



VCAT | Voluntary & Community Action Trafford

VOLUNTARY AND COMMUNITY ACTION TRAFFORD

TRUSTEES REPORT

&

FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31 2011

**Company Limited by guarantee – Registration No: 4399868
Charity Registration No - 1098222**

[Type text]

**VOLUNTARY AND COMMUNITY ACTION TRAFFORD
TRUSTEES' REPORT & FINANCIAL STATEMENTS
YEAR ENDED MARCH 31 2011**

CONTENTS

Company information	1
Trustees' and Directors' Report	2 – 7
Auditors Report	8 – 9
Statement of Financial Activities	10
Balance Sheet	11
Notes to the Financial Statements	12 – 18

**VOLUNTARY AND COMMUNITY ACTION TRAFFORD
TRUSTEES' REPORT & FINANCIAL STATEMENTS
YEAR ENDED MARCH 31 2011**

TRUSTEES & DIRECTORS

		<u>Sub- Committee</u>
Ralph Rudden	(Chair)(reappointed 22/10/09)	(T)(F)
Christine Joyce Aspinall	(Vice Chair)(reappointed October 2010)	(T)(F)
Joan Ball	(reappointed October 2010)	(T)(F)
Joanne Bennett	(reappointed October 2009)	
Evelyn Cosham	(resigned October 2010)	(F)
Philip Gratrix	(appointed August 2008)	
William George Victor Holding	(appointed August 2008)	
Edward John Kelson	(reappointed October 2009)	(T)
Peter Kay	(appointed October 2010)(resigned January 2011)	
Mark Nesbitt	(appointed October 2010)	

COMPANY SECRETARY Colin Barson

MEMBERS OF STAFF

Colin Barson	Chief Executive	(T)(F)
Dave Nunns	Project Manager	
Rose Thompson	Office Manager	(T)(F)
Aly Gell	Trafford Mental Health Advocate	
Bernie Connor	Support Worker	
Jackie Stott	Trafford Mental Health Advocate	
Muriel Howarth	Administrator	
Heather Smith	FASNET Co-ordinator	
Ruth Walkden	LINKs Manager	
Maya Sharma	Community Development Worker	
Lynsey Cottle	Community Development Worker	
Craig Almond	Support Worker	
Sarah Atta	LINK & 50+ Support Worker	
Marilyn Murray	LINKs Support Worker	
Michelle Jagiello	50+ Voice Network Worker (left May 2010)	
Alis Aspinall	50+ Voice Network Worker	

REGISTERED OFFICE Park House
73 Northenden Road
Sale
Cheshire M33 2DG

AUDITORS Chittenden Horley Limited
Chartered Accountants &
Registered Auditors
456 Chester Road
Old Trafford
Manchester M61 9HD

BANKERS The Royal Bank of Scotland
14-16 The Mall
Sale
Manchester M33 1XZ

SUB COMMITTEES

Finance	(F)
Task Group	(T)

**VOLUNTARY AND COMMUNITY ACTION TRAFFORD
TRUSTEES' AND DIRECTORS' REPORT
FOR THE YEAR ENDED MARCH 31 2011**

The directors, who are the trustees of the charity, present their annual report and the audited financial statements for the year ended March 31 2011.

STRUCTURE GOVERNANCE AND MANAGEMENT

Governing Document

The Charity is a company limited by guarantee and is governed by its Memorandum and Articles of Association dated March 20 2002, as amended by special resolution to change the name of the charity dated June 5 2003. It is registered as a charity with the Charity Commission. The Directors have the power to admit any constituted voluntary or community group or individual to membership and also have the power to remove members. There are currently around 500 members of the company, each of whom agrees to contribute a sum not exceeding £1 in the event of the charity being wound up. Trustees may permit any member to retire provided that after such retirement the number of members is not less than two.

Appointment of Directors and Trustees

The Directors, who are the Trustees, are appointed by the members at the annual general meeting and are collectively known as the VCAT Board. At each AGM, one third of the Directors retire by rotation, being the longest in office. They are eligible for re-election. Other than a retiring trustee, the only people eligible for election as trustees are those either nominated by the Board or by a member giving not less than 7 and not more than 28 clear days' notice of the intention to propose a person for election. The Charity, by ordinary resolution, or the Trustees, may appoint a person who is willing to act, to fill a vacancy, providing that a Trustee so appointed shall hold office only until the next AGM.

The Trustees who served during the year, together with any changes up to the date of approving this report are listed on page 1.

Trustee recruitment, induction and training

VCAT has a recruitment and induction policy which includes all new Trustees, involving skills and knowledge. VCAT has no specific policy for Trustee Training, but training opportunities and governance information is forwarded to Trustees.

Organisation

The Board, which must not be less than three members and not more than nine, administers the Charity and meets as necessary, usually 10 times a year. There are sub-committees which meet more regularly and report to the full Board. The day to day operations of the Charity are the responsibility of the Chief Executive, Colin Barson, to whom the Trustees have delegated authority for operational matters including finance, employment and development, within the overall strategy agreed by the Board of Trustees.

Risk management

The Board has undertaken a review of the major risks to which the company is exposed and established systems and processes to mitigate those risks. The major financial risks facing the charity are – changes in funding streams, sustainability of projects and changes in local and government policy. Risks to funding are considered as part of the business planning process. The sustainability of projects is to be mitigated by consistent dialogue with partners and funders. Each project has its own business and strategic plan. Internal risks are mitigated by processes that are accountable and monitored. Such procedures are reviewed to ensure the company meets its legal and operational objectives.

