

Company registration number: 3488288

Charity registration number: 1068064

Delta-North Consett Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2019

S M Lowery
Certified Accountant
21 Runnymede
Great Lumley
Chester le Street
Co Durham
DH3 4LN

Delta-North Consett Limited

Contents

Reference and Administrative Details	1 to 2
Trustees Report	3 to 7
Independent Auditors' Report	8 to 10
Statement of Financial Activities	11 to 12
Balance Sheet	13
Statement of Cash Flows	14
Notes to the Financial Statements	15 to 27

Delta-North Consett Limited

Reference and Administrative Details

Chairman Alexander Watson

Chief Executive Officer William Robson

Trustees Roy Reginald Tyreman
Philip Curran
Alan David Gallagher
Barbara Anne Salkeld
Amanda Scott (formerly Forster)
Rev Cannon Valerie Shedden
Rev Peter Sinclair
Ray Convery
Mark Innes
John David Shield
Jason Underwood

Secretary Julie Margaret Ingham

Principal Office Parliament Street
Consett
Co Durham
DH8 5DH

The charity is incorporated in England & Wales.

Delta-North Consett Limited

Reference and Administrative Details

Company Registration Number	3488288
Charity Registration Number	1068064
Solicitors	Swinburn, Snowball and Jackson 2 Edith Street, Consett Co Durham DH8 5DW
Bankers	Lloyds Bank plc 3 Newgate Street Morpeth Northumberland NE61 1AN
Auditor	S M Lowery Certified Accountant 21 Runnymede Great Lumley Chester le Street Co Durham DH3 4LN
Accountants	G S Accountants Limited Suite B Elddis Business Park Finchale Road Durham DH1 5HE

Delta-North Consett Limited

Trustees Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2019.

Trustees

Roy Reginald Tyreman, Vice Chair

Keith Francis Gill, Treasurer (resigned 21 March 2019)

Philip Curran

Alan David Gallagher

Barbara Anne Salkeld

Amanda Scott (formerly Forster)

Rev Cannon Valerie Shedden

Rev Peter Sinclair

Jason Mole, Community Inspector (resigned 2 October 2019)

Ray Convery (appointed 7 May 2019)

Mark Innes (appointed 8 May 2019)

John David Shield (appointed 8 May 2019)

Jason Underwood (appointed 8 July 2019)

The Trustees' Report includes a Directors' Report as required by Company law.

Objectives

To provide or assist in the provision in the interest of social welfare of facilities for recreation, education, training, leisure and advice for men, women and young people with the object of improving their conditions of life.

To provide, improve and manage houses and our activity hostel accommodation for men and women of all ages upon terms appropriate to their means.

Review of activities, developments, achievements and changes

The work of the charity has continued with the expansion of the existing services developed over the last few years and in addition to this several new developments have extended our portfolio.

The Furniture Scheme and Charity Shop

These two ventures are still an invaluable and integral part of Delta North Consett Limited and a huge benefit to the local community; we continue to be one of the largest collectors and distributors of used items in County Durham.

Both aspects of the business are still busy and have been amalgamated into one building, it's still a competitive market to collect donations from the local community, but Delta North Charity Shop and Furniture Scheme has shown increased trading since it moved into Middle Street in Consett, and has undergone extensive refurbishment in its new location.

Delta-North Consett Limited

Trustees Report

Delta North Consett Limited Alternative Education Academic Year

The period between April 2018 and August 2019 was extremely busy for the School. An inadequate Ofsted inspection in November 2018 brought about a flurry of changes to a lot of areas of the school including subject offer, roles and responsibilities and much more. Despite this, our referring schools stood by us during the changes and continued to send their students as they stated they disagreed with the Ofsted judgement because of the nature of the students we work with. This was a very positive message for us

The changes to the offer of the school came in big steps to make the curriculum more suitable to the students (the prime focus of the inspection), from this we took emphasis off GCSE's and split these into lower level subjects including Entry Level and Functional.

These changes took effect and for the most part were a big success. A monitoring visit from Ofsted in July 2019 saw great improvements in what had been brought up at last inspection. Changes continued to improve the quality of Teaching and Learning across the whole school with more emphasis on effective feedback, intervention, behaviour management and differentiation.

