

north east  
**autism** society

# TRUSTEES ANNUAL REPORT AND ACCOUNTS

Directors Report and Financial Statements  
Year Ended 30<sup>th</sup> April 2022

Registered Charity No: 1028260  
Registered Company No: 02859620

**NORTH EAST AUTISM SOCIETY**  
**ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS**  
**For the year ended 30th April 2022**

**CONTENTS**

	<b>Page</b>
Legal and Administration Information	3
Report of the Trustees for the year ended 30th April 2022	4
Statement of Trustee's responsibilities	14
Independent Auditor's Report	15
Statement of financial activities	19
Balance Sheet	20
Statement of Cash Flows	21
Notes to the financial statements	22

**NORTH EAST AUTISM SOCIETY  
LEGAL AND ADMINISTRATION INFORMATION  
For the year ended 30th April 2022**

The Trustees of North East Autism Society have all served in office throughout the year to the date of this report.

**Trustees:**

Gavin Bestford (Chair)  
Dr Rakesh Chopra OBE  
Jillian Crumbie  
John Hodgson  
David Parker  
Lisa Waller

**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

**Reference and administrative details**

Charity Number:  
10282860

Company Number:  
02859620

Registered Office:  
15 Lumley Court, Drum Industrial Estate, Chester le Street, DH2 1AN

**Advisors**

Auditor:  
Haines Watts North East Audit LLP, 17 Queens Lane, Newcastle upon Tyne, NE1 1RN

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

## **Report of the Trustees for the year ended 30th April 2022**

### **Financial Statements**

The Trustees present their report and accounts for the year ended 30th April 2022.

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 2019).

This financial year saw the UK move progressively out of lockdown and return to face-to-face activity. Consequently, it was a busy year for the North East Autism Society and a period of rapid growth.

Our staff had worked tirelessly throughout the pandemic, keeping all our essential services open. We are very proud for the way they prioritised the needs of service users, and families have told us of their gratitude for the care service users received.

We emerged in a strong position, with all our operational services quickly returning to full capacity. We have been able to use this as a springboard to grow our care and education provision and extend into new areas, as well as forging new partnerships to explore for future growth.

Work on the £1.5 million refurbishment of Kiora Hall in Roseworth, Stockton, was completed and staff were appointed, shadowing experienced educators in other NEAS schools until Kiora's OFSTED registration came through (in September 2022). The Mackenzie Thorpe Centre school in South Bank, Middlesbrough, finally celebrated its official opening with the renowned artist himself, who generously donated an original artwork Welcome To My World.

Our care services continued to expand in the face of high demand. We purchased and equipped a new children's residential home in the Tunstall Village area of Sunderland, which opened in July 2022 to replace the former children's home at Wallingford. Our financial surplus meant we did not have to sell the Wallingford property and instead repurposed it as an Independent Supported Living (ISL) provision. We also opened a new ISL home in Redhouse, Sunderland.

The fundraising team secured funding for two new employability schemes DiversityNE and YESNE which successfully launched in October 2021 to help hundreds of neurodivergent adults gain skills, experience and potentially employment. That took the Employment Futures team to 17 members of staff running seven projects across the North-east.

The fundraising team also brought in grants and donations for new outdoor play equipment at all our schools and at No.24 Adult Day Services, secured funds for a new North Tyneside family support hub, and began the process of sourcing private investment from trusts and foundations for the campaign to create a new rural hub at the Society's New Warlands Farm site.



Such a strong period of growth brought inevitable challenges, most notably in the area of recruitment which is a huge priority for the whole of the health and social care sector. But it also opened up a number of new relationships with local authorities in the North-east which should lead to exciting partnerships and opportunities in the coming years.

### **Purpose and activities**

The Society's Mission Statement is as follows:

'Working together to inspire, support, celebrate and equip autistic and neurodivergent people to fulfil their potential in life'

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

- To have our learners and those accessing our services 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 2011 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 Fundraising Practices**

Thanks to the hard work of our fundraising team, the Society has been awarded a number of substantial grants throughout this financial year, which have assisted us in maintaining and extending our work across the region. These include project funding from the North of Tyne Combined Authority (NTCA) Employment & Skills Programme and the DWP for Employment Futures' DiversityNE programme, which is being delivered over three financial years, grants from Youth Futures Foundation to fund a youth employability scheme for neurodivergent 18-to-22 year-olds over two financial years.

The team's fundraising efforts – including £15,000 from Darlington Building Society - also financed the installation of specialist outdoor equipment at No.24 Adult Day Services in Sunderland and accessible outdoor play areas at all the Society's schools. In addition, our Family Development team were able to run autism support hubs in the Newcastle area thanks to QProjects funding, and opened a new hub in North Tyneside, thanks to a grant from the North Tyneside Health Inequalities Fund.

Work began on securing pledges and grants for the new capital development of New Warlands farm to create training opportunities in a 2500m<sup>2</sup> of space. A total of £275,000 in grants was secured in the 2021-22 financial year, along with a pledge for £500,000, and the planning process got underway.

Our fundraising practices received a boost at the end of the financial year with the appointment of three additional patrons (Peter Barron, Pam Royle, and Bob Cuffe) to join artist Mackenzie Thorpe. Their profile, experience, and wealth of connections in the region's business, cultural and media sectors should open up new opportunities in 2022-23.

There have been no fundraising complaints during the year.

## **Strategic Report**

### **Achievements and Performance**

Demand for our specialist support continued to grow and our provision expanded accordingly. As in 2020-21, our schools were among the main drivers of growth.

Mackenzie Thorpe Centre, our school in South Bank, Middlesbrough, opened with 16 pupils in September 2020 and reached its maximum capacity of 30 pupils by the time it celebrated its official opening on 1<sup>st</sup> April 2022.

Kiora Hall school in Roseworth, Stockton, was leased and refurbished during the financial year, ready to open for the new school year in 2022 despite supply chain delays related to the pandemic and Brexit. A 35-strong team was appointed and placed in other NEAS schools to shadow experienced staff, so they were fully prepared for when Kiora opened. Like MTC, the school is expected to grow quickly.

The two schools extended our footprint into the Tees Valley and built relationships with Stockton and Redcar and Cleveland Councils which should lead to future projects in those areas.

