

STOCKTON ON TEES VOLUNTARY DEVELOPMENT AGENCY

(A company limited by guarantee)

**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2004**

REGISTERED CHARITY NUMBER: 1083231

COMPANY REGISTRATION NUMBER: 4016295



STOCKTON ON TEES VOLUNTARY DEVELOPMENT AGENCY
CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2004

	<i>Page</i>
Legal and Administrative information	1
Report of the Directors	2-5
Report of the Auditors	6-7
Statement of Financial Activities	8
Summary Income and Expenditure Account	9
Balance Sheet	10
Notes to the Financial Statements	11-17

STOCKTON ON TEES VOLUNTARY DEVELOPMENT AGENCY

LEGAL AND ADMINISTRATIVE INFORMATION

Status

The organisation is a charitable company limited by guarantee, incorporated on 16th June 2000 and registered as a charity on 8th November 2000.

The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. Under those articles, the Directors, who are trustees of the charity, are elected at the AGM to serve a period of 2 years, subject to ratification at each AGM. One third of the directors retire at each AGM.

Directors and Trustees

	Appointed	Resigned
Robert Cook		
David Coleman		
Peter Thomas		
Judith Sykes		
Edward Wood		30.11.2003
Margaret Allerdice		30.11.2003
Edna Chapman		
Kenneth Cooke		
Elizabeth Nesbitt		
Sister Imelda Poole		
Paul Kirton		
Sacha Bedding		
Derrick Brown		
Geoffrey Harrison		
Moir Massey		
Olive Milner		

Company Secretary

Susan Johnson

Registered Office

27 Yarm Road
Stockton on Tees
TS18 3NJ

Auditors

S V Bye
Chartered Accountants
Registered Auditors
New Garth House
Upper Garth Gardens
GUISBOROUGH
TS14 6HA

Bankers

Bank of Scotland
41 South Gyle Crescent
Edinburgh
EH12 9XD

Nat West Bank plc
123 High Street
Stockton on Tees
TS18 1NW

Scottish Widows Bank plc
PO Box 12757
67 Morrison Street
Edinburgh
EH3 8YJ

STOCKTON ON TEES VOLUNTARY DEVELOPMENT AGENCY

REPORT OF THE DIRECTORS

YEAR ENDED 31ST MARCH 2004

The directors present their report together with the audited financial statements for the year ended 31st March 2004.

This report has been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities and in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small entities.

Objects of the Company

The company which is limited by guarantee is a registered charity (number 1083231) existing to provide support for other organisations with charitable objectives within the voluntary and community sector in Stockton on Tees to assist these organisations in their charitable work, and to promote and facilitate co-operation between voluntary sector organisations, statutory and public bodies.

Directors

The directors who are directors for the purpose of company law and trustees for the purpose of charity law, who served during the period and up to the date of this report are set out on page 1.

Members of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up.

Review of the Business

The Statement of Financial Activities on page 8 of these financial statements details all incoming and outgoing resources during the year. The directors consider the charity's affairs to be satisfactory.

Activities and achievements during the year

Volunteer Development

The project runs a Volunteer Bureau (VB) service. It offers a range of volunteering opportunities helping potential volunteers match their skills, interests and motivations with volunteering opportunities. SVDA also works with a range of volunteer involving organisations offering training and information on a range of Best Practice options. This project is funded by Northern Rock.

The project also runs a Black and Minority Ethnic Volunteering Project in partnership with Stockton International Family Centre and funded through GONE, Active Communities Unit.

The Link Up project was also run through SVDA with the aim of recruiting volunteers as supporters to assist the identification and delivery of literacy, language and Numeracy development. This project was led by the Basic Skills Agency and concluded successfully in March 2004. The project was funded by the Adult Basic Skills Strategy Unit and the Active Community Unit.

STOCKTON ON TEES VOLUNTARY DEVELOPMENT AGENCY

REPORT OF THE DIRECTORS

YEAR ENDED 31ST MARCH 2004

Sector Support and Development

SVDA offers a range of support to voluntary and community sector groups. The main activities include supporting new start ups, funding support, developing constitutions, organisational development, business planning, procedures and policy support and general information and networking opportunities.

