

north east
autism society

TRUSTEES ANNUAL REPORT AND ACCOUNTS

Directors Report and Financial Statements
Year Ended 30th April 2020

Registered Charity No: 1028260
Registered Company No: 02859620

NORTH EAST AUTISM SOCIETY
(company limited by guarantee)

Report and Financial Statements

30th April 2020

NORTH EAST AUTISM SOCIETY

Charity No: 1028260

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Report of the Trustees for the year ended 30th April 2020

The Trustees present their report and accounts for the year ended 30th April 2020.

The financial statements comply with the Companies Act 2006, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with financial reporting standards applicable in the UK and Republic of Ireland (FRS102) (effective January 2015).

We are pleased to report a range of successes in relation to our work this year. In relation to our specialist services, it has been a very positive year.

In the face of ongoing demand for specialist educational places, we have this year extended the scale of our provision.

In the first quarter of the year we purchased from Sunderland City Council the former Link School in Portland Road, Sunderland for this to become the new home of our existing Thornhill Park School. In July 2019 we commenced refurbishment work to the building and in November 2019 it was registered with the Department for Education as a school for 80 pupils, an increased school roll which will enable us to meet the growing demand for referrals. In January 2020 our pupils and staff moved into the new building, vacating their long time former premises at 24 Thornholme Road.

Following this move, our Adult Social and Vocational Service at Emsworth moved across to 24 Thornholme Road in February 2020.

At our Aycliffe School, the Department for Education was supportive of our wish to construct an annexe to accommodate an increase in pupil numbers from 60 to 84. The building works commenced in September 2019 and the increased roll was registered by the Department for Education in January 2020 .

During the year under review the Society was approached by Redcar & Cleveland Borough Council to develop a range of education and social care services. The council own a former primary school which for the last ten years has been used as a Pupil Referral Unit and base for its Psychology Service. New accommodation had been identified for these services and the building, the Cooper Centre at South Bank, had been declared surplus to requirement. The Society was asked by the council if it wished to lease the building with a view to setting up a small school and related support services in the borough. The location of the building will provide us with a base in the heart of an area of highest need/demand on Teesside. The council wants us to offer education to circa 30 children at the site and to develop support services across their area. This affords us the opportunity to extend our reach into Teesside and to within striking distance of North Yorkshire.

The Society is pleased to report that we have since refurbished the Cooper Centre and in August 2020 the Department for Education approved its registration as a school for 30 pupils. World-famous artist, Mackenzie Thorpe joined the Society as a patron in December 2019. Middlesbrough-born Mackenzie is very well known for his passion for his North East roots and we are thrilled to welcome such an iconic figure as our patron. It was only fitting that our new school in Redcar and Cleveland be named in his honour and The Mackenzie Thorpe Centre opened in September 2020.

The Society has a range of residential homes for children and adults as well as providing Supported Living placements in partnership with a number of Housing Providers. These services have been very well complimented by professionals as well as Ofsted and CQC. They provide very high standards of care and support to those who often need highly specialised support.

The Social and Vocational Programmes offered by the Society are very well used and are highly regarded. The programmes are offered in a range of locations which reflect the interests and needs of our students. We have provided support to more than 90 adults during the year under review.

Thornbeck College continues to provide highly specialist support to students through a range of academic and vocational options. It had 23 students on the roll during the year under review, and provided them with a wide range of courses and learning opportunities.

The Society continued to offer short breaks for adults at our 6 purpose built lodges at New Warlands Farm and for children at our Acorn House unit within the Aycliffe Centre.

We also provided Parent Training Groups during the year under review. Parents in our region struggle to get a diagnosis in respect of their children, even when they do get a diagnosis the system seldom directs them towards, or provides any further information, advice or guidance. The training groups have been immensely popular. Some have been provided by NEAS alone while others have been delivered in partnership with other organisations.

We also continued to deliver several parent and toddler groups. These groups have been a real life line to families from right across our region. The feedback on them has been excellent with parents describing how they feel less isolated, better informed, and more confident having been able to discuss day to day challenges with our staff as well as other parents. The parents use our website to communicate with each other and they have been joined by many others. By now circa 2000 parents use the site to discuss issues, raise queries and to generally support each other.

We continue to deliver a wide range of support to families across the region. This included after school support, youth club, holiday groups, personalised support to individuals etc. These services are hugely popular with those who take part in the activities, their parents and families. It is a real life-line to families who are in crisis or living through a difficult period.

Our Employment Futures service, established in 2016, continues to support people with autism and other neurodiversity conditions into work. In 2019/20 the service has supported 225 participants.

Purpose and activities

The Society's objectives are:-

“To promote the welfare, development and advancement of children, young people and adults with physical and/or learning disabilities and in particular those affected by autism within the United Kingdom of Great Britain and Northern Ireland.”

The Mission Statement is as follows:

“Working together to inspire, support and equip people with autism and other examples of neurodiversity to fulfil their potential in life”

We have four core values which underpin our approach to achieving this mission:

- To have our learners and service users at the heart of the organisation
- To operate a fair, respectful and honest culture
- To strive for the highest quality
- To operate with integrity

The Trustees are confident that the charitable aims of the Society satisfy the principles of public benefit as defined in the Charities Act 2006 and they 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.

We review our aims, objectives and activities each year. This report looks at what we have achieved and the outcomes of our work within the previous 12 months. We report on the benefits brought to the groups of people we are set up to help. The review also helps us ensure our aims, objectives and activities remain focused on our stated purposes.

Our Volunteers

During the year under review we had a total of 15 volunteers involved in a diverse range of activities from Fund Raising and Events. We have been really grateful for their help and commitment, especially those who have been able to give their time over a longer period.

Our Fundraising Practices

The Society employs two professional bid writers, who worked extremely hard during the year under review. The grants received have significantly assisted us in purchasing new properties and/ or refurbishing and maintaining our existing premises.

We have an events co-ordinator who arranges fund raising events, but who also encourages participation in regional and national events, by people who raise sponsorship for the Society. We manage any direct appeals to the public very carefully so that none of our methods could be seen as intrusive or persistent. As ever we are grateful to the many companies, organisations, groups and individuals across the North East whose generosity has been stunning.

There have been no fundraising complaints during the year.

Strategic Report

Achievements and Performance

During the year under review, much of our work focussed on generating additional school places.

We have purchased, refurbished, and inhabited our new school in Sunderland, have planned, designed, and opened our extension at Aycliffe and in September 2020, we opened our new school at the Mackenzie Thorpe Centre in Redcar and Cleveland. Discussions also commenced with Stockton-on-Tees Borough Council on the possibility of the Society establishing a school within the borough.

Our Investors in People Assessment visit took place in May 2019, the assessment visit was extended to six days.

Following the assessment we were informed that we have retained the Gold Award. The IIP standard has changed significantly since the last assessment in 2016 and is much tougher, so this achievement demonstrates significant continued progress over the last three years.

Our IT department have developed a communication portal which has been created to share key information with parents/carers about their son/daughter.

