

EAST DURHAM PARTNERSHIP LIMITED
(A company limited by guarantee)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2009

REGISTERED NO. 3055620

REGISTERED CHARITY NO. 1090261

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EAST DURHAM PARTNERSHIP LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009

Current trustees and directors

K. Hawkrige-Smith (Chair, company director)
F. Shepherd (Secretary, company director)
S. Carr (Vice Chair, company director)
I. Langthorne (company director)
L. Drewitt (company director, resigned 26/03/09)
D. Maddison (company director)

Company Secretary

F. Shepherd

Chief Executive Officer

E. Foxton

Registered office

1 Kilburn Drive
Seaview Industrial Estate
Horden
Peterlee
Co. Durham
SR8 4TQ

Auditors

HLB Vantis Audit plc
New Exchange Buildings
Queens Square
Middlesbrough
TS2 1AA

Accountants

Vantis Group Limited
New Exchange Buildings
Queens Square
Middlesbrough
TS2 1AA

Bankers

The Cooperative Bank
PO Box 250
Delf House
Southway
Skelmersdale
WN8 6WT

Solicitor

No appointment

EAST DURHAM PARTNERSHIP LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009

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EAST DURHAM PARTNERSHIP LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2009

The Board of trustees presents its report and audited financial statements for the year ended 31 March 2009.

Structure, governance and management

Governing document

The organisation is a charitable company limited by guarantee, incorporated on 11 May 1995 and registered as a charity on 25 January 2002. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. Under those Articles, one third of the trustees shall retire and be subject to re-election.

The directors of the charitable company are its trustees for the purpose of charity law, and throughout the report are collectively referred to as the trustees.

Recruitment and appointment of trustees

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as trustees. Under the requirements of the company's Memorandum and Articles of Association one third of the trustees are required to retire by rotation at each Annual General Meeting.

New trustees are elected at the Annual General Meeting as other Trustees stand down. Once elected trustees are given appropriate roles and have one vote each which will contribute to the decision making process.

Trustee induction and training

Trustees undergo an induction period which includes specific training relevant to financial regulations and other responsibilities and accountabilities.

Current trustees have attended a formal training programme which will be continually updated.

Trustees and directors

The following people served during the year:

K. Hawkrigge-Smith (Chair, company director)

S. Carr (Vice Chair, company director)

F. Shepherd (Secretary, company director)

I. Langthorne (company director)

L. Cook - Formerly L.Drewett (company director, resigned 26th March 2009)

D. Maddison (company director, appointed 28th March 2008)

Councillor Maddison was elected on to the Board of Trustees to fill a vacant position. Councillor Maddison is a District Councillor and has since been elected to a County Council position.

Organisational structure

The organisational structure now consists of a Chief Executive Officer, Ellen Foxton, and a team of three managers with delegated responsibility each of whom is in charge of a specific area of business. The management team meet regularly and report back to the trustees who retain ultimate power for making decisions. Each manager is accountable for the leadership of several members of staff in their area of responsibility. The financial manager maintains control of all financial transactions and is accountable for compliance. The board of trustees retains paid consultants who support and advise the board on an ongoing basis. The board can elect to co-opt advisers as and when appropriate to inform the decision making process.

Risk management

The trustees have reviewed the major risks to which the charity is exposed and systems have been established to mitigate those risks. External risks to funding have resulted in a strategic plan which allows for the diversification of funding and activities. Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects and to ensure consistent quality of delivery for all operational aspects of the charitable company. These procedures are periodically reviewed to ensure that they still meet the needs of the charity. Further new financial controls have been introduced since the year end date.

EAST DURHAM PARTNERSHIP LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2009

Structure, governance and management (continued)

Related parties

On 19 February 2008, the company formed a subsidiary undertaking, East Durham Partnership Enterprises Limited. The company remained dormant in the year ended 31 March 2009.

Mrs. M Shepherd, a person connected with Mr. F. Shepherd, trustee, was paid £33,308 (2008: £32,163) by the company during the year.

Objectives and activities

Statement of charity's objectives

The objectives of the company are to promote any charitable purpose for the benefit of the East Durham community and in particular the advancement of education and the furtherance of health and the relief of poverty, distress and sickness.

Review of activities

The company has continued to be successful in carrying out various educational contracts on a subcontract basis, though income levels again decreased substantially in these areas compared with the previous year. These contracts are consistent with the company's objective of advancing education in the East Durham community.

The company has also managed other community based projects in the local area generally with the aim of increasing employability.

The company has continued to develop its enterprises relating to furniture recycling and the repair and recycling of domestic appliances. It continues to offer the reuse and repair for sale of large domestic appliances thus addressing, disadvantage, poverty and job creation in the District of Easington.