The team have helped many new groups become established over the part year who have now taken up initial funding and have secured premises to offer services to the people of Stockton Borough. A broad range of support tools have been created and the SVDA funding system has proven to be a very effective lever for offering funding support.

This project is funded through Community Fund

Community Empowerment

Over the last year Stockton Community Network has continued to embed itself acting as a tool to strengthen the voice of the voluntary and community network within the Local Strategic Partnership (LSP). The emphasis of the project has continued to ensure support for voluntary and community sector representation within the Local Strategic Partnership.

This project is funded through GONE via its Community Empowerment Programme.

Future Strategy

SVDA has a Business Plan for the next two years and has committed resources to developing new opportunities to expand opportunities to support the development and the empowerment of the voluntary sector in Stockton on Tees.

STOCKTON ON TEES VOLUNTARY DEVELOPMENT AGENCY

REPORT OF THE DIRECTORS

YEAR ENDED 31ST MARCH 2004

Reserves Policy

The Board has agreed a reserves policy which would involve the charity's developing free reserves (i.e. reserves not tied up in fixed assets, designated or restricted funds) which equate to 6 months core operating costs. At 31st March 2004 the level of free reserves was £88,982, an amount which the Board consider would be sufficient for this purpose and give time for alternative funding strategies to be put in place.

Risk Review

The agency continues to recognise the risks to which it is exposed in terms of short term funding contracts and its implications for sustainable activity. The Business Plan contains an assessment of short term risks and the agency has recognised the importance of developing independent income generation through a sustainable recognition of its inherent assets.

Investment Policy

The Board has agreed an investment policy that identifies common investment funds which are appropriate to charities. Any short term surpluses of funds will be placed on deposit with a reputable financial institution.

Auditors

S V Bye were appointed as the charitable company's auditors after the year end and have expressed their willingness to continue in that capacity.

STOCKTON ON TEES VOLUNTARY DEVELOPMENT AGENCY

REPORT OF THE DIRECTORS

YEAR ENDED 31ST MARCH 2004

Statement of Directors' Responsibilities

Company law requires the directors (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 as at the balance sheet date, and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the directors should follow best practice and:

- *Select suitable accounting policies and then apply them consistently;*
- *Make judgements and estimates that are reasonable and prudent;*
- *Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue on that basis.*

The directors are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

Approved by the Board of Directors on 28th January 2005 on its behalf by:



E A Nesbitt
Director/Trustee

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
STOCKTON ON TEES VOLUNTARY DEVELOPMENT AGENCY**

We have audited the financial statements of Stockton on Tees Voluntary Development Agency for the year ended 31st March 2004, which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As described in the Statement of Directors' Responsibilities the trustees (who are also the directors of Stockton on Tees Voluntary Development Agency for the purposes of company law) are responsible for the preparation of the Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the charity is not disclosed.

We read other information contained in the Directors' Report, and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion


We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
STOCKTON ON TEES VOLUNTARY DEVELOPMENT AGENCY**

Opinion

In our opinion the financial statements give a true and fair view of the state of the charity's affairs as at 31st March 2004 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.