During this time we also made the decision to take students where requested onto our roll giving the school full control of those students, a number of schools took up on this offer with students in year 11.

As of the end of August 2019 we are still awaiting our second monitoring visit in which we aim to meet all of the Independent School Standards around curriculum and Teaching and Learning.

Delta North Consett Limited Youth Services

No Youth Services were provided throughout this financial period

Princes Trust Team

The Prince's Trust Team Program at Delta North Consett Limited is a motivational, Self-Development 12 – week course that engages with the harder to reach members of the Community, aged 16-25.

The focus of the course is to support Young People into a Positive Outcome or Progression; these include Further Education, Employment and/or volunteering.

During the 12 weeks, the students are able to complete a Nationally Recognised Qualification at Award Level, Level 1 or Level 2 according to their individual circumstances. Although 12 weeks seems a relatively short period of time, the Programme is jam-packed with activities that challenge the young people including a Residential experience, Community Project, Team Challenge and a Final Presentation.

Delta North Consett Limited continues to deliver the Prince's Trust as a sub-contracted service, for our local Derwentside College and is the only sub-contracted Delivery Partner for Stockton Riverside College, we have nine delivery centres operating across the Durham and Newcastle Area

Team Venues for this reporting period are as follows;

- Delta North Consett Limited Princes Trust Delivery Hub on Roseberry Terrace, Consett.
- Byker Community Centre
- Brandon Community Centre
- Prudhoe, the East Centre
- Bensham Grove Community Centre
- The Old Vicarage in Houghton-le-Spring
- Barley Mow Village Hall

Delta-North Consett Limited

Trustees Report

- The Brockwell Centre in Pelton Fell
- Oxhill Community Centre in Stanley

As always, we are constantly evaluating emerging areas of need and always looking to expand our provision in order to meet our targets set by the Funding Colleges.

Residentials are still carried out by one provider, Real Adventure through Sport.

Prince's Trust Staff continuously work towards their professional development in First Aid, Food Hygiene, Manual Handling, Safeguarding, Team Leader training and Risk Assessment Training and also Prevent Training, staff also undertake development days through National Princes Trust based in the Newcastle Centre.

Outdoor Activity Programme

Delta North Consett Limited no longer operates an Outdoor Activity provision, all equipment has been sold to our residential provider Real Adventure through Sport.

Hostel: 1st September 2018 to 31st August 2019

These are the groups/schools that have used our hostel facilities:

- Phil McNeil - C2C
- Cheesy Waffles - project for young people with learning disabilities (2 visits)
- Sterling County Rugby Group
- Ateres Girls High School - Jewish School Group
- Mill Adventure Base - Outdoor activity organiser
- Mrs Brodie - BNOS - Jewish School Group
- Rachel Fisher - Jewish School Group
- Mechinoh High School - Jewish School Group
- Manchester Senior Girls School - Jewish School Group
- Methodist Church Group
- Durham County Council - Consett Academy exchange students

Delta North Consett Limited Boxing Club

Consett Delta ABC Boxing Club has remained a popular and well attended part of the charity throughout the last year,

We still have 5 level 2 coaches and 2 level 1 coaches. Neil Walker is now a well established coach having passed level one coaching award in June 2018. We now have 9 boxers holding medical cards that allow them to compete competitively. Consett Delta ABC train 3 times a week Monday, Wednesday and Friday nights. The times are Monday 5.30-6.30pm 5 - 13 years old Monday 6.30pm - 7.30pm 14 years and above. Wednesday and Fridays are 6.00- 7.30pm 14years and above.

Financial Performance

The trustees are pleased to report that charity has made further progress towards its financial objectives despite drawing on its reserves in the current period as shown in the SOFA. The charity holds reserves as set out in Notes 22 and 23.

Delta-North Consett Limited

Trustees Report

Reserves Policy

The policy of the charity is to maintain adequate reserves to ensure its continued operation. In particular, reference is made to the need to maintain liquid resources, due to the high proportion of investment in land and buildings for the furtherance of the charity's objectives. The liquid resources are equivalent to approximately 6 months operating expenses of the charity. The notes on reserves show the levels of Restricted and Unrestricted Reserves and the purpose of each fund.

