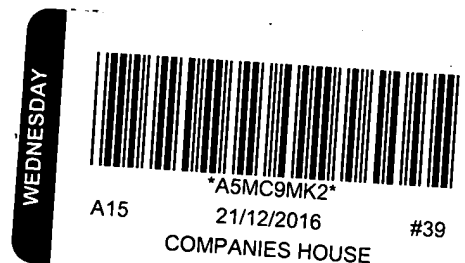


**NORTH EAST EQUALITY & DIVERSITY LIMITED  
COMPANY LIMITED BY GUARANTEE  
UNAUDITED FINANCIAL STATEMENTS  
31st AUGUST 2016**

**Charity Number 1120968**



**NORTH EAST EQUALITY & DIVERSITY LIMITED  
COMPANY LIMITED BY GUARANTEE**

**FINANCIAL STATEMENTS**

**YEAR ENDED 31st AUGUST 2016**

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# **NORTH EAST EQUALITY & DIVERSITY LIMITED COMPANY LIMITED BY GUARANTEE**

## **MEMBERS OF THE BOARD AND PROFESSIONAL ADVISERS**

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<b>Registered Charity Name</b>	North East Equality & Diversity Limited
<b>Charity Number</b>	1120968
<b>Company Registration Number</b>	05817797
<b>Principal office</b>	Alnwick Fire Station South Road Alnwick Northumberland NE66 2PA
<b>Registered office</b>	Alnwick Fire Station South Road Alnwick Northumberland NE66 2PA
<b>Trustees</b>	Roger Styring (Treasurer & Chair) Peter Hignett Henry Pottle Peter Slater
<b>Secretary</b>	Mrs V Robinson-Caffrey
<b>Independent Examiner</b>	Simon Brown ACA Bulman House Regent Centre Gosforth Newcastle upon Tyne NE3 3LS
<b>Bankers</b>	HSBC Bank plc 30 Bondgate Within Alnwick NE66 1TJ

# **NORTH EAST EQUALITY & DIVERSITY LIMITED COMPANY LIMITED BY GUARANTEE**

## **TRUSTEES ANNUAL REPORT**

**YEAR ENDED 31st AUGUST 2016**

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The trustees, who are also directors for the purposes of company law, present their report and the unaudited financial statements of the charitable company for the year ended 31st August 2016.

### **REFERENCE AND ADMINISTRATIVE DETAILS**

Reference and administrative details are shown in the schedule of members of the board and professional advisers on page 1 of the financial statements.

### **THE TRUSTEES**

The trustees who served the charitable company during the period were as follows:

Roger Styring (Treasurer & Chair)  
Peter Hignett  
Henry Pottle

Peter Slater (Appointed 17th December 2015)

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **CONSTITUTION**

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

### **APPOINTMENT, INDUCTION AND TRAINING OF TRUSTEES**

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

### **ORGANISATIONAL STRUCTURE AND DECISION MAKING**

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

### **RISK POLICY**

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

### **BANK ACCOUNTS**

HSBC continues to provide satisfactory banking services and a good relationship exists with their local manager.

# **NORTH EAST EQUALITY & DIVERSITY LIMITED COMPANY LIMITED BY GUARANTEE**

## **TRUSTEES ANNUAL REPORT** *(continued)*

**YEAR ENDED 31st AUGUST 2016**

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### **TRADING ARM**

Vetra Limited is the charitable company's trading subsidiary. The company ceased to trade during the year ended 31st August 2012. After discharging all liabilities in the year ended 31st August 2013 it has remained dormant.

### **OBJECTIVES AND ACTIVITIES**

The object of the charitable company is:

- To provide a community transport service for inhabitants of North East England and border region who are in need of these services because of age, sickness or disability (mental or physical), or poverty, or because of a lack of availability of adequate and safe passenger public services.
- The promotion of equality and diversity for the public benefit in the North East of England and the Borders Region by:
  - a) advancing education and raising awareness in equality and diversity
  - b) promoting activities to foster understanding between people from diverse backgrounds
  - c) providing comprehensive advice and support through giving advice, representation, and advocacy

# **NORTH EAST EQUALITY & DIVERSITY LIMITED COMPANY LIMITED BY GUARANTEE**

## **TRUSTEES ANNUAL REPORT *(continued)***

**YEAR ENDED 31st AUGUST 2016**

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### **ACHIEVEMENTS AND PERFORMANCE**

#### **Chief Executives Officers Report**

NEED is recognised for providing excellent services to our users. This is undoubtedly due to the dedication of our Board of Directors (Trustees), staff and volunteers.

