

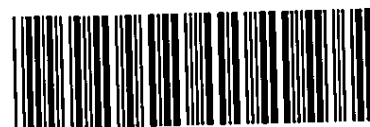
STOCKTON ON TEES VOLUNTARY DEVELOPMENT AGENCY

(A company limited by guarantee)

**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2007**

**REGISTERED CHARITY NUMBER: 1083231
COMPANY REGISTRATION NUMBER: 4016295**

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STOCKTON ON TEES VOLUNTARY DEVELOPMENT AGENCY
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FOR THE YEAR ENDED 31ST MARCH 2007

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STOCKTON ON TEES VOLUNTARY DEVELOPMENT AGENCY

REPORT OF THE DIRECTORS

The directors present their report together with the audited financial statements for the year ended 31st March 2007

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

Reference and administrative information

Charity name	Stockton on Tees Voluntary Development Agency
Charity registration number	1083231
Company registration number	4016295
Registered office and operational address	27 Yarm Road Stockton on Tees TS18 3NJ

Directors and Trustees

	Appointed	Resigned
Kenneth Cooke		1 st June 2007
Elizabeth Nesbitt		
Sacha Bedding		
Derrick Brown		
Olive Milner		
Marie Devine		
Roy Parker		
Colin Leckonby		

Company Secretary

Carolynne Withers		10 th April 2006
Susan Johnson	10 th April 2006	15 th August 2007

Auditors

S V Bye, 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
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STOCKTON ON TEES VOLUNTARY DEVELOPMENT AGENCY

REPORT OF THE DIRECTORS

YEAR ENDED 31ST MARCH 2007

Structure, governance and management

Governing document

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. 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.

Recruitment and appointment of directors

Under the 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 are drawn from the Voluntary Sector within Stockton on Tees.

Trustee induction and training

Trustee training and induction was undertaken with all trustees, using an external consultant, this training focused upon understanding the memorandum and articles of association, roles and responsibilities of trustees, and company directors, conflicts of interest, and ethical governance.

Risk management

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.

In addition a risk assessment is undertaken annually and reviewed quarterly, by the Board of Directors.

Organisational structure

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 2. The directors are responsible for the strategic direction and policy of the charity. The day to day administration of the charity is delegated to the Chief Executive.

Related parties

There are no related parties other than the trustees and their immediate families. The organisation employed one of its trustees, Mrs E Nesbitt as a consultant to provide management cover during the transition period. Amounts paid to her are as shown in note 4 to the accounts.

STOCKTON ON TEES VOLUNTARY DEVELOPMENT AGENCY

REPORT OF THE DIRECTORS

YEAR ENDED 31ST MARCH 2007

Objectives and activities

The company, which is limited by guarantee is a registered charity, exists to provide support for other organisations with charitable objectives within the voluntary and community sector in Stockton on Tees. It assists these organisations in their charitable work, and promotes and facilitates co-operation between voluntary sector organisations, statutory and public bodies.

Activities and performance

SVDA aims to 'provide a range of appropriate and effective services to local voluntary and community sector organisations that enable the sector to participate in the local economy of Stockton in a sustained and vibrant way'.

In November 2005, an external consultant was appointed by the Board of Directors to assess the best way for the organisation to meet the growing demands of the sector. The organisation completed most of its contracts by December 2006 and since then the Board has been focusing on the future of the organisation and its role in developing the Voluntary and Community Sector in the area.

Future of the Organisation

This review is now almost complete and the Board are now confident that their new structure will re-focus the organisation to allow the best possible use of resources. The organisation needs to be less service delivery orientated and to this end it is hoped that the organisation will be renamed and a new Board will be in place by the end of December 2007.

Financial review

The Statement of Financial Activities on page 8 demonstrates that this was a transition year in which the organisation was completing existing projects with a view to refocusing its activities away from service delivery and more towards a strategic role. At 31st March 2007 the organisation had unrestricted reserves of £11363.

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. Presently all operating costs are more than covered by rental income from the building and so a minimal level of reserves is being maintained. When the new Board take charge of the renamed organisation a new reserves policy which is more appropriate to its new role will be devised.

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.

STOCKTON ON TEES VOLUNTARY DEVELOPMENT AGENCY

REPORT OF THE DIRECTORS

YEAR ENDED 31ST MARCH 2007

Auditors

S V Bye were reappointed as the charitable company's auditors during the year and have expressed their willingness to continue in that capacity

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

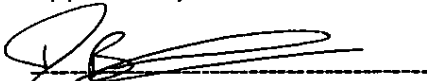
The directors are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding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

Statement of Disclosure of Information to Auditors

We, the directors of the company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that

- there is no relevant audit information of which the company's auditors are unaware, and
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

Approved by the Board of Directors on 8th November 2007 and signed on its behalf by



Derrick Brown

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 2007, 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 THE TRUSTEES AND THE AUDITORS

As described in the Statement of Trustees' 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 Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 report to you whether, in our opinion, the Trustees' Annual Report is consistent with the financial statements. We also report to you if, in our opinion, 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 trustees' remuneration and transactions with the charity is not disclosed.