The above activities generated funds of £388,983 (2008: £336,547). The cost of generating these funds was £445,875 (2008 - restated: £323,909). However, these costs exclude costs of £171,485 which were funded by grants from The Coalfields Regeneration Trust, The Esmee Fairburn Foundation and Henry Smith Charity.

The company also undertook various projects in furtherance of its charitable objectives, as described below:

Coalfields Regeneration Trust Community Project

In September 2008 East Durham partnership was awarded a Coalfield Regeneration Trust grant with outcomes and expenditure to be delivered between December 2009 and March 2011. The funding is dependent on delivery of stated outcomes (training and employability and construction of a new skills training centre). Achievement will be monitored on a 3 monthly basis.

Football in the Community

In November 2006 The Football Foundation funded £78,256 which equates to 65% of the total project costs of £120,810 towards Football in the Community. Although this project completed early, all outcomes had been completed.

Social Enterprise Extension

In January 2008 the construction of an extension to the existing factory facility commenced. External funding was obtained from Coalfield Regeneration Trust, Northern Rock, with the balance being financed from the company's reserves. The purpose of the extension was to accommodate the increasing volumes of furniture and white goods handled as part of the growing Social enterprise. The extension was completed in June 2008 (practical completion April 2008)

EAST DURHAM PARTNERSHIP LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2009

Financial review

Results

Net (outgoing) incoming resources for the year amounted to (£31,718) (2008 - restated: £345,385 net incoming resources). However, it must be emphasised that the 2008 net incoming resources arose after recognising grant funding of £356,910 relating to the company's recycling initiative and related building extension. Total funds at 31 March 2009 amounted to £875,368, of which £749,237 relates to restricted funds, mainly comprising the fund relating to the company's premises and recycling initiative.

Although the balance sheet at the year end date shows that the company had significant liquid funds, these funds were largely utilised after the balance sheet date in the recycling initiative programmes and other restricted programmes.

Principal funding sources

The main sources of funding for activities in furtherance of the charities objects were the Coalfields Regeneration Trust, The Esmee Fairbairn Foundation and The Henry Smith Charity.

The main sources of income from education subcontracts were New College Durham and Jobcentre Plus.

The main sources of incoming resources from charitable activities were the Disadvantaged Areas Fund and The Football Foundation.

Investment policy

The trustees consider that any excess cash funds should remain in the company's bank current account due to demands on the company's present cash flow. This policy will be reviewed by the management committee should excess funds become significant.

Reserves policy

The trustees have established a policy whereby unrestricted reserves are maintained at a level sufficient to meet management and administration costs for the foreseeable future. The strict control of unrestricted cash flows in the past year have enabled the charitable company to come closer to achieving this aim, although unrestricted funds are still insufficient to meet its obligations in the short to medium term. The trustees have decided that the organisation must aim to retain sufficient reserves to fulfil its financial commitments should income generated from the company's core activities cease. The commitments would include up to 6 months salary for existing members of staff (£210K). The level of reserves are monitored on a weekly basis by the financial manager in an attempt to maintain the desired level of reserves.

At the balance sheet date unrestricted reserves amounted to £126,131 (2008 - restated: £160,611). However, unrestricted liquid funds were less than £60,000, and as a consequence it is vital that the charity continues to be successful in its bids for funds if it is to achieve its charitable aims and sustain the recycling programmes.

Plans for future periods

Further funds have been secured from the Coalfields Regeneration Trust, the Henry Smith Charity, and the Esmee Fairbairn Foundation until March 2011 in order to develop the recycling initiative.

The company has diversified into a repair and recycling enterprise linked to domestic appliances, and aims to expand this activity as much as possible. It is operating in collaboration with FRNE and the County Council to offer the reuse and repair for sale of large domestic appliances thus addressing, disadvantage, poverty and job creation in the District of Easington.

The company also plans to deliver National Vocational Qualification programmes with involvement in Producer Compliance Schemes, which enable compliance with the Waste Electrical and Electronic Equipment (WEEE) Regulations.

EAST DURHAM PARTNERSHIP LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2009

Statement of responsibilities of the trustees

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the trustees should follow best practice and:

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 1985.

The trustees are also responsible for safeguarding the assets of the charitable company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor

(a) so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and

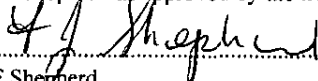
(b) they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

The auditors, HLB Vantis Audit, have indicated their willingness to accept re-appointment under Section 385 of the Companies Act 1985.

This report has been prepared in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities and in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies.