Public benefit

The trustees annually review the membership of the organisation and the objectives within the memorandum. This review also looks at the services offered by the charity and the benefits to the public. The trustees have referred to the guidance of the charity commission and in the context of planning future activities to ensure they contribute to the aims and objectives of the organisation. The trustees will refer to the public benefit test against the aims and objectives of the charity and in relation to the specific services the charity offers the public in Trafford.

OBJECTIVES AND ACTIVITIES

The charity's objectives are:

- To promote for the benefit of the community in Trafford any charitable purpose, in particular the advancement of education, furtherance of health and the relief of poverty, sickness and distress:

Public benefit – The charity is committed to reporting public benefit and has worked to ensure activities meet the Charity Commissions new framework. The activities in relation to this objective have been to provide information, advice and support to c 500 community and voluntary groups through newsletters, web based information (open to public access) and conferences and forums. The benefits enable charity members to have up to date knowledge in a range of activities from strategic developments to funding information. The charity have carried out training to develop efficiency in member organisations, enabled access to service deliverers for older people, promoted a variety of forums for community activity and learning opportunities for the charity members to participate in. The charity has supported funding opportunities to members. The benefits to charity members are appropriate to this aim. The charity have continued to develop the over 50s forum to c 300 active members.

VOLUNTARY AND COMMUNITY ACTION TRAFFORD

TRUSTEES' AND DIRECTORS' REPORT

MARCH 31 2011

OBJECTIVES AND ACTIVITIES (Cont)

- To promote and organise co-operation in the achievement of the above, in particular bringing together representatives of statutory authorities and voluntary organizations:

Public benefit – *the charity have continued to support forums of members to co-operate on partnership work. The benefits to the public are more effective and efficient services. Partnership work and access to partnerships have added to the charity's positive contribution to developing a fair and just society in Trafford. The charity has been instrumental in developing the sustainable community strategy for Trafford in line with members' wishes to the benefit of the public. The charity has encouraged members to participate in the sustainable community strategy, increasing turnout at public events and have enabled members to participate in writing the Community Engagement Strategy for Trafford Partnership. The charity has continued to develop new forums – Health and Social Care, Volunteers Forum and Community Development Workers Forum to achieve a coherent access to services for Trafford residents.*

- To promote, for the public benefit, urban regeneration in areas of social and economic deprivation in Trafford.

Public benefit: *the charity has worked to promote urban regeneration through the development of Trafford Neighbourhood Forum, an open access meeting of representatives from the deprived areas of Trafford. The charity has supported the promotion of Neighbourhood Management in Old Trafford and has continued to develop 'Cash for Action', community grants programmes, notably in Sale West area of Trafford fund with access for any community group or individual in the area. The charity has organised successful neighbourhood forums increasing attendance from c12 people to c 60 people to public events. The charity has developed a Voluntary and Community Sector forum with 80 members and enabled 5 local people to be elected to the governing board of Old Trafford Neighbourhood Management. The charity has worked within deprived areas to add value or lead on research initiatives, organizing local people to take an active role in the research process.*

- To develop the capacity and skills of members of the socially and/or economically disadvantaged communities in Trafford, in such a way that they are better able to identify and help to meet their needs and to participate more fully in society

Public benefit: *the charity has undertaken a diary of training opportunities to build the capacity of people from the disadvantaged communities. The training is open access for all people in the community who have an interest in community development for the benefit of the communities they serve. The charity has continued to support 20 members in developing the COMPACT for Trafford and continue to work on the protocols. The protocols agreed in principle (5 codes) on Community Engagement, BME, Funding and Commissioning, Community Groups and Volunteering and Workforce Development. The charity has been instrumental in engaging local people to actively carry out research in their own communities.*

In order to achieve these objectives the Charity operates several projects focusing on the following four priority areas:

- Volunteer Development
- Committee Development
- Community Development
- Funding Support

VCAT operates in four key service areas

- Advice and support to groups, both office based and outreach surgeries
- Information dissemination, including information sheets, good practice manuals, newsletters and conferences
- Forums and networks
- Training including tasters, workshops, short courses and accredited opportunities.

VOLUNTARY AND COMMUNITY ACTION TRAFFORD

TRUSTEES' AND DIRECTORS' REPORT

MARCH 31 2011

ACHIEVEMENTS AND PERFORMANCE

The Project Development Team continues to bring high level skills to the area of Trafford concentrating on community development, forum development, training and advice in development support. This has become a central fabric of the Voluntary and Community Sectors of Trafford. In addition, the development of forums is making a positive contribution to a developing third sector.

The charity continues to consolidate its position as the leading intermediary agency and has taken the opportunity to lead on a variety of projects to build the capacity of the Voluntary and Community Sectors to take a leading role in service delivery and to make an impact upon community cohesion. This role is being developed by the charity making a positive contribution to the strategic life of the borough through development of the Trafford Partnership and Community Strategy.