This year has been tinged with sadness as Andrew Davidson our General Manager passed away suddenly in May in Newcastle whilst undertaking business for NEED, suffice to say it was a huge shock for everyone. We are only just starting to come to terms with his passing and he will be sadly missed not only as a colleague and senior figure within the organisation, but also as a friend.

In our last financial year (September 2014 to August 2015) we secured a six month winter measures contract with the North East Ambulance Service (NEAS) worth £225,000 to operate a 2x 2 man crews 7 days a week. This financial year (2015-16) due to budget cuts NEAS operated an adhoc service only for winter measures, inevitably there was a knock on effect with NEED which is reflected in this years' lower turnover and surplus.

However, on a brighter note in August this year Northumberland County Council awarded NEED 15 new Home to School contracts with a start date of 6th September 2016, thus ensuring that NEED will start the new financial year in a very positive position with a total of 18 Home to School contracts.

Our 'Secure Transport', and 'Ferndene' (young people's mental health unit) contract for Northumberland, Tyne and Wear NHS Foundation Trust have also been extended until May 2017 with the option of a further 12 month extension.

I would like to welcome our new Training Officer Peter Lawrence to NEED. Peter has a wealth of experience in the training field and has already written new courses alongside our previous ones and has ensured that all of the courses are accredited with the Open College Network (OCN).

With the help of Karen Wood (CEO for North East Social Enterprise Partnership) and Andrew Wilson (BE Group) NEED was awarded £23,880 from Big Potential to help NEED become social investment ready which may prove useful when we want to purchase new premises.

NEED is 100% fully sustainable due to contract work and therefore is not reliant on grant funding for the core costs of the organisation. The income generated from tendered contracts is re-invested in NEED enabling the expansion of our services within local communities. This takes the form of group and individual accessible transport.

The new fire station being built on Lionheart Industrial Estate is due to be completed by March 2017 therefore we are still searching for a new home with some urgency. MP Anne Marie Trevelyan has given her support and has been contacting various bodies on our behalf.

I would formally like to thank all NEED staff, volunteers and Board Members for their commitment to the organisation.

Vee Robinson-Caffrey  
Chief Executive

# **NORTH EAST EQUALITY & DIVERSITY LIMITED COMPANY LIMITED BY GUARANTEE**

## **TRUSTEES ANNUAL REPORT *(continued)***

### **YEAR ENDED 31st AUGUST 2016**

---

#### **Review of 2015-2016**

This has been a challenging year for NEED due to the untimely death of Andrew Davidson a long serving senior member of staff.

Andrew was the General Manager and as such was responsible the day to day running of NEED, and although sadly missed, staff have supported each other and have undertaken extra tasks to ensure that NEED can maintain momentum and focus on moving forward.

- NEED has achieved the following during 2015-2016:

- Transportation of 35,868 passengers over 230,0225 miles (down slightly on last year mainly due to adhoc only Winter Measures for the North East Ambulance Service.)

- ISO 9001:2008 continued accreditation

- Extension of Secure Transport contract

- Extension of Ferndene Contract

- Expansion of NEED a Car Scheme

- Extension of Dial-A-Ride service

- Renewal of transport service with Elpha Lodge, Hadston

- Training has expanded due to having a dedicated training officer. First Aid and MiDAS are the most popular courses. All of our courses are accredited through the Open College Network (OCN). A full list of courses can be obtained from the office

- Award of £23,880 from Big Potential (Big Lottery and Social Investment Business) to enable NEED work in partnership with NESEP (North East Social Enterprise Partnership) and BE Group in help NEED become social investment ready allowing

- Continued provision of Dialysis and Patient Transport with adhoc Urgent Care Transport for North East Ambulance Service NHS Trust covering Northumberland, North Tyneside, South Tyneside and North Durham.

