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VOLUNTARY ACTION KENNET

(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2002



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VOLUNTARY ACTION KENNET (A company limited by guarantee)

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VOLUNTARY ACTION KENNET (A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2002

LEGAL AND ADMINISTRATIVE DETAILS

Constitution

Voluntary Action Kennet is a company limited by guarantee and a registered charity governed by its Memorandum and Articles of Association.

Charity Number: 1048063

Company Number: 3075760

Directors and Trustees

The directors of the charitable company ("the charity") are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees. As set out in the Articles of Association the trustees are nominated annually by the members of Voluntary Action Kennet attending the Annual General Meeting and the Chairman nominated from the trustees. The trustees have the power to co-opt four members to specific roles.

President: Lady Teresa Carter

The trustees serving during the year and since the year end were as follows:

Trustees:	Peter Newell (Chairman)	Michael Braund
	Dominic Campbell	Diana Farrow (Resigned 6.10.01)
	Brian Lincoln	Fiona Hornby (Resigned 22.11.01)
	Caroline Maddocks	Ivor Price
	Vivien Laing	

Company Secretary: Jill Dyke

Independent Accountant: Hazel Harvey ACMA

Chief Officer: Barbara McDonald to 28.10.01, Margaret West from 12.11.01

Registered Office: 10A High Street, Pewsey, Wiltshire, SN9 5AQ

External Examiner: M E Buckland of David Owen & Co.
17 Market Place, Devizes, Wiltshire, SN10 1BA

Bankers: Portman Building Society
Portman House, Richmond Hill, Bournemouth, BH2 6EP
and
Lloyds TSB Bank plc
High Street, Pewsey, Wiltshire

VOLUNTARY ACTION KENNET (A company limited by guarantee)

TRUSTEE'S REPORT AND FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31ST MARCH 2002**

The trustees are pleased to present their report together with the financial statements of the charity for the year ended 31st March 2002.

Legal and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice - Accounting and Reporting by Charities.

Objects of the Charity

- (1) to promote any charitable purposes for the benefit of the community in the Kennet District of Wiltshire and surrounding area (hereinafter called "the area of benefit") by assisting statutory authorities and voluntary organisations engaged in advancing education, furthering health, relieving poverty, distress or sickness or in pursuing any other charitable purposes.
- (2) to promote and organise co-operation in the achievement of the said purposes and to that end to bring together council representatives of the authorities and organisations engaged in the furtherance of the said purposes within the area of benefit.

Organisation

A board of trustees of up to seven members who meet bi-monthly, administers the charity. There are sub-committees covering strategy and personnel. The Chief Officer manages the day to day operations of the charity.

Review of the Activities and Future Developments

Voluntary Action Kennet continues to provide support, information, advice and training to enable local people through voluntary and community groups to maintain and develop services in response to changing social and community needs.

With the termination of some projects and the appointment of new personnel including the Chief Officer, the opportunity is being taken to review the work of the charity and to re-focus its strategic direction for the next five years through the production of a Development Plan. An important priority in the short term is the search for suitable and accessible alternative office premises.

Risk Management

During the financial year 2001 - 2002 income and expenditure were carefully monitored against planned budget. As at 31st March 2002 Voluntary Action Kennet held accumulated reserves of £29,452. The trustees have developed a budget for 2002 - 2003 and an outline plan for 2003 - 2004, which show a deficit of £10,989 and £15,946 respectively.

Future of the Organisation - Voluntary Action Kennet is aware of the risk from external sources when the current Service Level Agreement ceases in March 2004 with the three statutory core funders. Due to Government requirements the service may be put out to tender. This potentially could pose a risk to the future of the organisation.

Risk Review - Internal risks are minimised by the implementation of policies and procedures to ensure a consistent quality of delivery for all operational aspects of the charitable company. These procedures are regularly reviewed to ensure that they meet the needs of the charity.