Financial Review

Results

The accounts have been produced in accordance with the Accounting and Reporting by Charities Statement of Recommended Practice (revised 2015). They incorporate the pension commitments of the North East Autism Society Retirement Security Plan a defined benefit scheme as required by Financial Reporting Standard 102.

Total income of the Society increased by 8.5% to £23,184,540 while total expenditure increased by 8.9% to £21,914,905 to produce net income for the year of £1,269,635. Income has increased due to the increased number of service users, particularly within our schools and care homes. Expenditure has increased with the additional staffing to meet the needs of these additional service users, and as a result of staff pay increases. It should be noted that the total income includes £614,241 of grants and donations. The total expenditure includes a net credit of £226,000 (2019 net credit £97,000) in respect of pension fund adjustments.

Actuarial pension fund loss during the year totalled £1,214,000 (2019 a gain of £592,000) and after allowing for this, net movement in Society funds in the year was £55,635, (2019 £1,820,595).

At 30th April 2020 the Society's Retirement Security Plan pension scheme had a fund deficit under FRS102 valuation requirements of £1,523,000 (2019 £535,000).

Capital expenditure during the year of £1,866,070 included £1,641,366 on the building of 4 new classrooms at Aycliffe School and the purchase and refurbishment of a new site for Thornhill Park School.

Total unrestricted accumulated funds at 30th April 2020 are £21,633,576. The Society intends in the future to use its funds, less the amount set aside for operational reserves, held in fixed assets and incurred on the repayment of loans, on improving the Society's services. We are currently seeking to sell a land holding at Carley Hill, Sunderland. This will afford us the opportunity to consolidate and stabilise our finances and possibly reduce/repay our borrowings, but in doing so we will ensure that going forward we hold a sufficient level of free reserves so as to sustain the Society's long term operations.

By way of investment, the Society continues to utilise short term cash deposits as the available funds arise, mainly from fees received in advance. Interest received on cash deposits during the year totalled £23,780 (2019 £18,934).

Key Performance Indicators (KPI's)

The society measures a number of KPI's to measure its performance.

	2019/20	2018/19
Fee Income growth	7.8%	11.4%
Debtor's days outstanding	18 days	51 days

The debtor's day's outstanding reduction is due to the advance payment of fees made by the local authorities on the onset of the Covid pandemic.

Reserves Policy

Reserves are set aside to provide financial stability and to support the Society's long term Strategic Plan. The Trustees have forecast that the level of free reserves required to sustain the Society's operations will be equivalent to a minimum of two month's budgeted expenditure, at 30th April 2020 this amounted to £3,750,000. The policy is reviewed by the Trustees as part of the strategic planning process.

At 30th April 2020, excluding fixed assets and the Retirement Security Plan, there were unrestricted reserves of £3,641,332 (2019 £3,793,649).

At 30th April 2020 the company held cash balances of £5,544,972, which is offset by a bank loan of £1,462,672 and £122,917 of other loans. The bank loan has been refinanced on the 24th December 2019 based upon a 10 year amortisation profile with a 3 year commitment.

Restricted funds at 30th April 2020 were £68,325. (2019 £83,374).

Investment Policy

The Society introduced a Treasury Management Strategy. The Society has the power to invest funds not immediately required for its general purpose in such investments as it deems fit for the purpose.

Society's investment objectives continue to be to:

- Generate income to further the objects of the Charity
- Safeguard the assets and business continuity of the Charity
- Comply with the conditions attached to restricted funds
- Ensure working capital and restricted reserves are always readily available in cash
- Meet the requirements of the Reserves Policy and the Strategic Plan

Whilst ensuring that the Trustees fulfil their fiduciary responsibilities concerning investments without exceeding their powers of investment.

The Society's policy continues to be to maintain cash deposits rather than to invest in stocks and shares, property or any other investment.

The policy is kept under review.

Plans for future periods

NEAS own a 77-acre farm currently used as a Vocational Training Centre for adults.

We offer a diverse range of programs based on the individual assessed needs of our service users, including woodwork, textiles, IT, horticulture, animal husbandry, leisure and therapy, and floristry. Produce, including eggs, vegetable and fruit boxes, woodwork, textiles, flower arrangements and fruit juice are then marketed and sold publicly to create revenue for reinvest meant back into services.

It is our intention to enhance these existing facilities by creating a brand new enterprise space, opening up a new range of uses of the facility and an enhanced offer for the local community; assisting residents in engaging in the natural environment.

The project addresses a gap in needs around the sustainable integration of young autistic and neurodiverse people into the labour market. We aim to do so through a threefold approach of supporting individuals into employment via provision of:

- Supported internship
- Apprenticeships
- Employability skills training/employment

Developing new community facilities, consisting of a Farm Shop & Kitchen, will link existing services (Education, Training & Employability) and create a training hub and destination venue. This will consist of an artisanal bakery,

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TRUSTEE'S REPORT

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gift shop, food processing facility (fruit juices and fruit products) and cafe to support the health and economic wellbeing of young people aged 16-24 from disadvantaged backgrounds.

The Society therefore will invest substantial funds, time and energy in the development of New Warlands Farm as a viable social enterprise and visible brand in the coming years.

We have planted more apple trees at New Warlands Farm, by the summer of 2020 we will have planted 1,000 apple trees to create a community orchard.

We will purchase an apple press and bottling plant, and will aim to prime the development of this business, among others over the coming years.

We created a unique brand for the above with the endorsement of world-renowned artist, and now NEAS Patron - Mackenzie Thorpe who has kindly donated his artwork for the labelling of our apple juice. There are plans in the pipeline for cider production too.

Kiora Hall, Stockton-on-Tees

We are delighted to be working with Stockton-on-Tees Borough Council and it is our intention to create a 40-place school to meet the growing demand for school placements in the Stockton area. Stockton Council has identified an impressive building, Kiora Hall which, after some refurbishment works, will create a wonderful environment for educating children who are currently out of the education system. We hope to be able to open this building as the Society's fourth school in September 2021.

Covid

Our services were impacted by Covid towards the end of the year and post year end but with innovation and creativity and with support from our funders we were quickly able to realign services with the new environment and deliver services with similar outcomes for our service users

Going Concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

Reference and administrative details

Charity Number: 1028260
Company Number: 02859620
Registered Office: 15 Lumley Court, Drum Industrial Estate, Chester le Street, DH2 1AN

Our advisors

Auditor	RSM UK Audit LLP	1 St James' Gate, Newcastle upon Tyne, NE1 4AD
Bankers	Barclays Bank plc	PO Box 379, 71 Grey Street, Newcastle upon Tyne, NE99 1JA
	Lloyds Bank	54 Fawcett Street, Sunderland, SR1 1SF
Solicitors	Ward Hadaway	Sandgate House, 102 Quayside, Newcastle Upon Tyne, NE1 3DX

Directors and Trustees

Trustees:
Gavin Bestford (Chairman)
Malcolm Bainbridge
Dr Rakesh Chopra OBE
Jillian Crumbie
John Hodgson
Kevin McAllister
David Parker
Capt. Donald Walker

Key management personnel (Senior Management Team):

Chief Executive Officer
John J Phillipson

Company Secretary
John J Phillipson

Head of Care
Brian Stoker

Director of Education
Christine Dempster

Structure, Governance and Management

Governing Document

The organisation was first established as an unincorporated association under the name "Tyneside Society for Autistic Children" in 1970. By 1979 the Society had raised enough funds to purchase 21 Thornhill Park which was refurbished and opened as a school for six children. The school numbers grew and Tyne and Wear Autistic Society was incorporated and registered as a Charity in 1993. The registered charity number is 1028260 and the registered company number is 02859620. The Private Company Limited by Guarantee and not having a share capital was incorporated under the Companies Act 1985 on 6 October 1993. Members' liability is limited to £10. The Society was renamed North East Autism Society in May 2009 and is governed by the Memorandum and Articles of Association dated 1st May 2009.