# **NORTH EAST EQUALITY & DIVERSITY LIMITED COMPANY LIMITED BY GUARANTEE**

## **TRUSTEES ANNUAL REPORT** *(continued)*

### **YEAR ENDED 31st AUGUST 2016**

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#### **Vehicles**

At the end of this financial year NEED owns 15 vehicles consisting of 10 minibuses and 5 Multi Purpose Vehicles (MPV's) 2 minibuses were sold and 2 bought, a new MPV has been ordered and will be delivered in early September.

#### **Dial-a-Ride Service**

A door to door accessible minibus service continues to be provided every Monday from Alwinton to Morpeth. It enables those with mobility issues access to fresh food outlets in Morpeth. This is a contracted service with Northumberland County Council (NCC). NEED are discussing further DAR services in partnership with NCC for our next financial year.

#### **Group Hire**

There are 47 groups who use this service on a regular basis, they vary from small unconstituted groups, to voluntary and statutory organisations. A driver and/or passenger assistant can be provided or the hirer can use their own driver as long as the individual has been trained in MIDAS (Minibus Drivers Awareness Scheme) and have a valid license with the relevant categories.

#### **Individual Hire**

NEED offers the hire of small accessible Multi Purpose Vehicles with or without a driver for those who wish to travel alone or with a small group of up to 6 friends.

#### **Trained Staff**

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



# **NORTH EAST EQUALITY & DIVERSITY LIMITED COMPANY LIMITED BY GUARANTEE**

## **TRUSTEES ANNUAL REPORT** *(continued)*

**YEAR ENDED 31st AUGUST 2016**

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### **Contracted Services**

Northumberland County Council

9 x Home to School contracts - across Northumberland including Special Educational Needs transport Dial a Ride Service - transporting individuals from rural areas who have no transport to health services, leisure & social services or fresh food outlets.

Northumberland, Tyne & Wear NHS  
NHS Foundation Trust-

Provision of driver only service - Ferndene, young adults mental health unit.  
Provision of Secure Transport - specialised vehicle transport for medium secure Mental Health Units, average 5 x per week. Drivers / Passenger Assistants are PMVA (Prevention & Management of Violence & Aggression) trained.  
Handcuff trained - NEED supplies handcuffs.

North East Ambulance NHS Trust

Provision of 1 man crew patient transport - dialysis patients.  
Provision of 2 man crews – Adhoc Patient Transport Service A & E support including oxygen administration and carry chairs transport in the following areas:  
Northumberland, North Tyneside, South Tyneside and North Durham.

Northumberland Care Trust

Provision of Individual transport - family visits.

Northumbria Health Care

Provision of client transport - falls prevention classes.

# **NORTH EAST EQUALITY & DIVERSITY LIMITED COMPANY LIMITED BY GUARANTEE**

## **TRUSTEES ANNUAL REPORT** *(continued)*

**YEAR ENDED 31st AUGUST 2016**

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### **Community**

The main charitable aim of NEED is to provide transport to the most vulnerable members of the community as stated above. To this end our community work takes the form of "door to door" Dial-a-Ride services, Need a Car Scheme - transporting individuals to fresh food outlets, health appointments, and social events etc, group transport i.e. transporting 4 to 16 people, provision of transport for youth groups, delivering meals to day centres 3 x per week.

### **FINANCIAL REVIEW**

The financial position for the year shows an overall deficit of expenditure over income of £10,006. At the year-end unrestricted funds were £98,144 and restricted funds were £11,430. The financial statements, which have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP 2015), conform to current statutory requirements and comply with the charity's governing documents.

### **RESERVES POLICY**

It is the policy of the organisation to maintain unrestricted funds, which are free reserves of the charitable company, at a level not exceeding approximately three months unrestricted expenditure of the core service. This would equate to approximately £100,000 based on current levels of expenditure. At the year-end unrestricted free reserves amounted to £35,131.

### **PUBLIC BENEFIT**

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

### **PLANS FOR FUTURE PERIODS**

The Strategic plan will continue to undergo fundamental reviews, amendments are in hand that include staffing structures, fuel costs, vehicle maintenance costs as well as the diversification and concentration of resources into new areas of work. The Strategic plan is a working document in order to ensure sustainability and is consistent with the future needs of the business.

