

Company Registration Number: 1781525 (England and Wales)
Charity Registration Number: 514733

Disability North
(a company limited by guarantee)

Executive Committee Report and Group Financial Statements

For the Year Ended 31 March 2019



DISABILITY NORTH

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DISABILITY NORTH

EXECUTIVE COMMITTEE REPORT FOR THE YEAR ENDED 31 MARCH 2019

The Executive Committee present their report together with the consolidated financial statements of the charity and subsidiary company, Disability North Events Limited, for the year ended 31 March 2019. The financial statements are also prepared to meet the requirements for a directors' report and accounts for the Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard in the UK and Republic of Ireland (FRS 102).

OBJECTIVES AND ACTIVITIES

Objects of the Charitable Company

The charitable company's objects are:

- 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.

Aims and Activities

The charity's statement of its main aims and principles is:

"Disability North aims to promote inclusion, independence and choice for disabled people in the region".

In order to achieve these aims, the charity has the following objectives:

- To anticipate, identify and serve the needs of the disabled population within the geographical area covered by Disability North through the provision of a comprehensive, appropriate range of products and services including information, advice and independent living services;
- To keep abreast of disability issues and initiatives in partnership with international, national, regional and local organisations to increase our level of activity throughout the Northern Region;
- To develop the range of products and services delivered both in consultation with service users and in accordance with demographic and social trends;
- To maintain and develop our role as one of the leading disability service organisations in the North East region.

DISABILITY NORTH

EXECUTIVE COMMITTEE REPORT *(Continued)* FOR THE YEAR ENDED 31 MARCH 2019

For the year under review the main objectives were to:

- Implement the first year of Disability North's 2018-23 strategic direction.
- Continue to use the results of evaluations and consultations to consolidate existing funding streams, and develop new ones to cover the activities and management of Disability North.
- Review the performance of Disability North Events in line with the 2018-23 Strategic Direction.
- Ensure that all services funded on a contractual basis with statutory agencies deliver services with effectiveness, efficiency and quality to satisfy both our service users and statutory funders.
- Continue to explore opportunities to maintain and enhance Disability North's reputation as being one of the region's leading resources for information, advice and support on all aspects of disability.

The significant activities to achieve those objectives were:

- The Chief Executive Officer engaged with statutory funders to safeguard statutory funding streams and identify opportunities for increases in funding where appropriate;
- The Chief Executive (in consultation with the Board) developed, launched and implemented 2018-23 strategic plan.
- Disability North Events explored opportunities with the aim of increasing funding and income generation for Disability North.
- The Disability North Service Team continued to provide high quality information and advice services to meet the demand of service users and to fulfil the requirements of statutory funders.

Public Benefit

Disability North's mission is to promote inclusion, independence and choice for disabled people. The benefits to the general public are clearly identifiable. Our services, available to disabled people of all ages are:

- Help to reduce discrimination and remove barriers for disabled people whilst contributing towards creating a fairer and more equal society for all;
- Promote independent living by giving disabled people more control over how they manage their lives;
- Provide choice to disabled people and their carers and families by giving advice, information and support in all areas of their health and social care needs;
- Our services help to alleviate poverty by assisting service users to make the best value choices in relation to social care and significantly in the area of welfare rights. During the year 2018-19 we supported around 4,000 disabled people and their carer's in obtaining benefits to the ongoing value of approximately £4 million.

DISABILITY NORTH

EXECUTIVE COMMITTEE REPORT *(Continued)* FOR THE YEAR ENDED 31 MARCH 2019

ACHIEVEMENTS AND PERFORMANCE

- The Disability North Service Team continues to perform well. Staff members have retained their own areas of expertise whilst learning new skills in order to manage increasing workloads and to offer a demand led service to beneficiaries.
- The benefits team continue to retain the award from Advice Standard Alliance for advice with casework relating to welfare benefits.
- All statutory funders were very satisfied with the services provided and the performance monitoring reports submitted throughout the year. The majority of the targets in relation to service user activity for the year under review were reached.
- Payroll and Payroll Plus has continued to expand and provides a substantial additional income stream.
- Disability North has worked in partnership with Sintons Solicitors and Irwin Mitchell Solicitors to facilitate and deliver free legal surgeries on any disability related issues. These were delivered at the Dene Centre.
- Disability North piloted our FundED project - a disability awareness and fundraising initiative working with local schools.

Review of Activities

Quality

The achievement and maintenance of recognised standards of quality and excellence in all areas of activity remains a major priority. We continue to hold the Advice Quality Standard Award; it was renewed in 2018 and we will apply for this to be renewed again in 2020. Disability North is also signed up to the "Disability Confident Employer" scheme.

DISABILITY NORTH

EXECUTIVE COMMITTEE REPORT (*Continued*) FOR THE YEAR ENDED 31 MARCH 2019

Disability North Service Team

The Disability North Service Team provides information, advice and guidance on a wide range of disability issues. The service is mainly funded by the statutory sector and supplemented by income generated by fundraising activities and charitable funding. During this financial year 4,000 enquiries were dealt with in relation to disability benefits and independent living, and the team raised over £4 million in terms of benefits accrued for service users.