Our care provision also expanded during this financial year. We purchased a new property in Tunstall Village to replace Wallingford children's residential home, and repurposed Wallingford as Independent Supported Living provision. We also opened a new ISL in Redhouse to support the transition of two men leaving mental health hospitals – something we feel is important and hope to expand in the future.

We are also proud that all of our Adult Residential provision was inspected by the Care Quality Commission and received a rating of "good".

Our Family Development team, which supported families throughout lockdown with virtual groups, video meetings and social media, added face-to-face support back into the mix via its toddler and family support groups, Autism Activists, and autism support hubs. Family Development staff are also responsible for high-profile collaborations with community venues to ensure they are accessible and celebrated the award of three Autism Acceptance Gold Awards this year – to the Life Centre and Eldon Square shopping centre in Newcastle, and the Sunderland Empire theatre.

The Employment Futures team grew rapidly in 2021-2022 thanks to the launch of two new projects - DiversityNE, which runs for three financial years, and YESNE, which runs for two years. The first cohort joined YESNE in October 2021 and more than half of them went into Further Education, training, or paid employment at the end of the 16-week course.

Employability is hugely important to autistic people and to the Society; just 29% of autistic people in the UK are in paid employment (Office for National Statistics), compared to an overall UK employment rate of 75%. Our new project for a rural enterprise hub at New Warlands Farm, which we began planning and funding in this financial year, is an innovative, multi-disciplinary and sustainable approach to tackling the employability gap by providing training, coaching and personal development to young people to support their journey to meaningful employment.

Our fundraising efforts benefited hugely from the partnership with patron Mackenzie Thorpe, who donated an original artwork Welcome To My World to his namesake school on its official opening in April 2022. Other work by Mackenzie has been used on labels for apple juice and cider produced at New Warlands Farm, and on limited edition merchandise produced for Christmas 2022.

We held our second virtual conference to mark Autism Acceptance in April, attracting 200 participants from around the world, and produced a free educational toolkit for teachers which proved very popular with mainstream schools.

Within central services, we began rolling out a new digital HR system, delivered by Sage. As the organisation continues to grow, this will ensure that we have sufficient infrastructure in the background to assist with the day-to-day running of the organisation. Not only will this improve processes internally for the likes of staff recruitment, internal communications, and the storage of sensitive, personal data, it will also improve staff access to information such as payslips, policy updates, updates from HR and documents such as the staff handbook.

## **Financial Review**

### **Results**

The accounts have been produced in accordance with the Accounting and Reporting by Charities Statement of Recommended Practice (updated 2019). 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.

**NORTH EAST AUTISM SOCIETY**  
**TRUSTEE'S REPORT**  
**For the year ended 30th April 2022**

Total income of the Society increased by 10.4% to £27,905,510 (2021: 9% to £25,279,268) while total expenditure increased by 12.8% to £26,008,528 (5.2% to £23,056,107) to produce net income for the year of £1,896,982 (2021: £2,223,161). Income has increased due to the increased number of service users. Expenditure has increased due to additional staffing costs to meet the needs of these additional service users and due to the increasing cost of living. It should be noted that the total income includes £917,088 (2021: £1,012,906) of grants and donations.

At 30<sup>th</sup> April 2022 the Society's Retirement Security Plan pension scheme had a fund surplus under FRS102 valuation requirements of £1,476,000 (2021: £206,000) however in line with FRS 102 requirements this has been capped at £nil in these financial statements.

Capital expenditure during the year of £3,223,661 included £1,740,972 for the refurbishment of the Kiora Hall, Stockton and £400,000 for a property in Tunstall Village, Sunderland.

Total unrestricted accumulated funds at 30<sup>th</sup> April 2022 are £26,890,353. 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 £2,362 (2021 £2,231).

**Key Performance Indicators (KPI's)**

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

	2021/22	2020/21
Fee Income growth	10.3%	7.9%
Debtor's days outstanding	24 days	20 days

**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 30<sup>th</sup> April 2022 this amounted to £4,335,000. The policy is reviewed by the Trustees as part of the strategic planning process.

At 30<sup>th</sup> April 2022, excluding fixed assets and the Retirement Security Plan fund, there were unrestricted reserves of £5,235,227 (2021: £6,042,518 Restated).

At 30<sup>th</sup> April 2022 the company held cash balances of £6,193,914, which is offset by a bank loan of £1,337,147 and £72,917 of other loans. The bank loan was refinanced in December 2022 with a term of three years based on 1.9% above the bank's base rate.

Restricted funds at 30<sup>th</sup> April 2022 were £67,690. (2021 £43,078 restated).

### **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.

### **Going Concern Policy**

After making appropriate enquiries, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for at least 12 months from the date of approval of these financial statements. 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.

### **Plans for future periods**

Our major upcoming capital project is the New Warlands Farm Kitchen, a new enterprise space consisting of a farm and gift shop, café, bakery, and food processing facilities. This will create a valuable new destination for the local community and a platform for the sustainable integration of autistic and neurodivergent people into the labour market through internships, apprenticeships, and skills training.

Under Phase 1, initial grants and pledges have been secured, surveys and reports made, and part-demolition carried out. Planning application was submitted late 2022, and once that has been approved, the tender period will begin in early 2023. Phase 2 will see the construction of the café and food processing facilities, while Phase 3 would consist of building workshops and commercial units.

Within education, Kiora Hall opened in October 2022, grew rapidly to have 22 pupils on the roll by Christmas and is expected to expand to 30 students in 2023. The school is a joint project in

cooperation with Stockton Council, and the Society is now exploring the idea of opening new Independent Supported Living provision in the Stockton area.

Likewise, Mackenzie Thorpe Centre school in South Bank heralded a new relationship with Redcar and Cleveland Council and the possibility of future projects. MTC is at capacity but with 54 additional referrals, and the Society is discussing extending our education provision within the area.

Thornhill Park School in Sunderland is also experiencing a high number of referrals, and a second site is set to be opened for post-14 pupils at the former Adult Day Services centre in Emsworth.

Just as the Society expanded into the south of the region with MTC and Kiora, it is also looking to extend north and is in discussion with Northumberland County Council about new Independent Supported Living provision in Bedlington.

