

Disability North

(A company limited by guarantee and not
having a share capital)

Report of the Executive Committee and financial statements

Registered charity number 514733

Guarantee number 1781525

31 March 2002



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Officers and Advisers

Guarantee number

1781525

Charity registration number

514733

Executive Committee members

The Executive Committee members who were directors of the charitable company and who held office during the year were as follows:

Ms S Wheatley	Chair
Mr M Macourt	Vice Chair
Mr A Scott	Treasurer
Mrs M Lynn	Vice President (deceased)
Mrs J Nicklin	Vice President (from 27 November 2001)
Mr RC Spoor OBE	Vice President
Mrs M Taylor	Vice President
Ms R Abrahams	
Mrs C Atkin	(resigned 13 August 2001)
Mr D Barker	(resigned 21 December 2001)
Ms A Blackburn	
Mr RA Elliott	
Mr J Galea	(resigned 4 March 2002)
Mr RM Kalbag	
Mrs M Kelly	(resigned 29 March 2002)
Mr M Leates	
Mrs C Lossing-Rangecroft	
Mr S Skedge	
Mr S Cooke	(appointed 29 March 2002)

The Vice Presidents have no voting rights.

Executive directors

The senior executives of the charitable company attended the meetings of the Executive Committee but were not eligible to vote.

Mr D Barker MBE	Director of Business Services
Mrs M Kelly	Director of Independent Living Services
Mr S Cooke	Chief Executive

Officers and Advisers (continued)

Company Secretary

Mrs M Kelly (resigned 29 March 2002)
Mr S Cooke (appointed 29 March 2002)

Bankers

Lloyds Bank Plc
High Street
Gosforth
Newcastle upon Tyne
NE3 1JQ

Unity Trust Bank
Nine Brindleyplace
4 Oozells Square
Birmingham
B1 2HB

Stockbrokers

Wise Speke
39 Pilgrim Street
Newcastle upon Tyne
NE1 6RQ

Solicitors

Watson Burton
20 Collingwood Street
Newcastle upon Tyne
NE1 1LB

Auditors

KPMG LLP
Quayside House
110 Quayside
Newcastle upon Tyne
NE1 3DX

Report of the Executive Committee

The Executive Committee present their annual report and audited financial statements for the year ended 31 March 2002.

Constitution

Disability North is a company limited by guarantee and a registered charity governed by its Memorandum and Articles of Association.

Principal objects

- (i) To promote the relief of disabled people and their inclusion within society, in the geographical area covered by the City of Newcastle upon Tyne, the Counties of Cumbria, Durham, Northumberland, Tyne and Wear and areas adjacent thereto.
- (ii) To support disabled people by addressing the disadvantage or restriction of activity they experience as a result of social attitudes and environmental barriers.
- (iii) To promote and support research of social welfare issues related to disability and to publish the results of such research.

Activities and results for the year

Net outgoing resources for the year were £49,715 (*2001: incoming resources of £52,233*) as itemised in the Statement of Financial Activities.

The development of the full range of Disability North services continued through the year, with increased levels of service activity being achieved in supporting more disabled people throughout the region. The Executive Committee remains ultimately responsible for the activities of the organisation and the sub groups 'Staffing, Personnel and Quality' and 'Planning, Finance and Administration' facilitate a greater involvement of Executive Committee members.

The Executive Committee are of the opinion that the charitable company's assets are sufficient to fulfil the obligations of the Charity.

Report of the Executive Committee *(continued)*

Quality Development

In addition to maintaining the requirements of the Investors in People scheme and the Business Excellence Model, Disability North finalised the systems and procedures needed to give compliance with the Community Legal Services Quality Mark.

Disability North Direct (Training and Audit Team)

Building upon the funding secured during the previous year, the team continued to consolidate its financial base by developing the service provided to the commercial sector. Funding was also secured from Newcastle New Deal, to deliver disability equality training in the West End of Newcastle. Inter-agency working was promoted by the secondment of one member of staff to the Pioneering Care Partnership at Newton Aycliffe to deliver training in the South Durham and Teesside areas.