S V Bye
Chartered Accountants
Registered Auditors
28th January 2005

New Garth House
Upper Garth Gardens
Guisborough
TS14 6HA

STOCKTON ON TEES VOLUNTARY DEVELOPMENT AGENCY

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31ST MARCH 2004

	Notes	Unrestricted Funds 2004 £	Restricted Funds 2004 £	Total Funds 2004 £	Total Funds 2003 £
Incoming Resources					
Activities to further the charity's objects:					
Grants	2	34340	705482	739822	869616
Received on behalf of other organisations		-	88041	88041	34854
Activities to generate funds:					
Room hire, printing etc.		15298	31575	46873	34281
Investment income & interest		2034	-	2034	2485
Total incoming resources		<u>51672</u>	<u>825098</u>	<u>876770</u>	<u>941236</u>
Resources expended					
Charitable Expenditure					
Provision of services		89924	653969	743893	515426
Management & administration		7201	34419	41620	41416
Depreciation of fixed assets		3312	32773	36085	61865
Expended on behalf of other organisations		-	85739	85739	37148
Total resources expended	3	<u>100437</u>	<u>806900</u>	<u>907337</u>	<u>655855</u>
Net movement in funds		(48765)	18198	(30567)	285381
Transfers		<u>102274</u>	<u>(102274)</u>	<u>-</u>	<u>-</u>
Net movement in funds after transfers		53509	(84076)	(30567)	285381
Total funds brought forward		<u>34547</u>	<u>381900</u>	<u>416447</u>	<u>131066</u>
Total funds carried forward		<u>88056</u>	<u>297824</u>	<u>385880</u>	<u>416447</u>

The Company has no recognised gains or losses other than the net incoming resources for the year.

The notes on pages 11 to 17 form part of these financial statements.

STOCKTON ON TEES VOLUNTARY DEVELOPMENT AGENCY

SUMMARY INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31ST MARCH 2004

	Note	2004 £	2003 £
Gross income from continuing operations	14	876770	711236
Expenditure of continuing operations	14	(895837)	(645313)
		<hr/>	<hr/>
Net (expenditure)/ income for the year		(19067)	65923
		<hr/>	<hr/>

Detailed analyses of the expenditure are provided in the Statement of Financial Activities and Note 3.

The Summary Income and Expenditure Account is derived from the Statement of Financial Activities on page 8 which together with the notes to the accounts provides full information on the movements during the year on all the funds in the company.

The notes on pages 11 to 17 form part of these accounts.

STOCKTON ON TEES VOLUNTARY DEVELOPMENT AGENCY

BALANCE SHEET

YEAR ENDED 31ST MARCH 2004

	Notes	£	2004 £	£	2003 £
Fixed Assets					
Tangible assets	8		232081		237413
Current assets					
Debtors	9	149991		210606	
Cash at bank & in hand		52449		42516	
		<hr/>		<hr/>	
Total current assets		202440		253122	
Creditors: amounts falling due within one year	10	(48641)		(74088)	
		<hr/>		<hr/>	
Net current assets			153799		179034
			<hr/>		<hr/>
Net assets			385880		416447
			<hr/>		<hr/>
Unrestricted funds					
General funds	12		88056		34547
Restricted funds	12		297824		381900
			<hr/>		<hr/>
Total funds	12		385880		416447
			<hr/>		<hr/>

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the Board of Directors on 28th January 2005 and signed on its behalf by:



E A Nesbitt
Trustee and Director

The notes on pages 11 to 17 form part of these financial statements.

STOCKTON ON TEES VOLUNTARY DEVELOPMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2004

1. Accounting Policies

- a) The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), the Companies Act 1985 and follow the Statement of Recommended Practice relating to Charities issued in October 2000.
- b) All incoming resources becoming available to the charity during the year are recognised in the Statement of Financial Activities when they are receivable.
- c) Grants, including grants for the purchase of fixed assets, are recognised in full in the Statement of Financial Activities in the year in which they are receivable.
- d) Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT which cannot be recovered. Resources expended are allocated to the particular activity where the cost relates directly to that activity. However certain of the overhead costs of the core activity cannot be directly attributed and are allocated on the basis of 95% to charitable activities and 5% to management and administration of the charity.
- e) Depreciation is provided at the following annual rates in order to write off each asset addition over its estimated useful life.

Computer equipment - core	33% per annum
Computer equipment – projects	100% per annum
Buildings	5% per annum
- f) Pension costs – The company makes contributions to a defined contributions scheme. The pension costs charged represents contributions payable to the scheme.
- g) Unrestricted funds are incoming resources receivable or generated by the charity for its objects without further specified purpose and are available as general funds.
- h) Restricted funds are to be used for specific purposes laid down by the donor. Expenditure meeting these criteria is charged to the fund along with a fair allocation of management costs.