Funding/Monitoring

There has still been a major down turn in the amount of available funding for projects and programmes that we run within the organisation, so between the reportable dates there has been no funding received

Risk Management

The trustees have also examined operational and business risks faced by the charity and confirm that they have established systems to mitigate the significant risks.

Charitable and political contributions.

There have been no charitable donations within the last financial period

Trustee's Responsibilities

The trustees are required by law to prepare financial statements for each financial year which gives a true and fair view of the financial activities of the charity and of its financial position at the end of the year. In preparing those financial statements the trustees are required to:

- A. Select suitable accounting policies and apply them consistently.
- B. Make judgements and estimates that are reasonable and prudent
- C. State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial Statements.
- D. Prepare the financial statements on an ongoing basis unless it is inappropriate to assume that the charity will continue in operation.

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

Delta-North Consett Limited

Trustees Report

Public Benefit Statement

The Trustees have had regard to the commission's public benefit guidance and have taken it into account when making a decision to which the guidance is relevant.

Going Concern

The charity is currently operating during a world wide pandemic due to Coronavirus. The Charity and the local communities have felt the impact of that crisis. The charity has continued to operate throughout the pandemic and will continue to do so for the foreseeable future. The Charity has sufficient reserves to ensure that it is a Going Concern and as such has drawn its accounts up on that basis.

Approved by the Board on**25 September 2020**.....

Alex Watson Chairman

Delta-North Consett Limited

Independent Auditor's Report to the Members of Delta-North Consett Limited

Opinion

We have audited the financial statements of Delta-North Consett Limited (the 'charity') for the year ended 31 August 2019, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, 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 United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2019 and of its results 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 charity 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 charity'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 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.

Delta-North Consett Limited

Independent Auditor's Report to the Members of Delta-North Consett Limited

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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

- adequate accounting records have not been kept, 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 trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees Report on pages 5 and 6, the trustees 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 charity'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 charity 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.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Delta-North Consett Limited

Independent Auditor's Report to the Members of Delta-North Consett Limited

Use of our report

This report is made solely to the charitable company's trustees, 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 charity's trustees 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 its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

.....
Shaun Lowery (Senior Statutory Auditor)
For and on behalf of S M Lowery, Statutory Auditor

21 Runnymede
Great Lumley
Chester le Street
Co Durham
DH3 4LN

25 September 2020

Delta-North Consett Limited

Statement of Financial Activities for the Year Ended 31 August 2019 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 31 August 2019 £
Income and Endowments from:				
Donations and legacies	3	3,307	90,196	93,503
Charitable activities	4	1,463,100	-	1,463,100
Other trading activities	5	117,850	-	117,850
Investment income	6	10	-	10
Other income	7	26,202	-	26,202
Total income		<u>1,610,469</u>	<u>90,196</u>	<u>1,700,665</u>
Expenditure on:				
Raising funds		(10,418)	-	(10,418)
Charitable activities	8	(1,670,066)	(81,541)	(1,751,607)
Other expenditure	9	(6,424)	-	(6,424)
Total expenditure		<u>(1,686,908)</u>	<u>(81,541)</u>	<u>(1,768,449)</u>
Net (expenditure)/income		<u>(76,439)</u>	<u>8,655</u>	<u>(67,784)</u>
Net movement in funds		(76,439)	8,655	(67,784)
Reconciliation of funds				
Total funds brought forward		<u>1,847,767</u>	<u>517,780</u>	<u>2,365,547</u>
Total funds carried forward	22	<u><u>1,771,328</u></u>	<u><u>526,435</u></u>	<u><u>2,297,763</u></u>