The Direct Payments hub of the team is funded by Newcastle City Council via a separate service level agreement. During this year, we supported 487 people in receipt of direct payments. Staff members delivered information services to a variety of groups and people about direct payments. Partners from Newcastle Social Services continue to be satisfied with the project's delivery and the targets that were set for the team at the start of the year were met. This contract is secured until March 2020. Payroll and Payroll Plus services have expanded and have been successful in providing another source of income for Disability North. The Direct Payments advisors have also been providing support to personal health budget recipients with funding support from Newcastle and Gateshead CCG and supported 53 people in receipt of personal health budgets.

Members of the service team have attended numerous meetings and open days to talk about the services Disability North provides. The Service Team also provide monthly benefit workshops, providing information and advice on all aspects for welfare benefits for disabled people and their families.

Disability North Events (DNE)

Following the decision to restructure Disability North Events in line with the Strategic Direction 2018-23 the independent operation of the trading arm ceased in December 2018, all remaining activities and functions reassigned to existing personnel within Disability North.

Disability North (The Dene Centre)

The Executive Committee acknowledges that the Dene Centre building is over 30 years old and that its infrastructure including electrical systems and the general building structure must be monitored for significant deterioration or operational failure. We are currently considering our options in relation to the leasehold and the current building.

Disability North continues to rent out space within the Dene Centre to a variety of tenants. Tenants up to 31 March 2019 include: Liveasy, Newcastle Disability Forum, Newcastle SENDIASS, Silverline Memories, A Time 2 Talk and Brain Box.

Strategic Planning

The Chief Executive Officer regularly reports on progress to the Executive Committee.

DISABILITY NORTH

EXECUTIVE COMMITTEE REPORT *(Continued)* FOR THE YEAR ENDED 31 MARCH 2019

FINANCIAL REVIEW

Financial Position

At 31 March 2019 the charity is reporting a deficit of £85,647 of which £49,481 relates to the closure of Disability North Events Ltd and £19,342 relates to the spending of brought forward restricted funds.

The charity has operated largely within budget during the period with the exception of exceptional expenses incurred as a result of the closure of Disability North Events Ltd with all winding up costs and charges being incorporated into the financial period reported on. Overall the fall in income from the closure has been offset by a matching fall in expenditure and the core charity services and administration ran at only a small manageable deficit. Moving forward, the trustees are confident that the budget set for 2019-20 will be met and the position of the charity will improve, and be in a more stable and coherent structure to build on in line with the Strategic Direction 2018-23.

Payroll services continues to be a major source of revenue with income up 7.5% against the previous period with the expectation that similar increases will continue year on year.

Uncertainties as always remain within funding streams from Clinical Commissioning Groups and Local authorities but much of the funding for these streams, in line with our expectations, has been confirmed for the forthcoming year (2019-20) and beyond. The political delays in achieving an exit from the EU makes long term planning for these income streams difficult though current indications are that they will remain at around current levels over the short to medium term.

The management team remain committed to the provision of core services within budget and the restructuring and consolidation within the charity will provide an even more stable footing to move forward on and enable closer control over fundraising and expenditure.

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 charitable company's statutory financial objectives are capable of being met. We have set a target for unrestricted reserves equivalent to six months expenditure. Free reserves at 31 March was £214,465 (2018 - £289,805), which excluding the long term pension liability, slightly exceed the reserve target. Moving forward and reserves are intended to remain at this level.

Designated funds at the year end consist of the property fund, which equals the net book value of the property. The repair fund which was set aside in 2015-16 to fund significant repairs to the building, this has been transferred back into general unrestricted funds during the year. Further details can be found in note 23.

Total reserves at 31 March 2019 show a net liabilities position of £81,173 which includes the net present value of the Tyne and Wear Pension Scheme liability. This has been recalculated this year and at 31 March 2019 amounted to £577,753. The liability is expected to be repaid in annual instalments based on the Recovery Plan which runs to 2037, the repayment of this liability is incorporated into the annual budgets.

DISABILITY NORTH

EXECUTIVE COMMITTEE REPORT *(Continued)* FOR THE YEAR ENDED 31 MARCH 2019

Principal Funding Sources

The principal funders remain the Local Authorities and Clinical Commissioning Groups, without whose annual grants, core work of the charitable company could not continue. The charitable company is making efforts to increase its base of donors and in this respect The Executive Committee wishes to record its gratitude to all those authorities, organisations, bodies and individuals that provide support to Disability North in the furtherance of its mission, including:

Donations-

(over £200)

William Leech

Percy Hedley Foundation

Alchemy Foundation

Joseph Strong

Skipton Building Society

Community Foundation

Hadrian Trust

Joicey Trust

PLANS FOR THE FUTURE

Disability North remains in a sound position financially. This financial stability allows the organisation time to focus on strategic growth as well as build on its reserves.

Hire of conference room facilities

Brandling Pre School no longer hold their morning nursery in the Conference Room at Disability North but Silverline Memories have begun to hold their tea dances at the Dene Centre. We will also continue to promote the conference room as a reasonable priced option to hire.

Office space

Office space available to rent will be reviewed and advertised appropriately.

Funding bids

In addition to statutory funding, the main potential sources of income generation are through successful bids to funding trusts. Disability North is focusing on sourcing and submitting funding applications identified in the fundraising plan (2019/20) and working with the new Service Development Manager on our fundraising initiative FundED and the DNEX Directory - a new online directory demonstrating equipment to assist disabled people in independent living.

