

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

Contents

Reference and Administrative Details	1
Trustees' Report	2 to 7
Statement of Financial Activities	8
Balance Sheet	9
Statement of Cash Flows	10
Notes to the Financial Statements	11 to 21

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	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>
		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	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	7,886	520,598	528,484
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	6,090	384,768	390,858
Net book value			
At 31 August 2024	1,796	135,830	137,626
At 31 August 2023	2,988	131,632	134,620

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>

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