

## **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 2003



A13	*A50CHRM0*	0573
COMPANIES HOUSE		10/01/04
A49	*H00LWZ0*	0634
COMPANIES HOUSE		18/12/03

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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 J Nicklin	Vice President
Mr RC Spoor OBE	Vice President
Mrs M Taylor	Vice President
Ms R Abrahams	
Ms A Blackburn	
Mr RA Elliott	
Mr RM Kalbag	
Mr M Leates	(resigned 17 December 2002)
Mrs C Lossing-Rangecroft	
Mr S Skedge	
Mr S Cooke	
Dr T Williams	(appointed 16 July 2002)
Mrs S Taylor	(appointed 16 July 2002)

The Vice Presidents have no voting rights.  
Appointed procedures are detailed on page 6.

### **Executive directors**

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

Mr S Cooke	Chief Executive
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## **Officers and Advisers (continued)**

### **Company Secretary**

Mr S Cooke

### **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, who act as directors for the purposes of company law, present their annual report and audited financial statements for the year ended 31 March 2003, which have been prepared in accordance with SORP 2000.

### **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 £45,675 (*2002: outgoing resources £49,715*) as itemised in the Statement of Financial Activities.

The development of Disability North services continued through the year, with levels of service activity being maintained in supporting 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.

## **Report of the Executive Committee *(continued)***

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

### **Quality Development**

The requirements of the Investors in People and the Business Excellence Model have been maintained. In addition to this the first audit for the Community Legal Services Quality Mark was successfully completed and the related systems were consolidated.

### **Disability North Direct (Training and Audit Team)**

The Team was funded by the Community Fund. Difficulties were encountered with sickness absence of key staff during the year, but covered all essential work and continued to develop the customer base. A further three year's HAZ work was secured and the commercial market for training and audit work remains buoyant. The partnership arrangement with the Pioneering Care Partnership at Newton Aycliffe, set up the previous year, reached a conclusion and further partnership opportunities are being considered.

### **Disability Equality Training Project**

The project was funded by Westgate New Deal and has continued to meet agreed targets in delivering disability equality training in the west end of Newcastle.

### **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.

## **Report of the Executive Committee (*continued*):**

### **Conferences**

A number of major conferences were held during the course of the financial year. These included: "Accessible Appointments", which was funded by HAZ and addressed the accessibility of health services to disabled people, "Building Success Through the DDA" and "Building upon Experience", both of which addressed accessibility issues. All events were over-subscribed and generated excellent feedback.

### **Direct Payments Projects**

The Newcastle Direct Payments Project is funded by Newcastle City Council and provides support to people in Newcastle who wish to manage their own care packages. The Newcastle Project continued to develop its user base during the course of the year and whilst the South Tyneside Council project, commenced in 2001, was concluded in March 2003. During the course of the year Disability North was approached by the Joseph Rowntree Foundation and invited to host a project researching the uptake of Direct Payments in the North of England and this was successfully accommodated.

### **Newcastle Special Needs Network**

During the course of the year the Network, which is funded by the Community Fund, continued to develop its activities and consolidate its excellent reputation for the delivery of a high quality, relevant, service.

### **Young Disabled Person's Development Project**

The Young Disabled Person's Development Project was funded by the Esmée Fairbairn Foundation and the Neighbourhood Support Fund and continued to deliver services and activities, informed by both service users and a steering group. Additional funding was contributed by Newcastle City Council to cover specific activities for young disabled people in Newcastle. The Project has also continued to influence Disability North's policies and development proposals in respect of young people.

## **Report of the Executive Committee (continued):**

### **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.

### **Policies:**

**Investment:** The Company has a written Investment Policy that the Executive Committee regularly reviews. This policy addresses the requirements for financial security and performance and compatibility with the ethical objectives of the Company.

**Reserves:** 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.

**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. At the last review the Committee considered the controls were effective for the organisation.