DISABILITY NORTH

EXECUTIVE COMMITTEE REPORT *(Continued)* FOR THE YEAR ENDED 31 MARCH 2019

Payroll

Payroll and Payroll Plus continues to expand and to provide additional income for Disability North producing an increase of 7.5% on 2017-18. Workloads are being monitored to ensure adequate resource is available to manage additional duties associated with pension auto-enrolment for payroll clients.

Statutory Funding

The Chief Executive Officer will continue to work to maintain good relationships with all statutory funders and work to identify any new potential statutory funding streams.

Partnerships

The Chief Executive Officer will continue to maintain relationships with existing partners and explore opportunities to form new alliances with a variety of organisations with a view to working effectively together.

Key drivers for the future

Personalisation, the ageing population and austerity are all continuing themes on the health and social care agenda. The role of the voluntary sector is consistently mentioned within Government agenda at both local and national levels. Disability North needs to ensure it is well placed to take advantage of all potential opportunities both to raise its profile in the region and to ensure financial stability.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

Disability North holds monies on behalf of other organisations relating to a payroll service, this is provided to a number of small organisations and individuals. Further detail is given in note 21.

REFERENCE AND ADMINISTRATIVE DETAILS

Charity Number:	514733
Company Number:	1781525
Registered Office:	The Dene Centre, Castle Farm Road, Newcastle upon Tyne, NE3 1PH

Our advisors

Auditors	Haines Watts, Floor 11, Cale Cross House, 156 Pilgrim Street, Newcastle upon Tyne, NE1 6SU
Bankers	Lloyds TSB PO Box 8, High Street, Gosforth, Newcastle upon Tyne, NE3 1JQ Unity Trust Bank Plc Nine Brindleyplace, Birmingham, B1 2HB
Solicitors	Watson Burton LLP 1 St James Gate, Newcastle upon Tyne, NE99 1YQ

DISABILITY NORTH

EXECUTIVE COMMITTEE REPORT *(Continued)* FOR THE YEAR ENDED 31 MARCH 2019

Directors and trustees

The directors of the charitable company are its trustees for the purpose of charity law. The trustees and officers serving during the year and since the year end were as follows:

Executive Committee	J Cairns	(Chair)
	S Wheatley	(Vice Chair)
	S Knox	(Treasurer)
	T Brandon	(Resigned December 2018)
	M Macourt	(Resigned December 2018)
	D W Jenkins	(Resigned July 2018)
	J Ayton	(Resigned December 2018)
	O C Veldhuizen	(Resigned August 2018)
	T Williams	(Resigned December 2018)
	B Williams	(Resigned August 2018)
	D Pritchard	(Resigned July 2019)
	A Blackburn	
	M Hood	(Appointed August 2018)
	L Reynolds	(Appointed January 2019)
	R Thomas	(Appointed January 2019)

Key management

Chief Executive Officer	Victoria Armstrong	
Service Team Manager	Keith Moore	
Finance & Office Manager	Katie Boyden	
Payroll Manager	Lynne Waggott	
Events Manager	Kevin Wrights	(Left January 2019)

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Documents

The charitable company is limited by Guarantee and is governed by its memorandum and articles.

Recruitment and Appointment of Executive Committee

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

Executive Committee Induction and Training

The induction and training of new members of the Executive Committee is accomplished by selection interviews and an introductory session prior to appointment. Periodic training opportunities and all Charity Commission bulletins and fact sheets are forwarded to members of the charity.

Organisational Structure

The Executive Committee is ultimately responsible for the activities of the organisation and the Executive Committee Finance Sub-group facilitates the greater involvement of the individual Executive Committee members. The Senior Executives of the charitable company attend the meetings of the Executive Committee but are not eligible to vote. Voting rights have now been extended to include vice presidents.

DISABILITY NORTH

EXECUTIVE COMMITTEE REPORT *(Continued)* FOR THE YEAR ENDED 31 MARCH 2019

Related Parties

Details of related parties arising through third party connections with members of the Executive Committee are given in note 26 to the accounts.

Pay policy for senior staff

The trustees and senior management team comprise the key management of the charity and are in charge of directing, controlling, running and operating the charity on a day to day basis. All trustees give their time freely and no director received remuneration during the year. The pay of senior staff is reviewed annually by the board along with all other staff.

Risk Management Policy

The Executive Committee has assessed the major risks to which the charitable company is exposed, and are satisfied that systems and controls are in place to mitigate exposure to the major risks. The Executive Committee formally reviews the Risk Assessment Policy, which covers every area of activity every six months.

EXECUTIVE COMMITTEE STATEMENT OF RESPONSIBILITIES

The Executive Committee (who are also directors of Disability North for the purposes of company law) are responsible for preparing the Executive Committee Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Executive Committee to prepare financial statements for each financial year which give a true and fair view of both the charitable company's and the group's state of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing these financial statements, the Executive Committee is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS102);
- 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Executive Committee are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and the group and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DISABILITY NORTH

EXECUTIVE COMMITTEE REPORT *(Continued)* FOR THE YEAR ENDED 31 MARCH 2019

In so far as the Executive Committee are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- as the Executive Committee we have taken all the steps that we ought to have taken in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

AUDITORS

A resolution proposing that Haines Watts be reappointed as auditors of the company will be put to the Annual General Meeting.