VOLUNTARY ACTION KENNET (A company limited by guarantee)

TRUSTEE'S REPORT AND FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31ST MARCH 2002

Risk Management (Continued)

To ensure the Trustees are kept informed of what is happening in the organisation, a financial report and a staff report are presented to each Management Committee meeting and decisions are agreed on the way forward for items that may incur risk. The quarterly financial forecast is also presented to the Management Committee meeting.

Reserves Policy

The Trustees have designated funds for redundancy and sickness. The Trustees have identified that ideally it should maintain unearmarked reserves at a level which equates to three months' unrestricted expenditure. This would provide sufficient funds to cover management, administration and support costs to respond to emergencies that might arise.

Trustees' Responsibilities in relation to the Financial Statements

Company law requires the trustees to prepare financial statements that give a true and fair view of the state of affairs of the charity at the end of the financial year and of its surplus or deficit for the financial year. In doing so the trustees are required to:

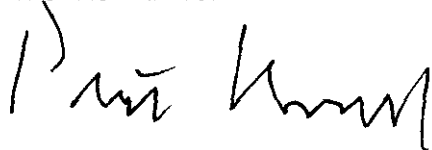
- * select suitable accounting policies and apply them consistently;
- * make judgements and estimates that are reasonable and prudent;
- * prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

Independent Examiner

A resolution will be proposed at the Annual General Meeting to re-appoint M E Buckland of David Owen & Co as Independent Examiner to the charity for the ensuing year.

By order of the Trustees



Peter Newell

Dated: 12th September 2002

**ACCOUNTANTS' REPORT TO THE TRUSTEES ON THE UNAUDITED ACCOUNTS
OF VOLUNTARY ACTION KENNET (A company limited by guarantee)**

We report on the accounts for the year ended 31st March 2002 set out on pages 5 to 12.

Respective Responsibilities of Trustees and Reporting Accountants

As described on page 3 the Charity's trustees are responsible for the preparation of the accounts, and they consider that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

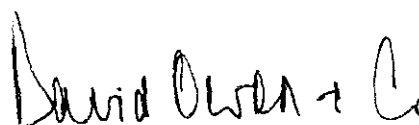
Basis of Opinion

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the accounts with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

Opinion

In our opinion:

- (a) the accounts are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985;
- (b) having regard only to, and on the basis of, the information contained in those accounting records:
 - (i) the accounts have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act; and
 - (ii) the company satisfied the conditions for exemption from an audit of the accounts for the year specified in section 249A(4) of the Act as modified by section 249A(5) and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in section 249B(1).



17 Market Place
Devizes
Wiltshire
SN10 1BA

David Owen & Co

Reporting Accountants

Dated: 12th September 2002

VOLUNTARY ACTION KENNET (A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST MARCH 2002

INCOME AND EXPENDITURE

	Notes	Unrestricted £	Restricted £	TOTAL £	2001 £
INCOMING RESOURCES					
Activities to further the charity's objects	2	62,959	24,691	87,650	123,420
Activities to generate funds	3	5,183	270	5,453	13,515
Total Incoming Resources		<u>68,142</u>	<u>24,961</u>	<u>93,103</u>	<u>136,935</u>
RESOURCES EXPENDED					
Cost of activities in furtherance of the charity's objects:					
Direct charitable expenditure	4	78,874	19,695	98,569	123,702
Publicity	5	1,658	133	1,791	2,174
Management and administration	6	1,909	775	2,684	5,468
Total Resources Expended		<u>82,441</u>	<u>20,603</u>	<u>103,044</u>	<u>131,344</u>
NET INCOMING/(OUTGOING) RESOURCES FOR THE YEAR		<u>(14,299)</u>	<u>4,358</u>	<u>(9,941)</u>	<u>5,591</u>
Transfer between funds		8,695	(8,695)	-	-
Balances brought forward as at 1st April 2001		35,055	7,920	42,975	66,941
BALANCES CARRIED FORWARD AS AT 31ST MARCH 2002		<u>29,451</u>	<u>3,583</u>	<u>33,034</u>	<u>72,532</u>

The notes on pages 7 to 11 form part of these accounts

VOLUNTARY ACTION KENNET (A company limited by guarantee)