Dene Centre Site

The Executive Committee has an ongoing commitment to maintain and develop the Dene Centre site.

Open Days

Open Days continued to be held during 2002. These were again very well attended and promoted the work of Disability North among professionals and service users.

Screening the Gene

A major international conference, 'Screening the Gene', was convened at the Newcastle Centre for Life in February 2002. The conference was attended by a number of internationally recognised genetic scientists and large insurance companies and considered the implications of genetic screening upon the employment, insurance and financial prospects of disabled people.

Report of the Executive Committee *(continued)*

Direct Payments Projects

The Direct Payments Project provides support to people in Newcastle who wish to manage their own care packages. The Project successfully developed its user base during the course of the year. An additional, similar, project funded by South Tyneside Council was added to the team during the course of the year and this is currently establishing a user base.

Newcastle Special Needs Network

During the course of the year the Network continued to develop its activities and secured some funding from the Catherine Cookson Fund to cover the establishment of a library for the use of parents and carers.

Young Disabled Person's Development Worker

The Young Disabled Person's Development Worker has continued to develop services and activities to a growing group of service users. The nature and scope of activities is determined by the service users. The Project is also influencing Disability North's work with young people.

The Executive Committee

The Executive Committee members who held office during the year are shown on page 1.

The Executive Committee members are directors of the company.

Members of the Executive Committee, who must be members of Disability North, are elected by the members in general meeting or appointed by the Executive Committee until the next annual general meeting when the person appointed is eligible for re-election by the members.

Report of the Executive Committee (*continued*)

Investment policy

The Company has a written investment policy that is regularly reviewed by the Executive Committee. This policy addresses the requirements for financial security and performance and compatibility with the ethical objectives of the Company. The policy recognises the Executive Committee's responsibility to maximise income through prudent investment, whilst protecting the reputation of Disability North by not knowingly investing in organisations involved in inappropriate activities or commodities such as weapons, tobacco, genetically modified food, etc.

Reserves policy

The reserves policy is formally reviewed and adopted annually and determines the targets necessary for the achievement of appropriate financial underpinning to ensure that the Company's statutory financial obligations are capable of being met. The policy currently aims for a reserve sufficient to cover three month's full running costs. This was achieved at the end of the accounting period.

Risk assessment

The formal risk assessment policy and process covers every area of activity and is formally reviewed by the Executive Committee every six months. The risk assessment process informs the Executive Committee's deliberations in ensuring that suitable systems and safeguards are in place to mitigate the risk associated with each element.

Donations and grants from trusts, foundations and business

A number of significant donations and sponsorship grants were received in the year to 31 March 2002 and these are gratefully acknowledged:

Report of the Executive Committee *(continued)*

Donations	Amount £	Date
Joseph Strong Trust	1,000.00	6 April 2001
NE Chamber of Commerce	725.00	30 August 2001
Joseph Strong Trust	1,000.00	18 October 2001
W Handley Trust	3,000.00	20 December 2001
Tyneside Charitable Trust	500.00	31 December 2001
The Dixon Trust	1,000.00	24 January 2002
The Welcome Trust	2,000.00	28 February 2002
Rowbotham Trust	500.00	27 March 2002

Sponsorship	Amount £	Date
The Chair Shop Open Days	600.00	7 June 2001
Peacocks DNEX	1,100.00	7 September 2001
One NorthEast DNEX	10,000.00	23 October 2001
Browell Smith & Co Screening the Gene	4,000.00	28 February 2002
Stannah Stairlifts Courses	3,090.00	Annually

Auditors

KPMG were re-appointed auditors however, since then their business was transferred to a limited liability partnership, KPMG LLP. Accordingly KPMG resigned as auditors on 30 September 2002 and the directors thereupon appointed KPMG LLP to fill the vacancy arising. A resolution for the re-appointment of KPMG LLP as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

Report of the Executive Committee *(continued)*

On behalf of the Executive Committee



S Wheatley
Chair

The Dene Centre
Castle Farm Road
Newcastle upon Tyne

11 December 2002

Statement of the Executive Committee members' responsibilities

Company law requires the Executive Committee members, who are also the directors of the company for the purposes of company law, to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the excess of expenditure over income for that period. In preparing those financial statements, the Executive Committee members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue its activities.