Delta-North Consett Limited

Statement of Financial Activities for the Year Ended 31 August 2019 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 31 August 2018 £
Income and Endowments from:				
Donations and legacies	3	117,697	8,075	125,772
Charitable activities	4	2,073,549	-	2,073,549
Other trading activities	5	183,583	-	183,583
Investment income	6	8	-	8
Other income	7	31,009	-	31,009
Total income		<u>2,405,846</u>	<u>8,075</u>	<u>2,413,921</u>
Expenditure on:				
Raising funds		(13,121)	-	(13,121)
Charitable activities	8	<u>(2,286,594)</u>	<u>(19,302)</u>	<u>(2,305,896)</u>
Total expenditure		<u>(2,299,715)</u>	<u>(19,302)</u>	<u>(2,319,017)</u>
Net income/(expenditure)		<u>106,131</u>	<u>(11,227)</u>	<u>94,904</u>
Net movement in funds		106,131	(11,227)	94,904
Reconciliation of funds				
Total funds brought forward		<u>1,741,636</u>	<u>529,007</u>	<u>2,270,643</u>
Total funds carried forward	22	<u><u>1,847,767</u></u>	<u><u>517,780</u></u>	<u><u>2,365,547</u></u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2018 is shown in note 22.

Delta-North Consett Limited
(Registration number: 3488288)
Balance Sheet as at 31 August 2019

	Note	31 August 2019 £	31 August 2018 £
Fixed assets			
Tangible assets	15	1,693,171	1,753,388
Current assets			
Stocks	16	18,401	21,112
Debtors	17	188,520	304,565
Cash at bank and in hand		<u>572,460</u>	<u>492,286</u>
		779,381	817,963
Creditors: Amounts falling due within one year	18	<u>(92,547)</u>	<u>(205,804)</u>
Net current assets		<u>686,834</u>	<u>612,159</u>
Total assets less current liabilities		2,380,005	2,365,547
Creditors: Amounts falling due after more than one year	19	<u>(82,242)</u>	<u>-</u>
Net assets		<u><u>2,297,763</u></u>	<u><u>2,365,547</u></u>
Funds of the charity:			
Restricted funds		526,435	517,780
Unrestricted income funds			
Unrestricted funds		<u>1,771,328</u>	<u>1,847,767</u>
Total funds	22	<u><u>2,297,763</u></u>	<u><u>2,365,547</u></u>

The financial statements on pages 11 to 27 were approved by the trustees, and authorised for issue on 25 September 2020 and signed on their behalf by:

.....
Alexander Watson
Chairman

Delta-North Consett Limited

Statement of Cash Flows for the Year Ended 31 August 2019

	Note	31 August 2019 £	31 August 2018 £
Cash flows from operating activities			
Net cash (expenditure)/income		(67,784)	94,904
Adjustments to cash flows from non-cash items			
Depreciation	15	77,713	84,738
Investment income	6	<u>(10)</u>	<u>(8)</u>
		9,919	179,634
Working capital adjustments			
Decrease in stocks	16	2,711	1,414
Decrease/(increase) in debtors	17	116,045	(63,155)
(Decrease)/increase in creditors	18	<u>(137,703)</u>	<u>129,627</u>
Net cash flows from operating activities		<u>(9,028)</u>	<u>247,520</u>
Cash flows from investing activities			
Interest receivable and similar income	6	10	8
Purchase of tangible fixed assets	15	(27,411)	(253,618)
Sale of tangible fixed assets		<u>9,915</u>	<u>87,344</u>
Net cash flows from investing activities		<u>(17,486)</u>	<u>(166,266)</u>
Cash flows from financing activities			
Value of new loans obtained during the period		127,890	-
Repayment of loans and borrowings	18	<u>(21,202)</u>	<u>-</u>
Net cash flows from financing activities		<u>106,688</u>	<u>-</u>
Net increase in cash and cash equivalents		80,174	81,254
Cash and cash equivalents at 1 September		<u>492,286</u>	<u>411,032</u>
Cash and cash equivalents at 31 August		<u>572,460</u>	<u>492,286</u>

All of the cash flows are derived from continuing operations during the above two periods.