Our Family Development team provides face-to-face and virtual support to hundreds of families. Plans for 2022-23 included expanding the team with the recruitment of a third person, fundraising for its Autism Activists and toddler groups, and its first in-person conference on the theme of Supporting your Autistic Child (November 2022). The Society's fundraising team will also work to secure financial support for a documentary-style project by and for autistic young people to mark Autism Acceptance Month 2023, as well as funding towards the Society's new monthly podcast This Is Autism.

The rapid growth of NEAS means that we are looking to strengthen the governance within the Society in 2022-23 and are actively seeking new trustees to join the board. It also means that recruitment and retention of staff is a top priority; on top of an above-average pay rise in summer 2022, we will be looking to review our recruitment processes, harness technology to save time on administration and operational tasks and enhance job satisfaction.

## **Structure, Governance and Management**

### **Trustees**

The Trustees who served during the year and up to the date of signing are

Gavin Bestford (Chair)

Dr Rakesh Chopra OBE

Jillian Crumbie

John Hodgson

David Parker

Lisa Waller

### **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 1<sup>st</sup> 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 30<sup>th</sup> April 2022 there were 117 voting members whose details were held on our central register.

Most members are parents of autistic children or adults. 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 number of our voting members are therefore professionals with a strong interest in autism and our work. We are keen to encourage autistic people 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 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.
- 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 9<sup>th</sup> March 2012.
- While the Society had an exceptional financial year in these extreme circumstances, we can expect a significantly different picture in the year ahead. Wage inflation is running at 10%. Pressure for pay rises along with staff shortages will see this accelerate.

### **Section 172 Stakeholder engagement**

The Charity understands that success is driven by strong relationships and endeavours at all times to foster and strengthen its relationships with the Families of the service users, the staff and other stakeholders. The Board of Trustees consider that through their strategic planning and decision making they have acted in a way that is most likely to promote the success of the charity for the benefit of both the service users and all the stakeholders.

### **Clients and Funding Providers**

The charity works closely with the NHS, Government Departments, local authorities and our generous donors and grant funders to ensure that our service delivery meets their requirements and our charitable objectives.

### **Suppliers**

The Charity engages regularly with our banking and technology suppliers to review performance, plan development, and stay current in an ever-changing technological world. The Charity maintains a strong relationship with our suppliers especially the staffing agencies that have been essential in maintaining staffing levels during and post covid.



### **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.

### **Equality, Diversity, and Inclusivity**

Accessibility and Inclusivity are at the heart of everything at NEAS and our recruitment policies, staff training, and internal policies are based on promoting equality.

### **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.

### **Environmental SECR reporting around carbon emissions**

The energy results for energy usage in property for the year, the comparison figures and the square footage of the office buildings, service user homes, schools and farms are as yet not available. Due to the number of residential homes and other buildings used for the Society, it is a large undertaking to collate the information required and the Society is working on the collation of this information.

The estimated usage for 2022, based on the Electricity and Gas supplier's figures of annual consumption, was

Gas 2,884,468 kwh

Electricity 871,134 kwh

Transport figures are for our fleet of minibuses and other vehicles used for the transport of the service user. The figures do not include business travel or private mileage CO2 emissions.

NEAS Projected fleet emissions 2022

Vehicle days 33,703

Average CO2 165

Annual Tonnes CO2 338.11

NEAS Projected fleet emissions 2021

Vehicle days 18,065

Average CO2 175

Annual Tonnes CO2 222.9

### 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:

- 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.

### Statement as to disclosure of our auditors

A resolution to re-appoint Haines Watts North East 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: 24<sup>TH</sup> APRIL 2023

**Independent Auditor's Report to the Members of North East Autism Society**

**Opinion**

We have audited the financial statements of North East Autism Society (the 'charitable company') for the year ended 30 April 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 April 2022, 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 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**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

**Other information**

The other information comprises the information included in the trustees annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' 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 strategic report and the directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, 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 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.

**NORTH EAST AUTISM SOCIETY**  
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NORTH EAST AUTISM SOCIETY**  
**For the year ended 30th April 2022**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We obtained an understanding of the legal and regulatory framework applicable to the company itself and the industry in which it operates. We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with the directors and other management. The most significant were identified as the Charities Act 2011 the Companies Act 2006, UK GAAP (FRS 102), UK Care Standards as defined by the Care Quality Commission and the Education Inspection Framework under the Education and Inspections Act 2006. We considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statements.

Our audit procedures included:

- obtaining an understanding of the nature of the sector in which the charitable company operates, including the legal and regulatory framework.
- obtaining an understanding of the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- assessing the risk of management override of controls, including testing a sample of journal entries.
- undertaking inquiries of management and those charged with governance about their own identification and assessment of instances of fraud and non-compliance with laws and regulations.
- Inspecting correspondence with the charitable company's regulatory bodies.
- challenging the assumptions and judgements made by management in their key accounting estimates, principally the assumptions used in the valuation of the defined benefit pension scheme obligation.

Our audit did not identify any key audit matters relating to the detection of irregularities including fraud. However, despite the audit being planned and conducted in accordance with ISAs (UK) there remains an unavoidable risk that material misstatements in the financial statements may not be detected owing to the inherent limitations of the audit, and that by their very nature, any such instances of fraud or irregularity likely involve collusion, forgery, intentional misrepresentations, or the override of internal controls.

A further description of our responsibilities is available on the FRC's website at:

<https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for>

This description forms part of our auditor's report.

**NORTH EAST AUTISM SOCIETY  
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NORTH EAST AUTISM SOCIETY  
For the year ended 30th April 2022**