The Executive Committee members are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.



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110 Quayside
Newcastle upon Tyne
NE1 3DX

Report of the independent auditors to the members of Disability North

We have audited the financial statements on pages 12 to 27.

Respective responsibilities of Executive Committee members and auditors

The Executive Committee members, who are the trustees and also the directors of Disability North for the purposes of company law, are responsible for preparing the report of the Executive Committee and, as described on page 9, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the report of the Executive Committee is not consistent with the financial statements, if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

Basis of audit opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant

Report of the auditors to the members of Disability North *(continued)*

estimates and judgements made by the Executive Committee members in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the charitable company as at 31 March 2002 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG LLP.

KPMG LLP

Chartered Accountants

Registered Auditor

11 December 2002

Statement of Financial Activities (incorporating Income and Expenditure account) for the year ended 31 March 2002

	Note	Unrestricted funds £	Restricted funds £	Capital funds £	Total funds 2002 £	Total funds 2001 £
Income and expenditure						
Incoming resources						
Activities in furtherance of the charity's objectives		59,941	355,077	-	415,018	306,463
Fees, donations and appeal receipts		-	-	-	-	93,037
National Lotteries Charities Board		-	-	-	-	23,000
Northern Rock Foundation		187,332	-	-	187,332	182,983
Local authority grants		184,640	-	-	184,640	165,214
Activities for generating funds		2,293	-	-	2,293	4,087
Income from trading activities	8	117	-	-	117	5,689
Service charges		20,070	-	-	20,070	27,865
Rent received		8,302	-	-	8,302	8,979
Interest received		1,779	-	-	1,779	1,803
Investment income		4,598	-	-	4,598	50,224
Other income						
Total incoming resources (c/f)		<u>469,072</u>	<u>355,077</u>	<u>-</u>	<u>824,149</u>	<u>869,344</u>

Statement of Financial Activities (incorporating Income and Expenditure account) (continued) for the year ended 31 March 2002

Note

		Unrestricted funds £	Restricted funds £	Capital funds £	Total funds 2002 £	Total funds 2001 £
Total incoming resources (b/f)		469,072	355,077	-	824,149	869,344
Resources expended						
Direct charitable expenditure	5	199,729	290,363	-	490,092	475,347
Costs of generating funds	6	147,214	-	-	147,214	122,804
Management and administration of the charity	7	235,169	-	-	235,169	215,786
Expenditure on trading activities	8	1,389	-	-	1,389	3,174
Total resources expended	9	583,501	290,363	-	873,864	817,111
Net (outgoing)/incoming resources for the year	4	(114,429)	64,714	-	(49,715)	52,233
Transfers between funds		17,128	-	(17,128)	-	-
Net movement in funds before other gains and losses - Net (expenditure)/income for the year (c/f)		(97,301)	64,714	(17,128)	(49,715)	52,233

Statement of Financial Activities (incorporating Income and Expenditure account) (continued) for the year ended 31 March 2002

	Note		Total funds		Total funds
	Unrestricted funds	Restricted funds	Capital funds	2002	2001
	£	£	£	£	£
Net movement in funds before other gains and losses - Net (expenditure)/income for the year (b/f)	(97,301)	64,714	(17,128)	(49,715)	52,233
Other recognised gains and losses					
Unrealised (losses)/gains on investment assets	11 (733)	-	-	(733)	703
Net movement in funds	<u>(98,074)</u>	<u>64,714</u>	<u>(17,128)</u>	<u>(50,488)</u>	<u>52,936</u>
Fund balances brought forward at 1 April 2001	255,813	34,073	538,445	828,331	775,395
Fund balances carried forward at 31 March 2002	<u>157,739</u>	<u>98,787</u>	<u>521,317</u>	<u>777,843</u>	<u>828,331</u>

The charitable company has no recognised gains or losses relating to the year other than the net movement in funds.

