

REGISTERED COMPANY NUMBER 04016295 (England and Wales)
REGISTERED CHARITY NUMBER: 1083231

**Report of the Trustees and
Unaudited Financial Statements For The Year Ended 31 March 2011**
for
Catalyst Stockton on Tees Limited

Davies Tracey & Co
Chartered Accountants and Business Advisers
3rd Floor
Newport House
Thornaby Place
Stockton on Tees
TS17 6SE

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Catalyst Stockton on Tees Limited

**Contents of the Financial Statements
for the Year Ended 31 March 2011**

	Page
Chairman's Report	1
Report of the Trustees	2 to 6
Independent Examiner's Report	7
Statement of Financial Activities	8
Balance Sheet	9
Notes to the Financial Statements	10 to 12
Detailed Statement of Financial Activities	13 to 14

What a difference a year makes! When I penned this introduction to last year's annual report I anticipated that the way ahead would focus on furthering the work already started to build the required strategic infrastructure to help strengthen the sector and enable it to respond to change

And how pleasing it is when a plan comes together! Allison describes in more detail the different new pieces that have been put in place that now form part of the local enabling and support framework. I won't restate all of the same information here but allow me to make quick mention of a couple of the Catalyst supported initiatives which I think are particularly noteworthy

The first is the newly established leadership forum events which provide our top executives with the opportunity to come together to share practices, discuss ideas, hear from others and work together. I hope these events prove both worthwhile and of lasting value. The other is the new and different approach to investment funding that replaces the former Voluntary Sector Support Fund. At a time when finances are tight and being squeezed for us all I would commend the strong commitment made by our local authority and other partners to identifying ways of securing and supporting future investment in our sector.

Notwithstanding this significant progress it's clear that our operating environment will remain a challenging one for some time to come. However, with challenge comes opportunity and the developing concept of a 'big society' will undoubtedly provide a platform for sector organisations to continue to play a part in addressing the grassroots issues that need to be addressed in order to build and maintain strong communities everywhere across the borough of Stockton on Tees. If we are to seize those opportunities we will need to be ready, agile and capable. As shown through the work we've been doing in helping along the formation of the Children and Young People's Consortium Catalyst will continue to play its part as a strategic infrastructure organisation to create the conditions in which member organisations can thrive. And, building upon the success of the Achievement Awards launched at last year's annual conference, we will continue to ensure that the mass of good work across the sector is profiled and made known.

Finally, and as usual, I would wish to place on record some thanks. To our small team of paid staff for their tireless and dedicated work. To my fellow Trustees, those still serving and recently retired, who have given untold hours of precious time to help guide and monitor the direction of travel of the organisation. And to our growing list of member organisations whose interests and vitality we will continue to represent.

Stephen Bray
Chair of the Board of Trustees

Catalyst Stockton on Tees Limited

Report of the Trustees for the Year Ended 31 March 2011

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2011. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
04016295 (England and Wales)

Registered Charity number
1083231

Registered office
27 Yarm Road
Stockton on Tees
TS18 3NJ

Trustees
Councillor J Beall
S Bray
N K Gittus
Mrs L King
G Oram
R L Parker
K W Pitt
D Rose
Ms T Williams
Professor A D Chapman
Mrs K Gater

- resigned 22 9 10
- resigned 13 1 11

Company Secretary
Miss A A Agius

Independent Examiner
Davies Tracey & Co
Chartered Accountants and Business Advisers
3rd Floor
Newport House
Thornaby Place
Stockton on Tees
TS17 6SE

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

OBJECTIVES AND ACTIVITIES

Objectives and aims

Our objectives for 2010/11 were clearly set out in the action plan as part of the new five year third sector strategy launched in April of this year. The key areas for delivery were

Launch of an Agreed Third Sector Strategy - a vision for the sector for the next five years with annual action plans

Launch of our Fit for Change Project

Review of the VSSF (Voluntary Sector Service Fund) - and the development of the Stockton Third Sector Investment Fund - a more open and transparent process of access to grant funding for the sector

Building further on our Market Intelligence

The Development of Core Quality Standards

ACHIEVEMENT AND PERFORMANCE

We are delighted to report that all of the actions identified in the third sector strategy action plan for 2010/11 have either been completed or are well underway