Organisation

A Chief Executive is appointed by Trustees and is accountable to them for the day to day management of the Society, implementing strategic policy and plans agreed by the Board. The Chief Executive is not a Trustee but is a paid officer of the Society.

The Chief Executive is supported in managing the Society by the Senior Staff Management Team who directly manages the services of the Society.

Appointment of Trustees

In accordance with our Articles of Association, Trustees are elected by the Members of the Society at the Annual General Meeting. All Trustees must be Members of the Society, but none can be in its employ i.e. receive a salary or fee. One third of the Trustees stand down annually and may offer themselves for re-election at the Annual General Meeting. The Trustees elect from their number a Chairman of the Board.

No Trustee has any financial interest in the Society. Trustees are covered by Directors and Officers Insurance while staff involved in the provision of advice and direct services are covered by Professional Indemnity Insurance.

As the Society provides services to children and vulnerable adults our Trustees are subject to enhanced Disclosure and Barring Service checks.

Trustee induction and training

New Trustees undergo an orientation meeting to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the authority and responsibilities of the Board and the decision making process. They are provided with a copy of Board minutes for the prior 18 months and of the most recent Trustees Annual Report and Accounts. In addition they are supplied with relevant Charity Commission guidance documents including the Commission's "Strategy for dealing with Safeguarding Children and Vulnerable Adults Issues in Charities".

All Trustees are updated on issues and guidance regarding charity and company law and are encouraged to attend appropriate external and internal training events.

Related parties and co-operation with other organisations

The Society is a membership organisation. On the 30th April 2020 there were 178 voting members whose details were held on our central register.

Most members are parents of children or adults with autism. The Society has however always been very keen to forge strong links with professionals and key staff in external agencies for example the NHS and Local Authorities. A

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number of our voting members are therefore professionals with a strong interest in autism and our work. We are keen to encourage people with autism to join as members of the Society and will continue to promote this in the year ahead.

Any connection between Trustees and senior managers must be disclosed to the full board of Trustees in the same way as any other contractual relationship with a related party.

Pay policy for senior staff

The Board of Trustees and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the Society on a day to day basis. All Trustees give of their time freely and no Trustee received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in note 10 and 12 to the accounts. The Board of Trustees benchmark salaries of senior staff against pay levels in other similar charities and the pay of all staff is reviewed annually. We attempt to reflect pay levels in accordance with the pay scales determined by the National Joint Council (NJC) for local government services.

Risk management

The Board of Trustees fully recognises its responsibility for the management of risk to the Society. The Society maintains a risk register, which is reviewed annually and it is the responsibility of the Chief Executive to give updates to the Trustees on all aspects of risk management.

Principal risks and uncertainties

The major risks to North East Autism Society are identified as:

- Income streams and cost pressures from statutory bodies and other external regulatory services, for example fees remaining frozen and inflation continues to be absorbed by providers.
- Challenges presented by Covid to funding, ongoing services and future expansion
- Potential significant increase in pension liability and/or reduction in pension asset values on the defined benefit scheme, which has been closed to new members since 9th March 2012.

Employee Involvement

The Charity encourages the involvement of its employees in its management through regular meetings of management which have responsibility for the dissemination of information of particular concern to employees (including financial and economic factors affecting the performance of the Charity) and for receiving their views on important matters of policy. A series of meetings between the CEO and staff at various sites are arranged throughout the year.

Disabled Persons

The Society is committed to employing people with disabilities. We are registered as "Disability Confident Employers" with DWP. We are pleased that the number of people employed by NEAS describing themselves as autistic, neurodiverse or disabled has increased in the period under review.

Trustees responsibilities in relation to the financial statements

The Trustees (who are also directors of North East Autism Society for the purpose of company law) are responsible for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources including the income and expenditure of the charitable company for that period. In preparing those financial statements the Trustees are required to:

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- 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 accounts
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.
- Observe the methods and principles in the Charities SORP.

The Trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time, the financial position of the Charity which enables them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charitable Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Company law also requires each of the Trustees to confirm that he or she has taken all reasonable steps to ensure that he or she is aware of all relevant audit information and to ensure that so far as he or she is aware that there is no information needed by the Company's Auditors in connection with preparing their report which has not been made available to them. Each Trustee does so confirm.

Statement as to disclosure of our auditors

A resolution to re-appoint RSM UK Audit LLP as auditors for the ensuing year will be proposed at the Annual General Meeting in accordance with the Companies Act 2006.

By order of the Board of Trustees



G Bestford (Chairman of Trustees)

Date: 8th February 2021

Opinion

We have audited the financial statements of North East Autism Society (the 'charitable company') for the year ended 30 April 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the 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 applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 April 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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.

Opinions 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, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report or the Strategic Report included within 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 Statement of Trustees' responsibilities set out on pages 10 and 11, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

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

L Robson

LUCY ROBSON (Senior Statutory Auditor)

For and on behalf of RSM UK AUDIT LLP, Statutory Auditor

Chartered Accountants

1 St James' Gate

Newcastle upon Tyne

NE1 4AD

Date *10 - 02 - 2021*

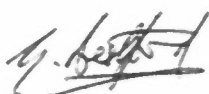
NORTH EAST AUTISM SOCIETY
STATEMENT OF FINANCIAL ACTIVITIES
For the year ended 30th April 2020

	Note	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Income from:					
Donations and grants	2	6,545	607,696	614,241	399,636
Charitable activities	3	22,443,880	-	22,443,880	20,841,436
Other trading activities	4	102,639	-	102,639	100,938
Investment income	5	23,780	-	23,780	18,934
Total income		22,576,844	607,696	23,184,540	21,360,944
Expenditure on:					
Cost of raising funds		205,085	-	205,085	167,549
Expenditure on charitable activities	6	21,087,075	622,745	21,709,820	19,964,800
Total Resources Expended		21,292,160	622,745	21,914,905	20,132,349
Net incoming before transfers		1,284,684	(15,049)	1,269,635	1,228,595
Gross transfer between funds	20	-	-	-	-
Net incoming (outgoing) resources before other losses and gains		1,284,684	(15,049)	1,269,635	1,228,595
Other comprehensive income					
Actuarial gain / (loss)	25	(1,214,000)	-	(1,214,000)	592,000
Net movement of funds		70,684	(15,049)	55,635	1,820,595
Fund Balances Brought Forward 1st May 2019		21,562,892	83,374	21,646,266	19,825,671
Balances carried forward at 30th April 2020		21,633,576	68,325	21,701,901	21,646,266