Delta-North Consett Limited

Notes to the Financial Statements for the Year Ended 31 August 2019

1 Charity status

The charity is limited by guarantee, incorporated in England & Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Parliament Street
Consett
Co Durham
DH8 5DH

These financial statements were authorised for issue by the trustees on 25 September 2020.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

Delta-North Consett Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Delta-North Consett Limited

Notes to the Financial Statements for the Year Ended 31 August 2019

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Other trading activities

the charity sells goods donated to it by the public. The value of donated goods for resale is not recognised in the accounts. Instead the value to the charity of the donated goods is recognised as income when the goods are sold. The income is shown under the heading Income earned from Other activities.

In addition to donated goods the charity buys in some goods for resale. Those are valued at the lower of cost and net realisable value.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Delta-North Consett Limited

Notes to the Financial Statements for the Year Ended 31 August 2019

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Land and buildings	2% straight line (Depreciation is applied to buildings only)
Fixtures and fittings and equipment	12.5% reducing balance.
Motor Vehicles	25% reducing balance

Stock

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Delta-North Consett Limited

Notes to the Financial Statements for the Year Ended 31 August 2019

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Income from donations and legacies

	Unrestricted funds		Total 31 August 2019 £	Total 1 April 2017 to 31 August 2018 £
	General £	Restricted funds £		
Donations and legacies;				
Donations from individuals	279	-	279	5,223
Grants, including capital grants;				
Grants from other charities	3,028	90,196	93,224	120,477
Regular giving and capital donations	-	-	-	72
	<u>3,307</u>	<u>90,196</u>	<u>93,503</u>	<u>125,772</u>

4 Income from charitable activities

	Unrestricted funds		Total 31 August 2019 £	Total 1 April 2017 to 31 August 2018 £
	General £			
Programme Activities	24,745		24,745	38,874
Alternative education	701,278		701,278	905,506
Prince's Trust	737,077		737,077	1,129,169
	<u>1,463,100</u>		<u>1,463,100</u>	<u>2,073,549</u>

Delta-North Consett Limited

Notes to the Financial Statements for the Year Ended 31 August 2019

5 Income from other trading activities

	Unrestricted funds		
	General	Total	Total
	£	31 August 2019	1 April 2017 to 31 August 2018
	£	£	£
Trading income;			
Shop income from sale of donated goods and services	104,272	104,272	164,059
Sales of goods and services	9,023	9,023	12,150
Other trading income	4,555	4,555	7,374
	<u>117,850</u>	<u>117,850</u>	<u>183,583</u>

6 Investment income

	Unrestricted funds		
	General	Total	Total
	£	31 August 2019	1 April 2017 to 31 August 2018
	£	£	£
Interest receivable and similar income;			
Interest receivable on bank deposits	10	10	8
	<u>10</u>	<u>10</u>	<u>8</u>

7 Other income

	Unrestricted funds		
	General	Total	Total
	£	31 August 2019	1 April 2017 to 31 August 2018
	£	£	£
Fees and supplies	-	-	174
Rental income	26,202	26,202	30,835
	<u>26,202</u>	<u>26,202</u>	<u>31,009</u>

Delta-North Consett Limited

Notes to the Financial Statements for the Year Ended 31 August 2019

8 Expenditure on charitable activities

		Unrestricted funds		Total 31 August 2019 £	Total 1 April 2017 to 31 August 2018 £
		General £	Restricted funds £		
Programme Activities		2,909	-	2,909	21,577
Alternative education		28,204	-	28,204	19,051
Prince's Trust		178,698	-	178,698	215,611
Durham Works		-	1,417	1,417	-
Grant funding of activities		-	5,208	5,208	3,675
Staff costs		1,071,789	57,034	1,128,823	1,496,759
Allocated support costs	10	266,193	17,882	284,075	353,983
Governance costs	10	122,273	-	122,273	195,240
		<u>1,670,066</u>	<u>81,541</u>	<u>1,751,607</u>	<u>2,305,896</u>

9 Other expenditure

	Note	Unrestricted funds	Total 31 August 2019 £
		General £	£
Other resources expended		<u>6,424</u>	<u>6,424</u>
		<u>6,424</u>	<u>6,424</u>