Conference

Financial year 2010/11 saw Catalyst perform in a more professional arena with the attraction of key note speakers Sir Bill Taylor and Craig Deardon-Phillips

Our second annual conference entitled 'Fit for Change' saw the launch of the first year of our Fit for Change project. A project made up of thirteen strands of work designed to prepare the sector for the next decade

Catalyst Achievement Awards

In 2010 Catalyst launched its first achievement awards attracting a great deal of media attention for our sector. The ceremony was held on the afternoon of the conference with local community groups performing and was a real showcase of both talent and commitment from the sector

Launch of the Third Sector CEO Breakfast Forum

Earlier this year we launched the CEO breakfast forum designed to give leaders in the sector an opportunity to network and hear from key speakers and debate issues of the moment that impact on us all. These have proved very popular with members

Third Sector Strategy

The third sector strategy document, a vision and five-year plan for the sector, was completed at the end of the last financial year and was going to print at the time of writing the SORP report

We are now pleased to announce that the first years performance report has been ratified by both the Catalyst Board and Catalyst Council of Interest and will be issued to the wider sector through a number of communication channels over the coming months

Stockton Third Sector Investment Fund

Catalyst has played a key role throughout the journey from the Voluntary Sector Support Fund to the new Investment Fund

The first round of successful candidates has been announced and we are in the process of gearing ourselves up for the second round which is due to be launched imminently

Whilst other Local Authorities are cutting grant funding to the third sector Stockton Borough Council has maintained its support both financially and in-kind. This is a testament to the strong relationship the sector has with our local authority

Catalyst Fit for Change Project 2010

Launched at our conference this year the Catalyst Fit for Change Project 2010 was a project made up of thirteen strands of work designed to help the sector get ready for the next decade. Catalyst worked with a range of partners to deliver a range of support packages to the sector

This work achieved national recognition for this work from NAVCA this year

ACHIEVEMENT AND PERFORMANCE

CYP Consortium

January of this year saw the launch of the borough's first consortium. Catalyst has attracted funding and support from both Capacity Builders and ACEVO to provide the training and support needed by CYP organisations to develop into a consortium. Catalyst has also attracted support from Children England to provide the consortium with a development worker for the next twelve months. We are now in the process of a hand over and the consortium is pulling together its first bid.

Catalyst Members HR Scheme

The launch of our HR scheme for members, in partnership with Ward Hadaway, builds on our launch last year of our insurance scheme and is evidence of the commitment we have to bring quality resources to the sector especially at a time when HR management is so important.

Stockton on Tees Compact

Catalyst was instrumental in reviewing our local Compact which is now a much stronger and more robust document. We would like to see this used more in the future by organisations and plan to develop an awareness raising campaign for this next year.

Viva Volunteer

In 2009/10 Catalysts was instrumental in the development and launch of VIVA, in partnership with the Professional Services Group. PSG have gone on to develop an excellent brand with excellent service. A truly inspiring model that has Stockton on Tees leading the way in its volunteering offer in Teesside. Catalyst is proud to continue to support and work closely with Viva.

The Third Sector Academy

At the Catalyst conference The Academy was launched. A project led by Skills Share, in partnership with a range of infrastructure organisations in the Tees Valley chaired by Catalyst's Executive Director. The Academy is a training school based in Tees Valley that is dedicated to campaigning for sector specific training for the sector and committed to building the capacity of the sector through train the trainer programmes enabling grass roots organisations to earn from delivering training.

Third Sector in Stockton on Tees

Last year we increased our database from 425 to over 800 relevant and current contact details for organisations. After a data protection exercise that database was reduced to approximately 725 organisations. We have since completed a baseline our membership and the findings have proved to be so useful we are now considering using some of our resources to do the same for the wider sector to begin base-lining.

Our Membership

We saw our membership increase to almost 150 members and our weekly ebuletin (launched last year) has proved to be one of the most popular services we provide for our membership.

We know more work is needed with grass roots organisations but this clearly demonstrates that we are now being viewed by the sector as an organisation worth engaging with.