NORTH EAST AUTISM SOCIETY
BALANCE SHEET
For the year ended 30th April 2020

	Note	2020		2019	
		£	£	£	£
Fixed Assets					
Tangible Fixed Assets	15	19,515,243		18,304,243	
Current Assets					
Debtors	16	2,097,512		3,598,142	
Cash at bank and in hand		<u>5,544,972</u>		<u>4,331,346</u>	
		7,642,484		7,929,488	
Creditors					
Amounts falling due within one year	17	<u>(2,420,994)</u>		<u>(3,929,548)</u>	
NET CURRENT ASSETS		<u>5,221,490</u>		<u>3,999,940</u>	
TOTAL ASSETS LESS CURRENT LIABILITIES		24,736,753		22,304,183	
Creditors					
Amounts falling due after more than one year	19	(1,511,833)		(122,917)	
Net Assets excluding pension liability		23,224,900		22,181,266	
Pension liability	25	(1,523,000)		(535,000)	
NET ASSETS INCLUDING PENSION LIABILITY		<u>21,701,900</u>		<u>21,646,266</u>	
The funds of the charity:					
Unrestricted funds:					
General funds	20	23,156,575		22,097,892	
Pension Reserve	20	<u>(1,523,000)</u>		<u>(535,000)</u>	
		21,633,575		21,562,892	
Restricted funds:	20	<u>68,325</u>		<u>83,374</u>	
TOTAL FUNDS		<u>21,701,900</u>		<u>21,646,266</u>	

The financial statements were approved and authorised for issue by the Trustees of North East Autism Society
on 08/02/21 and signed on their behalf.



Chairman of Trustees

NORTH EAST AUTISM SOCIETY
STATEMENT OF CASH FLOWS
For the year ended 30th April 2020

	Note:	2020 £	2019 £
Cash used in operating activities	23	<u>3,200,567</u>	<u>894,155</u>
Purchase of tangible fixed assets		(1,866,070)	(291,556)
Proceeds from disposals		-	198
Interest income		<u>23,780</u>	<u>18,934</u>
Cash provided (used in) investing activities		<u>(1,842,290)</u>	<u>(272,424)</u>
Cash flows in financing activities			
Repayment of borrowing		(144,651)	(182,424)
Cash used in financing activities		<u>(144,651)</u>	<u>(182,424)</u>
Increase / (Decrease) in cash in the year		<u>1,213,626</u>	<u>439,307</u>
Cash at the beginning of the year		4,331,346	3,892,039
Total cash at the end of the year		<u>5,544,972</u>	<u>4,331,346</u>

Note 1. Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparations of the financial statements are as follows:

Accounting convention

The financial statements are prepared under the historical cost convention.

Basis of preparation

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

The financial statements are presented in sterling which is also the functional currency of the charity. Monetary amounts in these statements are rounded to the nearest £, except where otherwise indicated.

Going concern

The charity derives the majority of its income from agreed fees for the provision of education and support for people with autism. The ongoing demand for these services ensures the exposure to risk from the current difficult economic conditions is minimal. Cash reserves are available to meet the charity's needs as they arise, as detailed within the reserves policy. In December 2013 we put in place a flexible loan facility to help with cash-flow on capital expenditure, the loan was refinanced in December 2019. During the year the charity has made capital investment in a new school and extension to the Aycliffe School as at cost of £1.6m. In April 2020 the loan was given a 12 month capital repayment holiday due to the potential impact of the covid pandemic the budgets have been produced with the anticipated re-commencement of repayments after 8 months in January 2021. Post year end the covid pandemic has not made an impact to the finances, as the majority of our services have remained open. Covid funding has been received from the local authorities and health trusts.

Forecasts have been made during the year informing the Trustees and Management of risks associated with the pandemic. Budgets and cash flow forecasts covering at least 12 months from the date of signing these financial statements have also been prepared during the year which show that the charity has sufficient funds and cash to operate for the next 12 months as a minimum. On the basis of these forecasts, Trustees' consider that there are no material uncertainties in respect of going concern. Only 12 staff were furloughed between April 2020 and July 2020 funded by a furlough scheme claim of £60k.

As a consequence, the Trustees believe the charity is well placed to manage its business risks successfully and thus they have adopted the going concern basis of accounting in preparing the financial statements.

Income

All income is included in the SoFA when the charity is entitled to the income, receipt is probable and the amount can be quantified with reasonable accuracy.

Voluntary income is received by way of grants, donations and gifts and is included in full in the SoFA when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Where there are performance related conditions attached to any grants or donations, income is recognised when the conditions have been met or when meeting the conditions is within the Charity's control and there is sufficient evidence that they have been met or will be met, otherwise they are deferred. When a grant condition allows for the recovery of any unexpended grant, a liability is recognised when the repayment become probable.

Where there are terms placed on income that limit the charity's discretion over how that income can be used, that income is shown as restricted income in the accounts

Donated services and facilities

In accordance with the Charities SORP (FRS 102), the general volunteer time is not recognised. Refer to the Trustees' annual report for more information about their contribution.

Investment Income

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity.

Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of the fundraising team and the costs of commercial trading from the sale of refreshments.
- Expenditure on charitable activities 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.
- Expenditure includes any irrecoverable VAT and is reported as part of the expenditure to which it relates.

Redundancy and termination benefits

Redundancy and termination benefits are accrued by the charity when there is a constructive obligation to pay them. This is normally via a contractual, legislation or other agreement with employees and their representatives.

Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, HR, payroll and governance costs which support the charity's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 8.

Operating leases

The charity classifies the lease of vehicles, photocopiers and telephone equipment as operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Tangible fixed assets

Fixed assets are capitalised at cost, the Trustees have set a de-Minimis limit in respect of non-capitalisation of fixed assets of £1,000. Fixed assets are stated at cost less depreciation. Depreciation is not provided on freehold land. On other tangible fixed assets depreciation has been calculated so as to write off the cost in equal annual instalments over their estimated useful lives. The rates of depreciation are as follows:

Asset Category	Annual rate
Freehold land and buildings	2%
Lodges	4%
Furniture, fixtures	10%
Equipment	20%
Computer equipment	33%
Motor vehicles	25%

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

Debtors

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid deposit account.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

Fees in advance

Fees received during the year in respect of periods after 30th April 2020 the year end are included with creditors.

Financial Instruments

The charity has elected to apply the provisions of section 11 'Basic Financial Instruments' of FRS102, in full to all of its financial instruments. Financial Instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments.

Pension schemes

Defined contribution scheme

The company operates and contributes to a defined contribution pension scheme which is available to all staff after a minimum of three months service and at 30th April 2020 membership totalled 667. The pension costs charged to the statement of financial activities for this scheme reflect the contributions payable by the charity during the year.