This report was approved by the trustees on 19 November 2009 and is signed on their behalf by:


.....
F Shepherd
Director

EAST DURHAM PARTNERSHIP LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EAST DURHAM PARTNERSHIP LIMITED

We have audited the financial statements of East Durham Partnership Limited for the year ended 31 March 2009 set out on pages 7 to 18. These financial statements have been prepared in accordance with the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2007).

This report is made solely to the charity's trustees, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As described in the statement of responsibilities of the trustees, the trustees (who are also the directors of the company for the purpose of company law) are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the report of the trustees is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and other transactions is not disclosed.

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

Basis of opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of presentation of information in the financial statements.

We have undertaken the audit in accordance with APB Ethical Standards including APB Ethical Standard - Provisions Available for Small Entities in the circumstances set out in note 25 to the financial statements.

EAST DURHAM PARTNERSHIP LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EAST DURHAM PARTNERSHIP

Opinion

In our opinion:

- the financial statements give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charity's affairs as at 31 March 2009 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the directors' report is consistent with the financial statements.

HLB Vantis Audit plc

HLB Vantis Audit plc

Chartered Accountants and Registered Auditors

New Exchange Buildings

Queens Square

Middlesbrough

TS2 1AA

Date: *26 November 2009*

EAST DURHAM PARTNERSHIP LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2009**

	Note	Unrestricted Funds	Restricted Funds	Total Funds 2009	Total Funds 2008 restated
		£	£	£	£
Incoming resources					
Incoming resources from generated funds					
<i>Voluntary income</i>					
Grants and donations	2	105,695	208,263	313,958	495,003
<i>Activities for generating funds</i>	3	388,983	-	388,983	336,547
Incoming resources from charitable activities	4	-	15,060	15,060	342,506
Total incoming resources	5	<u>494,678</u>	<u>223,323</u>	<u>718,001</u>	<u>1,174,056</u>
Resources expended					
<i>Costs of generating funds</i>					
Fundraising trading: cost of goods and services	6	445,875	-	445,875	323,909
<i>Charitable activities</i>	7	-	248,315	248,315	445,577
<i>Governance costs</i>	8	55,529	-	55,529	59,184
Total resources expended		<u>501,404</u>	<u>248,315</u>	<u>749,719</u>	<u>828,670</u>
Net incoming resources before transfers		(6,726)	(24,992)	(31,718)	345,385
Gross transfers between funds		<u>(27,754)</u>	<u>27,754</u>	<u>-</u>	<u>-</u>
Net movement in funds		<u>(34,480)</u>	<u>2,762</u>	<u>(31,718)</u>	<u>345,385</u>
Total funds brought forward					
as originally reported		126,234	764,977	891,211	561,701
prior year adjustment		34,377	(18,502)	15,875	-
as restated		160,611	746,475	907,086	561,701
Total funds carried forward		<u>126,131</u>	<u>749,237</u>	<u>875,368</u>	<u>907,086</u>

Movements in funds are disclosed in note 16 to the financial statements

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

The annexed notes form part of these financial statements.

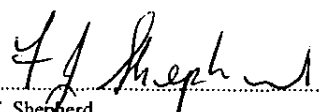
EAST DURHAM PARTNERSHIP LIMITED

BALANCE SHEET AS AT 31 MARCH 2009

	Note	2009 £	2008 restated £
Fixed assets			
Tangible assets	11	775,578	690,255
Current assets			
Stocks		9,155	5,717
Debtors	12	108,918	86,594
Cash at bank and in hand		<u>177,595</u>	<u>279,555</u>
		295,668	371,866
Creditors			
Amounts falling due within one year	13	<u>(178,878)</u>	<u>(133,630)</u>
Net current assets		<u>116,790</u>	<u>238,236</u>
Total assets less current liabilities		892,368	928,491
Creditors			
Amounts falling due after more than one year	14	(17,000)	(21,405)
Net assets		<u><u>875,368</u></u>	<u><u>907,086</u></u>
The funds of the charity:			
Unrestricted income funds	16	126,131	160,611
Restricted income funds	16	749,237	746,475
Total charity funds	16	<u><u>875,368</u></u>	<u><u>907,086</u></u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2007).

The financial statements were approved by the trustees on 19/11/2009 and are signed on their behalf by:


 F. Shepherd
 Director

The annexed notes form part of these financial statements.

REGISTERED NO. 3055620

REGISTERED CHARITY NO. 1090261

EAST DURHAM PARTNERSHIP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009

I. Accounting policies

Basis of preparation of financial statements

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 Companies Act 1985 and follow the recommendations in "Accounting and Reporting by Charities: Statement of Recommended Practice (revised 2005)".

The effect of events in relation to the year ended 31 March 2009 which occurred before the date of approval of the financial statements by the trustees, have been included in the statements to the extent required to show a true and fair view of the state of affairs at 31 March 2009 and of the results for the year ended on that date.

Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Voluntary income received by way of grants, donations and gifts is included in full in the Statement of Financial Activities when receivable.

Grants, including capital grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Incoming resources from grants, where related to performance and specific deliverables are accounted for as the charity earns the right to consideration by its performance.

Incoming resources from charitable trading activity are accounted for when earned.

Donated goods, services and facilities

Donated services and facilities are included at the value to the charity where this can be quantified. In, particular the value of donated furniture and white goods is considered to be equivalent to the sale value when sold.

The value of these donations is recognised in the accounting period in which the company sold the goods, and is included in voluntary income as "Value of donated furniture and white goods sold during the year" (see note 2), with an equivalent amount being included in Costs of Generating Funds (see note 6).

Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred.

Costs of generating funds comprise the costs associated with the provision of management and educational services and operation of the furniture, recycling and other activities.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Depreciation

Depreciation has been computed to write off the cost of tangible

Computer equipment	-25% to 40% per annum reducing balance
Plant and machinery	-20% per annum reducing balance
Fixtures and fittings	-25% per annum reducing balance
Motor vehicles	-25% per annum reducing balance

Fixed assets are reviewed for possible impairments on an annual basis. Assets costing less than £300 are not capitalised.

Leasing and hire purchase commitments

Rentals payable under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Assets obtained under hire purchase contracts are capitalised as tangible assets and depreciated over their useful lives. Obligations under such agreements are included in creditors net of the finance charges allocated to future periods. The finance element of the payments is charged to the Statement Of Financial Activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Stocks

Stock is included at the lower of cost or net realisable value.

The vast majority of furniture and white goods sold by the company is donated, but from time to time the company pays for such supplies.

EAST DURHAM PARTNERSHIP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009

1. Accounting policies (continued)

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

If the Management Committee earmark unrestricted funds for a particular purpose, such funds are transferred to Designated funds.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Where a restricted project is completed and the conditions allow the surplus or deficit on that project is transferred to unrestricted funds.

Format of financial statements

The trustees have adapted the formats for financial statements as required by Section B of Part I of Schedule 4 to the Companies Act 1985, to suit the nature of the company's activities.

2. Grants donations and other income

	Unrestricted	Restricted	Total	Total
	£	£	2009	2008
			£	£
Cash				
The Coalfields Regeneration Trust	-	132,317	132,317	250,000
Northern Rock Foundation	-	-	-	96,910
Northern Rock Foundation - feasibility study	-	-	-	14,945
The Esmee Fairburn Foundation	-	29,346	29,346	-
The Henry Smith Charity	-	28,500	28,500	-
The Sir James Knott Trust	-	4,000	4,000	-
The Barbour Trust	-	2,000	2,000	-
Business Link	-	1,500	1,500	-
Big Boost	-	-	-	5,500
Easington District Council	-	-	-	12,000
Sherburn House Charity	-	-	-	6,000
County Durham Foundation	-	4,000	4,000	4,000
Jobcentre Plus and New Deal	-	1,150	1,150	3,392
East Durham Business Services	-	1,350	1,350	1,120
Other grants, donations and voluntary income	350	100	450	150
Deferred income movement	-	4,000	4,000	(4,000)
Total of cash grants, donations and other income	350	208,263	208,613	390,017
In kind				
Value of donated furniture and white goods sold during the year (see notes 5 and 6)	105,345	-	105,345	104,986
Total of all cash grants, donations and other income	105,695	208,263	313,958	495,003

The company is indebted to all organisations which provided funds during the year. In particular, The Coalfields Regeneration Trust, The Esmee Fairburn Foundation and The Henry Smith Charity who provided ongoing support for the costs of the development of the company's recycling enterprise.

3. Incoming resources from activities for generating funds

	2009	2008
	£	£
Provision of management and educational services	105,454	166,810
Furniture Sales	110,484	106,624
Room and minibus hire	4,189	9,409
Sale of white goods and scrap	168,130	51,953
Bistro income	346	1,561
Other income	380	190
	388,983	336,547

The main contributions to educational services income were from CeeMac, New College Durham, and IBSA.