**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.



**Donna Bulmer**

**Senior Statutory Auditor**

**For and on behalf of Haines Watts North East LLP**

**17 Queens Lane**

**Newcastle upon Tyne**

**NE1 1RN**

24 April 2023

**NORTH EAST AUTISM SOCIETY**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**For the year ended 30th April 2022**

**STATEMENT OF FINANCIAL ACTIVITIES**

	Note	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Income from:					
Donations and grants	2	196,918	720,170	917,088	1,012,906
Charitable activities	3	26,872,004	-	26,872,004	24,189,719
Other trading activities	4	114,056	-	114,056	74,412
Investment income	5	2,362	-	2,362	2,231
Total income		<u>27,185,340</u>	<u>720,170</u>	<u>27,905,510</u>	<u>25,279,268</u>
Expenditure on:					
Cost of raising funds		175,361	-	175,361	185,972
Expenditure on charitable activities	6	25,137,609	695,558	25,833,167	22,870,135
Total Resources Expended		<u>25,312,970</u>	<u>695,558</u>	<u>26,008,528</u>	<u>23,056,107</u>
Net incoming before transfers		1,872,370	24,612	1,896,982	2,223,161
Gross transfer between funds	20	-	-	-	-
Comprehensive income		<u>1,872,370</u>	<u>24,612</u>	<u>1,896,982</u>	<u>2,223,161</u>
Other comprehensive income					
Actuarial gain / (loss)	24	(261,000)	-	(261,000)	1,397,000
Net movement of funds		<u>1,611,370</u>	<u>24,612</u>	<u>1,635,982</u>	<u>3,620,161</u>
Restated Fund Balances Brought Forward 1 <sup>st</sup> May 2021	20	25,278,983	43,078	25,322,061	21,701,900
Balances carried forward at 30 <sup>th</sup> April 2022	20	<u>26,890,353</u>	<u>67,690</u>	<u>26,958,043</u>	<u>25,322,061</u>

**NORTH EAST AUTISM SOCIETY**  
**BALANCE SHEET**  
**For the year ended 30th April 2022**

<b>BALANCE SHEET</b>				
	<b>Note</b>	<b>2022</b>		<b>2021</b>
		<b>£</b>	<b>£</b>	<b>Restated</b>
				<b>£</b>
<b>Fixed Assets</b>				
Tangible Fixed Assets	15	21,655,126		19,236,465
<b>Current Assets</b>				
Debtors	16	3,011,631	2,499,982	
Cash at bank and in hand		<u>6,193,914</u>	<u>7,979,808</u>	
		9,205,545	10,479,790	
<b>Creditors</b>				
Amounts falling due within one year	17	<u>(3,854,711)</u>	<u>(2,961,268)</u>	
<b>NET CURRENT ASSETS</b>		5,350,834		7,518,522
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>27,005,960</b>		<b>26,754,987</b>
<b>Creditors</b>				
Amounts falling due after more than one year	19	(47,917)		(1,432,926)
<b>Net Assets excluding pension asset / (liability)</b>		<b>26,958,043</b>		<b>25,322,061</b>
Pension asset / (liability)	24	-		-
<b>NET ASSETS INCLUDING PENSION LIABILITY</b>		<u><b>26,958,043</b></u>		<u><b>25,322,061</b></u>
<b>The funds of the charity:</b>				
<b>Unrestricted funds:</b>				
General funds	20	26,890,353		25,278,983
Pension Reserve	20	-		-
		<u>26,890,353</u>		<u>25,278,983</u>
<b>Restricted funds:</b>	20	67,690		43,078
<b>TOTAL FUNDS</b>		<u><b>26,958,043</b></u>		<u><b>25,322,061</b></u>

The financial statements were approved and authorised for issue by the Trustees of North East Autism Society on 24/4/2023 and signed on their behalf.

  
Chairman of Trustees  
Gavin Bestford  
Company Number 02859620



**NORTH EAST AUTISM SOCIETY**  
**STATEMENT OF CASH FLOWS**  
**For the year ended 30th April 2022**

STATEMENT OF CASH FLOWS				
		2022		2021
	Note:	£	£	Restated £
Cash used in operating activities	22		1,578,068	2,925,825
Purchase of tangible fixed assets		(3,223,661)		(460,357)
Interest income		<u>2,362</u>		<u>2,230</u>
<b>Cash (used in) investing activities</b>			<b><u>(3,221,299)</u></b>	<b><u>(458,127)</u></b>
<b>Cash flows in financing activities</b>				
Repayment of borrowing		(142,663)		(32,862)
<b>Cash used in financing activities</b>			<b><u>(142,663)</u></b>	<b><u>(32,862)</u></b>
Increase in cash in the year			<u>(1,785,894)</u>	<u>2,434,836</u>
Cash at the beginning of the year			<u>7,979,808</u>	<u>5,544,972</u>
<b>Total cash at the end of the year</b>			<b><u>6,193,914</u></b>	<b><u>7,979,808</u></b>

**NORTH EAST AUTISM SOCIETY**  
**NOTES TO THE ACCOUNTS**  
**For the year ended 30th April 2022**

**NOTES TO THE ACCOUNTS**

**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 autistic individuals. 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. A flexible loan facility is in place to help with cash-flow on capital expenditure, the loan was refinanced in December 2022. During the year the charity completed the refurbishment of Kiora Hall as a new school and the school opened in September 2022.

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 becomes 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.

**NORTH EAST AUTISM SOCIETY**  
**NOTES TO THE ACCOUNTS**  
**For the year ended 30th April 2022**

**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.

**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 basis on which support costs have been allocated are set out in note 8.

**Operating leases**

The charity classifies the lease of vehicles, and other equipment as operating leases where substantially all of the benefits and risks of ownership remain with the lessor and 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 buildings	2%
Lodges	4%
Furniture and 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 2022 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.

**NORTH EAST AUTISM SOCIETY**  
**NOTES TO THE ACCOUNTS**  
**For the year ended 30th April 2022**

**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 30<sup>th</sup> April 2022 membership totalled 752. 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 2022 membership totalled 111, comprising 61 members with deferred benefits and 50 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 key accounting estimate relates to the valuation of the defined benefit pension obligation. The Society has an obligation to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors including: life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. Management estimate these factors in determining the net pension asset / liability as at the year end. The assumptions reflect historical experience and current trends. See note 24 for the disclosures relating to the defined benefit pension scheme.

**Note 2 Income from donations and grants**

	Note	2022 Total £	2021 Total £
Restricted	20	<u>720,170</u>	<u>509,557</u>
Unrestricted:			
Donations and gifts		13,093	12,295
Covid-19 grants		<u>183,825</u>	<u>491,054</u>
		<u>196,918</u>	<u>503,349</u>
		<u>917,088</u>	<u>1,012,906</u>

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.