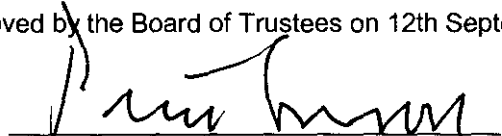
BALANCE SHEET
FOR THE YEAR ENDED 31ST MARCH 2002

	Notes	2002 £	2001 £
FIXED ASSETS			
Tangible fixed assets	8	9,284	606
CURRENT ASSETS			
Debtors	9	2,731	0
Cash at bank and in hand		50,981	65,066
		<hr/> 53,712	<hr/> 65,066
LIABILITIES			
Amounts falling due within one year	10	18,000	10,735
NET CURRENT ASSETS		<hr/> 35,712	<hr/> 54,331
TOTAL ASSETS LESS CURRENT LIABILITIES		<hr/> 44,996	<hr/> 54,937
LIABILITIES			
Amounts falling due after more than one year	11	11,962	11,962
NET ASSETS		<hr/> <u>33,034</u>	<hr/> <u>42,975</u>
FUNDS			
Unrestricted		29,452	35,055
Restricted	12	3,583	7,920
		<hr/> <u>33,034</u>	<hr/> <u>42,975</u>

For the year ended 31st March 2002 the company was entitled to the exemption under subsection 2 of section 249A of the Companies Act 1985. No notice has been deposited under s249B.2 in relation to the accounts for the financial year. The Board of Trustees acknowledge their responsibility for ensuring that the company keeps accounting records which comply with section 221 of the Act and prepares accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its surplus/(deficit) for the financial year in accordance with the requirements of section 226 of the Act, and which otherwise comply with the requirements of this Act relating to accounts so far as applicable to the company.

The accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and the Financial Reporting Standard for Smaller Entities (effective June 2002).

Approved by the Board of Trustees on 12th September 2002 and signed on their behalf by:

 Trustee

VOLUNTARY ACTION KENNET (A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2001

1 ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable accounting standards and follow the recommendations in Statement of Recommended Practice (SORP) Accounting for Charities.

Revenue grants are shown in the Statement of Financial Activities in the year in which they are received. When the grant has to be matched to a different period the deferred element is deducted from income and carried forward in liabilities.

Restricted funds are to be used for specific projects as laid down by the donor. Expenditure which meets these criteria is identified to the fund, together with a fair allocation of management and support costs.

Staff costs and overhead expenses are allocated to activities on the basis of staff time spent on those activities.

Depreciation is provided using the following rates and basis to reduce by annual instalments the costs, less estimated residual value, of the tangible assets over their estimated useful lives:-

Computer Equipment	25% straight line
Fixtures and Fittings	25% straight line

Management and administrative costs are the costs of complying with statutory requirements, such as Examiner's fees.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31ST MARCH 2002

2 ACTIVITIES TO FURTHER THE CHARITY'S OBJECTS

	Restricted Funds					2002 TOTAL £	2001 TOTAL £
	Unrestricted Funds £	PV Tag £	Learning Curve £	Learning Skills C £	Other £		
Deferred Income Released	8,420				348	8,768	0
Service Level Agreements						10,000	7,200
Kenet District Council	10,000					37,832	40,156
Wiltshire County Council	37,832					18,600	9,100
Kenet and North Wiltshire PCG	18,600					3,000	0
Wiltshire Community Foundation	3,000		12,780			12,780	4,325
Learning Curve		4,668		7,795		4,668	4,778
PV Tag						7,795	0
Learning Skills Council						0	42,431
Lotteries Charities Board			(900)			(15,793)	15,430
Deferred Income Carried Forward	(14,893)						
	62,959	4,668	11,880	7,795	348	87,650	123,420

3 ACTIVITIES TO GENERATE FUNDS

Management Fees	1,735					1,735	6,046
Advice and Information	1,241				270	1,511	2,311
Other						0	1,000
Investment Income	2,207					2,207	4,158
	5,183	0	0	0	270	5,453	13,515