Approved by the Executive Committee on 5 September 2019 and signed on their behalf by:



.....
Jamie Cairns
Chair

DISABILITY NORTH

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DISABILITY NORTH

Opinion

We have audited the financial statements of Disability North for the year ended 31 March 2019 which comprise the Group Statement of Financial Activities, the Group and the Parent Charitable Company Balance Sheet, the Group Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and charitable company's affairs as at 31 March 2019, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

DISABILITY NORTH

INDEPENDENT AUDITORS' REPORT *(Continued)* TO THE MEMBERS OF DISABILITY NORTH

Opinion on other matters prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 9 and 10, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

DISABILITY NORTH

INDEPENDENT AUDITORS' REPORT *(Continued)* TO THE MEMBERS OF DISABILITY NORTH

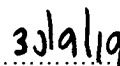
Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Steven Richardson FCA (Senior Statutory Auditor)
For and behalf of Haines Watts

Chartered Accountants and
Statutory Auditors



Floor 11, Cale Cross House
156 Pilgrim Street
Newcastle upon Tyne
NE1 6SU

DISABILITY NORTH

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2019

	Notes	Unrestricted Funds £	Restricted Funds £	Designated Funds £	Total 2019 £	Total 2018 £
Income:						
Donations and legacies	4	16,276	-	-	16,276	29,804
Income from charitable activities	5	216,219	141,810	-	358,029	386,029
Income from other trading activities						
- Commercial trading operations	16	16,715	-	-	16,715	91,185
- Other trading activities	6	81,501	-	-	81,501	73,940
Investment income	7	725	-	-	725	1,174
Other income		8,316	-	-	8,316	7,661
Total income		339,752	141,810	-	481,562	589,793
Expenditure:						
Cost of raising funds						
- Commercial trading operations		62,596	-	-	62,596	137,742
- Other trading activities	6	6,429	-	-	6,429	4,712
Expenditure on charitable activities	8	301,491	161,152	9,191	471,834	487,927
Pension liability		26,340	-	-	26,340	(31,359)
Total expenditure		396,856	161,152	9,191	567,199	599,022
Net gains/(losses) on investments		(10)	-	-	(10)	(1,452)
Net income/expenditure		(57,114)	(19,342)	(9,191)	(85,647)	(10,681)
Transfer between funds	23	39,176	5,080	(44,256)	-	-
Net movement in funds		(17,938)	14,262	(53,447)	(85,647)	(10,681)
Reconciliation of funds						
Total funds brought forward		(271,223)	14,262	261,435	4,474	15,155
Total funds carried forward		(289,161)	-	207,988	(81,173)	4,474

This Statement of Financial Activities includes all gains and losses recognised in the year.
All incoming resources and resources expended derive from continuing activities.

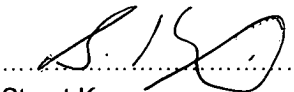
DISABILITY NORTH

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2019

	Notes	£	2019 £	£	2018 £
Fixed Assets					
Tangible assets	15		212,640		222,935
Investments	16		28,875		28,885
			<u>241,515</u>		<u>251,820</u>
Current Assets					
Stocks		300		300	
Debtors	17	152,577		284,244	
Cash at bank and in hand		162,167		193,194	
		<u>315,044</u>		<u>477,738</u>	
Liabilities:					
Creditors: amounts falling due within one year	18	(100,579)		(173,671)	
				<u></u>	
Net current assets			214,465		304,067
Total assets less current liabilities			<u>455,980</u>		<u>555,887</u>
Creditors: amounts falling due after more than one year	20		(537,153)		(551,413)
			<u>(81,173)</u>		<u>4,474</u>
The funds of the charity:					
Restricted funds			-		14,262
Unrestricted funds			(289,161)		(271,223)
Designated funds			207,988		261,435
	23		<u>(81,173)</u>		<u>4,474</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Approved by the Executive Committee on 5 September 2019 and signed on their behalf by:-


 Stuart Knox
 Treasurer
 Company Registration No. 1781525

The notes on pages 18 to 33 form part of these financial statements.

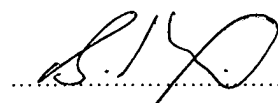
DISABILITY NORTH

CHARITABLE COMPANY BALANCE SHEET AS AT 31 MARCH 2019

	Notes	£	2019 £	£	2018 £
Fixed Assets					
Tangible assets	15		212,640		222,935
Investments	16		28,876		28,886
			<u>241,516</u>		<u>251,821</u>
Current Assets					
Stocks		300		300	
Debtors	17	160,941		338,352	
Cash at bank and in hand		134,619		127,482	
		<u>295,860</u>		<u>466,134</u>	
Liabilities:					
Creditors: amounts falling due within one year	18	(96,046)		(162,051)	
		<u></u>		<u></u>	
Net current assets			199,814		304,083
Total assets less current liabilities			<u>441,330</u>		<u>555,904</u>
Creditors: amounts falling due after more than one year	20		(537,153)		(551,413)
			<u>(95,823)</u>		<u>4,491</u>
The funds of the charity:					
Restricted funds	23		-		14,262
Unrestricted funds			(303,811)		(271,206)
Designated funds			207,988		261,435
			<u>(95,823)</u>		<u>4,491</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Approved by the Executive Committee on 5 September 2019 and signed on their behalf by:-


.....
Stuart Knox

Treasurer

Company Registration No. 1781525

The notes on pages 18 to 33 form part of these financial statements.