EAST DURHAM PARTNERSHIP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009

4. Incoming resources from charitable activities

The company carries out funded projects consistent with its charitable objectives, and projects undertaken are categorised as follows:

	2009	2008
	£	£
Education, employment and social development	6,312	199,665
Development of recycling and training facilities	-	79,749
Football in the community and other football related projects	8,748	63,092
	<u>15,060</u>	<u>342,506</u>

5. Total incoming resources

	2009	2008
	£	£
Total	718,001	1,174,056
Less: In kind donations of furniture and white goods	(105,345)	(104,986)
Total cash incoming resources included in the Statement of Financial Activities	<u>612,656</u>	<u>1,069,070</u>

6. Costs of generating funds

	Staff costs	Premises	Purchases	Motor Delivery and Transport	Fixed assets	Other	Total 2009	Total 2008
	£	£	£	£	£	£	£	£
Direct costs								
Provision of management and educational services	45,937	13,977	109	-	-	11,863	71,886	83,817
Furniture Sales	24,729	9,789	101,355	11,441	1,310	9,492	158,116	107,578
Room and minibus hire	-	-	-	744	-	18	762	-
Sale of white goods	75,803	7,427	24,581	12,160	4,772	15,827	140,570	29,831
Bistro income	-	-	265	12	-	196	473	-
	<u>146,469</u>	<u>31,193</u>	<u>126,310</u>	<u>24,357</u>	<u>6,082</u>	<u>37,396</u>	<u>371,807</u>	<u>221,226</u>

	Staff costs	Premises	Banking	Telephone and comms	Motor expenses	Fixed assets	Other	Total 2009
	£	£	£	£	£	£	£	£
Support costs								
Provision of management and educational services	3,547	531	101	472	101	772	38	5,562
Furniture Sales	21,285	3,183	605	2,830	604	4,633	231	33,371
Room and minibus hire	709	106	20	94	101	726	8	1,764
Sale of white goods	21,285	3,183	605	2,830	604	4,633	231	33,371
Bistro income	-	-	-	-	-	-	-	-
	<u>46,826</u>	<u>7,003</u>	<u>1,331</u>	<u>6,226</u>	<u>1,410</u>	<u>10,764</u>	<u>508</u>	<u>74,068</u>

	Staff costs	Premises	Purchases	Motor Delivery and Transport	Fixed assets	Other	Total 2009	Total 2008
	£	£	£	£	£	£	£	£
Total								
Provision of management and educational services	49,484	14,508	109	101	772	12,474	77,448	92,180
Furniture Sales	46,014	12,972	101,355	12,045	5,943	13,158	191,487	155,054
Room and minibus hire	709	106	-	845	726	140	2,526	1,549
Sale of white goods	97,088	10,610	24,581	12,764	9,405	19,493	173,941	75,127
Bistro income	-	-	265	12	-	196	473	-
	<u>193,295</u>	<u>38,196</u>	<u>126,310</u>	<u>25,767</u>	<u>16,846</u>	<u>45,461</u>	<u>445,875</u>	<u>323,909</u>

EAST DURHAM PARTNERSHIP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009

6. Costs of generating funds (continued)

Other expenses relating to management and education services include £7,501 (2008:£4,800) for telephone,communications, printing and stationery costs, and £8,836 (2008: £1,615) for training and accreditation.Other expenses relating to Furniture sales include £7,052 (2008:£203) for telephone,communications, printing and stationery costs, and £3,861 (2008: £4,511) for professional fees.Other expenses relating to White Goods include £2,680 (2008:£335) for telephone,communications, printing and stationery costs, and £6,499 (2008: £2,326) for professional fees.

Purchases include the value of donated furniture of £101,355 (2008: £101,448) and white goods £3,989 (2008:£3,538 restated- originally stated as £43,149), which comprise the value of in kind donations as disclosed in note 2. The 2008 restatement relates to a revision in the estimated value of white goods donated to the charity, and reduces the corresponding value of donations in note to from £144,597 to £104,986 per note 2.

7. Resources expended on charitable activities

	Staff costs	Premises	Running Costs	Fixed assets	Motor	Other	Total 2009	Total 2008
	£	£	£	£	£	£	£	£
Education, employment and social development	42,581	1,065	6,376	9,681	133	2,751	62,587	286,829
Development of recycling and training facilities	143,658	600	57	24,821	3,507	4,458	177,101	86,198
Football in the community and other football related projects	6,904	-	1,700	-	-	23	8,627	54,490
Feasibility Study	-	-	-	-	-	-	-	18,060
	<u>193,143</u>	<u>1,665</u>	<u>8,133</u>	<u>34,502</u>	<u>3,640</u>	<u>7,232</u>	<u>248,315</u>	<u>445,577</u>

Analysis of other costs	Communications and Telephone	Printing and Postage stationery	Advertising	Consultancy	Sundry	Total 2009	Total 2008
	£	£	£	£	£	£	£
Education, employment and social development	15	684	-	-	2,052	2,751	25,273
Development of recycling and training facilities	-	4,608	-	-	(150)	4,458	10,304
Football in the community and other football related projects	-	23	-	-	-	23	159
Feasibility Study	-	-	-	-	-	-	-
	<u>15</u>	<u>5,315</u>	<u>-</u>	<u>-</u>	<u>1,902</u>	<u>7,232</u>	<u>35,736</u>