STOCKTON ON TEES VOLUNTARY DEVELOPMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2004

2. Grants Receivable

Grants receivable have been received as follows:-

	Unrestricted	Restricted	2004	2003
	£	£	Total	Total
			£	£
Stockton Borough Council	34340	77869	112209	45200
Basic Skills Agency	-	201544	201544	142746
Community Empowerment Fund	-	182057	182057	113820
Learning and Skills Council	-	64792	64792	31793
Community Fund	-	73050	73050	263199
Time Limited Development Fund	-	41100	41100	42500
Northern Rock Foundation	-	21860	21860	-
Children's Fund	-	21731	21731	32000
Single Regeneration Budget	-	19100	19100	43947
Community Chest	-	2000	2000	1750
European Social Fund	-	379	379	-
Neighbourhood Renewal Fund	-	-	-	59500
Millennium Volunteers	-	-	-	26358
Sherbourn House	-	-	-	8225
Time Bank Volunteers	-	-	-	4177
Connexions	-	-	-	401
Cleveland Community Foundation	-	-	-	3000
Community Connections	-	-	-	51000
	<u>34340</u>	<u>705482</u>	<u>739822</u>	<u>869616</u>

3. Total Resources Expended	Charitable	Admin	Depreciation	2004	2003
	Costs	Costs		£	£
£	£	£	£	£	
Salaries, wages and pension	448853	23624	-	472477	291354
Office costs	113012	5948	-	118960	-
SLA Contracts	53050	2792	-	55842	-
Premises costs	29197	1536	-	30733	-
Staff travel, training etc.	18445	971	-	19416	-
Beneficiary training, consultancies	52824	2780	-	55604	-
Volunteer expenses	11659	614	-	12273	-
Legal and professional	13194	3162	-	16356	-
Insurance	3659	193	-	3852	-
Other costs	-	-	-	-	265488
Depreciation	-	-	36085	36085	61865
	<u>743893</u>	<u>41620</u>	<u>36085</u>	<u>821598</u>	<u>618707</u>
Expenditure on behalf of other organisations	85739	-	-	85739	37148
Total resources expended	<u>829632</u>	<u>41620</u>	<u>36085</u>	<u>907337</u>	<u>655855</u>

STOCKTON ON TEES VOLUNTARY DEVELOPMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2004

4. Net incoming resources for the year	2004	2003
This is stated after charging:	£	£
Depreciation	36085	61865
Trustee's remuneration	-	-
Auditors' remuneration:- audit services	1763	1250
Auditor's remuneration:- accountancy and other services	704	6975
	<hr/>	<hr/>

5. Staff costs	2004	2003
	£	£
Wages and salaries	419884	298613
Social security costs	42099	22775
Pension costs	10494	7114
	<hr/>	<hr/>
	472477	328502
	<hr/>	<hr/>

No employee received emoluments of more than £50000.

	2004	2003
The average number of employees was:		
Direct charitable activities	19	12
Administration	2	2
	<hr/>	<hr/>
	21	14
	<hr/>	<hr/>

6. Taxation

No provision has been made in respect of taxation, as the charity, by nature of its activities, is deemed exempt.

STOCKTON ON TEES VOLUNTARY DEVELOPMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2004

7. Tangible fixed assets

	Freehold Property £	Computer Equipment £	Total £
Cost			
At 1 st April 2003	244188	59958	304146
Additions	9840	21273	31113
	<hr/>	<hr/>	<hr/>
At 31st March 2004	253668	81231	335259
	<hr/>	<hr/>	<hr/>
Depreciation			
At 1 st April 2003	11041	55692	66733
Charge for the year	12683	23402	36085
	<hr/>	<hr/>	<hr/>
At 31st March 2004	23724	79094	52226
	<hr/>	<hr/>	<hr/>
Net book value			
At 31 st March 2004	229944	2137	232081
	<hr/>	<hr/>	<hr/>
At 31st March 2003	233147	4266	237413
	<hr/>	<hr/>	<hr/>

8. Debtors

	2004 £	2003 £
Grants receivable	144298	204913
Prepayments and other debtors	5693	5693
	<hr/>	<hr/>
	149991	210606
	<hr/>	<hr/>

All debtors are receivable within one year.

