

COMPANY REGISTRATION NUMBER: 04150037

GROUNDWORK SOUTH TEES
COMPANY LIMITED BY GUARANTEE
FINANCIAL STATEMENTS
31 MARCH 2011

Charity No: 1087917



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GROUNDWORK SOUTH TEES
COMPANY LIMITED BY GUARANTEE
YEAR ENDED 31 MARCH 2011

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**GROUNDWORK SOUTH TEES
COMPANY LIMITED BY GUARANTEE**

YEAR ENDED 31 MARCH 2011

MEMBERS OF THE BOARD AND PROFESSIONAL ADVISERS

The board of trustees

J Goodchild
M J Clarke
A Barber
Professor G Street
Dr M Fishpool
M Wood
M Pickering
K McAuley
Councillor O Peters
Councillor J Walker
Councillor P Thompson

Company secretary

AJ Wentworth

Registered office

Linthorpe Cemetery Lodge
Burlam Road
Linthorpe
MIDDLESBROUGH
Cleveland
TS5 5AP

Bankers

The Royal Bank of Scotland plc
22 Albert Road
Middlesbrough
TS1 1PR

GROUNDWORK SOUTH TEES

COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT

YEAR ENDED 31 MARCH 2011

The trustees, who are also Directors for the purposes of the Companies Act, have pleasure in presenting their report and the financial statements of the charity for the year ended 31 March 2011

RESULTS

The results for the year, and the charity's financial position at the end of the year are shown in the attached financial statements

On 1 July 2009 the Groundwork South Tees, East Durham Groundwork Trust and Groundwork Northumberland (on 21 July 2009) merged with Groundwork North East. All the trust's activities ceased on that date and all assets and liabilities were transferred to Groundwork North East

THE TRUSTEES

The trustees who served the charity during the year were as follows

June Goodchild		Groundwork UK
Michael Joseph Clarke		Private Sector
Allan Geoffrey Barber		Private Sector
Professor Graham Street	(Chairman)	Groundwork UK
Dr Mark Fishpool		Private Sector
Marilyn Ethnie Wood		Voluntary Sector
Jeremy Alexander Garside	(Resigned 10 January 2011)	Private Sector
Mavis Pickering		Voluntary Sector
Kevin McAuley		Private Sector
Councillor Olwyn Peters		Redcar & Cleveland Borough Council
Councillor Jeanette Walker		Middlesbrough Council
Councillor Richard Rudland	(Resigned 15 July 2010)	Redcar & Cleveland Borough Council
Councillor Paul Thompson		Middlesbrough Council

Chris Watson, executive director of Groundwork South Tees, was responsible for the day to day management of the Trust until 30 June 2009. From the date of the merger on 1 July 2009, Kate Culverhouse, managing director of Groundwork North East, was responsible for the day to day management of the Trust.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Trust is a registered charity and a company limited by guarantee and is governed by its Memorandum and Articles of Association.

**GROUNDWORK SOUTH TEES
COMPANY LIMITED BY GUARANTEE
TRUSTEES ANNUAL REPORT
YEAR ENDED 31 MARCH 2011**

FINANCIAL REVIEW

Turnover for the year to 31 March 2011 was £Nil

Investment Powers

Under the Memorandum and Articles of Association, the trust has the power to make any investment which the Board sees fit

Reserves Policy

The Trust has considered it prudent to maintain unrestricted funds and target reserves have been based on a reserve equivalent to six months staff and overhead costs however following the merger it is no longer necessary to maintain reserves and the unrestricted reserves at 31 March 2011 were £nil

**GROUNDWORK SOUTH TEES
COMPANY LIMITED BY GUARANTEE
TRUSTEES ANNUAL REPORT
YEAR ENDED 31 MARCH 2011**

TRUSTEES' RESPONSIBILITIES

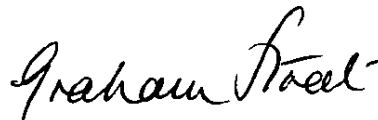
Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity at the end of the year and of the incoming and outgoing resources for the year then ended

In preparing those financial statements, the trustees are required to select suitable accounting policies and then apply them consistently, making judgements and estimates that are reasonable and prudent. The trustees must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue its activities

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

Registered office
Grosvenor House
29 Market Place
BISHOP AUCKLAND
Co Durham
DL14 7NP

Signed by order of the trustees



G Street
Trustee

14 December 2011

GROUNDWORK SOUTH TEES
COMPANY LIMITED BY GUARANTEE
STATEMENT OF FINANCIAL ACTIVITIES (Incorporating an Income and Expenditure Account)