Public benefit: *The charity has over 500 members within the borough of Trafford. In addition partnership work continues to account for the charity's time. The charity has supported the Trafford Partnership and thematic partnerships enabling the unique knowledge and experience of the charity to be used by policy makers to work towards making Trafford a great place to live, work, learn and spend leisure time. The charity has been central to the writing of the Sustainable Community Strategy and other local strategies namely Sale West Agreements, ensuring additional places at partnerships for VCS organisations and members of the Trafford Neighbourhood Partnership. The charity has also taken an active role in a series of forums i.e. Diversity Forum seeking to tackle inequalities from those hard to reach communities. The charity has worked to ensure access to charity information by anybody living and working in the Trafford area through development of websites and email systems to enable access for all. The training diaries, open events and conferences have all been made accessible to residents of the borough.*

The Project Development Team

The project is Trafford wide and exemplifies all that the charity was set up to achieve, a vibrant, skilled and sustainable voluntary and community sector. The project has been funded through The Big Lottery Fund and has concluded its first three years. The project exceeded its objectives and made additional contributions to the work of the company. The current staff members are the Development Manager for the company and 2 Development Workers contributing high skills in managing a diverse portfolio of activity around the core work of the company, training in the form of both accredited and one day events, support to organizations and groups in development, advice and information, volunteering and management committee development and forum support and development. The project has made substantial contributions to the charity's marketing, publicity and knowledge base. The project has also made significant contributions to the levels of funding for the Voluntary and Community Sectors in Trafford. The importance of the staff, the knowledge and commitment has encouraged the development of the third sector in Trafford and the charity will look to sustainable development of the project. The project has been the core of VCAT offering members a resource of skills and expertise in our four priority areas, namely Volunteer Development, Committee Development, Community Development and Funding Support. The project is making a significant contribution to the development of the Voluntary and Community Sectors in Trafford and to the skill base of VCAT. This has been achieved through training, advice, information and individual support from experienced and dedicated staff who have made a tremendous impact not only on the quality of the work but the changing of the culture of the sectors in Trafford. The sustainability of the project will be through renewed activity looking at sustainability through consultancy and the work the project has completed with partners especially around the developing Trafford Partnership and the Governments continued prioritisation of working with the Voluntary and Community sectors. The knowledge of the project has been of benefit to our members and additionally to a series of partnerships in the borough where the experience of the voluntary and community sectors have been essential to the development of the Community Strategy. More recently to the emerging engagement work as we seek to work more closely with our communities. The project is responsible for advice and support to a variety of groups, information and the development of forums and networks to assist our work. The work continues under the umbrella of the development teams.

Public benefit: *The charity has ensured all members have had equal access to the training and other events. Where possible localised events are promoted through local systems. The work of the team also offers anybody with an interest in developing groups and organisations opportunities to have development time, this is open access to all residents seeking to grow community activities. The workers also develop other initiatives on behalf of the communities through forum development, neighbourhood work and statutory sector partnership development. The year has seen the workers involved in substantial capital investment through children's services with the charity taking on responsibility for promoting to the VCS and others groups in Trafford. The team has worked to develop consistent approaches to organisational development and a series of health checks for members of the charity.*

TMHAS

The Trafford Mental Health Advocacy Service meets the advocacy needs of people in Trafford across a range of issues. Two members of staff support the project in the community and with patients at Moorside (Trafford General Hospital). The newly incorporated IMHA (Independent mental Health Advocacy) service adds value to the quality of the service for in patients. The project continues to monitor and evaluate the service and produces high level quantitative and qualitative information. The project supports some of the most vulnerable people in our communities with integrity. The project has a renewable annually service level agreement in place as an integral part of service delivery. It is intended that the project will continue to meet the current needs of people with mental health issues whilst looking to develop services for those gaps in service. It is a positive development that the project is continuing to meet with its strategic partners to ensure that people with mental health issues needs are identified and met in the appropriate environment.

VOLUNTARY AND COMMUNITY ACTION TRAFFORD

TRUSTEES' AND DIRECTORS' REPORT

MARCH 31 2011

ACHIEVEMENTS AND PERFORMANCE (continued)

Public benefit: *TMHAS has registered c500 new starts during the year across a diverse range of issues. The public have access to the service through community referral or through hospital referral. The service is open to anybody who perceives they have a mental health condition. The services are delivered in the community setting in all communities. A home attendance is facilitated but moderated through lone worker policy and health and safety appraisals. The project works with the vulnerable community and has enjoyed a year of success with many cases being completed.*

Children's Fund FASNET

FASNET is the VCAT managed network of voluntary and community groups that work with children, young people and families in Trafford. The forum exists to support close working relationships between the Voluntary and Community Sectors and statutory providers. The initial idea came from a Children's Fund conference and this has produced the employment of a part time member of staff to co-ordinate the forum's activities. The forum meets the needs of the organisations involved and will be developed continually to meet needs as they arise. During the year negotiations have continued to build the capacity of the network to ensure it continues to make an impact upon the lives of families and children. FASNET have finalised a comprehensive report on funding for FASNET and other activities in Trafford and await decisions by the Children and Young Peoples Services on being commissioned. FASNET have managed additional training contracts on behalf of its membership. FASNET have worked to develop integrated training delivery around safeguarding children.

Public Benefit: *The charity has continued to support this initiative. The public benefit includes FASNET personnel sitting on a range of forums – especially concerning the safeguarding of children agenda. The forum has seen success in developing training interventions to support groups working with vulnerable children and families. The charity has also been central to the development of the business plans for safeguarding children and the children's trust strategic plans. The forum has developed c80 places for workforce related training in addition to c800 training interventions, open for all VCS groups and residents in Trafford. The forum has also held 8 open events during the year for members of the charity with an interest in children and families.*

Children's Workforce Development Fund

This pilot has been developed during the year with the intention of building the capacity of the workforce within the voluntary sector. The project has delivered outcomes around training and delivery of skills and an audit of baseline data to measure progress and aspirations. The project will continue through 2011.