STOCKTON ON TEES VOLUNTARY DEVELOPMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2004

9. Creditors: amounts falling due within one year	2004	2003
	£	£
Deferred income	7287	2468
Accruals	31116	62020
Social security and other taxes	10238	9600
	<hr/>	<hr/>
	48641	74088
	<hr/>	<hr/>

10. Guarantee

The company is incorporated as a company limited by guarantee and not having a share capital. The members of the company have each undertaken to contribute an amount not exceeding £1 towards any deficit arising in the event of the company being wound up. This guarantee applies during the period of membership and extends one year after membership ceases.

11. Analysis of net assets between funds	General Funds	Restricted Funds	Total Funds
	£	£	£
Tangible fixed assets	24123	207958	232081
Net current assets	63933	89866	153799
	<hr/>	<hr/>	<hr/>
	88056	297824	385880
	<hr/>	<hr/>	<hr/>

STOCKTON ON TEES VOLUNTARY DEVELOPMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2004

12. Movement in funds	At 1 st April 2003 £	Incoming Resources £	Resources Expended £	Transfers £	At 31 st March 2004 £
Restricted funds					
Volunteer Development	5406	46475	(58285)	(655)	(7059)
Billingham Community Development	-	82023	(74154)	(4500)	3369
Community Development	12674	73303	(68224)	(3873)	13880
Community Empowerment	34943	184502	(171664)	(22660)	25121
Quality Assurance	7736	-	(3900)	(450)	3386
Children's Fund	-	21731	(2772)	-	18959
ACU	3493	43100	(38483)	(142)	7968
Community Connections	15172	1	(12004)	(3169)	-
Link Up	39636	240145	(201162)	(78619)	-
Property	224491	14813	(25070)	15780	230014
H & S Care	39507	-	(38507)	(1000)	-
Training Officer	-	30585	(26936)	(3649)	-
ESF	-	379	-	(379)	-
Other organisations	(1158)	88041	(85739)	1042	2186
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	381900	825098	(806900)	(102274)	297824
Unrestricted funds					
General funds-core	34547	51672	(100437)	102274	88056
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	416447	876770	(907337)	-	385880
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

13. Purpose of restricted funds

Volunteer Development

This project aims to recruit, support and develop volunteers.

Billingham Community Development

This project is a partnership with Billingham Forward to provide a multi-agency support base in Billingham.

Community Development

This project aims to promote, support and develop other organisations in the community.

Community Empowerment

This project manages the Community Empowerment Fund which is dedicated to supporting local groups and individuals in making an effective and positive contribution to the decision making processes within Stockton and the Local Strategic Partnership.

STOCKTON ON TEES VOLUNTARY DEVELOPMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2004

13. Purpose of restricted funds

Quality Assurance

This project is to develop support mechanisms which will enable organisations to move towards obtaining quality marks such as Investors in People.

Children's Fund

This project involves developing a partnership with the Children's Fund.

Community Connections

The aim of this project is to make connections within the community and provide support links for those involved in community development.

Link Up

This is an initiative funded through the Basic Skills Agency which seeks to recruit volunteers and basic skills learners to enhance the skills of individuals within the community.

Property

This fund represents the undepreciated amounts of restricted funds used to purchase and furnish the property at 27 Yarm Road, Stockton on Tees.

Other Organisations

During the year the Charity managed funds on behalf of other organisations by administering their payrolls on their behalf.

14. Notes to the Summary Income and Expenditure Account

	2004 £	2003 £
Total incoming resources per the SOFA	884057	941236
Less capital grants received re property	-	(230000)
Gross income for the year	884057	711236
Total resources expended per the SOFA	907337	655855
Less capital grants released re property	(11500)	(10542)
Gross expenditure for the year	895837	645313