YEAR ENDED 31 MARCH 2011

	Note	Unrestricted Funds General £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
INCOMING RESOURCES					
Incoming resources from generated funds:					
Voluntary income	2	-	-	-	29,356
Investment income		-	-	-	-
Income from charitable activities:					
Grants receivable	3	-	-	-	214,158
Other incoming resources		-	-	-	775
TOTAL INCOMING RESOURCES		-	-	-	244,289
RESOURCES EXPENDED					
Costs of generating funds:					
Fundraising and publicity		-	-	-	-
Charitable expenditure:					
Charitable Activities	4,5	-	-	-	252,901
Governance		-	-	-	-
TOTAL RESOURCES EXPENDED		-	-	-	252,901
NET (OUTGOING)/INCOMING RESOURCES BEFORE TRANSFERS		-	-	-	(8,612)
Transfer between funds		-	-	-	-
NET (OUTGOING)/INCOMING RESOURCES FOR THE YEAR		-	-	-	(8,612)
OTHER RECOGNISED GAINS AND LOSSES					
Transfer of funds on merger		-	-	-	(353,354)
Net movement in funds relating to year		-	-	-	(361,966)
Balances brought forward		-	-	-	361,966
Balances carried forward		-	-	-	-

All activities were discontinued on 30 June 2009 and transferred upon merger with Groundwork North East to the merged trust

There were no other recognised gains and losses during the year

COMPANY LIMITED BY GUARANTEE

BALANCE SHEET

YEAR ENDED 31 MARCH 2011

	Note	2011 £	2010 £
FIXED ASSETS			
Tangible assets		-	-
CURRENT ASSETS			
Debtors		-	-
Cash at bank and in hand		-	15,536
		-	15,536
CREDITORS: Amounts falling due within one year	9	-	(15,536)
NET CURRENT ASSETS		-	-
TOTAL ASSETS LESS CURRENT LIABILITIES		-	-
NET ASSETS		-	-
FUNDS			
Restricted		-	-
Unrestricted		-	-
TOTAL FUNDS		-	-

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2011

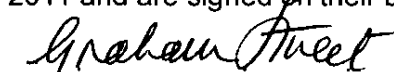
The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2011 in accordance with Section 476 of the Companies Act 2006

The directors acknowledge their responsibilities for

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

These financial statements were approved by the members of the committee on the 14 December 2011 and are signed on their behalf by



G Street - Trustee

**GROUNDWORK SOUTH TEES
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2011**

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities

Grants

Grants on capital expenditure are credited to a deferral account and are released to revenue over the expected useful lives of the relevant assets

Project grants are included in creditors and are released to the statement of financial activities over the life of the project

Grants of a revenue nature are credited to income in the period to which they relate

Investment income

Investment income is recognised in the accounts when it is received

Gifts in kind

The values attributed to gifts in kind are the amounts actually realised

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the trust. Unrestricted funds include general funds and funds designated for particular purposes

Restricted funds are subject to specific restrictive conditions imposed by founders or by the purpose of the appeal. All income and expenditure is shown in the statement of financial activities

Recognition of surpluses on projects

Throughout the year no surplus is taken on a project. At the year end a review of project completion is undertaken and surpluses are recognised in line with the proportion of the project completed

GROUNDWORK SOUTH TEES
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2011

1. ACCOUNTING POLICIES *(continued)*

Resources expended

The cost headings comprise expenditure, including staff costs, directly attributable to the activity. Where costs cannot be directly attributed they have been allocated to activities on a basis consistent with use of the resources.

Support costs comprise all services supplied centrally identifiable as wholly or mainly in support of charitable expenditure and include general overheads. Support costs have been allocated to charitable expenditure on a basis consistent with their use of resources.

Governance costs include the costs of providing the governance infrastructure to the charity.

Central overheads are allocated on the basis of their use, with the aim of ensuring that those costs remaining within administration relate to the management of the Trust's assets, organisational administration and compliance with constitutional and statutory requirements.

Fixed assets and depreciation

All fixed assets are recorded initially at cost. Freehold property is included at open market value, which is updated every five years by an independent professional valuer.

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

Leasehold Improvements	-	over remaining unexpired term of the lease
Furniture and equipment	-	over 5 years
Computers and Software	-	over 3 years

Value added tax

As a significant proportion of the charity's activities are classified as non-business activities for the purposes of value added tax, the charitable company is unable to reclaim all the value added tax on purchases. Expenditure in these financial statements is shown exclusive of value added tax with the irrecoverable tax being included within support costs.

Taxation

No provision has been made for corporation or deferred tax as the charity is a registered charity and is therefore exempt.