Defined benefit scheme

The company also operates a defined benefit pension scheme (North East Autism Retirement Security Plan) which was closed to future accrual on 9th March 2012. The assets of the scheme are held separately from those of the company in an independently administered fund. At 30th April 2020 membership totalled 115, comprising 64 members with deferred benefits and 51 members in receipt of pension payments from the scheme.

The assets of the plan are measured using fair value. Plan liabilities are measured using the projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability. The increase in present value of the liabilities of the scheme expected to arise from employee service in the period is charged to the operating surplus.

The expected return on the scheme's assets and the increase during the period in the present value of the scheme's liabilities, arising from the passage of time, are included in pension finance costs. Actuarial gains and losses are recognised in the statement of total recognised gains and losses.

Restricted Funds

These represent income relating to fund raising and donations which are allocated by the donor to specific projects. Fundraising and donations are recorded when received.

Unrestricted Income Funds

These represent funds which are expendable at the discretion of the Trustees for the furtherance of the objects of the charity. Such funds may be held for the purpose of meeting the administration and operational costs of the Society. The Trustees have the power to set aside unrestricted funds for specific designated future purposes.

Critical accounting estimates and areas of judgment

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under circumstances.

Critical accounting estimates and assumptions

- The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

Note 2 Income from donations and grants

	2020 Total	2019 Total
	£	£
Donations and gifts	6,545	44,622
Grants	<u>607,696</u>	<u>355,014</u>
	<u>614,241</u>	<u>399,636</u>

The income from donations and grants was £614,241 (2019: £399,636) of which £6,545 was unrestricted (2019: £44,622) and £607,696 restricted (2019: £355,014).

Included within restricted funds, grant income included grants of £140,750 to develop the new school at Tudor Grove, £312,514 of grants for the Employment Services and £103,423 towards early years family support

The Charity benefits greatly from the involvement and enthusiastic support of its many volunteers, details of which are given in our annual report. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts.

Note 3 Income from charitable activities - unrestricted

	2020 Total	2019 Total
	£	£
Fees for the supply of services	22,323,284	20,706,139
Other income from charitable activities	<u>120,595</u>	<u>135,297</u>
	<u>22,443,879</u>	<u>20,841,436</u>

Note 4 Income from other trading activities - unrestricted

	2020 Total	2019 Total
	£	£
Fundraising	69,755	63,541
Refreshment income	<u>32,884</u>	<u>37,397</u>
	<u>102,639</u>	<u>100,938</u>

Note 5 Investment income - unrestricted

	2020 Total	2019 Total
	£	£
Interest from deposit accounts	<u>23,780</u>	<u>18,934</u>
	<u>23,780</u>	<u>18,934</u>

Note 6 Analysis of expenditure on charitable activities

	Adult Services £	Children Services £	2020 Total £	2019 Total £
Staffing costs	10,351,657	5,607,962	15,959,619	14,579,370
Supplies and services	424,618	297,926	722,544	668,979
Premises costs	485,985	277,863	763,848	828,676
Transport Costs	564,585	406,580	971,165	821,103
Administration	220,041	172,095	392,136	360,597
Bank Loan Interest	3,791	26,537	30,328	25,381
Depreciation	333,714	290,284	623,998	600,660
Loss on sale of asset	-	-	-	(198)
Governance costs	88,582	55,688	144,270	159,790
Support costs	<u>1,290,574</u>	<u>811,338</u>	<u>2,101,912</u>	<u>1,920,442</u>
	<u>13,763,547</u>	<u>7,946,273</u>	<u>21,709,820</u>	<u>19,964,800</u>

Expenditure on charitable activities was £21,709,820 (2019: £19,964,799) of which £21,087,075 was unrestricted (2019: £19,641,470) and £622,745 was restricted (2019: £323,330).

Staff costs include agency staff of £402,778 (2019: £451,099) excluded from note 10

Note 7 Summary analysis of expenditure and related income for charitable activities

	Adult Services £	Children Services £	2020 Total £	2019 Total £
Costs	(13,763,547)	(7,946,273)	(21,709,820)	(19,964,800)
Fees for the supply of services	<u>14,478,626</u>	<u>7,844,658</u>	<u>22,323,284</u>	<u>20,706,139</u>
Net cost funded from other income	<u>715,079</u>	<u>(101,615)</u>	<u>613,464</u>	<u>741,339</u>

Note 8 Analysis of governance and support costs

	General Support	Governance	2020 Total	Basis of apportionment
	£	£	£	£
Staffing costs	1,268,081	85,198	1,353,279	Fee income
Supplies and services	370,204	4,018	374,222	Fee income
Premises costs	206,418	21,738	228,156	Fee income
Administration	183,528	9,576	193,104	Fee income
Audit fees	-	20,380	20,380	Fee income
Legal and other professional fees	34,932	1,662	36,594	Fee income
Depreciation	28,224	1,699	29,923	Fee income
Pension finance cost	11,000	-	11,000	Fee income
(Profit) on disposal of asset	(475)	-	(475)	Fee income
Total	2,101,912	144,271	2,246,183	

Note 8 Analysis of governance and support costs

	General Support	Governance	2019 Total	Basis of apportionment
	£	£	£	£
Staffing costs	1,386,865	112,606	1,499,471	Fee income
Supplies and services	174,960	2,441	177,401	Fee income
Premises costs	140,447	14,308	154,755	Fee income
Administration	135,985	7,661	143,646	Fee income
Audit fees	-	19,515	19,515	Fee income
Legal and other professional fees	26,493	2,455	28,948	Fee income
Depreciation	25,692	804	26,496	Fee income
Pension finance cost	30,000	-	30,000	Fee income
Total	1,920,442	159,790	2,080,232	

Note 9 Net income for the year is stated after charging:

	2020	2019
	£	£
Operating leases - equipment	536,321	432,586
Depreciation	655,069	627,156
Bank Interest payable	30,328	25,382
Auditors remuneration:		
Audit fees	15,000	10,900
Accountancy services	-	-
Loss on disposal of fixed assets	(200)	(200)

Note 10 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

	2020	2019
	£	£
Salaries and wages	15,257,648	14,013,331
Social security costs	1,163,248	1,061,758
Pension costs	656,393	591,645
FRS 102 pension adjustment	(237,000)	(127,000)
Redundancy	2,147	15,000
	<u>16,842,436</u>	<u>15,423,734</u>

The number of employees whose emoluments for the year are above £60,000

	2020	2019
	No.	No.
£60,000 - £70,000	2	1
£70,000 - £80,000	-	-
£80,000 - £90,000	1	2
£90,000 - £100,000	1	-
	<u>4</u>	<u>3</u>

Pension costs in respect of these employees are £17,366 (2019: £17,026).

Redundancy costs were for voluntary redundancies.

The key management personnel of the charity, comprise the Trustees, the Chief Executive, Director of Care and Director of Education. The total employee benefits of the key management personnel were £284,032 (2019: £278,477).

The charity purchased Professional Indemnity Insurance including cover for the Trustees costing in total £5,375 (2019: £4,479). This insurance excludes any claim arising from any wrongful act.