LINKs:

The charity was contracted from June 2008 to act as the host for the LINK in Trafford. This three year contract has seen the recruitment of a development team to organise LINK activities for the communities of Trafford. LINK is concerned with Health and Social Care issues and has been created nationally to develop a voice for local people and to engage people in the design and redesign of services across the health and social care arena. Trafford link has developed a governance structure inviting all residents to participate in the project. The project has successfully carried out reviews into local statutory services in adult services, Primary Care Trust and Acute Trust in addition to appraising the local mental health trust. The project during 2011 will establish itself under the developing healthwatch programme to meet the health and well being needs of the local population. All residents of Trafford are able to access LINKs through a range of media and local task groups and VCS forums are used to review a variety of issues.

Public benefit: *The project has recruited members from across all communities in Trafford and anyone from any area can be a participant in the LINKs activities. The project has established a governing structure, developed through public consultations. The Trafford LINK has over 350 active participants and members and a governing committee of 9. The Link offers access at a variety of venues to ensure access for all and continues to hold public events to develop consultations mechanisms for the whole community. The LINK is open access for everybody in the Trafford area and benefits all sectors of the population in developing health and social care services that are fit for purpose. The Trafford LINKs will have a set on the newly established Health and Well Being Board a statutory body designed to enable community access to all health and well being activity.*

50+ Voice Network

As a partnership approach to communities of interest VCAT have worked with the PCTs and Social Services to create a new 50+ involvement worker project. Based at VCAT in the project development team the project is continuing to develop a forum of over 50s to act as a voice for individuals and groups on local issues. Engagement is central to all our work and this project is developing both a strategy and practical solutions inspired by people over 50 to improve the quality of life for the community.

Public benefit: *The project is open to all people over 50 with an interest in engaging in service design and delivery and making a difference for their communities. The over 50s project now has over 300 members regularly attending events and conferences. The project has become a central tenet for many innovations within the statutory sector engaging our older people. The charity has negotiated a further one and a half years funding to March 2011.*

VOLUNTARY AND COMMUNITY ACTION TRAFFORD

TRUSTEES' AND DIRECTORS' REPORT

MARCH 31 2011

ACHIEVEMENTS AND PERFORMANCE (continued)

Park House building project

Park House has been the central hub for VCAT with the intention over time of developing a resource base for members. For three years VCAT have been negotiating the lease on the building and 2005/6 saw the first large investment in the buildings fabric. VCAT have invested funding from varying funders in the building to complete phase one of the renovation and development of Park House. The intention of VCAT is to continue to seek investment for the building and to develop both a base for the organisation and a fit and proper VCS resource base that our members can be proud of and wish to attend. The charity has continued investment in the property during 2008/9 with decoration activity and a newly refurbished kitchen. The first floor has seen continued improvements with large office facilities to accommodate growing staff numbers. Additional investment has been made to the electrical and heating within the building.

Public benefit: The building whilst predominantly office space also has rooms for rental and conference facilities and open access for the public to use.

Compact

The charity has worked with partners to establish the new Compact for Trafford Partnership. This was signed off December 2007 with a commitment to develop 5 codes of practice. The codes agreed and operational will continue to be reviewed.

Public benefit: The Compact codes (5) have been agreed in principle and became effective from August 2009. This enables VCS organisations to have agreed sets of principles through which to engage statutory partners. The codes were developed through consultation with all VCAT members.

FINANCIAL REVIEW

Overview

Reserves Policy

The Board has determined that free reserves (unrestricted funds not designated or invested in fixed assets) are required of between three and six months of core resources expended (i.e. total costs less grants and direct project costs). This equates to a figure of between £112k and £224k. Free reserves at such levels would ensure where significant decreases in funding occurred the charity could commit to a strategic initiative to replace funding or manage the reduced delivery. The policy is reviewed annually with a commitment to look at the sustainability of the organisation and its individual projects.

During 2011, the management accounts revealed that without core funding equating to the loss of Lottery funding VCAT would be in a position to employ the experienced and skilled personnel only through changes to reserves policy. Therefore, the board of directors agreed to this change to secure the experience and skilled workforce necessary to accomplish the objectives of the organisation.

During 2011, the Trustees made the decision that an element of free reserves will be utilized to secure service delivery of third sector infrastructure support for the VCS of Trafford. Dialogue is ongoing with TMBC regarding a new contract to deliver, but as at December 2011, this is not concluded. A total of £160k has been earmarked by the local authority for delivery of the third sector strategy across Capacity Building, Funding, Volunteering, and Grant making to Third sector organisations. The trustees have assumed that VCAT will be an active partner in this commissioned service and that VCAT will develop a suitable legal structure to work in partnership with co-tenderers, Bluesci.

PLANS FOR THE FUTURE

In general the charity will seek support for its role as the leading body for infrastructure and engagement with all partner agencies in the borough of Trafford. The issue of sustainable funding is of priority with high levels of cut backs to public services. The charity will seek to explore options for sustainability and work with partners to find a case to support the work in line with government policy on localism and the Big Society. The directors have supported the charity development by continuous evaluation of needs and project development to meet the identified needs. The charity plans to continue to meet the operational development needs of the Voluntary and Community Sectors whilst maintaining a representative function at the strategic level. This will include where possible the building of capacity to allow other organisations to take a more active role at the strategic level. The Changing agenda will continue to impact upon the charity and it is envisaged that our local voluntary and community sectors will rise to the challenges faced in maintaining a positive contribution to service delivery and the social exclusion some of our vulnerable communities face. The charity continues to be part of the Greater Manchester VSS development group and will continue to support the developing relationship Greater Manchester authorities to review the local support services and support groups in Trafford to take an active role in sub regional developments. The charity will also face up to the task of ensuring continuation of current projects, developing sustainability where possible to reduce reliance on grants and other short term funding. The charity will continue to develop the workplace of staff, their resources and maintain a commitment to training and staff development. The charity will continue to undertake risk analysis of the whole organisation in view of the economic trends facing the whole country. The charity will seek to alleviate issues by analysis of the risks to all funding streams and to take appropriate decisions on behalf of the communities of Trafford.