Pension costs

The charity operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the charity. The annual contributions payable are charged to the Statement of Financial Activities.

GROUNDWORK SOUTH TEES
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2011

2. INCOMING RESOURCES FROM GENERATING FUNDS

Voluntary income:

	Unrestricted Funds	Total Funds 2011	Total Funds 2010
	£	£	£
Grants for core funding	-	-	26,356
Donated facilities	-	-	3,000
	<u>-</u>	<u>-</u>	<u>29,356</u>

The Trust's premises at Linthorpe Cemetery Lodge, Middlesbrough are occupied under a twelve-year rent free lease from Middlesbrough Council. The valuation of £12,000 per annum is based on the open market value of similar properties.

3. GRANTS RECEIVABLE

Income from projects was provided by

	Unrestricted Funds	Restricted Funds	Total Funds 2011	Total Funds 2010
	£	£	£	£
Central government	-	-	-	20,500
Public agencies	-	-	-	7,445
Local authority	-	-	-	126,484
Private sector	-	-	-	59,729
	<u>-</u>	<u>-</u>	<u>-</u>	<u>214,158</u>

Income was received for.

	Unrestricted Funds	Restricted Funds	Total Funds 2011	Total Funds 2010
	£	£	£	£
Communities	-	-	-	45,544
Young People	-	-	-	-
Land	-	-	-	147,400
Employment	-	-	-	14,700
Education	-	-	-	6,514
	<u>-</u>	<u>-</u>	<u>-</u>	<u>214,158</u>

GROUNDWORK SOUTH TEES
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2011

4. CHARITABLE ACTIVITY COSTS

	Direct Costs £	Grant Funding £	Support Costs £	Total Funds 2011 £	Total Funds 2010 £
Communities	-	-	-	-	76,068
Young People	-	-	-	-	-
Land	-	-	-	-	152,913
Employment	-	-	-	-	15,567
Education	-	-	-	-	8,353
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>252,901</u>

Grants payable included in the above:

	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Stockton Borough Council	-	-	-	9,468
Redcar & Cleveland Borough Council	-	-	-	8,500
	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,968</u>

5. SUPPORT COSTS

	Staff Costs £	Depreciation £	Other Costs £	Total Funds 2011 £	Total Funds 2010 £
Communities	-	-	-	-	15,960
Young People	-	-	-	-	-
Land	-	-	-	-	32,084
Employment	-	-	-	-	3,266
Education	-	-	-	-	1,753
Business	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>53,063</u>

Support costs relating directly to an activity have been apportioned directly to those activities. All other support costs have been allocated against the activities in proportion to direct charitable expenditure.

GROUNDWORK SOUTH TEES
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2011

7. WAGES AND SALARIES

The aggregate payroll costs were:	Unrestricted Funds	Total Funds 2011	Total Funds 2010
	£	£	£
Wages and salaries	-	-	100,350
Social security costs	-	-	10,103
Pension costs	-	-	7,406
	<u>-</u>	<u>-</u>	<u>117,859</u>

Particulars of employees:

The average number of staff employed during the financial year amounted to

	2011	2010
Number of charitable staff	<u>-</u>	<u>15</u>

No employee was paid more than £60,000 during the year

Trustees were not remunerated for any services in the year. During the year, trustees were reimbursed for travel costs amounting to £ nil (2010 £nil)

8. NET (OUTGOING) / INCOMING RESOURCES BEFORE TRANSFERS

Net (outgoing) / incoming resources before transfers is stated after charging/ (crediting):	2011	2010
	£	£
Depreciation	<u>-</u>	<u>3,872</u>

GROUNDWORK SOUTH TEES
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2011

9. CREDITORS: Amounts falling due within one year

	2011	2010
	£	£
Accruals and other creditors	-	15,536
	-	15,536

10 PENSIONS

The charity operates a defined contribution pension scheme for employees. During the year ended 31 March 2011 the total employer's contributions charged for these schemes amounted to £Nil (2010 £ 7,406). The amount outstanding at the year end was £nil (2010 £nil).

11. RELATED PARTY TRANSACTIONS

The Trust is part of a national network of trusts being part of the Groundwork Federation. Any trading activities with other trusts is at arm's length on normal commercial terms. The Trustees represent local authorities, businesses, community & voluntary organisations. All transactions with these bodies are on an arm's length basis.

12. CONTROLLING PARTIES

The company is controlled by the board of trustees, there being no issued share capital, and as such is not under the direct control of any individual.

13. COMPANY LIMITED BY GUARANTEE

The company is limited by guarantee. At 31 March 2011 there were 5 members each of whom had undertaken to contribute an amount not exceeding £1 in the event of winding up.