Note 11 Staff numbers

The average number of persons employed by the charity during the year was as follows:

	2020	2019
Trading (Fundraising)	3	4
Maintenance and Domestic	23	22
Support Staff	42	31
Governance	1	1
Service Delivery	675	629
	<u>744</u>	<u>687</u>

Note 12 Trustee remuneration and related party transactions

The charity Trustees were not paid or received payment by way of remuneration in the year (2019: £nil) neither were they reimbursed expenses during the year (2019: £nil). No charity trustee received payment for professional or other services supplied to the charity (2019: £nil). There were no related party transactions (2019: £nil).

Note 13 Ultimate Controlling Party

The charity is governed by the Board of Trustees and is not under the control of any one individual.

Note 14 Corporation Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

Note 15 Tangible Fixed Assets

	Freehold land and buildings	Furniture fixtures & equipment	Computers	Motor Vehicles	Assets under construction	Total
	£	£	£	£	£	£
Cost or Valuation						
At 1st May 2019	21,836,133	1,861,047	317,650	23,511	-	24,038,341
Additions at cost	1,547,287	277,964	40,819	-	-	1,866,070
Disposals	(12,455)	(54,750)	(15,131)	(23,511)	-	(105,847)
Transfers	-	-	-	-	-	-
At 30th April 2020	23,370,965	2,084,261	343,338	-	-	25,798,564
Accumulated depreciation						
At 1st May 2019	4,244,371	1,207,881	258,335	23,511	-	5,734,098
Charge for the year	467,926	153,549	33,595	-	-	655,070
Disposals	(12,455)	(54,750)	(15,131)	(23,511)	-	(105,847)
At 30th April 2020	4,699,842	1,306,680	276,799	-	-	6,283,321
Net Book Value						
At 30th April 2020	18,671,123	777,581	66,539	-	-	19,515,243
At 30th April 2019	17,591,762	653,166	59,315	-	-	18,304,243

Note 16 Debtors

	2020	2019
	£	£
Fees Receivable	1,116,486	2,903,200
Prepayments and accrued income	956,949	684,196
Other Debtors	24,077	10,746
	<u>2,097,512</u>	<u>3,598,142</u>

Note 17 Creditors Amounts falling due within one year

	2020	2019
	£	£
Bank Loans	48,756	1,582,323
Sir Peter Vardy Foundation Loan	25,000	25,000
Fees received in advance	503,252	870,345
Trade creditors	1,138,952	794,411
Taxation and social security	346,633	323,848
Other creditors	49,754	39,344
Accruals	308,647	294,277
	<u>2,420,994</u>	<u>3,929,548</u>

Note 18 Deferred Income

	2020	2019
	£	£
Balance as at 1st May 2019	870,345	1,688,820
Amount released to income earned from charitable activities	(870,345)	(1,688,820)
Amount deferred in year	503,252	870,345
	<u>503,252</u>	<u>870,345</u>

Deferred income is the fee income invoiced in advance for future periods. These being a proportion of 4 weekly and quarterly invoices that fall over 2 financial years

Note 19 Creditors: Amounts falling due after more than one year

	2020	2019
	£	£
Bank Loans	1,462,672	1,582,323
Sir Peter Vardy Foundation Loan	122,917	147,917
less due within one year	(73,756)	(1,607,323)
	<u>1,511,833</u>	<u>122,917</u>

A bank loan due of £1,462,672 relates to a Barclay's facility of £2,000,000 secured on various properties including New Warlands Farm and the "Aycliffe Centre".

In December 2019 the loan was refinanced with the term of 3 years, instalments are expected to be £13,686 monthly with a single final repayment in December 2022. Interest due is 1.50% above the bank's base rate.

In April 2020 the loan was given a 12 month capital repayment holiday due to the potential impact of the Covid pandemic, the accounts are produced with the anticipated re-commencement of repayments after 8 months in January 2021.

In April 2015 a £200,000 interest free 10 year loan was received from the Sir Peter Vardy Foundation, this loan is repayable from 2017 to 2025.

Note 20 Analysis of charitable funds

Analysis of movement in unrestricted funds

	Balance 1 May 2019	Income	Expenditure	Actuarial Gain	Transfers	Funds 30 April 2020
	£	£	£	£	£	£
General Fund	22,097,892	22,576,843	(21,518,160)	-	-	23,156,575
Pension Reserve	(535,000)	-	226,000	(1,214,000)	-	(1,523,000)
Total	21,562,892	22,576,843	(21,292,160)	(1,214,000)	-	21,633,575

Unrestricted funds of £21,633,575 include a pension deficit of £1,523,000 , tangible fixed assets of £19,515,243 and a loan balance of £1,585,589 which relates to funding for fixed asset purchases and improvements.

Analysis of movement in restricted funds

	Balance 1 May 2019	Income	Expenditure	Transfers	Funds 30 April 2020
	£	£	£	£	£
National Foundation for Little Sparks	6,786	18,287	(22,830)	-	2,243
EFA asset funding	9,057	-	(9,057)	-	-
Durham County Council	6,667	10,000	(6,667)	-	10,000
Post code Lottery	14,070	-	(8,582)	-	5,488
Northumbrian Water	5,000	-	(5,000)	-	-
National Heritage Lottery Fund	32,900	-	(31,953)	-	947
BBC Children in Need	-	15,728	(10,223)	-	5,505
Paul Hamlyn Foundation	-	15,735	(7,401)	-	8,334
Mercers Trust	-	30,000	(22,000)	-	8,000
Persimmon Charitable Trust	-	5,000	(5,000)	-	-
Community Foundation	-	4,840	(2,015)	-	2,825
Garfield Weston Foundation	-	50,000	(50,000)	-	-
Beatrice Laing Trust	-	30,000	(30,000)	-	-
Wolfsen Foundation	-	60,000	(60,000)	-	-
Screfix Foundation	-	5,000	(5,000)	-	-
National Lottery Community Fund	-	9,920	(4,130)	-	5,790
Move on Tyne & Wear	-	96,789	(96,789)	-	-
Journey 2 Employment	-	12,035	(12,035)	-	-
Step Forward Tees Valley	-	44,428	(44,428)	-	-
Virgin Money	-	46,081	(46,081)	-	-
Durham Works	-	47,850	(47,850)	-	-
DWP	-	65,182	(65,182)	-	-
Other	8,894	40,821	(30,522)	-	19,193
Total	83,374	607,696	(622,745)	-	68,325

Note 20 Analysis of charitable funds

Name of restricted fund

National Foundation for Little Sparks	Early years family support at Aycliffe
EFA asset funding	Grant towards capital expenditure at college
Durham County Council	Youth group at Aycliffe
Post code Lottery	Outdoor play equipment
Northumbrian Water	Grant toward apple orchard at New Warlands Farm
National Heritage Lottery Fund	Grant toward apple orchard at New Warlands Farm
BBC Children in Need	Toddler groups at Aycliffe and Stanley
Paul Hamlyn Foundation	Ideas and Pioneers Fund for think tank
Mercers Trust	Grant for family development
Persimmon Charitable Trust	Toddler groups
Community Foundation	Grant towards youth groups
Garfield Weston Foundation	Grant towards Aycliffe School extension
Beatrice Laing Trust	Grant towards Aycliffe School extension
Wolfsen Foundation	Grant towards Aycliffe School extension
Screfix Foundation	Grant towards Tudor Grove School refurbishment
National Lottery Community Fund	Grant towards youth groups
Move on Tyne & Wear	ESF grant to deliver employer ability service
Journey 2 Employment	Grant to deliver a pan disability employment service
Step Forward Tees Valley	ESF grant to deliver employer ability service
Virgin Money	Grant to deliver employer ability service
Durham Works	Grant to deliver employer ability service
DWP	Grant to deliver employer ability service