4 DIRECT CHARITABLE EXPENDITURE

Staff Costs (note 7)	55,246	2,372	10,804	1,588	403	70,413	82,705
Staff Training and Recruitment	2,029	103	63			2,195	2,071
Travel and Subsistence	2,276	87	321	36		2,720	5,114
Rent and Rates	5,075					5,075	5,058
Heat and Light	868					868	561
Maintenance and Cleaning	615					615	480
Office Consumables	416					416	111
Printing, Postage and Stationery	1,752	558	9	500		2,819	5,047
Telephone	3,367					3,367	2,108
Insurance	1,077		646	1,634		1,077	929
Training	672					2,952	1,306
Depreciation	5,222					5,222	2,395
Redundancy						0	14
Sickness						0	1,476
Other	259	285	1	70	215	830	14,327
	78,874	3,405	11,844	3,828	618	98,569	123,702

VOLUNTARY ACTION KENNET (A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31ST MARCH 2002

5 PUBLICITY

Newsletter Costs
Other Publicity

	Restricted Funds					2002 TOTAL £	2001 TOTAL £
	Unrestricted Funds £	PVTag £	Learning Curve £	Learning Skills C £	Other £		
	1,092	133					
	566						
	<u>1,658</u>	<u>133</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,225</u>	<u>868</u>
						<u>566</u>	<u>1,306</u>
	<u>1,203</u>					<u>1,791</u>	<u>2,174</u>
	676						

6 MANAGEMENT AND ADMINISTRATION

Accounting
Independent Examination Fee
Management Fee
Legal

	30	150		625	1,203	881
	<u>1,909</u>	<u>150</u>	<u>0</u>	<u>625</u>	<u>676</u>	<u>646</u>
					<u>775</u>	<u>3,896</u>
					<u>30</u>	<u>45</u>
	<u>46,297</u>	<u>2,009</u>	<u>9,468</u>	<u>1,467</u>	<u>0</u>	<u>2,684</u>
	3,796	165	776	120		
	5,153	198	560			
	<u>55,246</u>	<u>2,372</u>	<u>10,804</u>	<u>1,587</u>	<u>404</u>	<u>70,413</u>
						<u>82,705</u>

7 STAFF COSTS

Wages and Salaries
Social Security Costs
Pension Costs

No employee earned £40,000 p.a. or more.
The average number of employees was four (2001 - five)

No members of the Management Committee nor any person or organisation connected with them has received or is due to receive any remuneration for the year directly or indirectly from the Charity's funds.

VOLUNTARY ACTION KENNET (A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31ST MARCH 2002

8 TANGIBLE FIXED ASSETS

	Computers/ Equipment £	Fixtures and Fittings £	TOTAL £
Cost			
At 1st April 2001	12,757	2,380	15,137
Additions	13,900		13,900
Disposals	(8,148)		(8,148)
At 31st March 2002	<u>18,509</u>	<u>2,380</u>	<u>20,889</u>
Accumulated Depreciation			
At 1st April 2001	12,151	2,380	14,531
Disposals	(8,148)		(8,148)
Charge for the year	5,222		5,222
	<u>9,225</u>	<u>2,380</u>	<u>11,605</u>
Net Book Values			
At 31st March 2002	<u>9,284</u>	<u>0</u>	<u>9,284</u>
At 31st March 2001	<u>606</u>	<u>0</u>	<u>606</u>

9 DEBTORS

	2002 £	2001 £
Other debtors	2,536	0
Prepayments	195	0
	<u>2,731</u>	<u>0</u>

10 LIABILITIES: AMOUNTS FALLING DUE WITHIN ONE YEAR

Deferred income	15,793	8,768
Accruals	1,707	1,467
Other creditors	500	500
	<u>18,000</u>	<u>10,735</u>

11 LIABILITIES: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

Redundancy provision	3,510	6,639
Sickness provision	8,452	5,323
	<u>11,962</u>	<u>11,962</u>

VOLUNTARY ACTION KENNET (A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31ST MARCH 2002

12 RESTRICTED FUNDS	Balance at 1 April 01 £	Movement in Resources Incoming £	Outgoing £	Transfer of Funds £	Balance at 31 March 02 £
Learning Curve		11,880	11,845		35
Volunteer Outreach Bureau	8,695			8,695	0
PV Tag	(775)	4,668	3,688		205
Learning Skills Council		7,795	4,452		3,343
Locality Planning		618	618		0
	<u>7,920</u>	<u>24,961</u>	<u>20,603</u>	<u>8,695</u>	<u>3,583</u>

The Locality Planning Project was set up to facilitate consultation with and involvement of the voluntary sector in planning local services.