**NORTH EAST AUTISM SOCIETY**  
**NOTES TO THE ACCOUNTS**  
**For the year ended 30th April 2022**

**Note 3 Income from charitable activities - unrestricted**

	2022	2021
	Total	Total
	£	£
Fees for the supply of services	26,577,652	24,088,369
Other income from charitable activities	<u>294,352</u>	<u>101,350</u>
	<b><u>26,872,004</u></b>	<b><u>24,189,719</u></b>

**Note 4 Income from other trading activities - unrestricted**

	2022	2021
	Total	Total
	£	£
Fundraising	76,563	40,157
Refreshment income	<u>37,493</u>	<u>34,255</u>
	<b><u>114,056</u></b>	<b><u>74,412</u></b>

**Note 5 Investment Income - unrestricted**

	2022	2021
	Total	Total
	£	£
Interest from deposit accounts	<u>2,362</u>	<u>2,231</u>
	<b><u>2,362</u></b>	<b><u>2,231</u></b>

**Note 6 Analysis of expenditure on charitable activities**

	Adult	Children	2022	2021
	Services	Services	Total	Total
	£	£	£	£
Staffing costs	10,458,224	8,567,873	19,026,097	16,967,706
Supplies and services	448,359	424,786	873,145	746,304
Premises costs	430,231	518,090	948,321	795,485
Transport costs	406,053	624,421	1,030,474	800,269
Administration	177,378	259,415	436,793	471,136
Bank loan interest	-	31,855	31,855	21,533
Depreciation	315,122	437,254	752,376	696,895
Governance costs	138,739	121,158	259,897	139,819
Support costs	<u>1,320,793</u>	<u>1,153,416</u>	<u>2,474,209</u>	<u>2,230,988</u>
	<b><u>13,694,899</u></b>	<b><u>12,138,268</u></b>	<b><u>25,833,167</u></b>	<b><u>22,870,135</u></b>

Expenditure on charitable activities was £25,833,167 (2021: £22,870,135) of which £25,137,609 was unrestricted (2021: £22,324,365) and £695,558 was restricted (2021: £545,770).

Staff costs include agency staff of £720,338 (2021: £319,157) excluded from note 10

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

	Adult	Children	2022	2021
	Services	Services	Total	Total
	£	£	£	£
Fees for the supply of services	14,150,742	12,435,833	26,586,575	24,088,369
Costs	<u>(13,694,899)</u>	<u>(12,138,268)</u>	<u>(25,833,167)</u>	<u>(22,870,135)</u>
Surplus	<u>455,843</u>	<u>297,565</u>	<u>753,408</u>	<u>1,218,234</u>

**NORTH EAST AUTISM SOCIETY**  
**NOTES TO THE ACCOUNTS**  
**For the year ended 30th April 2022**

**Note 8 Analysis of governance and support costs - 2022**

	General Support £	Governance £	2022 Total £	Basis of apportionment
Staffing costs	1,348,253	125,653	1,473,906	Fee income
Supplies and services	598,203	45,621	643,824	Fee income
Premises costs	212,631	30,518	243,149	Fee income
Transport	17,421	1,381	18,802	Fee Income
Administration	135,406	9,608	145,014	Fee income
Audit fees	-	22,800	22,800	Fee income
Legal and other professional fees	120,148	22,316	142,464	Fee income
Depreciation	45,147	2,000	47,147	Fee income
Pension finance cost	(3,000)	-	(3,000)	Fee income
Total	<u>2,474,209</u>	<u>259,897</u>	<u>2,734,106</u>	

**Note 8 Analysis of governance and support costs - 2021**

	General Support £	Governance £	2021 Total £	Basis of apportionment
Staffing costs	1,199,945	91,988	1,291,933	Fee income
Supplies and services	499,611	3,581	503,192	Fee income
Premises costs	277,828	29,508	307,336	Fee income
Administration	123,366	10,985	134,351	Fee income
Audit fees	21,222	2,358	23,580	Fee income
Legal and other professional fees	48,960	-	48,960	Fee income
Depreciation	36,055	1,399	37,454	Fee income
Pension finance cost	<u>24,000</u>	<u>-</u>	<u>24,000</u>	Fee income
Total	<u>2,230,987</u>	<u>139,819</u>	<u>2,370,806</u>	

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

	2022 £	2021 £
Operating leases - equipment	697,652	488,060
Depreciation	805,076	739,135
Bank Interest payable	31,855	21,533
Auditors' remuneration - Audit fees	22,800	17,000

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

	2022 £	2021 £
Salaries and wages	17,899,250	16,139,999
Social security costs	1,405,600	1,277,977
Pension costs	384,488	429,951
Redundancy	-	1,622
	<u>19,689,338</u>	<u>17,849,549</u>

**NORTH EAST AUTISM SOCIETY**  
**NOTES TO THE ACCOUNTS**  
**For the year ended 30th April 2022**

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

	<b>2022</b>	<b>2021</b>
	<b>No.</b>	<b>No.</b>
£60,000 - £70,000	1	3
£70,000 - £80,000	1	-
£80,000 - £90,000	1	1
£90,000 - £100,000	-	1
£100,000 - £110,000	<u>1</u>	<u>-</u>
	<u>4</u>	<u>5</u>

Pension costs in respect of these employees are £26,426 (2021: £21,193).

The key management personnel of the charity, comprise the Trustees, the Chief Executive, Head of Care Services and Director of Education. The total employee benefits of the key management personnel were £273,432 (2021: £291,235).

The charity purchased Professional Indemnity Insurance including cover for the Trustees costing in total £2,250 (2021: £2,250). 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:

	<b>2022</b>	<b>2021</b>
	<b>No.</b>	<b>No.</b>
Adult services	447	455
Children services	347	283
Support services	25	28
Governance	<u>1</u>	<u>1</u>
	<u>820</u>	<u>772</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 (2021: £nil), one Trustee received expenses of £Nil during the year (2021: £224). No charity trustee received payment for professional or other services supplied to the charity (2021: £nil) There were no related party transactions (2021: £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.

