

STOCKTON ON TEES VOLUNTARY DEVELOPMENT AGENCY
(Formerly Stockton Borough Voluntary Development Agency)

A COMPANY LIMITED BY GUARANTEE NO. 4016295

REGISTERED CHARITY NO. 1083231

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2003



A Member of
The UK 200 Group
PRACTISING CHARTERED ACCOUNTANTS



STOCKTON ON TEES VOLUNTARY DEVELOPMENT AGENCY

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FOR THE YEAR ENDED 31 MARCH 2003

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STOCKTON ON TEES VOLUNTARY DEVELOPMENT AGENCY

LEGAL AND ADMINISTRATIVE INFORMATION

FOR THE YEAR ENDED 31 MARCH 2003

Status: The company's governing documents are the Memorandum and Articles of Association.

The members of the Management Committee are the Directors of the Company and the Trustees of the Charity. In accordance with the Articles of Association one third of the Directors will retire at each AGM.

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 members of the Management Committee are elected at the AGM to serve a period of 2 years, subject to ratification at each AGM.

Directors:	Appointed	Resigned
David Wright Coleman		10.04.02
Robert Cook		
Cllr. Sheila Corr BA (Hons) Dip		07.07.03
Lesley Makin		02.09.02
Ian Pallent		19.04.02
Charles Frank Porter		
Bernard Storey	(reappointed) 01.04.02	
Judith Sykes		
Susan Elizabeth Wales		02.09.02
Edward Wood		
Paula Carol Pickard		30.01.03
Margaret Alderdice		
Edna Chapman		
Kenneth Cook		
Glenis Charlton	02.09.02	18.07.03
Elizabeth Nesbitt	02.09.02	
Vincent Palmer	02.09.02	
Paul Kirton	22.05.02	
Peter Scott		02.12.02

Company Secretary: David Dorman-Smith

Registered Office: 27 Yarm Road
Stockton on Tees
TS18 3NJ

Auditors: Baines Goldston
43/45 Yarm Lane
Stockton on Tees
TS18 3EA

STOCKTON ON TEES VOLUNTARY DEVELOPMENT AGENCY

LEGAL AND ADMINISTRATIVE INFORMATION (Continued.)

FOR THE YEAR ENDED 31 MARCH 2003

Bankers:

The Company bankers are:

Bank of Scotland
41 South Gyle Crescent
Edinburgh
EH12 9XD

National Westminster 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

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2003

On 5 November 2002 a special resolution was passed changing the name of the company from Stockton Borough Development Agency to Stockton on Tees Voluntary Development Agency. A new certificate of incorporation was issued by Companies House on 29 November 2002.

The Directors present their report and the audited financial statements for the year ended 31 March 2003.

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 objects within Stockton on Tees in order to assist these organisations in their charitable work, and to promote and organise co-operation between voluntary sector organisations, statutory and public bodies.

Results

The results for the year ended 31 March 2003 are detailed in the Statement of Financial Activities on page 7. The Directors consider that the Charity's affairs to be satisfactory.

Activities and achievements during the year have been as follows:

Training

The agency offers a range of developmental courses aimed at developing and improving the skills base of the voluntary and community sector. This process is enhanced and complimented by a consultancy service designed to provide a ready source of information on best practice in the areas of: business planning, volunteering, supervisory and management skills, quality assurance, funding strategy applications and staff/volunteer supervision and recruitment.

Volunteer Development

The project runs a Volunteer Bureau (VB) service. It offers a range of voluntary opportunities, helping potential volunteers match their skills, interests and motivations to the voluntary vacancies on offer. SVDA also works with volunteer involving organisations offering them training and information on a range of Best Practice issues. This project is funded by SRB round 6.

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

Link Up, a new pilot project led by the Basic Skills Agency is also being run by SVDA, with the aim of recruiting volunteers as supporters to assist in the identification and delivery of literacy, language and numeracy development to those people in communities where it is needed. This project is funded by the Adult Basic Skills Strategy Unit and the Active Community Unit.

Sector 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.

The team have seen many new groups established over the past 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 helpsheets have been created and the SVDA funding system has proven to be a very effective tool for offering funding support.

STOCKTON ON TEES VOLUNTARY DEVELOPMENT AGENCY

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2003

Activities and achievements during the year (continued):

Community Empowerment

Over the last year the CEF has rebranded itself locally with the more user friendly title "Stockton Community Network". The emphasis of the project has been to ensure voluntary and community sector representation throughout the Local Strategic Partnership with a comprehensive support package for those involved in representation. The project is funded through GONE via its Community Empowerment programme.