VOLUNTARY AND COMMUNITY ACTION TRAFFORD

TRUSTEES' AND DIRECTORS' REPORT

MARCH 31 2011

PLANS FOR THE FUTURE (continued)

It is expected that during 2012 the charity will have confirmed its position as the leading third sector infrastructure support organisation in Trafford. VCAT remains fully committed to achieving its charitable objectives and believes that, in association with partners, it will secure the necessary funding to continue to deliver across a broad agenda,

VCAT is planning to form a trading subsidiary to act as the vehicle to deliver work for Trafford Council, in partnership with Bluesci. The Trustees have engaged a specialist charity lawyer to advise and support them as they work through the implications of new organisational arrangements.

As part of the changing focus for the organisation the COMPACT will be continuously developed on behalf of the VCS during 2011/12. The COMPACT is supported by the Trafford Partnership, sharing the principles by which we work. The COMPACT will be developed continually with an action plan for 2011/12 to ensure the Compact becomes a central tenet of the relationship between the VCS and partners. The charity will continue to support partnership working from Trafford Partnership through the range of thematic partnerships where appropriate, and will continue to support the development of forums to take an active role in strategic work. The charity has developed a feasibility study of another building during the year to March 2011. This feasibility is ongoing. The development of another building would seek to support the growing VCS and faith groups in Trafford with a HUB to act as a central location for the delivery of services to the public. During 2011/12 this project will be developed to include a business case. The charity trustees will seek to review the objectives of the charity – during 2011 with a series of events. The trustees will also seek to evaluate their own work during this period. The charity will seek to work towards two quality standards during the New Year – PQASSO and NAVCA standards.

The charity aim to develop the LINKs to meet the needs of the community through public events and consultation processes that include all sectors of the community and move this into the newly emerging Healthwatch format. The final year of funding will ensure a growing and actioned dialogue with statutory partners and a genuine commitment to engage the public at all levels. The charity will seek to enter into conversations with statutory bodies on sustainability of the project. The LINKs project, providing a voice for communities in relation to Health and Social care will support the growing relationship between the PCT and the VCS in the borough.

FIXED ASSETS AND FUNDS

Details of fixed assets are given in note 7 and details of the funds held by the Company are detailed in note 10 to the financial statements.

DIRECTORS RESPONSIBILITIES

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 Company and of the surplus or deficit of the Company for that period. In preparing those financial statements the Directors have:-

- selected suitable accounting policies and applied them consistently
- made judgements and estimates that are reasonable and prudent
- stated whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- prepared the financial statements on the going concern basis.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are aware:

- there is no relevant audit information of which the company's auditors are unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Approved by the directors and signed on their behalf by:

DIRECTOR

Christine Aspinall
CHRISTINE ASPINALL

Date:

15/12/2011

7

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF VOLUNTARY AND COMMUNITY ACTION TRAFFORD
FOR THE YEAR ENDED MARCH 31 2011**

We have audited the financial statements of Voluntary and Community Action Trafford for the year ended March 31 2011 which comprise the Statement of Financial Activities, the Balance Sheet, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable 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 charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement, set out in the Trustees Annual Report, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at March 31 2011 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Emphasis of matter – Going Concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in Note 1 to the accounts and in the Trustee's report concerning the company's ability to continue as a going concern.

Some of the factors that materially affect the charity's prospects to continue as a going concern are outside the control of the Trustees and are inherently uncertain.

The Trustees have set out the current position as regards existing funding streams and the prospects for securing future funding. They have considered the risks and costs associated with any material reduction in funding. They have concluded that the charity has sufficient unrestricted reserves to meet all its liabilities including any that may crystallise in the foreseeable future.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF VOLUNTARY AND COMMUNITY ACTION TRAFFORD
FOR THE YEAR ENDED MARCH 31 2011**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit. or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the Trustees' Annual Report.



Geoffrey Horley – Senior Statutory Auditor
For and on behalf of;

Chittenden Horley Limited
Chartered Accountants & Statutory Auditors

456 Chester Road
Old Trafford
Manchester
M16 9HD

Date: *December 15 2011*



VOLUNTARY AND COMMUNITY ACTION TRAFFORD
STATEMENT OF FINANCIAL ACTIVITIES (Including Income and Expenditure Account)
FOR THE YEAR ENDED MARCH 31 2011