**NORTH EAST AUTISM SOCIETY**  
**NOTES TO THE ACCOUNTS**  
**For the year ended 30th April 2022**

**Note 15 Tangible Fixed Assets**

	Freehold land and Buildings £	Furniture Fixtures and Equipment £	Computers £	Motor Vehicles £	Assets under Construction £	Total £
<b>Cost</b>						
At 1st May 2021	23,429,309	2,371,822	410,089	8,613	39,088	26,258,921
Additions at cost	453,693	564,442	246,708	-	1,958,818	3,223,661
Transfers	1,773,429	89,370	80,801	-	(1,943,600)	
Disposal	-	-	-	-	-	-
<b>At 30th April 2022</b>	<b>25,656,431</b>	<b>3,025,634</b>	<b>737,598</b>	<b>8,613</b>	<b>54,306</b>	<b>29,482,582</b>
<b>Accumulated depreciation</b>						
At 1st May 2021	5,190,463	1,506,107	324,092	1,794	-	7,022,456
Charge for the year	499,428	223,323	80,095	2,153	-	804,999
Disposal	-	-	-	-	-	-
<b>At 30th April 2022</b>	<b>5,689,891</b>	<b>1,729,430</b>	<b>404,187</b>	<b>3,947</b>	<b>-</b>	<b>7,827,455</b>
<b>Net Book Value</b>						
<b>At 30th April 2022</b>	<b>19,966,540</b>	<b>1,296,203</b>	<b>333,411</b>	<b>4,666</b>	<b>54,306</b>	<b>21,655,126</b>
<b>At 30th April 2021</b>	<b>18,238,846</b>	<b>865,715</b>	<b>85,997</b>	<b>6,819</b>	<b>39,088</b>	<b>19,236,465</b>

**Note 16 Debtors**

	2022 £	2021 £
Fees Receivable	1,769,645	1,355,112
Prepayments and accrued income	1,208,520	1,135,897
Other Debtors	33,466	8,973
	<u>3,011,631</u>	<u>2,499,982</u>

**Note 17 Creditors Amounts falling due within one year**

	2022 £	2021 £
Bank Loans	1,337,146	94,800
Sir Peter Vardy Foundation Loan	25,000	25,000
Fees received in advance	194,198	701,071
Trade creditors	1,160,084	909,121
Taxation and social security	476,423	370,632
Other creditors	108,846	52,891
Accruals	553,014	807,753
	<u>3,854,711</u>	<u>2,961,268</u>

**Note 18 Deferred Income**

	2022 £	2021 £
Balance as at 1st May 2021	701,071	503,252
Amount released to income earned from charitable activities	(701,071)	(503,252)
Amount deferred in year	194,198	701,071
	<u>194,198</u>	<u>701,071</u>

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



**NORTH EAST AUTISM SOCIETY**  
**NOTES TO THE ACCOUNTS**  
**For the year ended 30th April 2022**

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

	2022	2021
	£	£
Bank Loans	1,337,146	1,454,809
Sir Peter Vardy Foundation Loan	72,917	97,917
less due within one year	<u>(1,362,146)</u>	<u>(119,800)</u>
	<u>47,917</u>	<u>1,432,926</u>

A bank loan due of £1,337,146 relates to a Barclay's facility secured on various properties including New Warlands Farm and the "Aycliffe Centre". The loan had a final balloon payment due on 24<sup>th</sup> January 2023.

In December 2022 the loan was refinanced with the term of three years, instalments are c£13,302 monthly including interest with a single final repayment in January 2026. Interest due is 1.90% above the bank's base rate.

In April 2015 a £200,000 interest free ten 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 - 2022**

	Restated 1 <sup>st</sup> May 2021	Income	Expenditure	Actuarial Gain /(loss)	Transfers	Funds 30 <sup>th</sup> April 2022
	£	£	£	£	£	£
General Fund	25,278,983	27,185,340	(25,312,970)	(261,000)	-	26,890,353
Pension Reserve	-	-	(261,000)	261,000	-	-
Total	<u>25,278,983</u>	<u>27,185,340</u>	<u>(25,312,970)</u>	<u>(261,000)</u>	<u>-</u>	<u>26,890,353</u>

Unrestricted funds of £26,947,075 include tangible fixed assets of £21,655,126 and a loan balance of £1,410,064 which relates to funding for fixed asset purchases and improvements.

**Analysis of movement in unrestricted funds - 2021**

	1 <sup>st</sup> May 2020	Income	Expenditure	Actuarial Gain /(loss)	Transfers	Restated 30 <sup>th</sup> April 2021
	£	£	£	£	£	£
General Fund	23,156,575	24,758,745	(22,636,337)	-	-	25,278,983
Pension Reserve	<u>(1,523,000)</u>	-	126,000	1,397,000	-	-
Total	<u>21,633,575</u>	<u>24,758,745</u>	<u>(22,510,337)</u>	<u>1,397,000</u>	<u>-</u>	<u>25,278,983</u>

Unrestricted funds of £25,289,949 include tangible fixed assets of £19,236,465 and a loan balance of £1,552,726 which relates to funding for fixed asset purchases and improvements.

Balance at 1<sup>st</sup> May 2021 restated for correction in allocation of Restricted Fund 'Department of Education Post 16s Grant' £10,966 from Unrestricted Funds. At 1<sup>st</sup> May 2021 Restricted funds of £32,112 were restated to £43,078 and Unrestricted funds restated from £25,289,949 to £25,278,983.

**NORTH EAST AUTISM SOCIETY**  
**NOTES TO THE ACCOUNTS**  
**For the year ended 30th April 2022**

**Analysis of movement in restricted funds - 2022**

	Restated 1 <sup>st</sup> May 2021	Income	Expenditure	Transfers	Funds 30 <sup>th</sup> April 2022
	£	£	£	£	£
Depart of Ed - Post 16s Grant	10,966	8,922	(8,920)	-	10,968
The Charles Sharland Trust	10,000	-	-	-	10,000
BBC Children in Need	7,790	40,614	(48,404)	-	-
Paul Hamlyn Foundation	4,822	-	(4,822)	-	-
Mercers Trust	5,000	30,000	(27,500)	-	7,500
Move on Tyne & Wear	-	83,942	(83,942)	-	-
Youth Futures Foundation	-	130,116	(130,116)	-	-
Sunderland Council LA6	-	2,840	(2,840)	-	-
Gateshead Council LA6	-	7,989	(7,489)	-	-
ESF - DWP PMP South of Tyne	-	61,146	(61,146)	-	-
ESF - DWP PMP Durham	-	121,648	(121,648)	-	-
Diversity Project - DWP	-	62,445	(62,445)	-	-
Diversity Project - North of Tyne	-				
Combined Authority	-	68,441	(68,441)	-	-
Garfield Weston	-	30,000	(30,000)	-	-
Good Things Foundation	-	12,275	(12,275)	-	-
Darlington Building Society	-	15,000	-	-	15,000
Sir James Knott Trust	-	6,000	(6,000)	-	-
Sir John Priestman Charitable Trust	-	5,000	(5,000)	-	-
Tesco Little Helps / Groundworks	-	5,000	-	-	5,000
Other	4,500	28,792	(14,070)	-	19,222
<b>Total</b>	<b>43,078</b>	<b>720,170</b>	<b>(695,558)</b>	<b>-</b>	<b>67,690</b>

Balance at 1<sup>st</sup> May 2021 restated for correction in allocation of Restricted Fund 'Department of Education Post 16s Grant' £10,966 from Unrestricted Funds. At 1<sup>st</sup> May 2021 Restricted funds of £32,112 were restated to £43,078 and Unrestricted funds restated from £25,289,949 to £25,278,983.