We read other information contained in the Trustees Annual 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 International Standards on Auditing (UK and Ireland) 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 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 the 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 by 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, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the charity's state of affairs as at 31st March 2007 and of its incoming resources and application of resources including its income and expenditure in the year then ended,
- have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the directors' report is consistent with the financial statements

New Garth House
Upper Garth Gardens
Guisborough
TS14 6HA


S V Bye
Chartered Accountants
Registered Auditors
8th November 2007

STOCKTON ON TEES VOLUNTARY DEVELOPMENT AGENCY

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31ST MARCH 2007

	Notes	Unrestricted Funds 2007 £	Restricted Funds 2007 £	Total Funds 2007 £	Total Funds 2006 £
Incoming Resources					
Incoming resources from generated funds					
<i>Voluntary income</i>					
Donations and grants	2	35381	-	35381	34855
<i>Activities for generating funds</i>					
Room hire, printing etc		34213	-	34213	33213
Investment income		2803	-	2803	1878
Activities to further the charity's objects'					
Grants	2	-	17119	17119	234766
Total incoming resources		<u>72397</u>	<u>17119</u>	<u>89516</u>	<u>304712</u>
Resources expended					
Charitable Activities					
Provision of services		113286	98888	212174	238295
Governance costs		<u>16112</u>	<u>-</u>	<u>16112</u>	<u>8122</u>
Total resources expended	3	<u>129398</u>	<u>98888</u>	<u>228286</u>	<u>246417</u>
Net incoming resources/ resources expended		(57001)	(81769)	(138770)	58295
Transfers	1(e)	<u>4673</u>	<u>(4673)</u>	<u>-</u>	<u>-</u>
Net movement in funds after transfers		(52328)	(86442)	(138770)	58295
Total funds brought forward		<u>63691</u>	<u>261075</u>	<u>324766</u>	<u>266471</u>
Total funds carried forward		<u>11363</u>	<u>174633</u>	<u>185996</u>	<u>324766</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 2007

	Note	2007 £	2006 £
Gross income from continuing operations		89516	304712
Expenditure of continuing operations	14	(216786)	(234917)
		<hr/>	<hr/>
Net income/ (expenditure) for the year		(127270)	69795
		<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

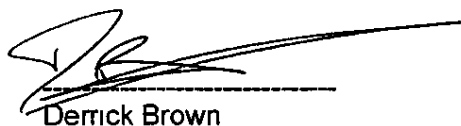
BALANCE SHEET

YEAR ENDED 31ST MARCH 2007

	Notes	£	2007 £	£	2006 £
Fixed Assets					
Tangible assets	8		193078		205878
Current assets					
Debtors	9	913		17274	
Cash at bank & in hand		11178		123407	
Total current assets		12091		140681	
Creditors: amounts falling due within one year	10	(19173)		(21793)	
Net current assets			(7082)		118888
Net assets			185996		324766
Unrestricted funds					
General funds	12		11363		63691
Restricted funds	12		174633		261075
Total funds	12		185996		324766

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 8th November 2007 and signed on its behalf by



Derrick Brown

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 2007

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 January 2005), the Companies Act 1985 and follow the Statement of Recommended Practice relating to Charities issued in March 2005
- 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 90% to charitable activities and 10 % to governance costs
- e) Transfers between funds relate largely to management and other charges from unrestricted to restricted funds as well as transfers from unrestricted funds to mark the charity's contribution to projects deriving their external funding from restricted sources
- f) 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 2007

2 Grants Receivable

<i>Voluntary income</i>	Unrestricted	Restricted	2007	2006
	£	£	Total	Total
	£	£	£	£
Stockton Borough Council	35381	-	35381	34855
	<hr/>	<hr/>	<hr/>	<hr/>
Northern Rock Foundation	-	7924	7924	33397
Infrastructure-Advice and Information	-	5396	5396	20263
Infrastructure-Volunteer Development	-	3799	3799	36293
Big Lottery Fund	-	-	-	100166
Volunteering England	-	-	-	21130
Infrastructure-Capital ICT	-	-	-	16450
Infrastructure-Capital Health & Safety	-	-	-	7067
	<hr/>	<hr/>	<hr/>	<hr/>
	-	17119	17119	234766
	<hr/>	<hr/>	<hr/>	<hr/>