New contracts are to be tendered for within the remit of the charitable aims or via the trading arm Vetra..

NEED trustees and senior staff are actively searching for suitable new premises in the anticipation that the present Fire Station in Alnwick will be relocated by early 2017.

To continue to work closely with all of our partners.

# **NORTH EAST EQUALITY & DIVERSITY LIMITED COMPANY LIMITED BY GUARANTEE**

## **TRUSTEES ANNUAL REPORT** *(continued)*

### **YEAR ENDED 31st AUGUST 2016**

---

#### **THANKS TO FUNDERS/PARTNERS**

The Board would like to thank the following organisations for their support during 2015-2016.

Mark Bower HSBC  
Simon Brown Tait Walker Chartered Accountants  
Geoff Cavanagh Tait Walker Chartered Accountants  
Steven Dhillon Tait Walker Chartered Accountants  
Graham Viles Ward Hadaway Solicitors  
Hollie Ball Ward Hadaway  
Duncan Harris Crystal Finance  
Northumberland County Council  
North East Ambulance Service NHS Foundation Trust  
Northumberland, Tyne & Wear NHS Foundation Trust  
Northumbria Healthcare NHS Foundation Trust  
Northumberland Care Trust  
Newcastle Social Services  
Community Transport Association  
Social Investment Business  
Royal Voluntary Service  
Children's Services  
St Paul's Court  
Percy Court  
Elpha lodge  
Hillcrest  
Abbeyfield  
Gallery Youth  
Hillcrest Nursing Home  
Contagious  
Hexham Community Centre  
Haltwhistle Partnership  
Alnwick Community Centre  
James Calvert Spence College  
Duchess Community High School  
Netherton Northside First School  
St Paul's RVCA Middle School  
Blyth Star Enterprises  
Helping Hands  
Hospice Care  
Arthritis Care  
Stroke Association  
Parish Councils  
Rapid Reaction  
The Art Design Room  
Alnwick Tyres  
A & B Taxis  
Northumberland Fire & Rescue Service  
Lifting & Cooling  
Traffic Master TMS  
Darts

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# **NORTH EAST EQUALITY & DIVERSITY LIMITED COMPANY LIMITED BY GUARANTEE**

## **TRUSTEES ANNUAL REPORT** *(continued)*

**YEAR ENDED 31st AUGUST 2016**

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Hexham Tyre & Battery  
North Star  
Harvey's  
NCS  
Motorcare  
EP Morris

### **THANKS TO VOLUNTEERS**

NEED is fortunate to have volunteers willing to give their time to provide services for those in need of our transport services. This contribution is greatly valued by the Board of Trustees, staff and service users, as such the Board would like to record their appreciation to those who give their time freely.

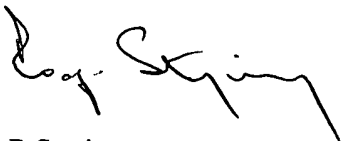
### **INDEPENDENT EXAMINER**

Simon Brown ACA has been re-appointed as independent examiner for the ensuing year.

### **SMALL COMPANY PROVISIONS**

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Signed on behalf of the trustees



R Styring  
Trustee

15/12/16

# **NORTH EAST EQUALITY & DIVERSITY LIMITED COMPANY LIMITED BY GUARANTEE**

## **INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF NORTH EAST EQUALITY & DIVERSITY LIMITED**

**YEAR ENDED 31st AUGUST 2016**

---

I report on the accounts of the charitable company for the year ended 31st August 2016 which are set out on pages 13 to 24.

### **RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND EXAMINER**

The trustees (who are also the directors of North East Equality & Diversity Limited for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of ICAEW.

Having satisfied myself that the charitable company is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

### **BASIS OF INDEPENDENT EXAMINER'S REPORT**

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charitable company and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

**NORTH EAST EQUALITY & DIVERSITY LIMITED  
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF NORTH EAST  
EQUALITY & DIVERSITY LIMITED** *(continued)*

**YEAR ENDED 31st AUGUST 2016**

---

**INDEPENDENT EXAMINER'S STATEMENT**

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Simon Brown ACA  
Independent examiner  
Tait Walker LLP  
Bulman House  
Regent Centre  
Gosforth  
Newcastle upon Tyne  
NE3 3LS

15/12/16.....

