6% and are repayable by March 2025.

Bank loans include a Bounce Back Loan which is interest free for 12 months and then incurs interest at 2.5% being repayable by May 2026.

19 Obligations under leases and hire purchase contracts

The total value of future minimum lease payments was as follows:

	2020 £	2019 £
Within one year	40,584	55,846
In two to five years	105,004	134,219
	<u>145,588</u>	<u>190,065</u>

20 Pension and other schemes

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £3,722 (2019 -£2,781).

Contributions totalling £861 (2019 - £Nil) were payable to the scheme at the end of the year and are included in creditors.

21 Commitments

Other financial commitments

The company has non-cancellable operating leases.

The total amount of other financial commitments not provided in the financial statements was £81,493 (2019 - £103,681).

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2020

22 Funds

	Balance at 1 September 2019 £	Incoming resources £	Resources expended £	Balance at 31 August 2020 £
Unrestricted funds				
General	<u>108,022</u>	<u>691,765</u>	<u>(844,301)</u>	<u>(44,514)</u>

	Balance at 1 September 2018 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 August 2019 £
Unrestricted funds					
General	59,703	746,778	(767,430)	68,971	108,022
Restricted funds	<u>84,887</u>	<u>-</u>	<u>(15,916)</u>	<u>(68,971)</u>	<u>-</u>
Total funds	<u>144,590</u>	<u>746,778</u>	<u>(783,346)</u>	<u>-</u>	<u>108,022</u>

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2020

23 Analysis of net assets between funds

	Unrestricted funds	
	General	Total funds
	£	£
Tangible fixed assets	177,044	177,044
Net current assets/(liabilities)	(46,034)	(46,034)
Creditors over 1 year	(175,524)	(175,524)
Total net assets	(44,514)	(44,514)

	Unrestricted funds	
	General	Total funds at 31 August 2019
	£	£
Tangible fixed assets	307,536	307,536
Net current assets/(liabilities)	(65,295)	(65,295)
Creditors over 1 year	(134,219)	(134,219)
Total net assets	108,022	108,022

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2020

24 Analysis of net funds

	At 1 September 2019 £	Cash flow £	New Advances £	At 31 August 2020 £
Cash at bank and in hand	9,827	66,761	-	76,588
Bank overdraft	(16,476)	(2,747)	-	(19,223)
	(6,649)	64,014	-	57,365
Other loans	(40,816)	6,119	-	(34,697)
Bank loans	-	-	(50,000)	(50,000)
Finance leases and hire purchase contracts	(190,065)	44,477	-	(145,588)
Net debt	(237,530)	114,610	(50,000)	(172,920)
	At 1 September 2018 £	Cash flow £	New Advances £	At 31 August 2019 £
Cash at bank and in hand	151	9,676	-	9,827
Bank overdraft	(28,748)	12,272	-	(16,476)
	(28,597)	21,948	-	(6,649)
Other loans	(2,000)	(38,816)	-	(40,816)
Finance leases and hire purchase contracts	(110,528)	47,253	(126,790)	(190,065)
Net debt	(141,125)	30,385	(126,790)	(237,530)

North East Equality & Diversity Limited

Notes to the Financial Statements for the Year Ended 31 August 2020

25 Related party transactions

During the year the charity made the following related party transactions:

VETRA Limited

The charitable company is the only member of VETRA Limited, a company limited by guarantee.

VETRA Limited remained dormant throughout the year and there have been no transactions with the Charitable company (2019 -None).

At the balance sheet date the amount due to/from VETRA Limited was £Nil (2019 - £Nil).

V Robinson - Caffrey

During the year the CEO has given the charitable company an interest free loan of £Nil (2019: £4,865) and £Nil was repaid (2019: £3,865).

The loan is interest free and repayable on demand.

During the year ended 31 August 2019 the CEO proposed to make a donation to the charitable company of £11,565; by converting £3,865 which was part of a loan made by the CEO to the charity; and, by forgoing £7,700 of unpaid wages.

Since that agreement, the post of CEO was made redundant and consequently the decision to donate part of the loan balance and forgo unpaid wages was recinded. As a result the total £11,565 was reversed in the year ended 31 August 2020 SoFA and charged to wages.

At the balance sheet date the amount due to V Robinson - Caffrey was £5,865 (2019 - £2,000).

C Watson

During the year the Finance Officer has loaned the Charitable company £Nil (2019: £14,316) and was repaid £9,984 (2019: £1500).

The loan is interest free and repayable on demand.

At the balance sheet date the amount due to C Watson was £3,832 (2019 - £13,816).

R Styring

During the previous (2019) year the Chairman donated £40,000 to the charitable company.

At the balance sheet date the amount due to/from R Styring was £Nil (2019 - £Nil).