DISABILITY NORTH

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2019

	Note	2019 £	2018 £
Cash flow from operating activities			
Net cash flow from operating activities	27	(30,278)	(110,714)
Cash flow from investing activities			
Payments to acquire tangible fixed assets		(1,474)	(1,872)
Investment income		725	1,174
Net cash flow from investing activities		(749)	(698)
Net decrease in cash and cash equivalents		(31,027)	(111,412)
Cash and cash equivalents at the beginning of the year		193,194	304,606
Cash and cash equivalents at the end of the year		<u>162,167</u>	<u>193,194</u>
Cash and cash equivalents consist of:			
Cash at bank and in hand		<u>162,167</u>	<u>193,194</u>

DISABILITY NORTH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

1. Accounting Policies

1.1 Basis of preparation

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 on 16 July 2014 (as updated through Update Bulletin and published on 2 February 2016), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice.

Disability North meets the definition of a public benefit under FRS 102. The financial statements are prepared under the historical cost convention or transaction value unless otherwise stated in the relevant accounting policy note(s). The financial statements are prepared in Sterling which is the functional currency of the charity and rounded to the nearest £.

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

1.2 Going concern

A pension liability of £577,753 shown in note 22 has been provided in the financial statements in accordance with FRS 102. The liability represents the additional contributions required in line with the Recovery Plan which runs to 2037. Further detail in relation to the recognition of the liability can be found in note 1.15. The pension liability does not fall due immediately therefore the trustees continue to prepare the financial statements on a going concern basis.

The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern. Were this not the case, adjustments would have to be made to reduce the value of the assets to their recoverable amount, to provide any further liabilities that might arise and to reclassify fixed assets and long term liabilities as current assets and current liabilities.

1.3 Basis of consolidation

These financial statements consolidate the results of the charity and its wholly-owned subsidiary Disability North Events Limited on a line by line basis. A separate Statement of Financial Activities for the charity itself is not presented because the charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

1.4 Funds

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purposes and are available as general funds.

Designated funds are amounts earmarked by the trustees for a specific purpose.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

DISABILITY NORTH

NOTES TO THE FINANCIAL STATEMENTS *(Continued)* FOR THE YEAR ENDED 31 MARCH 2019

1.5 Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity has entitlement to the funds, any performance conditions have been met, the amount can be measured reliably and it is possible that the income will be received.

Donations from individuals and charitable trusts are recognised when notification of payment is received, unless there are specific conditions attached.

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions and is recognised as earned. Grant income included in this category provides funding to support performance activities and is recognised where there is entitlement, certainty of receipt and the amount can be measured with reasonable certainty. Income received to deliver services over a specific period covering more than one financial year is accounted for over the specific period; related expenditure is accounted when incurred.

Investment income relates to interest earned through holding assets on deposit.

No amount is included within the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees Report.

1.6 Expenditure and irrecoverable VAT

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is possible that the settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as an expense against the activity for which the expenditure arose.

1.7 Support costs

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, finance, personnel, payroll and governance costs. They are incurred directly in support of expenditure on the objects of the charity.

1.8 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Leasehold land	over the remaining period of the lease
Leasehold buildings	40 years
Furniture and equipment	1 to 10 years

1.9 Investments

Fixed asset investments are stated at market value.

DISABILITY NORTH

NOTES TO THE FINANCIAL STATEMENTS *(Continued)* FOR THE YEAR ENDED 31 MARCH 2019

1.10 Stock

Stock is valued at the lower of cost and net realisable value.

1.11 Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.12 Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.13 Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of fund to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement after allowing for any trade discounts due.

1.14 Leases

Rentals payable under operating leases are charged against income on a straight line basis over the base term.

1.15 Pensions

The charitable company contributes to a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the charitable company. The annual contributions payable are charged to the SoFA.

The charity also contributes to a defined benefit pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. It is not possible for the charitable company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme and therefore accounts for it as a defined contribution scheme. In addition to the above accounting the scheme has agreed a schedule of contributions with participating employers that will eliminate the plan over 20 years. The charity has recognised a liability for the contributions adjusted for the time value of money and an equal expense in the SoFA.

1.16 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.17 Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

DISABILITY NORTH

NOTES TO THE FINANCIAL STATEMENTS *(Continued)* FOR THE YEAR ENDED 31 MARCH 2019

2. Legal status

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, the liability in respect of the guarantee is limited to £1 per member of the charity.

3. Comparative statement of financial activities

	Notes	Unrestricted Funds £	Restricted Funds £	Designated Funds £	Total 2018 £
Income:					
Donations and legacies	4	14,934	14,870	-	29,804
Income from charitable activities	5	249,432	136,597	-	386,029
Income from other trading activities					
- Commercial trading operations	16	91,185	-	-	91,185
- Other trading activities	6	73,940	-	-	73,940
Investment income	7	1,174	-	-	1,174
Other income		7,661	-	-	7,661
Total income		438,326	151,467	-	589,793
Expenditure:					
Cost of raising funds					
- Commercial trading operations		137,742	-	-	137,742
- Other trading activities	6	4,712	-	-	4,712
Expenditure on charitable activities	8	319,429	146,034	22,464	487,927
Pension liability	22	(31,359)	-	-	(31,359)
Total expenditure		430,524	146,034	22,464	599,022
Net gains/(losses) on investments		(1,452)	-	-	(1,452)
Net movement in funds		6,350	5,433	(22,464)	(10,681)
Reconciliation of funds					
Total funds brought forward		(277,573)	8,829	283,899	15,155
Total funds carried forward		(271,223)	14,262	261,435	4,474