**NORTH EAST EQUALITY & DIVERSITY LIMITED  
COMPANY LIMITED BY GUARANTEE**

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND  
EXPENDITURE ACCOUNT)**

**YEAR ENDED 31st AUGUST 2016**

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £	Total Funds 2015 £
<b>INCOME AND ENDOWMENTS</b>					
Donations and legacies	2	13,915	11,430	25,345	17,905
Income from charitable activities	3	404,587	—	404,587	522,114
Other trading activities	4	1,070	—	1,070	4,393
Other income	5	5,650	—	5,650	6,000
<b>TOTAL INCOME</b>		<u>425,222</u>	<u>11,430</u>	<u>436,652</u>	<u>550,412</u>
<b>EXPENDITURE</b>					
Expenditure on charitable activities	6/7	(426,646)	—	(426,646)	(499,517)
<b>TOTAL EXPENDITURE</b>		<u>(426,646)</u>	<u>—</u>	<u>(426,646)</u>	<u>(499,517)</u>
<b>NET (EXPENDITURE)/INCO ME AND NET MOVEMENT IN FUNDS FOR THE YEAR</b>					
<b>RECONCILIATION OF FUNDS</b>	9	(1,424)	11,430	10,006	50,895
Total funds brought forward		<u>99,568</u>	<u>—</u>	<u>99,568</u>	<u>48,673</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>98,144</u>	<u>11,430</u>	<u>109,574</u>	<u>99,568</u>

The Statement of financial activities includes all gains and losses in the year.

All of the above amounts relate to continuing activities.

The notes on pages 16 to 24 form part of these financial statements.

# NORTH EAST EQUALITY & DIVERSITY LIMITED COMPANY LIMITED BY GUARANTEE

## BALANCE SHEET

**31st AUGUST 2016**

	Note	2016 £	£	2015 £	£
<b>FIXED ASSETS</b>					
Tangible assets	11		110,687		102,230
<b>CURRENT ASSETS</b>					
Debtors	13	28,143		32,217	
Cash at bank and in hand		56,988		70,677	
		<u>85,131</u>		<u>102,894</u>	
<b>CREDITORS: amounts falling due within one year</b>	14	<u>(38,570)</u>		<u>(38,350)</u>	
<b>NET CURRENT ASSETS</b>			46,561		64,544
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>157,248</u>		<u>166,774</u>
<b>CREDITORS: amounts falling due after more than one year</b>	15		(47,674)		(67,206)
<b>NET ASSETS</b>			<u>109,574</u>		<u>99,568</u>
<b>FUNDS OF THE CHARITY</b>					
Restricted income funds	16		11,430		–
Unrestricted income funds	17		98,144		99,568
<b>TOTAL CHARITY FUNDS</b>			<u>109,574</u>		<u>99,568</u>

For the year ended 31st August 2016 the charitable company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Trustees' responsibilities:

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

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

**The Balance sheet continues on the following page.**

The notes on pages 16 to 24 form part of these financial statements.



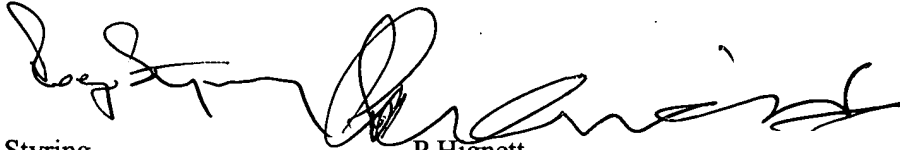
**NORTH EAST EQUALITY & DIVERSITY LIMITED  
COMPANY LIMITED BY GUARANTEE**

**BALANCE SHEET** *(continued)*

**31st AUGUST 2016**

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These financial statements were approved by the members of the committee and authorised for issue on the 15.12.16..... and are signed on their behalf by:

Two handwritten signatures in black ink. The first signature on the left is for R Styring, and the second signature on the right is for P Hignett.

R Styring  
Trustee

P Hignett  
Trustee

Company Registration Number: 05817797

The notes on pages 16 to 24 form part of these financial statements.