Future Strategy

SVDA has a clear Business Plan for the next 3 years and has committed resources to developing all new opportunities to expand its work in relation to support development and empowerment of the Voluntary and Community Sector in Stockton on Tees.

Reserves Policy

The Board has agreed a reserves policy whereby SVDA will seek to develop free reserves that will equate to 6 months core operating costs. As a relatively new organisation, the level of reserves is still at a low level. It is the policy of SVDA management to develop services in such a way that income can be drawn into the agency that is over and above project and core funding and thus increase the free reserves to the desired level.

Investment Policy

The Board have agreed the adoption of an investment policy that identifies common investment funds as appropriate for charities, and in addition any cleared balances surplus to requirements being placed on deposit with a reputable financial institution.

Risk Assessment

The Board of SVDA have reviewed the financial regulations of the agency in relation to any internal risk within those procedures and appropriate amendments have been made when deemed necessary. The agency recognises 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 anticipated changes to funding streams and the agency has recognised the importance of developing independent income as a matter of urgency. During the year the board have carried out a full analysis of the company's risk profile.

Responsibilities of the Directors

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of the 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, SVDA Board will follow best practice and:

Select suitable accounting policies and then apply them consistently;

Make judgements and estimates that are reasonable and prudent; and

Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the Company will continue on that basis.

STOCKTON ON TEES VOLUNTARY DEVELOPMENT AGENCY

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2003

Responsibilities of the Directors (continued)

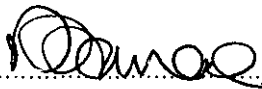
The Board is responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 1985. The Board is also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

Baines Goldston were re-appointed as the charitable company's auditors during the year and have expressed their willingness to continue in that office.

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 companies.

Approved by the SVDA Board on 6 October 2003



David Dorman-Smith
Company Secretary

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 31 March 2003 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), 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 Directors 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 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 company 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 company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

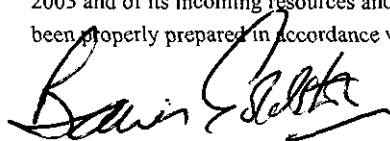
Basis of Opinion

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 judgements made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Charitable Company'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 as to whether 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the Charitable Company's state of affairs at 31 March 2003 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.



BAINES GOLDSTON
Chartered Accountants
Stockton on Tees
8 October 2003

Registered Auditors

STOCKTON ON TEES VOLUNTARY DEVELOPMENT AGENCY

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2003

	Notes	Unrestricted Funds £	Restricted Funds £	2003 Total Funds £	2002 Total Funds £
INCOMING RESOURCES					
Activities to further the charity's objects:					
Grants		34,365	835,251	869,616	351,219
Other income		-	-	-	5,834
Funds received on behalf of other organisations	2	-	34,854	34,854	55,051
Activities to generate funds:					
Room hire, printing etc.		34,281	-	34,281	6,710
Admin charges		4,000	-	4,000	-
Management charges		32,509	-	32,509	5,173
Interest received		2,485	-	2,485	2,150
TOTAL INCOMING RESOURCES		107,640	870,105	977,745	426,137
RESOURCES EXPENDITURE					
Charitable services:					
Provision of services	3	55,290	595,658	650,948	280,641
Management and administration of the charity	4	41,416	-	41,416	30,545
TOTAL RESOURCES EXPENDITURE	5	96,706	595,658	692,364	311,186
NET INCOMING RESOURCES		10,934	274,447	285,381	114,951
TRANSFER		13,662	(13,662)	-	-
BALANCE BROUGHT FORWARD		9,951	121,115	131,066	16,115
BALANCE CARRIED FORWARD		34,547	381,900	416,447	131,066

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

STOCKTON ON TEES VOLUNTARY DEVELOPMENT AGENCY

BALANCE SHEET

FOR THE YEAR ENDED 31 MARCH 2003

	Notes	2003 £	2002 £
Fixed assets			
Tangible assets	6	237,413	12,343
Current assets			
Debtors	7	210,606	47,212
Cash at bank and in hand		42,516	108,454
		<u>253,122</u>	<u>155,666</u>
Creditors - amounts falling due within one year	8	<u>74,088</u>	<u>36,943</u>
Net current assets		179,034	118,723
Total net assets		<u>416,447</u>	<u>131,066</u>
Financed by:			
Unrestricted	10	34,547	9,951
Restricted	11	381,900	121,115
		<u>416,447</u>	<u>131,066</u>

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 6 October 2003 and signed on their behalf by:



E Nesbitt - Director

STOCKTON ON TEES VOLUNTARY DEVELOPMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2003

1. ACCOUNTING POLICIES

The Accounts have been prepared under the historical cost convention and have been drawn up in accordance with the Statements of Accounting Practice, Financial Reporting Standards and the Statement of Recommended Practice relating to Charities.