Communication

We continue to communicate with the sector at large, outside of our membership, through the use of our newsletter. This has grown in size from a four sided bi-monthly publication to a 16 page quarterly piece.

The followers of our facebook and twitter, launched last year, has grown considerably and again demonstrates the need from the sector for information in different ways.

Building on those links with the sector we held our annual summit this year 'The Big Discussion' bringing the third sector organisations and key commissioners from the statutory sector together around the table. Further events of this type are to follow.

Partnerships

**Report of the Trustees
for the Year Ended 31 March 2011**

ACHIEVEMENT AND PERFORMANCE

Catalyst has continued to build and strengthen its relationship with other key infrastructure organisations operating within the Borough and Tees Valley wide including The Academy, Stockton Residents and Community Groups Association, Professional Services Group, Tees Valley Community Foundation, Community Ventures Limited, Pentagon Partnership, Humanatics, Business Enterprise North East and our statutory partners

We have a range of strong relationships with key stakeholders and are now very well placed strategically both within the Borough of Stockton and the Tees Valley. We have also secured a number of important places regionally which we feel has assisted in raising the profile of Stockton on Tees and our Third Sector

Financial Achievements for the Sector

Catalyst and the local authority have worked hard to preserve the 250,000 for the investment fund from cuts. We will continue to work hard to ensure this support is ongoing

Internally

On an organisational note we have recently completed some much needed maintenance on our building and our board has been further strengthened through its skills set. We have further tightened the internal financial management of the organisation by appointing a treasurer

FINANCIAL REVIEW

The local authority has agreed to core funding the organisation up to March 2014 which will give us some time to consider our sustainability beyond this point. This is particularly challenging for us as we are committed to non-delivery

Additional funds generated from the rental of our building in Yarm Road have been hit this year due to the loss of two large tenants - one moved to bigger premises at the beginning of the year, the other to smaller free accommodation

We started the last financial year with a budget that required a dip into reserves of approx £3,500 but with careful management we have ended the year reducing this to £2,240

This year we are confident, given last years performance, that we will not require any reserves, despite the loss of tenants

The reserves policy agreed by the 2009/10 required unrestricted reserves level of £69,440. This needs an adjustment down and is made up of the following elements

<u>Core Costs</u> A fund equivalent to approximately 50% of the annual core costs of our work. We believe this to be an appropriate level of resources necessary to function effectively for an interim period of up to 6 months, should financial difficulties occur beyond the control of the charity. This would include unplanned expenditure and cash flow variations	£45,000
<u>Project Fund</u> A projects fund to aid gap funding problems and support new and unforeseen project activities	£5,000
<u>Repair, Replacement and Maintenance Fund</u> To meet the on-going costs of repairing and replacing capital equipment, and in particular boiler and roof repairs and IT equipment	£10,000
<u>Redundancy Fund</u> To cover the costs of redundancy of individuals whose posts may be lost during restructure or as a result of funding streams ending	£3,000
<u>Current Contracts Fund</u> To cover the costs of current contracts to include Hygiene £3,000 (2011 to 2013 @ £1000 per year) Franking £3,440 (2011 to 2014 @ £1720 per year)	£5,440
<u>Total</u>	£68,440

Trustees aim to put aside 3-4% of turnover per year into the reserve funds until the total required is met

Although some finance has already been committed for administrative support and the maintenance currently underway we still ended 2011 in a strong position with total unrestricted funds of £52,548, to take us forward into the coming year

**Report of the Trustees
for the Year Ended 31 March 2011**

FUTURE DEVELOPMENTS

In the next financial year we will hold our 3rd conference 'In Good Health Are We Fit For the New Era?' which covers primarily health and well-being and is designed to give the sector a feel for what the changes will mean to them in terms of opportunities and challenges. We are also planning to test out a new annual event 'The Berlin Wall' that explores barriers and potential solutions. We will continue to provide opportunities for the sector to come together through our awards ceremony and CEO breakfast Forum.