Note 20 Analysis of charitable funds

Analysis of movement in restricted funds

	Balance 1 May 2018	Income	Expenditure	Transfers	Funds 30 April 2019
	£	£	£	£	£
National Foundation for Little Sparks	2,210	14,140	(9,564)	-	6,786
Big Lottery Fund	9,920	-	(9,920)	-	-
BBC Children in Need	1,525	6,406	(7,931)	-	-
EFA asset funding	9,057	-	-	-	9,057
Durham County Council	-	14,440	(14,440)	-	-
The Charles Sharland Trust	-	10,000	(3,333)	-	6,667
Percy Bilton Grant	-	4,667	(4,667)	-	-
Hays Foundation	-	11,494	(11,494)	-	-
Nineveh Charitable Trust	-	8,000	(8,000)	-	-
Post code Lottery	-	14,070	-	-	14,070
Northumbrian Water	-	5,000	-	-	5,000
National Heritage Lottery Fund	-	32,900	-	-	32,900
Graham Wylie Foundation	-	4,980	(4,980)	-	-
Move on Tyne & Wear	-	95,620	(95,620)	-	-
Journey 2 Employment	-	26,565	(26,565)	-	-
Learning Skill LA7 ESF Community Project	-	24,423	(24,423)	-	-
Step Forward Tees Valley	-	26,045	(26,045)	-	-
FB Baily Thomas Charitable Fund	-	5,000	(5,000)	-	-
Rayne Foundation	-	20,000	(20,000)	-	-
Other	28,978	31,264	(51,348)	-	8,894
Total	51,690	355,014	(323,330)	0	83,374

Note 20 Analysis of charitable funds

Name of restricted fund

The National Foundation for Little Sparks	Early years family support at Aycliffe
Big Lottery Fund	Saturday morning club
BBC Children in Need	Toddler groups at Aycliffe and Stanley
EFA asset funding	Grant towards capital expenditure at college
Durham County Council	Youth group at Aycliffe
The Charles Sharland Trust	Early years family support in Stockton
Percy Bilton Grant	Sensor equipment for Lodges
Hays Foundation	Outdoor play equipment
Nineveh Charitable Trust	Grant for outdoor classroom at New Warlands Farm
Post code Lottery	Outdoor play equipment
Northumbrian Water	Grant toward apple orchard at New Warlands Farm
National Hertiage Lottery Fund	Grant toward apple orchard at New Warlands Farm
Graham Wylie Foundation	Grant for safety flooring at Cedar House
Move on Tyne & Wear	ESF grant to deliver employer ability service
Journey 2 Employment	Grant to deliver a pan disability employment service
Learning Skill LA7 ESF Community Project	ESF grant to deliver employer ability service
Step Forward Tees Valley	ESF grant to deliver employer ability service
FB Baily Thomas Charitable Fund	Donation to deliver employer ability service
Rayne Foundation	Grant to deliver employer ability service
Morrisons Foundation	Grant towards building of new Lodges at New Warlands Farm
Sir Jules Thorn Chartiable Trust	Grant towards building of new Lodges at New Warlands Farm
Gardfield Weston Foundation	Grant towards building of new Lodges at New Warlands Farm
Invigorate Charitable Trust	Grant towards furniture and white goods at new lodges
Charles Sharland Trust	Outdoor play equipment
ACT Foundation	Grant towards building of new Lodges at New Warlands Farm
Sir James Knott Trust	Garden project Thornhill School
Durham Works	Grant to deliver employer ability service

Note 21 Analysis of assets and liabilities between funds

	General Fund	Pension Fund	Restricted Funds	Total
	£	£	£	£
Fixed Assets	19,515,243	-	-	19,515,243
Current Assets	7,574,159	-	68,325	7,642,484
Creditor: amounts falling due within one year	(2,420,994)	-	-	(2,420,994)
Creditor: amounts falling after more than one year	(1,511,833)	-	-	(1,511,833)
Pension Liability	0	(1,523,000)	-	(1,523,000)
Total	23,156,575	(1,523,000)	68,325	21,701,900

Prior year

	General Fund	Pension Fund	Restricted Funds	Total
	£	£	£	£
Fixed Assets	18,304,243	-	-	18,304,243
Current Assets	7,846,113	-	83,374	7,929,487
Creditor: amounts falling due within one year	(3,929,548)	-	-	(3,929,548)
Creditor: amounts falling after more than one year	(122,917)	-	-	(122,917)
Pension Liability	-	(535,000)	-	(535,000)
Total	22,097,892	(535,000)	83,374	21,646,266

Note 22 Financial instruments

The carrying amount of the Company's financial instruments at 30th April were

	2020 £	2019 £
Financial assets:		
Trade Debtors	1,116,486	2,903,199
Other debtors	24,077	10,746
Accrued income	511,906	259,979
Total	<u>1,652,469</u>	<u>3,173,924</u>
Financial liabilities:		
Trade Creditors	1,138,952	794,411
Accruals	308,647	294,277
Loans payable falling due within 1 year	73,756	1,607,323
Loans payable falling in more than 1 year but less than 5 years	682,985	100,000
Loans payable falling due after 5 years	828,848	22,917
	<u>3,033,188</u>	<u>2,818,928</u>

Note 23 Reconciliation of surplus of income to net cash inflow from operating activities

	2020 £	2019 £
Net movement in funds	1,269,635	1,228,595
Add back depreciation charge	655,070	627,156
Add back loss on disposal of assets	-	(198)
Deduct interest income shown in investing activities	(23,780)	(18,934)
(Increase) decrease in debtors	1,500,628	(251,763)
Decrease (increase) in creditors	25,014	(593,701)
Company pension contributions	(237,000)	(258,000)
Pension scheme interest cost	298,000	326,000
Pension scheme interest return	(287,000)	(296,000)
Pension scheme past service cost	-	131,000
	<u>3,200,567</u>	<u>894,155</u>

Note 24 Operating Lease commitments

As at 30th April 2020 the total future minimum lease payments under non cancellable operating leases were as follows:

	2020	2019
	£	£
Operating Equipment		
Leases which expire within 1 year	433,690	347,136
Leases which expire within 2-5 years	<u>844,645</u>	<u>888,531</u>
	2020	2019
	£	£
Land and Buildings		
Leases which expire within 1 year	88,440	72,503
Leases which expire within 2-5 years	59,795	68,918
Leases which expire over 5 years	<u>15,436</u>	<u>-</u>

Note 25 Pension Commitments

North East Autism Society operates a defined benefit scheme in the UK which provides both pensions in retirement and death benefits to members. Pension benefits are related to the members' final salary at retirement and their length of service.