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2011 £	Total 2010 £
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income	2	91,696	-	91,696	88,620
Office hire		11,750	-	11,750	7,252
Investment income - bank interest		238	-	238	216
Release of rent provision	3	35,254	-	35,254	-
Incoming resources from charities activities					
Project grants	4	-	478,223	478,223	495,371
Movement in deferred grant income	4	-	-	-	-
Room bookings		-	-	-	-
Training fees		33,579	-	33,579	7,036
Other charitable income		-	-	-	-
Other income		1,135	-	1,135	5,840
TOTAL INCOMING RESOURCES		173,652	478,223	651,875	604,335
RESOURCES EXPENDED					
Costs of charitable activities					
Delivery of services	5	71,152	431,775	502,927	556,677
Governance costs	5	12,546	-	12,546	14,644
TOTAL RESOURCES EXPENDED		83,698	431,775	515,473	571,321
NET MOVEMENT IN FUNDS BEFORE TRANSFERS (net surplus for the year)					
	7	89,954	46,448	136,402	33,014
TRANSFER BETWEEN FUNDS					
Allocation of core costs	11	3,351	(3,351)	-	-
NET MOVEMENT IN FUNDS AFTER TRANSFERS					
		93,305	43,097	136,402	33,014
FUND BALANCES BROUGHT FORWARD					
		102,859	147,001	249,860	162,909
FUND BALANCES CARRIED FORWARD					
		196,164	190,098	386,262	195,923

CONTINUING OPERATIONS

None of the Company's activities were acquired or discontinued during the above two financial years.

RECOGNISED GAINS AND LOSSES

The company had no gains or losses in the above two years other than as shown above.

The notes on pages 12 to 18 form part of these accounts.

VOLUNTARY AND COMMUNITY ACTION TRAFFORD
BALANCE SHEET AT MARCH 31 2011

	Notes	2011 £	2011 £	2010 £	2010 £
FIXED ASSETS					
Tangible Assets	8		2,020		1,538
CURRENT ASSETS					
Debtors	9	80,998		101,016	
Cash at Bank and in Hand		<u>332,562</u>		<u>210,077</u>	
		413,560		311,093	
CREDITORS					
Amounts falling due in one year	10	<u>29,318</u>		<u>62,770</u>	
NET CURRENT ASSETS			<u>384,242</u>		<u>248,323</u>
NET ASSETS			<u>386,262</u>		<u>249,861</u>
FUNDS					
Unrestricted fund					
General	11		196,164		102,859
Restricted funds					
	11		<u>190,098</u>		<u>147,001</u>
TOTAL FUNDS			<u>386,262</u>		<u>249,860</u>

These financial statements have been prepared in accordance with the special provisions for small companies under part 15 of the Companies Act 2006.

The notes on pages 12 to 18 form part of these accounts.

Approved by the Board of Directors on:- 15/12/11

And signed on their behalf by:-

C Aspinall
 Christine Aspinall
 DIRECTOR

Company Registration Number: 4399868

VOLUNTARY AND COMMUNITY ACTION TRAFFORD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31 2011

1 ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below.

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007), the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2005) issued in March 2005, applicable accounting standards and the Company's Act 2006.

Although the charity achieved a £93k surplus on unrestricted funds for this year the directors are acutely aware that it is unlikely that many of the company's existing income sources will be maintained in the future. Whereas it has always been the case that there is a degree of uncertainty about future income, the present level of uncertainty is unprecedented.

The Trustees have therefore carefully considered whether they should continue to authorise the approval of the accounts on a going concern basis. They acknowledge that, if all or most major sources of funding ceased, or were severely curtailed, then it would be difficult for the charity to operate viably.

In reviewing this matter, the Trustees have been particularly influenced by the following considerations:

- a) The company's main source of voluntary income, an annual grant from Trafford MBC, has been curtailed as from September 30 2011
- b) Most of the company's income is time limited project funding and in the present economic climate, the competition for project funding is intense.
- c) Like many charities VCAT faces significant contingent liabilities if, because of changes in funding, it is required to change the scale of its operation or cease altogether.
- d) The company is in discussion with Trafford MBC, and other parties, concerning the arrangements for the continued delivery of services to the local authority, and to a range of beneficiaries, in future periods. The expectation is that VCAT will continue to play a leading role in this work. VCAT has made a proposal to Trafford Council as to suitable organisational arrangements, but, as at the date of signing these accounts, no binding agreement has been reached as to structures or funding.
- e) The company has sufficient cash resources to meet any expected employment termination costs that may crystallise in the period to March 31 2012, should major existing elements be withdrawn or curtailed.
- f) At the balance sheet date the company has sufficient unrestricted fund reserves to meet all its liabilities including any liabilities expected to crystallise in the foreseeable future

The directors also believe that the company retains a reasonable prospect of maintaining sufficient income to be able to operate viably, albeit some reduction in staff costs and overheads may be required.

In the light of these considerations, the directors have concluded that it continues to be appropriate to prepare the accounts on a going concern basis.

Fund accounting

General funds are available at the discretion of the directors in furtherance of the general objectives of the Company. Restricted funds are funds subject to specific restrictive conditions imposed by funders or by the purpose of the grant.

Incoming resources

Income is recognised in the accounting period in which it is receivable, except in the following circumstances, when the income is deferred and included in creditors:

- The income relates to a future accounting period
- A sales invoice has been raised ahead of the work being carried out and the Trust is not contractually entitled to the income until the work has been done
- Not all the terms and conditions of the grant have been met, including the incurring of expenditure and the grant conditions are such that unspent grant must be refunded.

Income includes grants in respect of revenue and capital items. Grants for the purchase of fixed assets are credited to restricted incoming resources when receivable, provided that all the conditions for their receipt have been met. When there are continuing restrictions over use or disposal of the assets acquired, then the grants are transferred to a separate restricted fund when the asset is acquired and depreciation is charged against this fund over the useful economic life of the assets. If the restrictions are met or lifted before the assets are fully depreciated, then the balance on the related restricted fund is transferred to unrestricted funds.