### **Auditors**

In accordance with Section 384 of the Companies Act 1985, 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):

### Donations and grants from trusts, foundations and business

A number of significant donations and sponsorship grants were received in the year to 31 March 2003 and these are gratefully acknowledged:

#### Donations:

Organisation	Amount £	Date
Joseph Strong Trust	1,000.00	18.04.2002
Joseph Strong Trust	1,000.00	10.10.2002
Rowbotham Charitable Trust	500.00	24.10.2002
The Dickon Trust	944.00	24.10.2002
Grimsby Cripples Fund	500.00	06.12.2002
W A Handley Trust	3,000.00	23.12.2002
Tyneside Charitable trust	500.00	09.01.2003

#### Sponsorship:

Organisation	Activity Sponsored	Amount £	Date
Dickinson Dees	("Building upon)	800.00	21.06.2002
Taurus	( Success" )	1000.00	05.07.2002
Easibathe Ltd	( Conference )	1,000.00	24.07.2002
ONE North East	DNEX	5,000.00	09.10.2002
Browell Smith & Co	DNEX	5,000.00	12.12.2002
Stannah Stairlifts	Courses	3,360.00	31.12.2002

### Period End Funds

The funds at the end of the period have increased over those held at the beginning of the period. This increase is partly due to receipt of funds in advance for work scheduled to be carried out in 2003/2004, and appropriate contingencies have been made.

## **Report of the Executive Committee (*Continued*):**

### **Future Plans**

A detailed Business/Development Plan is prepared annually and reviewed every six months. This Plan sets strategies and targets for one, three and five years. The main features of the Plan relate to service development, consistent with establishing financial stability in an uncertain funding climate.

### **Erratum to Report of the Executive Committee and financial Statements 2002 – Reference to The Community Fund:**

The Community Fund (formerly the National Lottery Charities Board) has been a valued supporter of Disability North projects for a number of years and currently provides substantial grant aid to both the Training and Audit Team and the Newcastle Special Needs Network. In last year's Report and Accounts, Note 15 to the Accounts erroneously makes reference to the Community Foundation. This reference should have been to the Community Fund and, in fact, no funding was received from the Community Foundation during that period. Our apologies go to the Community Fund for this error, together with our appreciation of their continued support.

### **Acknowledgement**

The Executive Committee wishes to record its gratitude to all those authorities, organisations and bodies that continue to provide support to Disability North in the furtherance of its mission.

**On behalf of the Executive Committee**

**S Wheatley**

*Chair*



Disability North  
Castle Farm Road  
Newcastle upon Tyne

1 December 2003

## **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 income over expenditure 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.



KPMG LLP  
Quayside House  
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.

This report is made solely to the charitable company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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.

### **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

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

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 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 2003 and of its outgoing 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*

*1 December 2003*

## Statement of Financial Activities (incorporating Income and Expenditure account) for the year ended 31 March 2003

	Note	Unrestricted funds £	Restricted funds £	Capital funds £	Total funds 2003 £	Total funds 2002 £
<b>Income and expenditure</b>						
<b>Incoming resources</b>						
Donations, legacies and similar incoming resources		60,823	-	-	60,823	415,018
Incoming resources from operating activities						
Grants receivable from government and other public bodies		-	410,085	-	410,085	-
Local authority grants		179,539	-	-	179,539	187,332
Activities for generating funds		196,335	-	-	196,335	184,640
Income from trading activities	7	1,567	-	-	1,567	2,293
Service charges		-	-	-	-	117
Investment income						
Rent received		20,314	-	-	20,314	20,070
Interest received		5,027	-	-	5,027	8,302
Investment income		1,779	-	-	1,779	1,779
Other income		7,048	-	-	7,048	4,598
<b>Total incoming resources (c/f)</b>		<u>472,432</u>	<u>410,085</u>	<u>-</u>	<u>882,517</u>	<u>824,149</u>

## Statement of Financial Activities (incorporating Income and Expenditure account) (continued) for the year ended 31 March 2003