Since 9th March 2012 the scheme has been closed to new members and future accrual.

Contributions to the scheme for the year ending 30th April 2021 are expected to be £150,500.

A full actuarial valuation of the scheme took place as at 1st May 2019 by a qualified independent actuary.

The major assumptions used by the actuary were (in nominal terms) as follows:

	At 30/04/2020	At 30/04/2019
Discount rate	1.6%	2.5%
Inflation assumption (RPI)	2.5%	3.3%
Inflation assumption (CPI)	2.0%	2.6%
Inflation linked pension increases:		
Pension earned before 6/4/1997 (Teachers)	2.5%	3.3%
Pension earned between 6/4/1997 and 30/4/2005	2.5%	3.3%
Pension earned after 30/4/2005	2.5%	2.5%
Cash commutation	90% of maximum	90% of maximum

Assumed life expectancies on retirement at age 65 are:

		At 30/04/2020	At 30/04/2019
Retiring today	Males	20.1	20.1
	Females	22.0	22.0
Retiring in 20 years time	Males	21.5	21.4
	Females	23.6	23.5

The assets in the scheme were:

	Value at 30/04/2020 £000's	Value at 30/04/2019 £000's
Equity	6,572	6,626
Bonds	4,121	1,894
Cash	446	2,995
Fair Value of scheme assets	11,139	11,515

The actual return on assets over the period was:

	(335)	205
Present value of funded obligations	12,662	12,050
Fair value of scheme assets	11,139	11,515
Surplus / (deficit) in funded scheme	(1,523)	(535)

Present value of unfunded obligations

Unrecognised actuarial gains (losses)

(Irrecoverable surplus)

Net liability in balance sheet

-	-
-	-
0	0

Note 25 Pension Commitments (continued)

Reconciliation of opening and closing balances of the present value of the defined benefit obligation

	30/04/2020	30/04/2019
	£000s	£000s
Benefit obligation at beginning of year	12,050	12,689
Current service cost	-	-
Interest cost	298	326
Contributions by scheme participants	-	-
Actuarial (gain)/losses	592	(683)
Benefits paid	(278)	(413)
Past service cost	-	131
Liabilities at end of period	<u>12,662</u>	<u>12,050</u>

Reconciliation of opening and closing balances of the fair value of scheme assets

	30/04/2020	30/04/2019
	£000s	£000s
Fair value of scheme assets at beginning of year	11,515	11,465
Interest income on scheme assets	287	296
Return on assets, excluding interest income	(622)	(91)
Contributions by employers	237	258
Contributions by scheme participants	-	-
Benefits paid	(278)	(413)
Fair value of scheme assets at end of year	<u>11,139</u>	<u>11,515</u>

The amounts recognised in the statement of financial activities

	30/04/2020	30/04/2019
	£000s	£000s
Service cost - including current service costs, past service cost and settlements	-	131
Service cost - administrative cost	-	-
Net interest on the net defined benefit liability	11	30
Total credited to net incoming resources	<u>11</u>	<u>161</u>

Remeasurements of the net defined benefit liability (asset) to be shown in OCI

	30/04/2020	30/04/2019
	£000s	£000s
Actuarial (gain)/losses on the liabilities	592	(683)
Return on assets, excluding interest income	622	91
Change in the amount of surplus that is not recoverable, excluding interest income	-	-
Actuarial (gain)/loss	<u>1,214</u>	<u>(592)</u>

Note 25 Pension Commitments (continued)

Sensitivity analysis

	Impact on Plan Liabilities	
	30/04/2020	30/04/2019
	£000s	£000s
Discount rate - increase by 0.25%	(547)	(523)
Rate of inflation (RPI) - increase by 0.25%	203	375
Assumed life expectancy at age 65 - increases by 1 year	380	362

Estimation of next period's surplus or (deficit)

	30/04/2021	30/04/2020
	£000s	£000s
Service cost - including current service costs, past service cost and settlements	-	-
Service cost - administrative cost	-	-
Net interest on the net defined benefit liability	23	11
Total credited to net incoming resources	<u>23</u>	<u>11</u>

Information about the characteristics of the Plan

The Scheme provides pensions in retirement and death benefits to members. Pension benefits are linked to a member's final salary at retirement and their length of service.

The Scheme closed to future accrual on 8th March 2012

The Scheme is a registered scheme under UK legislation and is subject to the scheme funding requirements in UK legislation.

The Scheme was established from 31st July 1989 under trust and is governed by the Scheme trust deed and rules dated 27th December 1997.

The Trustees are responsible for the operation and the governance of the Plan including making decisions regarding the Scheme's funding and investment strategy in conjunction with the Employer.

Information about the risks of the Plan to the Society

The Plan exposes the Society to actuarial risk such as; market (investment) risk, interest rate risk, inflation risk, currency risk and longevity risk:

The Plan does not expose the Society to any unusual Plan-specific or Society-specific risks.

Note 25 Pension Commitments (continued)

Information about the valuation of the defined benefit obligation at the accounting date Plan

The most recent formal actuarial valuation of the Plan was as at 1st May 2019.

The liabilities at the reporting date have been calculated by updating the results of the formal actuarial valuation of the Plan for the assumptions as detailed in these disclosures. Allowance has been made for expected mortality over the period, as well as actual movement in financial conditions since the valuation date.

Such an approach is normal for the purposes of accounting disclosures. It is not expected that these projections will be materially different from a summation of individual calculations at the accounting date, although there may be some discrepancy between the actual liabilities for the Plan at the accounting date and those included in the disclosures.

Information about the most recent actuarial valuation and expected future cashflows to and from the Plan

The valuation as at 1st May 2019 revealed a funding deficit of £2,515,000. In the Recovery Plan dated 29th April 2020 the Society has agreed to pay contributions with the view to eliminating the shortfall by 31 December 2025.

In accordance with the Schedule of Contributions dated 20th April 2017 the Society is expected to pay contributions of £150,500 over the next accounting period. The contributions paid by the Society are reviewed every 3 years as part of each formal actuarial valuation. The Plan's next actuarial valuation is due at 1st May 2022.

In addition the Society is expected to meet the cost of administrative expenses for the Plan.

The liabilities of the Plan are based on the current value of expected benefit payment cashflows to members approximately over the next 65 years. The average duration of the liabilities is approximately 18 years.

The Plan's investment strategy

The Plan's investment strategy is to invest broadly 60% in return seeking assets and 40% in matching assets through bonds ("not geared"). This strategy reflects the Plan's liability profile and the Trustees' and Society's attitude to risk.

The Plan holds a number of annuity policies which match a portion of the pensions in payment, which have been excluded from the valuation of the assets and the liabilities.

The plan does not hold any ordinary shares issued or property occupied by the Society.

The growth assets held are expected to provide protection over inflation in the long term

Note 26 Capital Commitments

	30/04/2020	30/04/2019
	£	£
Contracted for, but not provided in the financial statements	0	0

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