



BDO Stoy Hayward
Chartered Accountants

Companies House

WOLVERHAMPTON VOLUNTARY SECTOR COUNCIL
(LIMITED BY GUARANTEE)

REPORT OF THE EXECUTIVE COMMITTEE AND
FINANCIAL STATEMENTS

for the year ended
31 March 1997



Company number 2288239

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WOLVERHAMPTON VOLUNTARY SECTOR COUNCIL

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WOLVERHAMPTON VOLUNTARY SECTOR COUNCIL

Officers and Advisers

Executive Committee

Lisa Britton
Balvir Dhillon
Theo Rickard
Trevor Russell
Michele Harper
Carol Antonio
Kath Rees
Roy Russell
John Broadley
Cherida Fletcher
Peter Smith
Mirza Baig
Richard Clarke
Carol Ferron-Smith
Margaret Felton
Sandra Ullah
Ann Gough
Charles Price
Alenka Toinko

Secretary

C M Bonnard

Registered Office

2/3 Bell Street
Wolverhampton
WV1 3PR

Registered charity number : 700910

Registered company number : 2288239

Auditors

BDO Stoy Hayward
Mander House
Wolverhampton
WV1 3NF

Bankers

The Co-operative Bank plc
Dudley Street
Wolverhampton

REPORT OF THE EXECUTIVE COMMITTEE

FINANCIAL STATEMENTS

The members of the Executive Committee present their report and financial statements for the year ended 31 March 1997.

Company law requires the Executive Committee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Council and of the surplus or deficit of the Council for that period. In preparing those financial statements, the Executive Committee are required to

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

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

LEGAL STRUCTURE OF THE COUNCIL

The Council is a company limited by guarantee and therefore does not have a share capital. The liability of members is limited and details of their guarantees are given in note 1 to the financial statements.

The Council is a registered charity.

ACTIVITIES

The principal activities of the Council are the promotion of any charitable purpose for the benefit of the community within the Metropolitan Borough of Wolverhampton and assisting in the provision of facilities in the interest of social welfare in the said community.

REVIEW OF ACTIVITIES

During the year ended 31 March 1997 the Council has provided detailed and specialist advice to more than 360 local groups, specialist and general training to over 350 people from 74 organisations, supported community care, womens, disability, ethnic minority and other local groups through provision of specific and general advice and information, provided seminars and workshops separately and together with other agencies on legislative strategic policy and issues provided a range of reprographic, financial, information technology and other practical services for voluntary organisations and community groups in Wolverhampton.

RESULTS AND DIVIDENDS

The Council had a net movement from available resources of £28,449 for the year and it is proposed that this amount will be added to funds.

Under the terms of its Memorandum of Association any income and property of the Council shall be applied solely towards the promotion of the objects of the Council and no dividend or any other form of distribution can be paid to its members.

REPORT OF THE EXECUTIVE COMMITTEE (CONTINUED)

EXECUTIVE COMMITTEE

The members of the Executive Committee are considered to be directors of the Council for the purposes of the Companies Act 1985.

The members of the Executive Committee during the year together with dates of changes during the year were as follows:

	Date of Appointment	Date of Resignation
Lisa Britton	23.03.1995	
Balvir Dhillon	23.03.1995	
Theo Rickard	23.03.1995	
Trevor Russell	23.03.1995	
Michele Harper	23.03.1995	
Carol Antonio	23.03.1995	
Kath Rees	20.03.1997	
Moirra Lowe		20.03.1997
Roy Russell		
John Broadley		
Mohammed Shafi		23.03.1997
Cherida Fletcher	23.03.1997	
Janet Hobbs		23.03.1997
Peter Smith		
Mirza Baig	20.03.1997	
Richard Clarke		
Carol Ferron-Smith	23.03.1997	
Margaret Felton		
Sandra Ullah		
Ann Gough		
Charles Price	20.03.1997	
Alenka Toinko	20.03.1997	

Members of the Executive Committee appointed since 31 March 1997 are:-

Len Kruczek	23 May 1997
Ann Knight	23 May 1997

The following members retire at the annual general meeting:

Lisa Britton	Balvir Dhillon	Theo Richard
Trevor Russell	Michele Harper	Carol Antonio
Len Kruczek	Ann Knight	John Broadley

REPORT OF THE EXECUTIVE COMMITTEE (CONTINUED)

AUDITORS

A resolution to reappoint BDO Stoy Hayward, as auditors, will be submitted to the Annual General Meeting.