The above charge relates to interest paid on the loan taken out by the Charity

Delta-North Consett Limited

Notes to the Financial Statements for the Year Ended 31 August 2019

10 Analysis of governance and support costs

Governance costs

	Unrestricted funds		
	General £	Total 31 August 2019 £	Total 1 April 2017 to 31 August 2018 £
Staff costs			
Wages and salaries	82,700	82,700	125,427
Social security costs	9,066	9,066	13,640
Pension costs	22,500	22,500	48,000
Audit fees			
Audit of the financial statements	3,750	3,750	3,750
Other governance costs	25	25	-
Allocated support costs	4,232	4,232	4,423
	<u>122,273</u>	<u>122,273</u>	<u>195,240</u>

11 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

12 Staff costs

The aggregate payroll costs were as follows:

	2019 £	31 August 2018 £
Staff costs during the year were:		
Wages and salaries	1,107,294	1,479,773
Social security costs	96,681	132,246
Pension costs	39,114	68,766
Other staff costs	-	3,041
	<u>1,243,089</u>	<u>1,683,826</u>

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

Delta-North Consett Limited

Notes to the Financial Statements for the Year Ended 31 August 2019

	31 August 2019 No	31 August 2018 No
Governance	2	2
Operational staff	45	45
	<u>47</u>	<u>47</u>

No employee received emoluments of more than £85,000 during the year.

13 Auditors' remuneration

	Year ended 31 August 2019 £	1 April 2017 to 31 August 2018 £
Audit of the financial statements	<u>3,750</u>	<u>3,750</u>

14 Taxation

The charity is a registered charity and is therefore exempt from taxation.

15 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Total £
Cost				
At 1 September 2018	2,270,411	265,499	179,364	2,715,274
Additions	-	-	27,411	27,411
Disposals	<u>(7,500)</u>	<u>-</u>	<u>(43,787)</u>	<u>(51,287)</u>
At 31 August 2019	<u>2,262,911</u>	<u>265,499</u>	<u>162,988</u>	<u>2,691,398</u>
Depreciation				
At 1 September 2018	641,793	230,818	89,275	961,886
Charge for the year	45,346	4,781	27,586	77,713
Eliminated on disposals	<u>(1,049)</u>	<u>-</u>	<u>(40,323)</u>	<u>(41,372)</u>
At 31 August 2019	<u>686,090</u>	<u>235,599</u>	<u>76,538</u>	<u>998,227</u>
Net book value				
At 31 August 2019	<u>1,576,821</u>	<u>29,900</u>	<u>86,450</u>	<u>1,693,171</u>
At 31 August 2018	<u>1,628,618</u>	<u>34,681</u>	<u>90,089</u>	<u>1,753,388</u>

Delta-North Consett Limited

Notes to the Financial Statements for the Year Ended 31 August 2019

16 Stock

	31 August 2019 £	31 August 2018 £
Stocks	18,401	21,112

17 Debtors

	31 August 2019 £	31 August 2018 £
Trade debtors	165,659	254,479
Prepayments	22,407	42,018
Other debtors	454	8,068
	<u>188,520</u>	<u>304,565</u>

18 Creditors: amounts falling due within one year

	31 August 2019 £	31 August 2018 £
Bank loans	24,446	-
Trade creditors	22,360	29,736
Other creditors	25,420	156,416
Accruals	20,321	19,652
	<u>92,547</u>	<u>205,804</u>

19 Creditors: amounts falling due after one year

	31 August 2019 £
Bank loans	<u>82,242</u>

20 Security

Lloyds Bank plc have a fixed and floating charge over the Charity's assets.

21 Pension and other schemes

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £39,114 (2018 - £68,766).