The Volunteer Outreach Bureau was set up in February 1998 to promote volunteer opportunities and encourage Good Practice in volunteering within voluntary organisations. The surplus held at the end of this project was transferred, with the approval of the National Lottery Charities Board, to Voluntary Action Kennet for the purpose of purchasing capital equipment to enhance I T capacity.

PVTag was set up to provide support to local transport groups.

The Learning Curve/CVS training project was set up in April 2001 to coordinate the delivery of training to voluntary and community organisations in Kennet.

Learning Skills Council Community Laptop Project was set up in October 2001 to develop the use of ICT by voluntary groups and their service users.

13 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible Fixed Assets £	Other Net Assets £	TOTAL £
Restricted Funds			
Learning Curve		35	35
Volunteer Outreach Bureau		0	0
PVTag		205	205
Learning Skills Council		3,343	3,343
Locality Planning		0	0
	<u>0</u>	<u>3,583</u>	<u>3,583</u>
Unrestricted Funds	9,284	20,167	29,451
	<u>9,284</u>	<u>23,750</u>	<u>33,034</u>

VOLUNTARY ACTION KENNET (A company limited by guarantee)

**ANALYSIS OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 31ST MARCH 2002**

	VAK £	PV Tag £	Learning Curve £	Learning Skills Council £	Other £	Recharge £	TOTAL £
FUNDS RECEIVED							
Kennet District Council	10,000						10,000
Wiltshire County Council	37,832						37,832
Health	18,600						18,600
Donations	3,000						3,000
RAN	960						960
Learning Curve			12,780				12,780
PV Tag		4,668					4,668
Learning Skills Council				7,795			7,795
Interest received	2,207						2,207
Miscellaneous income	1,241				270		1,511
Management fees	775						775
TOTAL FUNDS AVAILABLE	74,615	4,668	12,780	7,795	270	0	100,128
Add Opening deferred income	8,420				348		8,768
Less Closing deferred income	(14,893)		(900)				(15,793)
INCOME FOR THE PERIOD	68,142	4,668	11,880	7,795	618	0	93,103
EXPENDITURE							
Salaries	55,159	2,174	10,245	1,587	403	(5,066)	64,502
Pensions	5,153	198	560				5,911
Staff training and recruitment	2,029	103	63				2,195
Travel and Subsistence	2,276	87	321	36			2,720
Rent and rates	5,075						5,075
Heat and light	868						868
Maintenance and cleaning	615						615
Office equipment	416						416
Printing and stationery	1,779	516	9	500		(500)	2,304
Photocopier	473	42					515
Telephone	3,367						3,367
Publicity, books and subscriptions	566						566
Newsletter	1,092	158					1,250
Insurance	1,077						1,077
Seminars and training	672		646	1,634			2,952
Accounting	1,879						1,879
Legal	30						30
Depreciation	5,222						5,222
Redundancy							0
Sickness							0
IIP provision							0
Other	259	260	1	70	215		805
Recharges	(5,566)					5,566	0
Management fee		150		625			775
COSTS TO DATE	82,441	3,688	11,845	4,452	618	0	103,044
Net incoming/(outgoing) resources for the year	(14,299)	980	35	3,343	0	0	(9,941)
Balances brought forward as at 1st April 2001	35,055	(775)	0	0	0	8,695	42,975
Funds Transfer	8,695					(8,695)	0
Balances brought forward as at 31st March 2002	29,451	205	35	3,343	0	0	33,034