By order of the Executive Committee

 C M BONNARD

Secretary

4 September 1997

AUDITORS' REPORT

to the members of Wolverhampton Voluntary Sector Council

We have audited the financial statements on pages 5 to 13 which have been prepared on the basis of the accounting policies set out on pages 8 and 9.

Respective responsibilities of Executive Committee and auditors

As described on page 1, the members of the Executive Committee are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

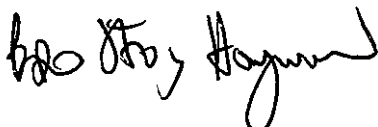
Basis of opinion

We conducted our audit in accordance with 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 directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company'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 the presentation of information in the financial statements.

Opinion

In our opinion, the financial statements give a true and fair view of the state of the company's affairs as at 31 March 1997 and of the company's movement of resources for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Chartered Accountants
Registered Auditors
4 September 1997

WOLVERHAMPTON VOLUNTARY SECTOR COUNCIL
STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 March 1997

	General Activities £	Baron Davenport Trust £	Womens' Development £	Training Development £	Community Care Development £	Information Resources HIV/AIDS £	Contracts Development Officer £	Research Project £	Mental Health E'ment £	1997 Total £	1996 Total £
Income											
Grants received	80,447	400	10,000	2,190	34,877	-	4,250	3,500	26,001	161,665	147,891
Sales	24,041	-	-	4,697	486	-	16,103	-	-	45,327	17,949
Donations	2	-	-	-	-	-	1,000	-	-	1,002	475
Room and equipment hire	578	-	-	-	-	-	-	-	-	578	429
Release of Capital grant	159	-	-	-	-	-	-	-	-	159	5,002
Interest received	3,868	-	-	-	-	-	-	-	-	3,868	4,019
Income received in year	109,095	400	10,000	6,887	35,363	0	21,353	3,500	26,001	212,599	175,765
Expenditure											
Grants made	64,016	-	-	235	19,498	-	17,837	-	-	101,586	87,773
Staff salaries and national insurance	-	-	-	-	-	-	-	-	-	0	454
Redundancy payment	-	-	-	-	-	-	-	-	-	0	3,245
Pension contributions	1,666	-	-	-	1,408	-	-	-	-	3,074	14,835
Rent and water rates	15,052	-	-	-	-	-	-	-	-	15,052	1,583
Insurance	1,136	-	-	-	45	-	460	-	-	1,641	2,047
Repairs and maintenance	3,181	-	-	26	202	-	202	-	-	3,611	0
Renewal of office equipment	-	-	-	-	-	-	-	-	-	1,835	1,421
Heat and light	1,835	-	-	-	-	-	-	-	-	2,249	2,147
Telephone	1,169	-	-	8	266	-	806	-	-	11,644	3,970
Reprographics	8,864	-	53	418	1,053	-	1,224	-	-	11,039	5,948
Printing, stationery and postage	9,275	-	113	222	688	-	662	-	-	771	935
Cleaning	503	-	-	-	134	-	134	-	-	766	828
Books and publications	548	-	-	-	60	-	158	-	-	4,355	4,467
Staff travelling expenses	1,068	-	-	-	1,568	-	1,719	-	-	1,539	6,493
Training	633	-	-	(35)	406	-	535	-	-	5,384	9,010
Development fund	1,034	-	4,350	-	-	-	-	-	-	3,420	4,608
Auditors' remuneration	2,320	-	-	-	500	-	500	-	-	2,890	4,391
Depreciation of fixed assets	2,890	-	-	-	-	-	-	-	-	3,773	5,955
Management costs	(851)	-	500	-	2,259	-	1,665	-	-	1,773	1,646
Sundry expenses	1,095	-	36	83	389	-	25	-	-	307	647
Bank charges	307	-	-	-	-	-	-	-	-	606	2,011
Staff recruitment	411	-	-	195	-	-	-	-	-	7,821	1,459
Administration support	(4,540)	-	-	-	2,270	-	2,270	-	-	0	80
Computer network and technical support	674	-	-	28	358	-	372	-	-	1,432	347
Bad debt written off	-	-	-	-	-	-	-	-	-	0	403
Drug conference	-	-	-	-	-	-	-	-	-	5,000	4,660
Self help directory expenses	-	-	-	-	150	-	-	-	-	-	-
Professional fees	-	-	5,000	-	-	-	-	-	-	-	-
Total expenditure	112,286	0	10,052	1,180	31,254	253	28,569	0	0	184,150	179,818
Net movement in year	(3,191)	400	(52)	5,707	4,109	(253)	(7,216)	3,500	26,001	28,449	(4,053)
Balance at 1 April 1996	10,903	1,608	3,025	1,927	11,033	253	10,112	-	-	50,372	54,425
Balance at 1 April 1996	7,712	2,008	2,973	7,634	15,142	0	4,295	3,500	26,001	78,821	50,372
Returned grants	-	(1,608)	-	(958)	-	-	-	-	-	(2,566)	-
Revised balance at 1 April 1997	7,712	400	2,973	6,676	15,142	0	4,295	3,500	26,001	76,255	50,372