8. Governance costs

	Total 2009	Total 2008
	£	£
Staff costs	24,123	23,873
Premises costs	3,608	1,523
Motor and travel	688	2,343
Communications, computer and printing	3,208	4,651
Advertising and marketing	388	354
Audit	4,348	5,063
Accountancy	6,576	10,100
Fixed asset costs	4,678	2,306
Bad debts	-	1,794
Bank charges	685	1,106
Consultancy	5,840	2,816
Legal and professional	1,238	319
Other sundry costs	149	2,936
	<u>55,529</u>	<u>59,184</u>

EAST DURHAM PARTNERSHIP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009

9. Movement in total funds for the year

	2009	2008
	£	£
This is stated after charging/(crediting)		
(Profit)/Loss on disposal of fixed assets	-	(1,612)
Hire purchase interest	2,634	1,736
Depreciation	53,392	32,879
Auditors' remuneration - audit services	6,360	5,063
- non audit services	6,576	10,100
	<u>6,576</u>	<u>10,100</u>

10. Staff costs

	2009	2008
	£	£
Staff costs were as follows:		
Salaries and wages	379,082	418,739
Social security costs	31,479	34,992
	<u>410,561</u>	<u>453,731</u>

The average weekly number of employees during the year, calculated on the basis of full time equivalents, was as follows:

	2009	2008
	No.	No.
Project work (including apprenticeships)	21	26
Activities for generating funds	4	4
Administration	2	2
Directors	5	5
	<u>32</u>	<u>37</u>

No employees had emoluments in excess of £60,000 (2008: nil).

11. Tangible fixed assets

	Land and buildings	Computers	Fixtures and equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At start of year	596,053	66,393	35,919	109,689	808,054
Additions	83,240	20,729	37,531	-	141,500
Disposals	-	-	-	(2,785)	(2,785)
At end of year	<u>679,293</u>	<u>87,122</u>	<u>73,450</u>	<u>106,904</u>	<u>946,769</u>
Depreciation					
At start of year	14,509	46,912	12,488	43,890	117,799
Charge for year	13,080	11,181	13,378	15,753	53,392
Disposals	-	-	-	-	-
At end of year	<u>27,589</u>	<u>58,093</u>	<u>25,866</u>	<u>59,643</u>	<u>171,191</u>
Net book value					
At 31 March 2009	<u>651,704</u>	<u>29,029</u>	<u>47,584</u>	<u>47,261</u>	<u>775,578</u>
At 31 March 2008	<u>581,544</u>	<u>19,481</u>	<u>23,431</u>	<u>65,799</u>	<u>690,255</u>

The net book value of assets subject to hire purchase contracts was £18,209 (2008: £24,279), and the depreciation charge on assets under hire purchase was £6,070 (2008: £3,304)

EAST DURHAM PARTNERSHIP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009

12. Debtors

	2009	2008
	£	£
Grants and project income receivable	55,832	75,186
Other debtors	53,086	11,408
	<u>108,918</u>	<u>86,594</u>

13. Creditors

	2009	2008
	£	£
Amounts falling due within one year		
Project funding repayable or deferred	115,489	15,808
Activity expenditure payable	39,430	82,335
Hire purchase	3,860	2,810
Tax and social security	8,697	14,630
Other creditors	11,402	18,047
	<u>178,878</u>	<u>133,630</u>

Project funding repayable or deferred comprises the following elements:

	2008	SOFA	Repaid	Movement	2009
	£	£	£	£	£
White goods project funding	-	-	-	27,138	27,138
Training and educational project funding	4,000	(4,000)	-	-	-
VAT now claimed on expenditure previously grant funded	-	-	-	50,354	50,354
Funding repayable as agreed with grant provider	6,027	32,216	(6,027)	-	32,216
Other funding considered repayable	5,781	-	-	-	5,781
	<u>15,808</u>	<u>28,216</u>	<u>(6,027)</u>	<u>77,492</u>	<u>115,489</u>

Activity expenditure payable as at 31 March 2008 included £57,285 in respect of a stage payment and retention on the contract to construct the property extension relating to the recycling project, which was in progress at 31 March 2008.

Hire purchase liabilities are secured by the assets to which they relate.

14. Creditors

	2009	2008
	£	£
Amounts falling due after more than one year		
Hire purchase	<u>17,000</u>	<u>21,405</u>

Hire purchase liabilities are secured by the assets to which they relate.

15. Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Tangible fixed assets	40,234	735,344	775,578
Current assets	151,723	143,945	295,668
Creditors: amounts falling due within one year	(48,826)	(130,052)	(178,878)
Creditors: amounts falling due after more than one year	(17,000)	-	(17,000)
	<u>126,131</u>	<u>749,237</u>	<u>875,368</u>

EAST DURHAM PARTNERSHIP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009

16. Movements in funds

	As at 1/4/2008 as restated £	Incoming Resources £	Outgoing Resources £	Transfer between funds £	As at 31/3/2009 £
Restricted funds					
CAPITAL project I	-	(32,216)	-	32,216	-
CAPITAL project II	8,176		(2,044)	-	6,132
Community Recycling & Economic Development Programme	11,454	-	(5,616)	14	5,852
Building and recycling initiative	686,264	132,317	(116,968)	9,890	711,503
Local Economic Growth Initiative	13,150	-	(2,466)	-	10,684
UK Online Initiative	4,246	-	(1,698)	-	2,548
Disadvantaged Areas Fund (DAF)	-	26,906	(28,479)	1,573	-
Big Boost Lottery projects	2,235	-	(362)	(1,398)	475
Pathways to work	5,536	-	(310)	(5,226)	-
Football in the community and coaching	-	8,748	(8,627)	(121)	-
The Esmee Fairburn Foundation	-	29,346	(29,232)	-	114
Henry Smith Charity	-	28,500	(25,285)	-	3,215
Sherburn House	-	4,000	(4,000)	-	-
The North East Prisons Restorative Justice Project	-	6,000	(6,000)	-	-
Murton Enterprise & Training Centre	5,488	5,117	(3,496)	(5,839)	1,270
Bistro	2,580	-	(645)	-	1,935
County Durham Foundation	6,099	4,000	(5,525)	-	4,574
Business Link	-	1,500	(2,645)	1,145	-
Pathfinder/Aim High	-	6,534	(2,005)	(4,529)	-
New deal and East Durham Enterprise wages subsidies	-	2,500	(2,500)	-	-
Other restricted funding	1,247	71	(412)	29	935
Total restricted funds	<u>746,475</u>	<u>223,323</u>	<u>(248,315)</u>	<u>27,754</u>	<u>749,237</u>
Unrestricted funds					
General funds	160,611	494,678	(501,404)	(27,754)	126,131
Total unrestricted funds	<u>160,611</u>	<u>494,678</u>	<u>(501,404)</u>	<u>(27,754)</u>	<u>126,131</u>
Total funds	<u>907,086</u>	<u>718,001</u>	<u>(749,719)</u>	<u>-</u>	<u>875,368</u>

Restatement of opening funds:

In the 2008 financial statements the closing value of two restricted funds were overstated and these have been restated as follows:

	As Originally Stated £	Prior Year Adjustment £	As Restated £
Local Economic Growth Initiative	20,427	(7,277)	13,150
Football in the community and coaching	11,225	(11,225)	-
Total restricted funds	764,977	(18,502)	746,475
Unrestricted funds	126,234	34,377	160,611
		<u>15,875</u>	

Represented by:

Understatement of Local Economic Growth Initiative debtor	4,490
Overstatement of Football in the community deferred income	11,385
	<u>15,875</u>

EAST DURHAM PARTNERSHIP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009

16. Movements in funds (continued)

Description of restricted funds:

CAPITAL I project

This is a clawback of grant monies relating to a completed project which tackled social problems in the East Durham area, mainly through training and advice.

CAPITAL II project

The purpose of this project was to tackle social problems in the East Durham area, mainly through training and advice.

Community Recycling & Economic Development Programme

This programme was funded by the Royal Society of Wildlife Trusts to develop the company's recycling and training facilities, and was the first part of the company's aims of broadening and expanding its recycling activities.

Building and recycling initiative

The company purchased its premises during 2006 as a base for its furniture recycling operation, management and support function. The building was grant funded by Coalfield Regeneration Trust and Easington District Council.

In the last quarter of 2008, further funding was received from Coalfield Regeneration Trust and Northern Rock Foundation to expand and adapt the premises to accommodate the company's white goods recycling initiative. Building work continued in the first quarter of the 2008/9 financial year.

The company is restricted to using the building for its charitable objectives and activities to generate funds, and it does not benefit from any appreciation in the value of the property. In the event of a sale, it is probable that the sale proceeds would revert to the grant providers, unless the company acquired alternative premises to continue with its activities.

The Coalfield Regeneration Trust has agreed to provide additional funding through to April 2011 to expand the recycling facility, thereby providing additional skills training capacity.

Local Economic Growth Initiative

This project provided members of the community education and training in business start ups, providing accommodation and access to computer technology.

UK Online Initiative

The balance on this fund represents the net book value of computer equipment bought under the scheme, which gave members of the community access to computer technology.