---

# **NORTH EAST EQUALITY & DIVERSITY LIMITED COMPANY LIMITED BY GUARANTEE**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31st AUGUST 2016**

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### **1. ACCOUNTING POLICIES**

#### **Basis of accounting**

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain fixed assets and investments measured at market value. The financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015), and the requirements of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015) (SORP 2015).

#### **Incoming resources**

All incoming resources are included in the statement of financial activities when the charitable company is legally entitled to the income and the amount can be quantified with reasonable accuracy.

The following specific policies are applied to particular categories of income:

Voluntary income is received by way of grants and donations and is included in the statement of financial activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charitable company, are recognised when the charitable company becomes unconditionally entitled to the grant. Grants received where conditions specified by the donor have not yet been met by the charitable company, or where the donor has specified the time period in which the expenditure of resources can take place, are deferred and recognised once all conditions have been met, or over the time period specified by the donor.

Incoming resources from charitable activities is contract income with local authorities and other similar services income and is recognised on the basis of work done.

#### **Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charitable company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors which have been raised by the charitable company for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements. Where fixed assets are acquired using restricted funds, on acquisition of assets, if there are no ongoing restrictions as to the use of the asset, then the asset is released to unrestricted funds on the balance sheet.

# **NORTH EAST EQUALITY & DIVERSITY LIMITED COMPANY LIMITED BY GUARANTEE**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31st AUGUST 2016**

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### **1. ACCOUNTING POLICIES *(continued)***

#### **Resources expended**

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of resources.

Support costs are those costs incurred directly in support of expenditure on the activities of the charitable company. Governance costs are those incurred in connection with compliance with constitutional and statutory requirements.

Management and administration staff spend time directly on charitable, fund-raising and governance activities. Central wages and salaries are apportioned to these activities on the basis of estimated time spent by support staff directly on those activities each month.

#### **Fixed assets**

All fixed assets are initially recorded at cost.

#### **Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Equipment	-	20% Straight line
Motor Vehicles	-	Over 7 years

### **2. DONATIONS AND LEGACIES**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total Funds 2016 £</b>
<b>Grants receivable</b>			
Bus Operating Grant	13,710	–	13,710
Big Potential Breakthrough Fund	–	11,430	11,430
<b>Sponsorship</b>			
Membership Subscription	205	–	205
	<u>13,915</u>	<u>11,430</u>	<u>25,345</u>

# **NORTH EAST EQUALITY & DIVERSITY LIMITED COMPANY LIMITED BY GUARANTEE**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31st AUGUST 2016**

### **2. DONATIONS AND LEGACIES *(continued)***

	Unrestricted Funds £	Restricted Funds £	Total Funds 2015 £
<b>Grants receivable</b>			
Bus Operating Grant	16,862	—	16,862
Big Potential Breakthrough Fund	—	—	—
<b>Sponsorship</b>			
Membership Subscription	1,043	—	1,043
	<u>17,905</u>	<u>—</u>	<u>17,905</u>

### **3. INCOME FROM CHARITABLE ACTIVITIES**

	Unrestricted Funds £	Total Funds 2016 £	Unrestricted Funds £	Total Funds 2015 £
NCC School Contract	227,588	227,588	173,687	173,687
Brokerage Income	38,892	38,892	48,837	48,837
NEAS Contract	95,349	95,349	252,774	252,774
Dial a Ride Service	5,952	5,952	7,547	7,547
Ferndene Contract	23,895	23,895	22,674	22,674
NTWN Contract	12,911	12,911	16,595	16,595
	<u>404,587</u>	<u>404,587</u>	<u>522,114</u>	<u>522,114</u>

### **4. OTHER TRADING ACTIVITIES**

	Unrestricted Funds £	Total Funds 2016 £	Unrestricted Funds £	Total Funds 2015 £
Training Income	1,070	1,070	4,143	4,143
Access Audit Income	—	—	250	250
	<u>1,070</u>	<u>1,070</u>	<u>4,393</u>	<u>4,393</u>

### **5. OTHER INCOME**

	Unrestricted Funds £	Total Funds 2016 £	Unrestricted Funds £	Total Funds 2015 £
Gains on disposal of tangible fixed assets for charity's own use	900	900	1,000	1,000
Insurance proceeds	4,750	4,750	5,000	5,000
	<u>5,650</u>	<u>5,650</u>	<u>6,000</u>	<u>6,000</u>