	Note	Unrestricted funds £	Restricted funds £	Capital funds £	Total funds 2003 £	Total funds 2002 £
<b>Total incoming resources (b/f)</b>		472,432	410,085	-	882,517	824,149
<b>Resources expended</b>						
Charitable expenditure						
Direct charitable expenditure	4	226,468	391,481	-	617,949	490,092
Management and administration of the charity	6	160,957	-	-	160,957	235,169
Cost of generating funds						
Costs of generating funds	5	148,043	-	-	148,043	147,214
Expenditure on trading activities	7	1,243	-	-	1,243	1,389
<b>Total resources expended</b>	8	536,711	391,481	-	928,192	873,864
<b>Net (outgoing)/incoming resources for the year</b>	3-7	(64,279)	18,604	-	(45,675)	(49,715)
<b>Transfers between funds</b>	13, 14	21,651	(4,718)	(16,933)	-	-
<b>Net movement in funds before other gains and losses - Net income/(expenditure) for the year (c/f)</b>		(42,628)	13,886	(16,933)	(45,675)	(49,715)

## Statement of Financial Activities (incorporating Income and Expenditure account) (continued) for the year ended 31 March 2003

	Note		Unrestricted	Restricted	Capital	Total funds	Total funds
			funds	funds	funds	2003	2002
			£	£	£	£	£
<b>Net movement in funds before other gains and losses - Net income/(expenditure) for the year (b/f)</b>			(42,628)	13,886	(16,933)	(45,675)	(49,715)
<b>Other recognised gains and losses</b>							
Unrealised gains/(losses) on Investment assets	10	1,007		-	-	1,007	(773)
<b>Net movement in funds</b>			(41,621)	13,886	(16,933)	(44,668)	(50,488)
<b>Fund balances brought forward at 1 April 2002</b>			157,739	98,787	521,317	777,843	828,331
<b>Fund balances carried forward at 31 March 2003</b>			116,118	112,673	504,384	733,175	777,843

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.

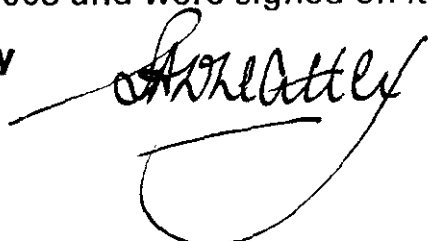


**Balance sheet**  
**for the year ended 31 March 2003**

	Note	2003	2002
		£	£
<b>Fixed assets</b>			
Tangible fixed assets	9	466,921	478,399
Investments	10	30,601	29,594
		<u>497,522</u>	<u>507,993</u>
<b>Current assets</b>			
Stocks		1,116	1,116
Debtors	11	47,522	107,422
Cash at bank and in hand		287,889	251,275
		<u>336,527</u>	<u>359,813</u>
<b>Liabilities:</b> amounts falling due within one year	12	(100,874)	(89,963)
<b>Net current assets</b>		<u>235,653</u>	<u>269,850</u>
<b>Net assets</b>	15	<u>733,175</u>	<u>777,843</u>
<b>Funds</b>			
<b>Capital funds</b>	13	504,384	521,317
<b>Income funds</b>			
Restricted funds	14	112,673	98,787
Unrestricted funds		116,118	157,739
		<u>733,175</u>	<u>777,843</u>

These financial statements were approved by the Executive Committee on 1 December 2003 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 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 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.

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)**

### **2 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 buildings 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 long leaseholdhold buildings.

#### ***Restricted funds***

Income received from donors for specific charitable purposes is included as restricted funds and the related expenditure 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.

## Notes (continued)

### 2 Accounting policies (continued)

#### **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.

#### **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.

### 3 Net outgoing resources for the year

	2003 £	2002 £
<i>Net outgoing resources for the year Is stated after charging:</i>		
Audit fees	6,500	6,350
Payment on operating leases	687	750
Depreciation	<u>29,069</u>	<u>29,285</u>

## Notes (continued)

### 4 Direct charitable expenditure

	Unrestricted funds £	Restricted funds £	Total 2003 £	Total 2002 £
Independent Living Resource	109,431	-	109,431	89,134
Information and Advisory Service	117,037	-	117,037	104,305
Training and Audit Team	-	141,240	141,240	131,863
Projects	-	250,241	250,241	164,790
	<u>226,468</u>	<u>391,481</u>	<u>617,949</u>	<u>490,092</u>