The split between administration expenses and direct charitable expenses is shown on page 6

INCOME AND EXPENDITURE ACCOUNT
for the year ended 31 March 1997

	Notes	1997 £	1996 £
Revenue grants and donations received	2	162,667	148,366
Other operating income		45,905	18,378
		<u>208,572</u>	<u>166,744</u>
Administration expenses		(96,646)	(95,752)
Direct charitable expenditure		(87,504)	(84,066)
		<u>24,422</u>	<u>(13,074)</u>
Interest received		3,868	4,019
Transfer from deferred income account		159	5,002
		<u>159</u>	<u>5,002</u>
Net movement of resources in the year	3 & 9	<u>£28,449</u>	<u>£(4,053)</u>

The net movement in resources arises solely from continuing activities. There were no recognised gains or losses in the year other than the net movement of resources shown above.

BALANCE SHEET
as at 31 March 1997

	Notes	1997 £	1996 £
FIXED ASSETS			
Tangible assets	4	5,176	5,716
CURRENT ASSETS			
Stocks	5	1,887	2,095
Debtors	6	16,890	5,728
Charities deposit fund		81,084	62,226
Cash at bank and in hand		19,575	9,850
		<u>119,436</u>	<u>79,899</u>
CREDITORS: amounts falling due within one year	7	<u>47,720</u>	<u>35,243</u>
Net Current Assets		<u>71,716</u>	<u>44,656</u>
Total Assets less Current Liabilities		<u>76,892</u>	<u>50,372</u>
DEFERRED INCOME	8	<u>637</u>	<u>-</u>
Net Assets		<u><u>£76,255</u></u>	<u><u>£50,372</u></u>
RESERVES			
Accumulated funds:			
General Unrestricted Fund		7,712	10,903
Training Development		6,676	1,927
Community Care Development		15,142	11,033
Information Resources		-	253
HIV/AIDS		9,556	10,112
Contracts development		4,295	11,511
Womens Development		2,973	3,025
Baron Davenport's Trust		400	1,608
Research project		3,500	-
Mental Health Empowerment		26,001	-
		<u>£76,255</u>	<u>£50,372</u>

The financial statements on pages 5 to 13 were approved by the Executive Committee on 4 September 1997.

.....Kath Rees.....) Members of Kath Rees
.....) the
.....Lisa Britton.....) Executive Committee Lisa Britton

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 1997

1. **LIABILITY OF MEMBERS**

The Council is a company limited by guarantee. It does not have a share capital and the liability of each member is limited to the guarantee given by that member, which shall not exceed £1.