Funds administered on behalf of third parties, where the charity is merely acting as agent, are not included in the Statement of Financial Activities.

VOLUNTARY AND COMMUNITY ACTION TRAFFORD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31 2011

1 ACCOUNTING POLICIES (continued)

Expenditure

Costs are defined as follows:

Costs of generating funds	Includes those costs associated with attracting voluntary income and in applying for new funding and sponsorship.
Charitable expenditure	The costs of delivering the charitable activities.
Governance costs	The costs associated with meeting the constitutional and statutory requirements of the charity and include fees for external scrutiny of the accounts and costs linked to the strategic management of the charity.

All costs are allocated between expenditure categories of the SOFA on a basis designed to reflect the use of resources. Costs directly relating to a particular activity are allocated directly and other costs (support costs) are allocated on an appropriate basis to reflect the usage of resources. Details are given in note 4. The company is not registered for VAT, and where input tax has been incurred costs are shown inclusive of VAT

Grants payable

Charitable expenditure includes amounts paid to voluntary and community groups by way of grants, as part of certain projects managed by the charity, and are treated as restricted funds. Such grants are awarded based on criteria set out by the ultimate provider of the funds to the charity. Grants are not made out of the unrestricted funds of the charity.

Tangible fixed assets and depreciation

Assets costing less than £500 are not capitalised, but written off to revenue in the year of acquisition.

Depreciation is provided on the cost of tangible fixed assets in order to write off the cost after taking account of scrap values over the expected useful lives as follows:

Fixtures and fittings	20% Straight line	Office equipment	20% Straight line
Resources	20% Straight line	Computer equipment	33% Straight line

Pension contributions

The Charity makes pension contributions of up to 6% of gross pay to the personal pension schemes of employees whether or not the scheme is with the stakeholder provider identified by the charity. These contributions are charged to the SOFA in the period in which the liability arises.

VOLUNTARY AND COMMUNITY ACTION TRAFFORD
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED MARCH 31 2011

	Unrestricted	Restricted	Total 2011	Total 2010
	£	£	£	£
2 VOLUNTARY INCOME				
Grant - Trafford BC	66,696	-	66,696	63,620
Support in kind	25,000	-	25,000	25,000
Donations	-	-	-	-
	<u>91,696</u>	<u>-</u>	<u>91,696</u>	<u>88,620</u>

3 RELEASE OF RENT PROVISION

Provision released in year	35,254	-	35,254	-
	<u>35,254</u>	<u>-</u>	<u>35,254</u>	<u>-</u>

The board has taken the decision to release the provision that has been building up for rent payable to Trafford MBC.

4 PROJECT GRANTS

TMHAS	-	60,264	60,264	67,547
Connexions	-	-	-	5,000
Children's Fund FASNET	-	10,000	10,000	10,000
Older Persons Development worker	-	53,045	53,045	51,500
Cash for Action	-	-	-	8,150
Community Engagement Worker	-	-	-	40,909
Workforce Development	-	-	-	16,601
CYPS & Voluntary sector	-	20,000	20,000	20,000
GMCVO Consortium VSS	-	5,228	5,228	10,691
ERDF - Trainees	-	-	-	-
BASIS	-	127,013	127,013	123,135
LINK	-	134,020	134,020	125,649
TICO	-	-	-	8,079
Playbuilder	-	11,873	11,873	8,110
Stretford public hall	-	19,280	19,280	-
SWAP	-	37,500	37,500	-
	<u>-</u>	<u>478,223</u>	<u>478,223</u>	<u>495,371</u>

VOLUNTARY AND COMMUNITY ACTION TRAFFORD
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED MARCH 31 2011

5 EXPENDITURE	Cost of Services £	Governance £	TOTAL 2011 £	TOTAL 2010 £
Direct costs				
Staff costs	343,386	-	343,386	364,704
Staff training, travel & recruitment	25,807	-	25,807	43,668
Premises costs	39,992	-	39,992	37,983
Volunteer costs	1,929	-	1,929	4,558
Grants made	463	-	463	20,149
Other project costs	37,993	-	37,993	30,537
Legal and professional	540	-	540	-
Audit and accountancy	-	4,524	4,524	3,700
Bad debts	-	-	-	-
Support Costs				
Staff costs	34,335	3,590	37,925	47,343
Depreciation	1,395	-	1,395	769
Office, communications & other costs	17,030	4,432	21,462	17,609
Bank interest and charges	57	-	57	301
	<u>502,927</u>	<u>12,546</u>	<u>515,473</u>	<u>571,321</u>
	<u>556,677</u>	<u>14,644</u>	<u>571,321</u>	

Staff time is allocated to governance costs on the basis of the estimated time spent and other costs on the basis of the trustees' estimates.

Grant awards

Small grants programme

Voluntary organisations in Old Trafford are invited to an event day to discuss their priorities and are helped to write a funding bid on the day, support for which may be grant aided. During the year the charity assisted 1 organisation with grants of £463

6 STAFF COSTS	2011 £	2010 £
Salaries	339,317	369,776
Pension contributions	10,149	10,503
Social security costs	31,845	31,768
	<u>381,311</u>	<u>412,047</u>

No employee earned more than £60,000 pa.