All incoming resources becoming available to the Charity during the period are recognised in the Statement of Financial Activities.

When donors specify that donations and grants, including capital grants, are for particular restricted purposes, this income is included in incoming resources of restricted funds when receivable. Income not utilised is carried forward to meet future expenditure or repayment of these funds to the grant provider.

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which it has been received.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Computer Equipment - Core	33%	Straight Line
Computer Equipment - Projects	100%	Straight Line
Buildings	5%	Straight Line

The Company operates a defined contribution pension scheme. The amount charged in the Statement of Financial Activities in respect of pension costs is the contributions payable for the period. Differences between contributions payable in the period and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

The Charity has taken advantage of the exemption in Financial Reporting Standard No.1 from producing a cash flow statement.

2. OTHER ACTIVITIES

During the year the Charity managed funds for a number of other Organisations. SVDA has administered the payroll costs of the other organisations on their behalf. Details of transactions during the year are as follows:

	Held at 01.04.2002	Received during Year	Expenditure	Held at 31.3.2003
The Clarences	1,136	8,236	10,779	(1,407)
St Johns Livingwell	-	7,071	7,071	-
Stockton Parent Support	-	17,531	17,282	249
Stockton Blind Peoples Voice	-	458	458	-
NECC	-	1,558	1,558	-
	<u>1,136</u>	<u>34,854</u>	<u>37,148</u>	<u>(1,158)</u>

STOCKTON ON TEES VOLUNTARY DEVELOPMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2003

3. DIRECT CHARITABLE EXPENDITURE

	Unrestricted Funds £	Restricted Funds £	2003 £	2002 £
Provision of services:				
Core activities of the agency	55,290	-	55,290	51,148
Expenditure on behalf of other organisations	-	37,148	37,148	55,051
Volunteer Development	-	65,015	65,015	58,402
Billingham Office	-	45,841	45,841	70,001
Community Development Worker	-	31,546	31,546	29,252
Community Empowerment Fund	-	173,429	173,429	12,088
Health Active Zone	-	-	-	3,164
Quality Assurance	-	11,749	11,749	3,585
Connexions	-	401	401	3,123
ACU	-	39,757	39,757	-
Community Connections	-	35,828	35,828	-
Link Up	-	118,477	118,477	-
H & S Care	-	19,993	19,993	-
Training Officer	-	16,474	16,474	-
	<u>55,290</u>	<u>595,658</u>	<u>650,948</u>	<u>285,814</u>

4. MANAGEMENT AND ADMINISTRATION OF THE CHARITY

	2003 £	2002 £
Salaries and Employers NIC	18,309	22,812
Staff Travel Expenses	354	990
Staff Training Costs	235	51
	<u>18,898</u>	<u>23,853</u>
Repairs & Maintenance	2,787	826
Lift costs	9,136	-
Postage	1,281	745
Printing & Stationery	95	1,665
Office Sundries	-	295
Telephone	775	802
Insurance	701	182
Cleaning	1,306	494
Audit and Accountancy	417	588
Consultancy fees	2,000	-
Office Furniture and equipment	1,794	268
Equipment Rental	860	373
Miscellaneous Expenses	1,224	454
Bank Charges	142	-
	<u>41,416</u>	<u>30,545</u>

STOCKTON ON TEES VOLUNTARY DEVELOPMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2003

5. TOTAL RESOURCE EXPENDITURE

	Staff Costs £	Dep'n £	Other Costs £	2003 £	2002 £
Core activities of the agency	44,819	14,377	37,510	96,706	76,520
Expenditure on behalf of other organisations	37,148	-	-	37,148	55,051
Volunteer Development	50,463	-	14,552	65,015	58,402
Billingham Community Development	23,175	3,471	19,195	45,841	70,001
Community Development Worker	22,990	962	7,594	31,546	29,252
Community Empowerment Fund	45,051	18,299	110,079	173,429	12,088
Health Active Zone	-	-	-	-	3,164
Quality Assurance	-	-	11,749	11,749	3,585
Connexions	-	-	401	401	3,123
ACU	21,061	-	18,696	39,757	-
Community Connections	22,911	1,489	11,428	35,828	-
Link Up	48,913	20,334	49,230	118,477	-
H & S Care	6,359	2,065	11,569	19,993	-
Training Officer	5,612	868	9,994	16,474	-
	<u>328,502</u>	<u>61,865</u>	<u>301,997</u>	<u>692,364</u>	<u>311,186</u>

Staff costs	2003 £	2,002 £
Wages and Salaries	298,613	135,010
Employer's National Insurance	22,775	12,678
Pension Costs	7,114	3,705
	<u>328,502</u>	<u>151,393</u>

No employee earned £50,000 per annum or more.