**Name of restricted fund - 2022**

Dept of Education Post 16s Grant	Post 16s Education
The Charles Sharland Trust	Outdoor play equipment
BBC Children in Need	Family development youth group
Paul Hamlyn Foundation	Outdoor play equipment
Mercers Trust	Ideas and Pioneers Fund for Think Tank
Community Foundation	Grant for family development
National Lottery Community Fund	Grant towards youth groups
Move on Tyne & Wear	Grant towards youth groups
Youth Futures Foundation	ESF grant to deliver employer ability service
Sunderland Council LA6	Grant to deliver employer ability service
Gateshead Council LA6	Grant to deliver employer ability service
ESF - DWP PMP South of Tyne	Grant to deliver employer ability service
ESF - DWP PMP Durham	Grant to deliver employer ability service
Diversity Project - DWP	Grant to deliver employer ability service
Diversity Project - North of Tyne	
Combined Authority	Grant to deliver employer ability service
Garfield Weston	Grant for capital costs to Kiora Hall
Good Things Foundation	Grant to deliver employer ability service
Darlington Building Society	Outdoor play equipment
Sir James Knott Trust	Grant for capital costs to Kiora Hall
Sir John Priestman Charitable Trust	Grant for capital costs to Kiora Hall
Tesco Little Helps / Groundworks	Family development youth group

**NORTH EAST AUTISM SOCIETY**  
**NOTES TO THE ACCOUNTS**  
**For the year ended 30th April 2022**

**Analysis of movement in restricted funds - 2021 - As restated**

	Balance 1st May 2020	Income	Expenditure	Transfers	Restated Funds 30th April 2021
	£	£	£	£	£
Depart of Ed - Post 16s Grant	-	10,966	-	-	10,966
National Foundation for Little Sparks	2,243	1,308	(3,551)	-	-
The Charles Sharland Trust	10,000	-	-	-	10,000
Post Code Lottery	5,488	-	(5,488)	-	-
National Heritage Lottery Fund	947	26,320	(27,267)	-	-
BBC Children in Need	5,505	16,502	(14,217)	-	7,790
Paul Hamlyn Foundation	8,334	-	(3,512)	-	4,822
Mercers Trust	8,000	30,000	(33,000)	-	5,000
Community Foundation	2,825	10,000	(12,825)	-	-
National Lottery Community Fund	5,790	18,587	(24,377)	-	-
Move on Tyne & Wear	-	82,740	(82,740)	-	-
Youth Futures Foundation	-	34,090	(34,090)	-	-
DSA	-	25,000	(25,000)	-	-
Gateshead Council LA6	-	27,993	(27,993)	-	-
County Durham Community Fund	-	8,889	(8,889)	-	-
Durham Works	-	48,840	(48,840)	-	-
DWP	-	168,636	(168,636)	-	-
Good Things Foundation	-	3,630	(3,630)	-	-
Other	19,193	7,022	(21,715)	-	4,500
<b>Total</b>	<b>68,325</b>	<b>520,523</b>	<b>(545,770)</b>	<b>-</b>	<b>43,078</b>

**Name of restricted fund – 2021**

Dept of Education Post 16s Grant	Post 16s Education
The National Foundation for Little Sparks	Early years family support at Aycliffe
The Charles Sharland Trust	Outdoor play equipment
Post code Lottery	Outdoor play equipment
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
Community Foundation	Grant towards youth groups
National Lottery Community Fund	Grant towards youth groups
Move on Tyne & Wear	ESF grant to deliver employer ability service
Youth Futures Foundation	Grant to deliver employer ability service
DSA	Grant to deliver employer ability service
Gateshead Council LA6	Grant to deliver employer ability service
County Durham Community Fund	Grant to deliver employer ability service
Durham Works	Grant to deliver employer ability service
DWP	Grant to deliver employer ability service
Good Things Foundation	Grant to deliver employer ability service

**NORTH EAST AUTISM SOCIETY**  
**NOTES TO THE ACCOUNTS**  
**For the year ended 30th April 2022**

**Note 21 Analysis of assets and liabilities between funds**

	General Fund £	Pension Fund £	Restricted Funds £	Total £
Fixed Assets	21,655,126	-	-	21,655,126
Current Assets	9,137,855	-	67,690	9,205,545
Creditor: amounts falling due within one year	(3,854,711)	-	-	(3,854,711)
Creditor: amounts falling due after more than one year	(47,917)	-	-	(47,917)
Pension Asset	-	-	-	-
<b>Total</b>	<b>26,890,353</b>	<b>-</b>	<b>67,690</b>	<b>26,958,043</b>

**Prior year**

	General Fund £	Pension Fund £	Restricted Funds £	Restated Total £
Fixed Assets	19,236,465	-	-	19,236,465
Current Assets	10,436,712	-	43,078	10,479,790
Creditor: amounts falling due within one year	(2,961,268)	-	-	(2,961,268)
Creditor: amounts falling due after more than one year	(1,432,926)	-	-	(1,432,926)
Pension Asset	-	-	-	-
<b>Total</b>	<b>25,278,983</b>	<b>-</b>	<b>43,078</b>	<b>25,322,061</b>

**Note 22 Reconciliation of surplus income to net cash inflow from operating activities**

	2022 £	2021 £
Net Comprehensive Income	1,896,982	2,223,160
Add back depreciation charge	805,499	739,135
Deduct interest income shown in investing activities	(2,362)	(2,230)
(Increase) / Decrease in Debtors	(511,649)	(402,470)
Increase /(Decrease) in Creditors	(348,903)	494,230
Company pension contributions	(258,000)	(150,000)
Pension scheme interest cost	245,000	201,000
Pension Scheme interest return	<u>(248,000)</u>	<u>(177,000)</u>
	<b>1,578,068</b>	<b>2,925,825</b>