All incoming resources and resources expended derive from continuing activities.

Balance sheet
for the year ended 31 March 2002

	Note	2002	2001
		£	£
Fixed assets			
Tangible fixed assets	10	478,399	499,977
Investments	11	29,594	30,367
		507,993	530,344
Current assets			
Stocks		1,116	1,116
Debtors	12	107,422	46,639
Cash at bank and in hand		251,275	299,487
		359,813	347,242
Liabilities: amounts falling due within one year	13	(89,963)	(49,255)
Net current assets		269,850	297,987
Net assets	16	777,843	828,331
Funds			
Capital funds	14	521,317	538,445
Income funds			
Restricted funds	15	98,787	34,073
Unrestricted funds		157,739	255,813
		777,843	828,331

These financial statements were approved by the Executive Committee on 11 December 2002 and were signed on its behalf by:


Ms S Wheatley
Chair

Notes

(forming part of the financial statements)

1 Guarantee company

Disability North is a company limited by guarantee (No. 1781525) and not having a share capital. In the event of the company being wound up, members may be required to contribute an amount not exceeding £1.

2 Disclosure requirements

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, and in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP 2000) issued in October 2000, applicable accounting standards and the Companies Act 1985.

3 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

Under Financial Reporting Standard 1 (revised 1996) the company is exempt from the requirement to prepare a cash flow statement on grounds of size.

Fixed asset investments

Investments are included at market value at the balance sheet date. Any gain or loss on revaluation is taken to the Statement of Financial Activities.

Notes *(continued)*

3 Accounting policies (continued)

Fixed assets and depreciation

Depreciation is provided by the company to write off the cost of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Long leasehold buildings	40 years
Furniture and fittings	10 years
Equipment, motor vehicles	5 years
Computer related equipment	1-3 years

Land is not depreciated.

Capital funds

Capital funds include capital grants received in connection with leasehold building and the proceeds of an appeal for funding for the building. Each year an amount is transferred from capital funds to income funds equal to the depreciation charged on freehold buildings.

Restricted funds

Income received from donors for specific charitable purposes is included as restricted funds and the related expenditures is allocated against the fund.

Income

Income is included in the Statement of Financial Activities when receivable. Grants and other income to fund projects lasting for more than one year or for fixed assets are recognised in full in the year in which they are receivable. Donated assets are credited to income at their estimated market value. The value of services provided by volunteers has not been included.

Expenditure

Resources expenditure are recognised in the period in which they are incurred and are allocated to the activity to which they relate. Any costs that cannot be allocated to a specific activity are apportioned across cost categories on the basis of an estimate of the proportion of time spent by staff on those activities.

Notes *(continued)*

3 Accounting policies (continued)

Stocks

Stocks are stated at the lower of cost and net realisable value.

Pensions

The company participates in a pension scheme providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the company. The company is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by FRS 17 'Retirement Benefits', accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

4 Net (outgoing)/incoming resources for the year

	2002	2001
	£	£
<i>Net(outgoing)/ incoming resources for the year</i>		
<i>Is stated after charging:</i>		
Payment on operating leases	750	605
Depreciation	29,285	45,250

Notes (continued)

5 Direct charitable expenditure

	Unrestricted funds £	Restricted funds £	Total 2002 £	Total 2001 £
Independent				
Living Resource	89,134	-	89,134	84,512
Information and				
Advisory Service	104,305	-	104,305	98,593
Training and Access				
Team	6,290	125,573	131,863	201,434
Projects	-	164,790	164,790	90,808
	<hr/>	<hr/>	<hr/>	<hr/>
	199,729	290,363	490,092	475,347
	<hr/>	<hr/>	<hr/>	<hr/>

Expenditure of £nil (2001: £32,831) on the Training and Access Team and £nil (2001: £35,708) on the Independent Living Resource is funded by the National Lotteries Charities Board.