The average number of employees analysed by function was:

	No.	No.
Direct Charitable Activities and Management	12	6
Administration	2	2
	<u>14</u>	<u>8</u>

Resource expenditure includes the following:

Audit Fees	<u>1,250</u>	<u>1,000</u>
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STOCKTON ON TEES VOLUNTARY DEVELOPMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2003

6. TANGIBLE FIXED ASSETS

	Freehold Property £	Computer Equipment £	Total £
Cost			
Brought forward	-	17,211	17,211
Additions	244,188	42,747	286,935
At end of year	<u>244,188</u>	<u>59,958</u>	<u>304,146</u>
Depreciation			
Brought forward	-	4,868	4,868
Charge for the period	11,041	50,824	61,865
At end of year	<u>11,041</u>	<u>55,692</u>	<u>66,733</u>
Net book values			
At 31 March 2003	<u>233,147</u>	<u>4,266</u>	<u>237,413</u>
At 31 March 2002	<u>-</u>	<u>12,343</u>	<u>12,343</u>

7. Debtors

	2003 £	2002 £
Grants Receivable	204,913	38,857
Prepayments and other debtors	5,693	8,355
	<u>210,606</u>	<u>47,212</u>

8. CREDITORS - amounts falling due within one year

	2003 £	2002 £
Deferred income	2,468	2,468
Accruals	62,020	31,889
Social Security & other taxes	9,600	2,586
	<u>74,088</u>	<u>36,943</u>

STOCKTON ON TEES VOLUNTARY DEVELOPMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2003

9. CORPORATION TAX

No liability arises for Corporation Tax as the Company is a Registered Charity, Number 1083231 and has obtained exemption.

10. UNRESTRICTED FUNDS

	2003 £	2002 £
Balance brought forward	9,951	16,115
Transfer from/(to) restricted funds	13,662	(4,690)
Total recognised gains and losses for the year	10,934	(1,474)
	<u>34,547</u>	<u>9,951</u>

11. RESTRICTED FUNDS

	Balance 01.04.02	Movement in resources			Balance 31.03.03
		Inflow	Outflow	Transfer (to) /from Core	
Volunteer Development	-	70,421	65,015	-	5,406
Billingham Community Development	9,711	38,921	45,841	(2,791)	-
Community Development Workers	16,054	28,166	31,546	-	12,674
Community Empowerment Fund	74,352	134,020	173,429	-	34,943
Quality Assurance	19,485	-	11,749	-	7,736
Connexions	377	401	401	(377)	-
Funds managed for other organisations	1,136	34,854	37,148	-	(1,158)
ACU	-	43,250	39,757	-	3,493
Community Connections	-	51,000	35,828	-	15,172
Link Up	-	158,113	118,477	-	39,636
Property	-	235,033	-	(10,542)	224,491
H & S Care	-	59,500	19,993	-	39,507
Training Officer	-	16,426	16,474	48	-
	<u>121,115</u>	<u>870,105</u>	<u>595,658</u>	<u>(13,662)</u>	<u>381,900</u>

STOCKTON ON TEES VOLUNTARY DEVELOPMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2003

12. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible Fixed Assets £	Net Current Assets £	Total £
Restricted Funds			
Volunteer Development	-	5,406	5,406
Community Development Workers	-	12,674	12,674
Community Empowerment Fund	-	34,943	34,943
Quality Assurance	-	7,736	7,736
Funds managed for other organisations	-	(1,158)	(1,158)
ACU	-	3,493	3,493
Community Connections	-	15,172	15,172
Link Up	-	39,636	39,636
Property	219,458	5,033	224,491
H & S Care	-	39,507	39,507
Unrestricted activities - Core	17,955	16,592	34,547
	<u>237,413</u>	<u>179,034</u>	<u>416,447</u>

13. PENSION SCHEME

The Company operates a defined contribution pension scheme for the benefit of the employees. The assets of the scheme are administered by Trustees in a fund independent from those of the Company.

14. TRUSTEES REMUNERATION

There were no payments to Trustees during the year.