**Note 23 Operating Lease commitments**

As at 30th April 2022 the total future minimum lease payments under non-cancellable operating leases were as follows:

	2022 £	2021 £
<b>Operating Equipment</b>		
Leases which expire within 1 year	433,503	470,245
Leases which expire within 2-5 years	<u>121,981</u>	<u>555,484</u>
	<b>2022 £</b>	<b>2021 £</b>
<b>Land and Buildings</b>		
Leases which expire within 1 year	117,482	98,353
Leases which expire within 2-5 years	189,373	288,974
Leases which expire over 5 years	<u>-</u>	<u>6,750</u>

**NORTH EAST AUTISM SOCIETY**  
**NOTES TO THE ACCOUNTS**  
**For the year ended 30th April 2022**

**Note 24 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 2023 are expected to be £258,000.

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 30/04/2022	At 30/04/2021
Discount rate	3.0%	1.9%
Inflation assumption (RPI)	3.6%	3.3%
Inflation assumption (CPI)	2.9%	2.6%
Inflation linked pension increases:		
Pension earned before 6/4/1997 (Teachers)	3.6%	3.3%
Pension earned between 6/4/1997 and 30/4/2005	3.6%	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 30/04/2022	At 30/04/2021
Retiring today	Males	20.3	20.2
	Females	22.2	22.1
Retiring in 20 years time	Males	21.7	21.6
	Females	23.8	23.7

**The assets in the scheme were:**

	Value at 30/04/2022	Value at 30/04/2021
	£000's	£000's
Equity	8,593	8,867
Bonds	3,673	3,782
Cash	364	391
Fair Value of scheme assets	12,630	13,040

<b>The actual return on assets over the period was:</b>	(390)	2,007
Present value of funded obligations	(11,154)	(12,834)
Fair value of scheme assets	12,630	13,040
<b>Surplus / (deficit) in funded scheme</b>	<b>1,476</b>	<b>206</b>

Present value of unfunded obligations	-	-
Unrecognised actuarial gains (losses)		
(Irrecoverable surplus)	(1,476)	(206)
<b>Net assets / (liability) in balance sheet</b>	<b>-</b>	<b>-</b>

**NORTH EAST AUTISM SOCIETY**  
**NOTES TO THE ACCOUNTS**  
**For the year ended 30th April 2022**

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

	30/04/2022	30/04/2021
	£000's	£000's
Benefit obligation at beginning of year	12,834	12,662
Current service cost	-	-
Interest cost	241	201
Contributions by scheme participants	-	-
Actuarial losses (gains) / losses	(1,643)	227
Benefits paid	(278)	(256)
Past service cost	-	-
Liabilities at end of period	<u>11,154</u>	<u>12,834</u>

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

	30/04/2022	30/04/2021
	£000's	£000's
Fair value of scheme assets at beginning of year	13,040	11,139
Interest income on scheme assets	248	177
Return on assets, excluding interest income	(638)	1,830
Contributions by employers	258	150
Contributions by scheme participants	-	-
Benefits paid	<u>(278)</u>	<u>(256)</u>
Fair value of scheme assets at end of year	<u>12,630</u>	<u>13,040</u>

**The amounts recognised in the statement of financial activities**

	30/04/2022	30/04/2021
	£000's	£000's
Service cost - including current service costs, past service cost and settlements	-	-
Service cost - administrative cost	-	-
Net interest on the net defined benefit liability	<u>(3)</u>	<u>24</u>
Total credited to net incoming resources	<u>(3)</u>	<u>24</u>

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

	30/04/2022	30/04/2021
	£000's	£000's
Actuarial (gain)/losses on the liabilities	(1,643)	227
Return on assets, excluding interest income	638	(1,830)
Change in the amount of surplus that is not recoverable, excluding interest income	<u>1,266</u>	<u>206</u>
Actuarial (gain)/loss	<u>261</u>	<u>(1,397)</u>

**Sensitivity analysis**

	Impact on Plan Liabilities	
	30/04/2022	30/04/2021
	£000's	£000's
Discount rate - increase by 0.25%	(422)	(539)
Rate of inflation (RPI) - increase by 0.25%	178	216
Assumed life expectancy at age 65		
- increases by 1 year	335	385

**NORTH EAST AUTISM SOCIETY**  
**NOTES TO THE ACCOUNTS**  
**For the year ended 30th April 2022**

**Estimation of next period's surplus or (deficit)**

**30/04/2023**  
**£000's**

Service cost - including current service costs, past service, cost and settlements	-
Service cost - administrative cost	-
Net interest on the net defined benefit liability	<u>(4)</u>
Total credited to net incoming resources	<u>(4)</u>

**Information about the characteristics of the Plan**

The Plan 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 Plan closed to future accrual on 8th March 2012

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

The Plan was established from 31st July 1989 under trust and is governed by the Plan's 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 Plan's funding and investment strategy, in conjunction with the Society.

**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.

**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 2020 the Society is expected to pay contributions of £258,000 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 16 years.

**NORTH EAST AUTISM SOCIETY**  
**NOTES TO THE ACCOUNTS**  
**For the year ended 30th April 2022**

**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 25 Capital Commitments**

	<b>30/04/2022</b>	<b>30/04/2021</b>
	<b>£000's</b>	<b>£000's</b>
Contracted for, but not provided for in the financial statements	<u>1,540</u>	<u>-</u>

The capital commitments relate to approved capital works at Kiara Hall.



**NORTH EAST AUTISM SOCIETY**  
**CONTACT INFORMATION**  
For the year ended 30th April 2022



Registered Office  
15/16 Lumley Court  
Drum Industrial Estate  
Chester le Street  
County Durham  
DH2 1AN

Registered Charity Number 1028260  
Company Limited by Guarantee Number 02859620

Email: [enquiries@ne-as.org.uk](mailto:enquiries@ne-as.org.uk)

Head Office  
North East Autism Society  
15/16 Lumley Court  
Drum Industrial Estate  
Chester le Street  
County Durham  
DH2 1AN

Telephone: 0191 410 9974