3. Total Resources Expended

	Basis of	Charitable	Governance	2007	2006
	Allocation	Costs	Costs	£	£
		£	£	£	£
Costs directly allocated to activities					
Salaries etc	Direct	36686	-	36686	124713
Other staff costs	Direct	2076	-	2076	8452
Premises costs	Direct	466	-	466	4205
Training	Direct	-	-	-	890
Publicity and advertising	Direct	3669	-	3669	3608
Office Costs	Direct	6317	-	6317	10871
Legal and professional	Direct	29049	-	29049	2837
Audit	Direct	-	3525	3525	2703
Other project expenses	Direct	853	-	853	2378
Consultancies	Direct	1880	-	1880	-
Depreciation	Direct	17892	-	17892	31561
Support costs allocated to activities					
Salaries etc	Usage	43220	4802	48022	25535
Other staff costs	Usage	919	102	1021	420
Premises costs	Usage	11760	1307	13067	6905
Publicity and advertising	Usage	607	67	674	580
Office Costs	Usage	8139	904	9043	4211
Legal and professional	Usage	6458	718	7176	12680
Other project expenses	Usage	396	44	440	395
Insurance	Usage	2203	245	2448	2232
Consultancies	Usage	38322	4258	42580	-
Depreciation	Usage	1263	140	1403	1241
		<hr/>	<hr/>	<hr/>	<hr/>
Total resources expended		212175	16112	228287	246417
		<hr/>	<hr/>	<hr/>	<hr/>

STOCKTON ON TEES VOLUNTARY DEVELOPMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2007

4. Net incoming resources for the year	2006	2006
This is stated after charging	£	£
Depreciation	19295	32802
Trustee's remuneration	29375	500
Auditors' remuneration - audit services	2350	1957
Auditor's remuneration - accountancy and other services	1175	746
	<hr/>	<hr/>

Trustee remuneration relates to amounts paid to Mrs E Nesbitt for interim management services

5. Staff costs	2007	2006
	£	£
Wages and salaries	68181	135330
Social security costs	5286	13283
Pension costs	1241	1635
Settlement to former employee	10000	-
	<hr/>	<hr/>
	84708	150248
	<hr/>	<hr/>

No employee received emoluments of more than £60000

	2007	2006
The average number of employees was		
Direct charitable activities	2	4
Management and administration	-	2
	<hr/>	<hr/>
	2	6
	<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 2007

7. Tangible fixed assets

	Freehold Property £	Fixtures & Equipment £	Total £
Cost			
At 1 st April 2006	253668	101467	355135
Additions	-	6495	6495
	<hr/>	<hr/>	<hr/>
At 31st March 2007	253668	107962	361630
	<hr/>	<hr/>	<hr/>
Depreciation			
At 1 st April 2006	47907	101350	149257
Charge for the year	12683	6612	19295
	<hr/>	<hr/>	<hr/>
At 31st March 2007	60590	107962	168552
	<hr/>	<hr/>	<hr/>
Net book value			
At 31 st March 2007	193078	-	193078
	<hr/>	<hr/>	<hr/>
At 31st March 2006	205761	117	205878
	<hr/>	<hr/>	<hr/>

Freehold property with net book value of £193078 (2006 £205761) represents the charity's premises at 27 Yarm Road, Stockton on Tees. This was purchased using funding from the Lottery (now the Big Lottery). The charity may not dispose of this asset without the prior written permission of the Big Lottery, nor use it as security for a loan or any other financial purpose.

8 Debtors	2007 £	2006 £
Grants receivable	-	13638
Prepayments and other debtors	913	3636
	<hr/>	<hr/>
	913	17274
	<hr/>	<hr/>

All debtors are receivable within one year

STOCKTON ON TEES VOLUNTARY DEVELOPMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2007

9 Creditors: amounts falling due within one year	2007	2006
	£	£
Deferred income	-	8168
Accruals and other creditors	19173	12262
Social security and other taxes	-	1363
	<hr/>	<hr/>
	19173	21793
	<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	19620	173458	193078
Net current liabilities	(8257)	1175	(7082)
	<hr/>	<hr/>	<hr/>
	11363	174633	185996
	<hr/>	<hr/>	<hr/>

STOCKTON ON TEES VOLUNTARY DEVELOPMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2007

12. Movement in funds	At 1st April 2006 £	Incoming Resources £	Resources Expended £	Transfers £	At 31st March 2007 £
Restricted funds					
Volunteer Development	(2671)	7924	(5253)	-	-
Community Development					
-Big Lottery Fund	58663	-	(56727)	(1936)	-
Infrastructure-volunteer development	9409	3799	(11360)	(1848)	-
Infrastructure-advice and information	3149	5396	(7656)	(889)	-
Infrastructure-capital-Health & safety	6392	-	(6392)	-	-
N Tees PCT Community Resources	1175	-	-	-	1175
Property -Big Lottery Fund	184958	-	(11500)	-	173458
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	261075	17119	(98888)	(4673)	174633
Unrestricted funds					
General funds-core	63691	72397	(129398)	4673	11363
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	324766	89516	(228286)	-	185996
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

13. Purpose of restricted funds

N Tees PCT Community Resources

These funds were received to buy resources for use by the voluntary sector

Property

This fund represents the undepreciated amounts of restricted funds from the Community Fund (now the Big Lottery Fund) used to purchase and furnish the property at 27 Yarm Road, Stockton on Tees

STOCKTON ON TEES VOLUNTARY DEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST MARCH 2007

14. Notes to the Summary Income and Expenditure Account

	2007	2006
	£	£
Total resources expended per the SOFA	228286	246417
Less capital grants released re property	(11500)	(11500)
	<hr/>	<hr/>
Gross expenditure for the year	216786	234917
	<hr/>	<hr/>