Delta-North Consett Limited

Notes to the Financial Statements for the Year Ended 31 August 2019

22 Funds

	Balance at 1 September 2018 £	Incoming resources £	Resources expended £	Balance at 31 August 2019 £
Unrestricted funds				
<i>General</i>				
General Reserves	1,847,767	1,610,469	(1,686,908)	1,771,328
Restricted funds				
Equipment	36,137	23,995	(9,782)	50,350
Gift of land	135,000	-	-	135,000
Property Alterations	332,115	-	-	332,115
Other Funds	14,528	7,750	(5,208)	17,070
Durham Works	-	58,451	(58,451)	-
Total restricted funds	<u>517,780</u>	<u>90,196</u>	<u>(73,441)</u>	<u>534,535</u>
Total funds	<u>2,365,547</u>	<u>1,700,665</u>	<u>(1,760,349)</u>	<u>2,305,863</u>
	Balance at 1 April 2017 £	Incoming resources £	Resources expended £	Balance at 31 August 2018 £
Unrestricted funds				
<i>General</i>				
General Reserves	1,741,636	2,409,521	(2,303,390)	1,847,767
Restricted funds				
Equipment	43,664	-	(7,527)	36,137
Gift of land	135,000	-	-	135,000
Property Alterations	340,215	-	(8,100)	332,115
Other Funds	10,128	8,075	(3,675)	14,528
Total restricted funds	<u>529,007</u>	<u>8,075</u>	<u>(19,302)</u>	<u>517,780</u>
Total funds	<u>2,270,643</u>	<u>2,417,596</u>	<u>(2,322,692)</u>	<u>2,365,547</u>

Delta-North Consett Limited

Notes to the Financial Statements for the Year Ended 31 August 2019

The specific purposes for which the funds are to be applied are as follows:

Equipment

Funds received for the purchase of equipment, including vehicles.

Gift of Land

The land which included ancient woodlands, had been given to assist with the provision of the Charity's activities. However, problems with trespassing and vandalism meant the Charity needed to sell and reinvest the funds from the gift. The Charity has obtained a licence to use the land for some of its activities.

Property Alterations

Grants received to alter, repair or improve the properties occupied by the Charity.

Other Funds

Grants towards supporting our projects and specific activities.

Durham Works

Finishing Touches is a project looking at self-development and increasing life skills for young people from across the Durham area. The staff are based in the HUB on Roseberry Terrace. This is an ESF funded provision and covers activities within the Youth Employment Initiative working in partnership for Durham Works.

Delta-North Consett Limited

Notes to the Financial Statements for the Year Ended 31 August 2019

23 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total funds
	General £	funds £	£
Tangible fixed assets	1,324,684	368,487	1,693,171
Current assets	621,433	157,948	779,381
Current liabilities	(92,547)	-	(92,547)
Creditors over 1 year	(82,242)	-	(82,242)
Total net assets	<u>1,771,328</u>	<u>526,435</u>	<u>2,297,763</u>

	Unrestricted funds	Restricted funds	Total funds at 31 August 2018
	General £	funds £	£
Tangible fixed assets	1,388,439	364,949	1,753,388
Current assets	665,132	152,831	817,963
Current liabilities	(205,804)	-	(205,804)
Total net assets	<u>1,847,767</u>	<u>517,780</u>	<u>2,365,547</u>

24 Analysis of net funds

	At 1 September 2018 £	Cash flow £	At 31 August 2019 £
Cash at bank and in hand	492,286	80,174	572,460
Net debt	<u>492,286</u>	<u>80,174</u>	<u>572,460</u>

	At 1 April 2017 £	Cash flow £	At 31 August 2018 £
Cash at bank and in hand	411,032	81,254	492,286
Net debt	<u>411,032</u>	<u>81,254</u>	<u>492,286</u>

Delta-North Consett Limited

Notes to the Financial Statements for the Year Ended 31 August 2019

25 Post balance sheet events

At the time of the signature of the accounts and Trustees report we face a worldwide pandemic. The Covid-19 crisis has had a profound effect on the country and has certainly impacted upon the Charity and its community. However, the Charity has maintained its services and will continue to do so, using technology and other means, to deliver those services. Moving forward, the charity has a number of options that it can pursue depending upon how the crisis develops. The charity is well situated, and has sufficient resources, to continue its operations for the foreseeable future. The Trustees therefore consider, that despite the current crisis, it is appropriate for the Charity to draw up these accounts on the Going Concern Basis.

26 Change of name

The Charity withdrew from the YMCA association and changed its name from Consett & District YMCA on the 12th October 2017. The charity adopted the name Delta-North Consett Limited as it more accurately reflected the nature of the charity going forward.