**NORTH EAST EQUALITY & DIVERSITY LIMITED  
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31st AUGUST 2016**

**6. COSTS OF CHARITABLE ACTIVITIES BY FUND TYPE**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £
General	393,310	—	393,310
Support costs	33,336	—	33,336
	<u>426,646</u>	<u>—</u>	<u>426,646</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2015 £
General	462,882	525	463,407
Support costs	36,110	—	36,110
	<u>498,992</u>	<u>525</u>	<u>499,517</u>

**7. COSTS OF CHARITABLE ACTIVITIES BY ACTIVITY TYPE**

	Activities undertaken directly £	Support costs £	Total Funds 2016 £	Total Funds 2015 £
General	393,310	17,376	410,686	483,143
Governance costs	—	15,960	15,960	16,374
	<u>393,310</u>	<u>33,336</u>	<u>426,646</u>	<u>499,517</u>

**8. ANALYSIS OF SUPPORT COSTS**

	Direct Charitable Activities £	Governance costs £	Total 2016 £	Total 2015 £
Staff costs	—	10,771	10,771	10,020
Rent	3,427	148	3,575	3,769
Repairs	871	38	909	630
Advertising	1,025	44	1,069	2,625
Loan interest	684	30	714	1,264
Insurance	2,045	89	2,134	1,578
Bank charges	512	22	534	647
Telephone	5,054	219	5,273	4,559
Other office costs	3,560	165	3,725	4,464
Office depreciation	198	9	207	200
Accountancy fees	—	250	250	250
Balance carried forward	<u>17,376</u>	<u>11,785</u>	<u>29,161</u>	<u>30,006</u>

**NORTH EAST EQUALITY & DIVERSITY LIMITED  
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**YEAR ENDED 31st AUGUST 2016**

**8. ANALYSIS OF SUPPORT COSTS** *(continued)*

	Direct Charitable Activities £	Governance costs £	Total 2016 £	Total 2015 £
Balance brought forward	17,376	11,785	29,161	30,006
Legal fees	—	1,975	1,975	3,979
Independent examination fees	—	2,200	2,200	2,125
	<u>17,376</u>	<u>15,960</u>	<u>33,336</u>	<u>36,110</u>

**Analysis of Governance and Support Costs**

The charity allocates costs direct to activities as far as possible, then identifies the remaining costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are apportioned between the key charitable activities undertaken in the year. The basis for apportionment and the analysis of support and governance costs is set out as follows:

Direct to governance: Accountancy fees, independent examination fees.

Direct to charitable activities: All other support costs.

**9. NET (OUTGOING)/INCOMING RESOURCES FOR THE YEAR**

This is stated after charging:

	2016 £	2015 £
Staff pension contributions	250	—
Depreciation	21,979	43,044
Independent examination fees	<u>2,200</u>	<u>2,125</u>

**10. STAFF COSTS AND REMUNERATION**

**Total staff costs were as follows:**

	2016 £	2015 £
Wages and salaries	246,368	278,506
Social security costs	10,220	13,600
Other pension costs	250	—
	<u>256,838</u>	<u>292,106</u>

# **NORTH EAST EQUALITY & DIVERSITY LIMITED COMPANY LIMITED BY GUARANTEE**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **YEAR ENDED 31st AUGUST 2016**

#### **10. STAFF COSTS AND REMUNERATION *(continued)***

##### **Particulars of employees:**

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows:

	<b>2016</b>	<b>2015</b>
	<b>No.</b>	<b>No.</b>
Number of administrative staff	<b>2</b>	<b>2</b>
Number of management staff	<b>2</b>	<b>2</b>
Number of field staff	<b>21</b>	<b>24</b>
	<u><b>25</b></u>	<u><b>28</b></u>

No employee received remuneration of more than £60,000 during the year (2015 - Nil).

No trustees were paid expenses or remunerated during the year (2015 - Nil).