Catalyst will officially launch the second year of a very ambitious action plan for delivery of the Third Sector Strategy including:

The development of a Health and Well Being Consortium

The launch of a Employability and Skills forum with a view to developing a consortium in 2012/13

Explore further a private sector interface to generate co-create/co-delivery opportunities

Develop a Quality Assurance pathway for the sector

Career path development in the sector and succession planning

Continue to monitor the Community Asset Transfer Policy and its impact on communities - positive or negative

Provide support (through our delivery partners) for ULO organisations

Create stronger links with the Service Navigator Pilot and the third sector

Manage the second round of the Stockton Investment Fund and continue to campaign to keep the fund beyond this year

In the area of voice Catalyst assisted in the refresh of the local Compact. Now we have a more robust document we would like to see the Compact used more and will be launching our 'Campaign for the Compact Getting it off the Shelf' as part of our new 'Small Voices Big Impact' project.

Catalyst has reviewed our website and is currently building a new one for launch in June/July.

Internally we want to increase our membership to 200 and continue to provide quality events that bring the sector together.

Finally we would like to extend our special thanks for the following donations and in-kind support:

Allison Agius	1200	Staff training
Allison Agius	160	Donation
ACEVO	937	Bursaries
NAVCA	148	Bursaries
Print Factory	200	CYP Logo design
SBC	60	Garden Clearing
Various	150	SNP meeting rooms

Total 2,855

ON BEHALF OF THE BOARD



S Bray - Trustee

Date 2/9/11

**Independent Examiner's Report to the Trustees of
Catalyst Stockton on Tees Limited**

I report on the accounts for the year ended 31 March 2011 set out on pages eight to twelve

Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year (under Section 43(2) of the Charities Act 1993 (the 1993 Act)) and that an independent examination is required.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to

- examine the accounts under Section 43 of the 1993 Act
- to follow the procedures laid down in the General Directions given by the Charity Commission (under Section 43(7)(b) of the 1993 Act), and
- to state whether particular matters have come to my attention

Basis of the independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statements below.

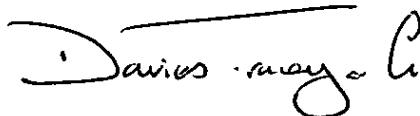
Independent examiner's statement

In connection with my examination, no matter has come to my attention

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements
- to keep accounting records in accordance with Section 386 and 387 of the Companies Act 2006, and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of Sections 394 and 395 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice Accounting and Reporting by Charities

have not been met, or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached



Davies Tracey & Co
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TS17 6SE

Date 8 September 2011

Catalyst Stockton on Tees Limited

**Statement of Financial Activities
for the Year Ended 31 March 2011**

	Notes	Unrestricted funds £	Restricted funds £	2011 Total funds £	2010 Total funds £
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income		71,800	115,019	186,819	288,368
Activities for generating funds	2	18,779	-	18,779	40,744
Investment income	3	904	-	904	419
Total incoming resources		91,483	115,019	206,502	329,531
RESOURCES EXPENDED					
Governance costs		5,301	-	5,301	6,447
Other resources expended		88,422	67,950	156,372	198,060
Total resources expended		93,723	67,950	161,673	204,507
NET INCOMING/(OUTGOING) RESOURCES		(2,240)	47,069	44,829	125,024
RECONCILIATION OF FUNDS					
Total funds brought forward		54,788	262,325	317,113	192,089
TOTAL FUNDS CARRIED FORWARD		52,548	309,394	361,942	317,113

The notes form part of these financial statements

Catalyst Stockton on Tees Limited

**Balance Sheet
At 31 March 2011**

	Notes	Unrestricted funds £	Restricted funds £	2011 Total funds £	2010 Total funds £
FIXED ASSETS					
Tangible assets	7	17,011	127,458	144,469	157,819
CURRENT ASSETS					
Debtors amounts falling due within one year	8	1,454	-	1,454	4,293
Cash at bank and in hand		47,163	183,236	230,399	166,061
		<u>48,617</u>	<u>183,236</u>	<u>231,853</u>	<u>170,354</u>
CREDITORS					
Amounts falling due within one year	9	(13,080)	(1,300)	(14,380)	(11,060)
NET CURRENT ASSETS		<u>35,537</u>	<u>181,936</u>	<u>217,473</u>	<u>159,294</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>52,548</u>	<u>309,394</u>	<u>361,942</u>	<u>317,113</u>
NET ASSETS		<u>52,548</u>	<u>309,394</u>	<u>361,942</u>	<u>317,113</u>
FUNDS	10				
Unrestricted funds				52,548	54,788
Restricted funds				<u>309,394</u>	<u>262,325</u>
TOTAL FUNDS				<u>361,942</u>	<u>317,113</u>