6 Costs of generating funds

	2002 £	2001 £
Cost of fundraising events	78,412	71,703
Fundraising department	68,802	50,508
Publicity	-	593
	<hr/>	<hr/>
	147,214	122,804
	<hr/>	<hr/>

Notes *(continued)*

7 Management and administration of the charity

	2002	2001
	£	£
Salaries	135,792	98,043
Office costs	94,851	108,205
Legal and professional fees	4,526	9,538
	<hr/> 235,169 <hr/>	<hr/> 215,786 <hr/>

8 Trading activities

	2002	2001
	£	£
Sales	2,293	4,087
Direct costs	(1,389)	(3,174)
	<hr/> 904 <hr/>	<hr/> 913 <hr/>

Notes (continued)

9 Total resources expended

	Staff costs	Equip- -ment Leasing costs	Depre- -ciation	Other costs	Total 2002	Total 2001
	£	£	£	£	£	£
Independent Living Resource	83,160	-	-	5,974	89,134	84,512
Information and Advisory Service	89,639	-	-	14,666	104,305	98,593
Training and Access team	105,524	-	-	26,339	131,863	201,434
Fund raising and publicity	56,376	-	-	90,838	147,214	122,804
Management and administration	135,792	750	29,285	69,342	235,169	215,786
Trading activities	-	-	-	1,389	1,389	3,174
Projects	128,651	-	-	36,139	164,790	90,808
	599,142	750	29,285	244,687	873,864	817,111
				2002		2001
				£		£
Staff costs:						
Wages and salaries				524,273		453,992
Social security costs				29,252		31,992
Pension costs				45,617		36,403
				599,142		522,387

During the year to 31 March 2002, one employee earned between £60,000 and £70,000. Included within this amount is an ex-gratia payment of £29,500. Pension contributions of £4,039 were made to a money purchase scheme on this employee's behalf. In the prior year, no employee earned £50,000 per annum or more. During the year no

Notes (continued)

9 Total resources expended (continued)

members of the executive committee received any emoluments (2001: £nil). Travel expense of £2,003 (2001: £3,021) in total were paid to 3 members of the Executive Committee.

The average number of employees, analysed by function, was:

	2002	2001
Direct charitable services	23	19
Fund raising and publicity	3	3
Management and administration of charity	7	6
	<hr/> 33 <hr/>	<hr/> 28 <hr/>

10 Tangible fixed assets

	Long Leasehold Land Buildings		Motor vehicles, furniture & equipment	Total
	£	£	£	£
Cost				
At beginning of year	50,847	687,335	119,278	857,460
Additions	-	-	7,707	7,707
At end of year	<hr/> 50,847 <hr/>	<hr/> 687,335 <hr/>	<hr/> 126,985 <hr/>	<hr/> 865,167 <hr/>
Depreciation				
At beginning of year	-	277,019	80,464	357,483
Provided in year	-	17,128	12,157	29,285
At end of year	<hr/> -	<hr/> 294,147 <hr/>	<hr/> 92,621 <hr/>	<hr/> 386,768 <hr/>
Net book value				
At 31 March 2002	<hr/> 50,847 <hr/>	<hr/> 393,188 <hr/>	<hr/> 34,364 <hr/>	<hr/> 478,399 <hr/>
At 31 March 2001	<hr/> 50,847 <hr/>	<hr/> 410,316 <hr/>	<hr/> 38,814 <hr/>	<hr/> 499,977 <hr/>

Notes *(continued)*

10 Tangible fixed assets *(continued)*

Long leasehold buildings includes assets in the course of construction of £nil (2001: £10,000).