Disadvantaged Areas Fund (DAF)

This is a government grant distributed through the East Durham Employability Consortium to partners in the form of variable (performance related) monthly payments for engaging and action planning clients on a range of benefits including Incapacity Benefit, JSA and Lone Parent Income Support.

Big Boost Lottery projects

The company received funding for various projects undertaken for the development of the local community.

Pathways to work

This project was funded by European Social Fund with the aim of improving the employability of members of the local community.

Football in the community

Funded by the Football Foundation, this activity provides a specific Development Plan to provide a programme of activities which will bring together schools in the Peterlee & Easington District, local football clubs, community groups and local volunteers.

The Esmee Fairburn Foundation

This is a three year grant from April 2008 to performance to fund the post of Compliance Manager in order to enable the organisation to diversify in to white goods towards becoming sustainable over a 3 year period. This was a new role.

Henry Smith Charity

This grant funds the post of Apprentice Supervisor from April 2008 for 3 years in order that East Durham Partnership could run a coordinated apprenticeship programme. This was a new initiative.

Service improvement programme and apprenticeships funding

In 2008 The Neighbourhood Renewal Fund, via Acumen Trust, provided funding for a youth development programme and funding of apprenticeships for local young people. Additional apprenticeship funding was received from Sherburn House, part of which was deferred to the 2008/9 financial year.

EAST DURHAM PARTNERSHIP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009

16. Movements in funds (continued)

The North East Prisons Restorative Justice Project

Grants of £4,000 from The James Knott Foundation and £2,000 from The Barbour trust were received to support a prisoner training project ran by the charity.

Murton Enterprise & Training Centre

In March 2008 the Training & Enterprise Centre project which had been funded by the European Social Fund, Royal Society of Wildlife Trusts and the company was completed. The Training and Enterprise Centre was specifically focused on tackling unemployment within the Urban 2 areas of Murton, Haswell, Haswell Plough and South Hetton offering 10 x Wage subsidies over a 26 week basis to provide employment, training along with accredited learning to residents.

Bistro

Funding was received from Easington District Council, County Durham Foundation and Acumen Trust to set up and operate a Bistro.

County Durham Foundation

In 2007/8 County Durham Foundation provided funding to enable tools and equipment to be bought to support the costs of providing apprenticeships, and in 2008/9 granted £4,000 bursaries.

Pathfinder

This provided football equipment and coaching instruction and facilities for members of the local community.

New Deal and East Durham Enterprise

These funds provided support for wage costs.

Other projects

All other projects aim to provide training to members of the community and enhance employability.

17. Leasing commitments

	2009 Land and buildings £	2009 Other £	2008 Land and buildings £	2008 Other £
Operating leases which expire:				
Within one year	-	-	22,000	-
Within two to five years	-	-	-	-
	<u>-</u>	<u>-</u>	<u>22,000</u>	<u>-</u>

18. Share capital

The company does not have share capital, but every member of the company undertakes to contribute such an amount, not exceeding £10, as may be required to the assets of the company if it should be wound up while he is a member or within one year after he ceases to be a member for payments of the debts and liabilities of the company contracted before he ceases as a member and the costs charges and expenses of winding up and for the adjustments of the rights of the contributories among themselves.

19. Contingent Liabilities

In common with other company's limited by guarantee, the company may be required to pay £10 in the event of the winding up of its subsidiary, East Durham Partnership Enterprises Limited.

The company may also have to repay grant funding in some cases if the grantor determines that grant conditions have been breached, or outputs not achieved. It is not possible to quantify this contingency.

20. Capital Commitments

At the balance sheet date the company had no capital commitments (2008: £100,000).

21. Value added tax

The company agreed its method of accounting for Value Added Tax during the year, which resulted in a recovery of over £55,000 on expenditure which had previously been grant funded.

EAST DURHAM PARTNERSHIP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009

22. Trustee expenses and remuneration

- No expenses incurred by trustees were reimbursed during the year, and no remuneration was paid (2008: nil).

23. Controlling party

In the opinion of the trustees, the charitable company does not have a controlling party.

24. Related parties

On 19 February 2008, the company formed a subsidiary undertaking, East Durham Partnership Enterprises Limited. The company remained dormant in the year ended 31 March 2009.

Mrs. M Shepherd, a person connected with Mr. F. Shepherd, trustee, was paid £33,308 (2008: £32,163) by the company during the year.

25. Non audit services

In common with many other organisations of our size and nature, the charity uses its accountants, Vantis Group Limited, to assist with the preparation of the financial statements, and to provide taxation services.

Vantis Group Limited is a network firm connected with HLB Vantis Audit plc, the company's auditors.