DISABILITY NORTH

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2019

4. Donations and legacies

	2019	2018
	£	£
Donations	16,276	29,804
	<u> </u>	<u> </u>

5. Income from charitable activities

	2019	2018
	£	£
Contractual payments	248,806	284,407
Sale of goods and services	109,223	101,622
	<u> </u>	<u> </u>
	358,029	386,029
	<u> </u>	<u> </u>

6. Income from other trading activities

	Fundraising events	Rents receivable and room hire	Shop sales	Training	2019	2018
	£	£	£	£	£	£
Income	5,450	73,828	445	1,778	81,501	73,940
Direct costs	(3,210)	(3,136)	(83)	-	(6,429)	(4,712)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	2,240	70,692	362	1,778	75,072	69,228
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

DISABILITY NORTH

NOTES TO THE FINANCIAL STATEMENTS *(Continued)* FOR THE YEAR ENDED 31 MARCH 2019

7. Investment income

	2019	2018
	£	£
Income from listed investments	481	1,077
Interest receivable	244	97
	<u>725</u>	<u>1,174</u>

8. Charitable expenditure analysis

	Activities undertaken directly	Support costs	2019	2018
	£	£	£	£
Independent living	250,799	139,892	390,691	404,520
Benefit, advice and support	52,089	29,054	81,143	83,407
	<u>302,888</u>	<u>168,946</u>	<u>471,834</u>	<u>487,927</u>

9. Summary analysis of expenditure and related income from charitable activities

This table shows the costs of the two main activities and the sources of income directly to support those activities.

	Independent Living	Benefits & Advice	Total
	£	£	£
Costs	(250,799)	(52,089)	(302,888)
Income			
Contracts & grants	218,989	29,817	248,806
Payroll services	109,223	-	109,223
	<u>328,212</u>	<u>29,817</u>	<u>358,029</u>
Net income	<u>77,413</u>	<u>(22,272)</u>	<u>55,141</u>

DISABILITY NORTH**NOTES TO THE FINANCIAL STATEMENTS (Continued)**
FOR THE YEAR ENDED 31 MARCH 2019**10. Support costs**

	2019	2018
	£	£
Salaries	87,184	97,323
Rent & rates	(905)	(2,694)
Light & heat	(122)	(3,102)
Insurances	1,827	1,724
Repairs	18,979	7,821
Cleaning	109	1,234
Telephone	1,494	2,180
PPS	6,548	9,771
Training, travel & entertaining	7,374	3,952
Publicity	8,649	2,809
Professional fees	8,313	36,770
Bank charges	667	452
Depreciation	11,769	13,118
Sundry	10,248	(1,246)
Governance costs (note 11)	6,812	6,114
	<u>168,946</u>	<u>176,226</u>

11. Governance costs

	2019	2018
	£	£
Audit fees	5,850	5,850
Executive committee costs	962	264
	<u>6,812</u>	<u>6,114</u>

12. Net movement in funds

	2019	2018
	£	£
This is stated after charging:		
Depreciation	11,769	13,118
Loss on sale of tangible fixed assets	-	6,907
Auditor's remuneration (company - £5,850: 2018 - £5,850)	6,600	6,600
	<u></u>	<u></u>

DISABILITY NORTH

NOTES TO THE FINANCIAL STATEMENTS *(Continued)* FOR THE YEAR ENDED 31 MARCH 2019

13. Analysis of staff costs and trustee remuneration and expenses

	2019	2018
	£	£
Wages and salaries	304,470	307,521
Social security costs	21,006	19,229
Other pension costs	20,370	22,895
	<hr/>	<hr/>
	345,846	349,645
	<hr/>	<hr/>
	2019	2018
Number of employees		
The average monthly number of employees during the year was:		
Direct charitable services	9	11
Fundraising and publicity	1	2
Management and administration of the charitable company	7	7
	<hr/>	<hr/>
	17	20
	<hr/>	<hr/>

Included in the above are redundancy costs of £6,841 (2018 – none).

There were no employees whose annual emoluments were more than £60,000 (2018 - none).

None of the Executive Committee (or any persons connected with them) received any remuneration for their services as directors during the year. Three members of the Executive Committee were reimbursed a total of £962 travelling expenses during the year (2018 - £264 paid to three member).

Stuart Knox, a member of the Executive Committee, was paid £1,200 (2018 - £1,200) in respect of consultancy fees for accounting services provided during the year.

The key management personnel of the charity comprise the trustees, the Chief Executive Officer, Service Team Manager, Events Manager and Finance & Office Manager. The total employee benefits of the key management personnel of the charity were £160,508 (2018 - £179,279).

DISABILITY NORTH

NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 MARCH 2019

14. Incoming resources and net increase in funds

The Consolidated Statement of Financial Activities includes the results of the wholly owned subsidiary.

The summary financial performance of the charity alone is;

	2019 £	2018 £
Income	463,947	505,608
Expenditure	(537,911)	(543,639)
Exceptional item	(26,340)	31,359
Net gain/(loss) on investment	(10)	(1,452)
Net income/(expenditure)	(100,314)	8,124

15. Tangible Fixed Assets

Group and charity

	Long leasehold land £	Long leasehold buildings £	Furniture & equipment £	Total £
Cost				
At 1 April 2018	50,847	687,335	17,260	755,442
Additions	-	-	1,474	1,474
At 31 March 2019	50,847	687,335	18,734	756,916
Depreciation				
At 1 April 2018	6,776	514,281	11,450	532,507
Charge for the year	484	8,653	2,632	11,769
At 31 March 2019	7,260	522,934	14,082	544,276
Net book value				
At 31 March 2019	43,587	164,401	4,652	212,640
At 31 March 2018	44,071	173,054	5,810	222,935

All tangible fixed assets are held for direct charitable purposes. Parts of the building are let to organisations with related objectives.