The tangible fixed assets are held for direct charitable purpose, although parts of the building are let to bodies with related objectives.

11 Fixed asset investments

	2002 £
Quoted investment	
Market value 1 April 2001	30,367
Unrealised investment losses	(773)
Market value 31 March 2002	29,594
Historical cost as at 31 March 2002	24,442

The investment is a UK managed bond.

12 Debtors

	2002 £	2001 £
Other debtors	81,557	43,621
Prepayments	25,865	2,469
Accrued income	-	549
	107,422	46,639

Notes (continued)

13 Liabilities: amounts falling due in less than one year

	2002 £	2001 £
Trade creditors	15,268	16,982
Other creditors - other taxes and social security	20,858	16,905
Accruals and deferred income	53,837	15,368
	<hr/> 89,963 <hr/>	<hr/> 49,255 <hr/>

14 Capital funds

	Balance 1 April 2001 £	Release to income funds £	Balance 31 March 2002 £
Building appeal reserve			
Applied on land	50,846	-	50,846
Applied on buildings	53,132	(1,906)	51,226
Building reserve fund	87,283	-	87,283
	<hr/> 191,261 <hr/>	<hr/> (1,906) <hr/>	<hr/> 189,355 <hr/>
Capital grant			
Applied on buildings	347,184	(15,222)	331,962
	<hr/> 538,445 <hr/>	<hr/> (17,128) <hr/>	<hr/> 521,317 <hr/>
Total capital funds			

Notes (continued)

15 Restricted funds

	Balance 1 April 200 1	Movement in Resources		Balance 31 March 2002
	£	Incoming	Outgoing	£
Projects	28,378	355,077	(290,340)	93,115
Specific collections	5,695	-	(23)	5,672
	<u>34,073</u>	<u>355,077</u>	<u>(290,363)</u>	<u>98,787</u>

The projects refer to a number of areas of specific activity that are supported by certain funding bodies such as the Community Foundation and the Northern Rock Foundation. The funds provided by these bodies are restricted to the purpose for which they are intended and each project is individually reported to the funding body.

Specific collections are donations received from time to time where the donors request that the funds be used for a particular purpose.

Notes *(continued)*

16 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Capital Funds	Total Funds
	£	£	£	£
Fund balances at 31 March 2002 are represented by:				
Tangible fixed assets	34,364	-	444,035	478,399
Investments	-	-	29,594	29,594
Net current assets	123,375	98,787	47,688	269,850
	<hr/>	<hr/>	<hr/>	<hr/>
Total net assets	157,739	98,787	521,317	777,843
	<hr/>	<hr/>	<hr/>	<hr/>

In the opinion of the Executive Committee, sufficient resources are held in an appropriate form for each fund to be applied in accordance with any restrictions imposed.

17 Pension scheme

The charity's employees belong to a Local Government Pension Scheme (LGPS).

The LGPS is a funded defined benefit scheme, with the assets held in separate trustee administered funds. The agreed contribution rates for future years are 9% plus £7,392 per annum for employers and 4% for employees.

Notes *(continued)*

17 Pension scheme (continued)

SSAP 24

The pensions cost is assessed every three years in accordance with the advice of a qualified independent actuary. The assumptions and other data that have the most significant effect on the determination of the contribution levels are as follows:

Latest actuarial valuation	31 March 2001
Actuarial method	Projected Unit
Investment returns per annum	6.64%
Pension increases per annum	2.5%
Salary scale increases per annum	4.25%
Market value of assets at date of last valuation	£2,190m
Proportion of members' accrued benefits covered by the actuarial value of the assets	81.7%

FRS 17

Under the definitions set out in Financial Reporting Standard 17 (Retirement Benefits), the LGPS is a multi employer pension scheme. The charity is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly the charity has taken advantage of the exemption in FRS 17 and upon full adoption of the accounting standard will account for its contributions to the scheme as if it were a defined contribution scheme.