### 5 Costs of generating funds

	2003 £	2002 £
Cost of fundraising events	78,870	78,412
Fundraising department	68,638	68,802
Publicity	535	-
	<u>148,043</u>	<u>147,214</u>

**Notes** *(continued)*

**6 Management and administration of the charity**

	<b>2003</b>	2002
	<b>£</b>	£
Salaries	<b>89,030</b>	135,792
Office costs	<b>70,364</b>	94,851
Legal and professional fees	<b>1,563</b>	4,526
	<hr/> <b>160,957</b> <hr/>	<hr/> 235,169 <hr/>

**7 Trading activities**

	<b>2003</b>	2002
	<b>£</b>	£
Sales	<b>1,567</b>	2,293
Direct costs	<b>(1,243)</b>	(1,389)
	<hr/> <b>324</b> <hr/>	<hr/> 904 <hr/>

## Notes (continued)

### 8 Total resources expended

	Staff costs	Equip- -ment Leasing costs	Depre- -ciation	Other costs	Total 2003	Total 2002
	£	£	£	£	£	£
Independent						
Living Resource	<b>72,774</b>	-	-	<b>36,657</b>	<b>109,431</b>	89,134
Information and						
Advisory Service	<b>101,100</b>	-	-	<b>9,942</b>	<b>111,042</b>	104,305
Training and						
Audit team	<b>115,950</b>	-	-	<b>25,671</b>	<b>141,621</b>	131,863
Fund raising and						
publicity	<b>60,551</b>	-	-	<b>87,492</b>	<b>148,043</b>	147,214
Management and						
administration	<b>89,030</b>	<b>687</b>	<b>29,069</b>	<b>42,171</b>	<b>160,957</b>	235,169
Trading activities	-	-	-	<b>1,243</b>	<b>1,243</b>	1,389
Projects	<b>165,900</b>	-	-	<b>89,955</b>	<b>255,855</b>	164,790
	<b>605,305</b>	<b>687</b>	<b>29,069</b>	<b>293,131</b>	<b>928,192</b>	873,864
				<b>2003</b>		2002
				<b>£</b>		<b>£</b>
Staff costs:						
Wages and salaries				<b>526,514</b>		524,273
Social security costs				<b>32,119</b>		29,252
Pension costs				<b>46,672</b>		45,617
				<b>605,305</b>		599,142

During the year no members of the executive committee received any emoluments (2002 *£nil*). Travel expense of £1,666 (2002 £2,003) total were paid to 3 members of the Executive Committee. No employee receives remuneration greater than £50,000.

## Notes (continued)

### 8 Total resources expended (continued)

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

	2003	2002
Direct charitable services	26	23
Fund raising and publicity	3	3
Management and administration of charity	6	7
	<u>35</u>	<u>33</u>

### 9 Tangible fixed assets

	Long Leasehold		Motor	Total
	Land	Buildings	vehicles, furniture & equipment	
<b>Cost</b>	£	£	£	£
At beginning of year	50,847	687,335	126,985	865,167
Additions	-	-	17,591	17,591
At end of year	<u>50,847</u>	<u>687,355</u>	<u>144,576</u>	<u>882,758</u>
<b>Depreciation</b>				
At beginning of year	-	294,147	92,621	386,768
Provided in year	-	19,659	9,410	29,069
At end of year	<u>-</u>	<u>313,806</u>	<u>102,031</u>	<u>415,837</u>
<b>Net book value</b>				
<b>At 31 March 2003</b>	<u>50,847</u>	<u>373,529</u>	<u>42,545</u>	<u>466,921</u>
At 31 March 2002	<u>50,847</u>	<u>393,188</u>	<u>34,364</u>	<u>478,399</u>



## Notes (continued)

### 9 Tangible fixed assets (continued)

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

### 10 Fixed asset investments

	2003 £
<b>Quoted investment</b>	
Market value 1 April 2002	29,594
Unrealised investment gains	1,007
<b>Market value 31 March 2003</b>	<b>30,601</b>
<b>Historical cost as at 31 March 2003</b>	<b>24,442</b>

The investment is a UK managed bond.