DISABILITY NORTH

NOTES TO THE FINANCIAL STATEMENTS *(Continued)* FOR THE YEAR ENDED 31 MARCH 2019

16. Fixed Asset Investments

	Cost £	Market Value £
UK Managed Bond		
At 1 April 2018	24,442	28,885
Change in value in the year	-	(10)
At 31 March 2019 – Group	24,442	28,875
Investment in subsidiary company	1	1
At 31 March 2019 – Company	24,443	28,876

Subsidiary undertaking	Country of registration of incorporation	Shares held Class	%
Disability North Events Limited	England and Wales	Ordinary	100

Disability North Events Limited provides an annual exhibition event and holds external courses, the company ceased trading on 31 December 2018. The results for the 12 months to 31 March 2019 and summary of assets and liabilities of Disability North Events Limited as at 31 March 2019 are as follows:

	2019 £	2018 £
Turnover	16,715	91,185
Cost of sales	1,976	(40,654)
Administrative expenses	(68,172)	(104,088)
Profit/(loss) on ordinary activities before donation to charitable company	(49,481)	(53,557)
Donation to charitable company	-	-
Total assets	38,692	162,260
Total liabilities	(139,189)	(213,276)
Shareholders funds	(100,497)	(51,016)

DISABILITY NORTH

NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 MARCH 2019

17. Debtors

	Group		Charity	
	2019	2018	2019	2018
	£	£	£	£
Trade debtors	93,047	176,439	86,389	141,629
Other debtors	281	32,062	281	3,380
Prepayments and accrued income	59,249	75,743	54,763	69,045
Owed from group undertakings	-	-	19,508	124,298
	<u>152,577</u>	<u>284,244</u>	<u>160,941</u>	<u>338,352</u>

18. Creditors: Amounts falling due within one year

	Group		Charity	
	2019	2018	2019	2018
	£	£	£	£
Trade creditors	14,713	39,662	13,208	16,505
Taxes and social security costs	11,542	41,964	11,542	67,703
Accruals and deferred income	20,269	28,577	18,447	13,756
Pension liability (note 22)	40,600	39,300	40,600	39,300
Other creditors	13,455	24,168	12,249	24,787
	<u>100,579</u>	<u>173,671</u>	<u>96,046</u>	<u>162,051</u>

19. Deferred income

Deferred income relates to grants received in advance and fundraising events held in future years.

	£
As at 1 April 2018	1,861
Released	(1,861)
Deferred income from new sources	3,339
As at 31 March 2019	<u>3,339</u>

20. Creditors: Amounts falling due after more than one year

	Group		Charity	
	2019	2018	2019	2018
	£	£	£	£
Pension liability (note 22)	<u>537,153</u>	<u>551,413</u>	<u>537,153</u>	<u>551,413</u>

DISABILITY NORTH

NOTES TO THE FINANCIAL STATEMENTS *(Continued)* FOR THE YEAR ENDED 31 MARCH 2019

21. Holding accounts

During the year Disability North held monies on behalf of individuals and organisations in relation to the payroll plus service provided to service users.

	£
At 1 April 2018	1,754,735
Income	4,859,803
Expenditure	(4,395,126)
	<hr/>
At 31 March 2019	2,219,412
	<hr/>

22. Pension costs

Defined contribution scheme

A money purchase stakeholder pension scheme is offered to new employees. During the year contributions of £20,370 (2018 - £22,895) were paid, the employer's contribution rate is 5%.

Defined benefit scheme

The charitable company's employees belong to a Local Government Pension Scheme (LGPS) with the Tyne and Wear Pension Fund. This is a funded defined benefit scheme, with the assets held in separate trustee administered funds. The defined benefit scheme was closed to new entrants on 1 April 2004.

Under the definitions set out in Financial Reporting Standard 17 (Retirement Benefits), the LGPS is a multi-employer pension scheme. The charitable company is not able to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the charitable company has taken advantage of the exemption provided by FRS 17 and accounts for its contributions to the scheme as if it were a defined contribution scheme.

The most recent valuation was at 31 March 2016 and showed it to be in deficit. Disability North is required to make contributions to the deficiency. The next years deficiency payments, which are in addition to the normal pension cost, will be £40,600.

In accordance with FRS 102, the net present value of the future contributions required by Disability North over 20 years to clear the funding deficit is £577,753 (2018 - £590,713). In calculating this net present value it is assumed annual contributions will remain at the level stated for 2019/20 and a discount rate of 2.6% (2018 – 2.8%) representing the typical yield of high quality corporate bonds has then been applied.