	Number	Number
The average number of full time equivalent employees was as follows:-		
Direct charitable	11	12
Support	1.9	1.9
Governance	0.1	0.1
	<u>13</u>	<u>14</u>

VOLUNTARY AND COMMUNITY ACTION TRAFFORD
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED MARCH 31 2010

7 NET INCOMING RESOURCES BEFORE TRANSFERS

This is stated after charging:

	£	£
Auditors remuneration:-		
Audit fees (Incl VAT)	3,000	3,000
Accountancy fees (Incl VAT)	700	700
Depreciation of fixed assets	1,395	769
Operating lease rentals	888	888
Trustees' expenses	-	-
Directors' remuneration re payroll services	-	-
	<u> </u>	<u> </u>

8 TANGIBLE FIXED ASSETS

Cost or valuation	Fixtures & Fittings £	Office Equipment £	Resource materials £	Computer Equipment £	Total £
As at April 1 2010	1,175	7,061	114	16,115	24,465
Additions	-	-	-	1,877	1,877
Disposals	-	-	-	-	-
As at March 31 2011	<u>1,175</u>	<u>7,061</u>	<u>114</u>	<u>17,992</u>	<u>26,342</u>
Depreciation					
As at April 1 2010	1,175	7,061	114	14,577	22,927
Charge for the year	-	-	-	1,395	1,395
Disposals	-	-	-	-	-
As at March 31 2011	<u>1,175</u>	<u>7,061</u>	<u>114</u>	<u>15,972</u>	<u>24,322</u>
Net Book Value					
As at March 31 2011	<u> </u>	<u> </u>	<u> </u>	<u>2,020</u>	<u>2,020</u>
As at April 1 2010	<u> </u>	<u> </u>	<u> </u>	<u>1,538</u>	<u>1,538</u>

	2011 £	2010 £
9 DEBTORS		
Income receivable	65,699	86,694
Other debtors	-	-
Prepayments	15,299	14,322
	<u>80,998</u>	<u>101,016</u>

VOLUNTARY AND COMMUNITY ACTION TRAFFORD
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED MARCH 31 2011

	2011	2010
	£	£
10 CREDITORS falling due within one year		
Income in advance	-	-
Social security & other taxes	8,548	9,535
Deferred income	13,750	13,750
Funds in trust	-	7,750
Other creditors	-	25,829
Accruals	7,020	5,906
	<u>29,318</u>	<u>62,770</u>

11 STATEMENT OF FUNDS	Balance	Income	Expenditure	Transfers	Balance
	01/04/10				31/03/11
	£	£	£	£	£
Unrestricted Funds:					
General fund	102,859	173,652	(83,698)	3,351	196,164
	<u>102,859</u>	<u>173,652</u>	<u>(83,698)</u>	<u>3,351</u>	<u>196,164</u>
Restricted Funds:					
TMHAS	372	60,264	(71,442)	10,806	-
DAT evaluation	837	-	-	(837)	-
Older Persons Development worker	23,711	53,045	(53,620)	-	23,136
Resource Centre	14,781	-	(867)	(13,914)	-
CEW	3,613	-	(6,333)	2,720	-
Fasnet	1,264	10,000	(12,284)	1,020	-
Workforce Development	13,599	20,000	(31,393)	-	2,206
GMCVO Funding Portal & Consortium	31,751	5,228	(16,735)	-	20,244
CYPS & Voluntary Sector FASTNET	-	-	-	-	-
The Big Lottery Fund - BASIS	2,147	127,013	(129,478)	318	-
LINKs	46,850	134,020	(99,723)	-	81,147
TICO	3,464	-	-	(3,464)	-
Playbuilder	4,612	11,873	(9,900)	-	6,585
SWAP	-	37,500	-	-	37,500
Stretford public hall	-	19,280	-	-	19,280
	<u>147,001</u>	<u>478,223</u>	<u>(431,775)</u>	<u>(3,351)</u>	<u>190,098</u>
	<u>249,860</u>	<u>651,875</u>	<u>(515,473)</u>	<u>-</u>	<u>386,262</u>

**VOLUNTARY AND COMMUNITY ACTION TRAFFORD
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED MARCH 31 2011**

11 STATEMENT OF FUNDS (continued)

Represented by:	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	£
Fixed assets	2,020	-	2,020
Net current assets	<u>194,144</u>	<u>190,098</u>	<u>384,242</u>
	<u>196,164</u>	<u>190,098</u>	<u>386,262</u>

Restricted funds

TMHAS	Trafford Mental Health advocacy services
Children's Fund FASNET	Management of Children's forum
Older Persons Development worker	Development of Older Peoples forum
Resource Centre	Development of resource centre
CEW	Community Engagement Worker
Workforce Development	Research Project for Children's Fund
GMCVO Case management	Case management monitoring project
GMCVO Consortium	Capacity building in voluntary sector
CYPS & Voluntary Sector FASTNET	Research relationship between Children and Young Persons Services and voluntary sector in Trafford.
The Big Lottery Fund - BASIS	Community development Workers - recruitment/set up for April 08 start
LINKs	Continuing hosting of LINKs in Trafford
TICO	Development of a citizens panel board
Stretford public hall	Feasibility study

12 CONSTITUTION

The Company is limited by guarantee and does not have a share capital. In the event of the company being wound up the members are committed to contributing £1 each.

13 TAXATION

The company is a registered charity and is entitled to claim annual exemption from UK corporation tax under section 466 to 493 of the CTA 2010.

14 CAPITAL COMMITMENTS

The company had no capital commitments at the year end.

15 OPERATING LEASE COMMITMENTS

The Charity rents Park House from Trafford MBC to provide office accommodation and rooms for use by various projects as part of its Charitable Objectives. The lease has been under negotiation for several years. In the meantime rent has been payable at an annual cost of £888.