### 11 Debtors

	2003 £	2002 £
Other debtors	37,435	81,557
Prepayments	10,087	25,865
	<u>47,522</u>	<u>107,422</u>

Notes (continued)

**12 Liabilities: amounts falling due in less than one year**

	<b>2003</b>	2002
	<b>£</b>	<b>£</b>
Trade creditors	<b>22,842</b>	15,268
Other creditors - other taxes and social security	<b>23,043</b>	20,858
Accruals and deferred income	<b>54,989</b>	53,837
	<hr/> <b>100,874</b> <hr/>	<hr/> 89,963 <hr/>

**13 Capital funds**

	<b>Balance 1 April 2002</b>	<b>Release to income funds</b>	<b>Balance 31 March 2003</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Building appeal reserve*</b>			
Applied on land	50,846	-	50,846
Applied on buildings	51,226	(1,906)	49,320
Building reserve fund	87,283	-	87,283
	<hr/> 189,355 <hr/>	<hr/> (1,906) <hr/>	<hr/> 187,449 <hr/>
<b>Capital grant*</b>			
Applied on buildings	331,962	(15,027)	316,935
	<hr/> 521,317 <hr/>	<hr/> (16,933) <hr/>	<hr/> 504,384 <hr/>
<b>Total capital funds</b>			

Amounts are transferred to income funds on an annual basis to match the rates at which the related assets are depreciated.

\*The building appeal reserve and capital grant fund was established on acquisition of the Dene Centre building.

**Notes** *(continued)*

**14 Restricted funds**

	<b>Balance 1 April 2002</b>	<b>Movement in resources</b>		<b>Transfers</b>	<b>Balance 31 March 2003</b>
	£	Incoming £	Outgoing £	£	£
Projects					
Training and audit Team	(26,938)	146,353	(141,240)	47,000	25,175
Disability Equality Training Projects	21,980	107,500	(54,341)	(7,202)	67,937
Direct Payments					
North Project	-	18,596	(16,888)	-	1,708
South Tyneside					
Direct					
Payments	48,571	149	(47,754)	(966)	-
Direct Payments	11,740	64,412	(64,695)	(9,600)	1,857
YPDW	12,905	43,152	(42,181)	2,120	15,996
Newcastle					
Special					
Needs Network	22,265	29,923	(24,382)	(27,806)	-
Other	8,264	-	-	(8,264)	-
	<u>98,787</u>	<u>410,085</u>	<u>(391,481)</u>	<u>(4,718)</u>	<u>112,673</u>

**Training and Audit Team** – Funds to provide accessibility training and audit services to the voluntary and commercial sectors.

**Disability Equity Training Projects** – Fund is to deliver disability access and awareness training in the West End of Newcastle.

**Direct Payments North Project** – is funded by the Joseph Rowntree Foundation to conduct research into the uptake of Direct Payments in the North of England.

## Notes (continued)

### 14 Restricted funds (continued)

**South Tyneside Direct Payments** – was to promote and support the uptake of Direct Payments in the South Tyneside area.

**Direct Payments** – is a project to promote and support the uptake of Direct Payments in Newcastle.

**YPDW** – to support young disabled people in seeking development opportunities.

**Newcastle Special Needs Network** – provides advice and support to parents and families of disabled children in Newcastle.

**Transfer to Unrestricted Funds** – The net transfers between funds represent management charges as agreed at the commencement of the projects.

### 15 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Capital Funds	Total Funds
Fund balances at 31 March 2003 are represented by:	£	£	£	£
Tangible fixed assets	42,545	-	424,376	466,921
Investments	-	-	30,601	30,601
Net current assets	73,573	112,673	49,407	235,653
<b>Total net assets</b>	<b>116,118</b>	<b>112,673</b>	<b>504,384</b>	<b>733,175</b>

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.

### 16 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)

### 16 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.