DISABILITY NORTH

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2019

23. Statement of funds

<i>Year ended 31 March 2019</i>	Balance at 1 April 2018 £	Incoming resources £	Outgoing resources £	Gain/loss investment & transfers £	Balance at 31 March 2019 £
Unrestricted funds					
General funds	(271,223)	339,752	(396,856)	39,166	(289,161)
Designated funds					
Capital assets	217,179	-	(9,191)	-	207,988
Renovation fund	44,256	-	-	(44,256)	-
	<u>261,435</u>	<u>-</u>	<u>(9,191)</u>	<u>(44,256)</u>	<u>207,988</u>
Total unrestricted funds	<u>(9,788)</u>	<u>339,752</u>	<u>(406,047)</u>	<u>(5,090)</u>	<u>(81,173)</u>
Restricted funds					
Direct payments	906	141,810	(147,796)	5,080	-
Digital Inclusion	13,356	-	(13,356)	-	-
	<u>14,262</u>	<u>141,810</u>	<u>(161,152)</u>	<u>5,080</u>	<u>-</u>
Total restricted funds	<u>4,474</u>	<u>481,562</u>	<u>(567,199)</u>	<u>(10)</u>	<u>(81,173)</u>

DISABILITY NORTH

NOTES TO THE FINANCIAL STATEMENTS *(Continued)* FOR THE YEAR ENDED 31 MARCH 2019

23. Statement of funds *(Continued)*

<u>Year ended 31 March 2018</u>	Balance at 1 April 2017 £	Incoming resources £	Outgoing resources £	Gain/loss investment & transfers £	Balance at 31 March 2018 £
Unrestricted funds					
General funds	(277,573)	438,326	(430,524)	(1,452)	(271,223)
Designated funds					
Capital assets	226,771	-	(9,592)	-	217,179
Renovation fund	57,128	-	(12,872)	-	44,256
	<u>283,899</u>	<u>-</u>	<u>(22,464)</u>	<u>-</u>	<u>261,435</u>
Total unrestricted funds	<u>6,326</u>	<u>438,326</u>	<u>(452,988)</u>	<u>(1,452)</u>	<u>(9,788)</u>
Restricted funds					
Direct payments	8,829	136,597	(144,520)	-	906
Digital Inclusion	-	14,870	(1,514)	-	13,356
Total restricted funds	<u>8,829</u>	<u>151,467</u>	<u>(146,034)</u>	<u>-</u>	<u>14,262</u>
	<u>15,155</u>	<u>589,793</u>	<u>(599,022)</u>	<u>(1,452)</u>	<u>4,474</u>

Designated funds

The capital asset fund equals the net book value of the leasehold property.

The renovation fund relates to amounts set aside by the trustees to undertake crucial repair work to the property.

Restricted funds

Direct Payments - This fund is to promote and support the uptake of Direct Payments in Newcastle.

Digital Inclusion – This fund is to help disabled people to have better access to the internet by offering support, digital workshops and use of specialist equipment.

DISABILITY NORTH

NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 MARCH 2019

24. Analysis of Group Assets between Funds

Year ended 31 March 2019

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total £
Tangible fixed assets	4,652	207,988	-	212,640
Investments	28,875	-	-	28,875
Net current assets	214,465	-	-	214,465
Long term liabilities	(537,153)	-	-	(537,153)
	<u>(289,161)</u>	<u>207,988</u>	<u>-</u>	<u>(81,173)</u>

Year ended 31 March 2018

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total £
Tangible fixed assets	5,810	217,125	-	222,935
Investments	28,885	-	-	28,885
Net current assets	245,495	44,310	14,262	304,067
Long term liabilities	(551,413)	-	-	(551,413)
	<u>(271,223)</u>	<u>261,435</u>	<u>14,262</u>	<u>4,474</u>

25. Operating commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	Equipment	
	2019 £	2018 £
Not later than one year	6,882	9,012
Later than one and not later than five years	19,008	21,138
Later than five years	-	4,752
	<u>25,890</u>	<u>34,902</u>

DISABILITY NORTH

NOTES TO THE FINANCIAL STATEMENTS *(Continued)* FOR THE YEAR ENDED 31 MARCH 2019

26. Related Parties

Stuart Knox, treasurer, is also a director of The Human Office from which Disability North purchased supplies on an arms length basis totalling £1,676 (2018 – £3,807). Included within trade creditors is an amount of £158 (2018 - £12) due to The Human Office.

Stuart Knox, treasurer, is also a director of S K Accountancy from which Disability North purchased services on an arms length basis totalling £1,200 (2018 – £2,520). Included within trade creditors is an amount of £2,520 (2018 - £Nil) due to S K Accountancy.

Alison Blackburn, trustee, is also a director of Newcastle Disability Forum from which Disability North charge rent for use of part of the property totalling £2,522 (2018 - £3,343). Included within trade debtors is an amount of £864 (2018 - £2,313) due from Newcastle Disability Forum

Ian McCartney, a director of Disability North Events Limited is the managing director of Liveasy Limited. During the year Liveasy Limited paid rent of £30,000 (2018 - £30,000) with £9,067 (2018 - £Nil) being due to Disability North.

27. Reconciliation of net income/expenditure to net cash flow from operating activities

	2019	2018
	£	£
Net movement for the year	(85,647)	(10,681)
Investment income	(725)	(1,174)
Depreciation	11,769	13,118
(Profit)/loss on disposals	-	6,907
Loss/(gain) on investments	10	1,451
Decrease/(increase) in debtors	131,667	(99,910)
(Decrease)/increase in creditors: due within one year	(73,092)	50,234
(Decrease)/increase in creditors: due after more than one year	(14,260)	(70,659)
	<u>(30,278)</u>	<u>(110,714)</u>