The charitable 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 charitable 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 trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit 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 charitable 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)

The financial statements were approved by the Board of Trustees on 21/9/11 and were signed on its behalf by


S Bray -Trustee

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, 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

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources

Tangible fixed assets

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

Freehold property	- 5% on cost
Plant and machinery	- 33% on reducing balance

Taxation

The charity is exempt from corporation tax on its charitable activities

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate

2. ACTIVITIES FOR GENERATING FUNDS

	2011 £	2010 £
Room Hire, printing etc	18,779	40,339
Training Course Income	-	405
	<u>18,779</u>	<u>40,744</u>

3. INVESTMENT INCOME

	2011 £	2010 £
Bank account interest	904	419
	<u>904</u>	<u>419</u>

4. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting)

	2011 £	2010 £
Depreciation - owned assets	13,700	13,522
	<u>13,700</u>	<u>13,522</u>

5 TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2011 nor for the year ended 31 March 2010

Trustees' Expenses

There were no trustees' expenses paid for the year ended 31 March 2011 nor for the year ended 31 March 2010

6. STAFF COSTS

	2011	2010
	£	£
Wages and salaries	47,877	47,082
Social security costs	6,912	5,439
Other pension costs	2,257	2,053
	<u>57,046</u>	<u>54,574</u>

7. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Totals £
COST			
At 1 April 2010	253,668	112,498	366,166
Additions	-	350	350
At 31 March 2011	<u>253,668</u>	<u>112,848</u>	<u>366,516</u>
DEPRECIATION			
At 1 April 2010	98,639	109,708	208,347
Charge for year	12,683	1,017	13,700
At 31 March 2011	<u>111,322</u>	<u>110,725</u>	<u>222,047</u>
NET BOOK VALUE			
At 31 March 2011	<u>142,346</u>	<u>2,123</u>	<u>144,469</u>
At 31 March 2010	<u>155,029</u>	<u>2,790</u>	<u>157,819</u>

8 DEBTORS· AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011	2010
	£	£
Trade debtors	1,454	4,293
Other debtors	-	-
	<u>1,454</u>	<u>4,293</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011 £	2010 £
Trade creditors	6,727	-
Social security and other taxes	2,417	3,349
Other creditors	1,586	-
Accrued expenses	3,650	7,711
	<u>14,380</u>	<u>11,060</u>

10. MOVEMENT IN FUNDS

	At 1.4.10 £	Net movement in funds £	At 31.3.11 £
Unrestricted funds			
General fund	54,788	(2,240)	52,548
Restricted funds			
Property - Big Lottery Fund	138,958	(11,500)	127,458
N Tees PCT Community Resources	1,175	-	1,175
Consortia Pilot	3,813	(3,813)	-
PCT Social Prescribing	118,379	(25,940)	92,439
ULO Development Fund	-	38,300	38,300
Diabetes	-	20,500	20,500
Public Health Programme	-	15,000	15,000
Health and Well-Being	-	14,522	14,522
	<u>262,325</u>	<u>47,069</u>	<u>309,394</u>
TOTAL FUNDS	<u>317,113</u>	<u>44,829</u>	<u>361,942</u>

Net movement in funds, included in the above are as follows

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	91,483	(93,723)	(2,240)
Restricted funds			
Consortia Pilot	5,000	(8,813)	(3,813)
PCT Social Prescribing	9,999	(35,939)	(25,940)
Consortium Pilot	20	(20)	-
ULO Development Fund	49,500	(11,200)	38,300
Diabetes	20,500	-	20,500
Public Health Programme	15,000	-	15,000
Health and Well-Being	15,000	(478)	14,522
Property - Big Lottery Fund	-	(11,500)	(11,500)
	<u>115,019</u>	<u>(67,950)</u>	<u>47,069</u>
TOTAL FUNDS	<u>206,502</u>	<u>(161,673)</u>	<u>44,829</u>