#### **11. TANGIBLE FIXED ASSETS**

	<b>Plant and machinery etc.</b>
	<b>£</b>
<b>COST</b>	
At 1st September 2015	<b>313,274</b>
Additions	<b>30,435</b>
Disposals	<b>(7,250)</b>
<b>At 31st August 2016</b>	<u><b>336,459</b></u>
<b>DEPRECIATION</b>	
At 1st September 2015	<b>211,044</b>
Charge for the year	<b>21,979</b>
On disposals	<b>(7,250)</b>
<b>At 31st August 2016</b>	<u><b>225,772</b></u>
<b>NET BOOK VALUE</b>	
<b>At 31st August 2016</b>	<u><b>110,687</b></u>
At 31st August 2015	<u><b>102,230</b></u>
<b>Capital commitments</b>	
	<b>2016</b>
	<b>£</b>
Contracted but not provided for in the financial statements	<u><b>22,913</b></u>
	<b>2015</b>
	<b>£</b>
	<u><b>-</b></u>

# **NORTH EAST EQUALITY & DIVERSITY LIMITED COMPANY LIMITED BY GUARANTEE**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31st AUGUST 2016**

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### **12. SUBSIDIARY UNDERTAKING**

The following were subsidiary undertakings of the company:

<b>Name</b>	<b>Holding</b>
Vetra Limited	100%

The company was dormant during the year and did not trade. The aggregate of the share capital and reserves as at 31 August 2016 were as follows;

Aggregate of share capital and reserves	<b>£68</b>
Profit/(loss)	<b>£(Nil)</b>

This wholly-owned subsidiary company is a company limited by guarantee, registered in England and Wales with company number 06309181.

### **13. DEBTORS**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Trade debtors	<b>23,933</b>	28,805
Other debtors	<b>3,397</b>	3,099
Prepayments	<b>813</b>	313
	<b><u>28,143</u></b>	<b><u>32,217</u></b>

### **14. CREDITORS: Amounts falling due within one year**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	<b>7,136</b>	9,672
Trade creditors	<b>3,320</b>	2,852
Other creditors	<b>28,114</b>	25,826
	<b><u>38,570</u></b>	<b><u>38,350</u></b>

The SEIF loan is unsecured and due for repayment 6 years from drawdown, giving a repayment date of April 2017.

Hire purchase agreements are secured on the assets being financed.



# NORTH EAST EQUALITY & DIVERSITY LIMITED COMPANY LIMITED BY GUARANTEE

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st AUGUST 2016

### 15. CREDITORS: Amounts falling due after more than one year

	2016 £	2015 £
Bank loans and overdrafts	—	7,730
Other creditors	47,674	59,476
	<u>47,674</u>	<u>67,206</u>

Hire purchase agreements are secured on the assets being financed.

### 16. RESTRICTED INCOME FUNDS

	Income £	Balance at 31 Aug 2016 £
ISO Accreditation Fund	<u>11,430</u>	<u>11,430</u>

#### Big Potential Breakthrough Fund

This is funding received to provide training and support to enable the charity to become investment ready.

### 17. UNRESTRICTED INCOME FUNDS

	Balance at 1 Sep 2015 £	Income £	Expenditure £	Balance at 31 Aug 2016 £
General Funds	<u>99,568</u>	<u>425,222</u>	<u>(426,646)</u>	<u>98,144</u>

### 18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets £	Net current assets £	Long term liabilities £	Total £
Restricted Income Funds	—	11,430	—	11,430
Unrestricted Income Funds	110,687	35,131	(47,674)	98,144
Total Funds	<u>110,687</u>	<u>46,561</u>	<u>(47,674)</u>	<u>109,574</u>

### 19. RELATED PARTY TRANSACTIONS

The charitable company owns 100% of the share capital of VETRA Limited.

VETRA Limited was dormant during the year and there have been no transactions with the charity company.

**NORTH EAST EQUALITY & DIVERSITY LIMITED  
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31st AUGUST 2016**

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**20. COMPANY LIMITED BY GUARANTEE**

The charitable company is limited by guarantee and its governing document is its Memorandum and Articles of Association.

The trustees hold no shares in the charitable company but each trustee, as a member, is a guarantor of the charitable company, to an amount not exceeding £1, in the event of the winding up of the charitable company.

**21. ULTIMATE CONTROLLING PARTY**

The trustees consider that the charitable company has no ultimate controlling party other than the board of trustees, themselves.