2. **ACCOUNTING POLICIES**

Accounting convention

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

Pension costs

Certain employees are members of the West Midlands Local Government Superannuation Scheme. The pension cost charge in the financial statements represents contributions due to this scheme in respect of earnings during the year.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost, less depreciation. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset on a straight line basis over its expected useful life, as follows:

Office equipment - over 5 years

Capital grants

Capital grants received from Wolverhampton Metropolitan Borough Council for the purchase of assets are stated as deferred income and will be written off over the estimated lives of the assets purchased.

Revenue grants

Revenue grants are received from Wolverhampton Metropolitan Borough Council and other organisations in order to finance the Council's activities and are accounted for in the income and expenditure account on an accruals basis.

Income and Expenditure Account

The financial statements include an Income and Expenditure Account rather than a Profit and Loss Account as required by the Companies Act 1985. The departure is necessary in order to reflect the charitable nature of the Council's activities.

Allocation of costs

Specific costs for each activity are charged as incurred and all other costs are charged against general activities.

Stocks

Stocks of consumables are valued at the lower of cost and net realisable value.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 1997 (continued)

2. ACCOUNTING POLICIES (continued)

Compliance with accounting standards

The financial statements have been prepared in accordance with applicable accounting standards.

The financial statements have also been prepared in accordance with the recommendations contained within the Statement of Recommended Practice "Accounting by Charities".

3. NET MOVEMENT OF RESOURCES IN THE YEAR

	1997 £	1996 £
After charging or (crediting):		
Rentals under operating leases	3,473	5,306
Auditors' remuneration	3,420	4,608
Depreciation: owned fixed assets	2,890	4,391
Release of capital grant	(159)	(5,002)
	<u> </u>	<u> </u>

4. TANGIBLE FIXED ASSETS

	Office equipment £
Cost	
1 April 1996	26,968
Additions	2,350
31 March 1997	<u>29,318</u>
Depreciation	
1 April 1996	21,252
Charge for the year	2,890
31 March 1997	<u>24,142</u>
Net book value	
31 March 1997	<u>£5,176</u>
31 March 1996	<u>£5,716</u>

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 1997 (continued)

5.	STOCKS	1997 £	1996 £		
	Stationery, paper and supplies	<u>£1,887</u>	<u>£2,095</u>		
6.	DEBTORS				
	Other debtors	12,430	4,425		
	Payments in advance	<u>4,460</u>	<u>1,303</u>		
		<u>£16,890</u>	<u>£5,728</u>		
7.	CREDITORS: amounts falling due within one year				
	Grants held for future capital projects	-	2,881		
	Taxation and social security	-	4,732		
	Other creditors	17,954	17,842		
	Accruals and grants received in advance	<u>29,766</u>	<u>9,788</u>		
		<u>£47,720</u>	<u>£35,243</u>		
8.	DEFERRED INCOME		£		
	Capital grants				
	Received during year		796		
	Credited to income and expenditure account		<u>(159)</u>		
	At 31 March 1997		<u>£ 637</u>		
9.	RESERVES AND RECONCILIATION OF MOVEMENTS IN FUNDS				
		Returned funds			
	At 1 April 1996 £	during year £	31 March 1997 £		
	Net movement during year £				
	General unrestricted fund	10,903	(3,191)	-	7,712
	Restricted funds:				
	Training Development	1,927	5,707	(958)	6,676
	Community Care Development	11,033	4,109	-	15,142
	Information Resources	253	(253)	-	-
	HIV/AIDS	10,112	(556)	-	9,556
	Contract Development Officer	11,511	(7,216)	-	4,295
	Womens Development	3,025	(52)	-	2,973
	Baron Davenports Trust	1,608	400	(1,608)	400
	Research project	-	3,500	-	3,500
	Mental Health Empowerment	-	26,001	-	26,001
		<u>50,372</u>	<u>£28,449</u>	<u>£ (2,566)</u>	<u>£76,255</u>

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 1997 (continued)

9. RESERVES AND RECONCILIATION OF MOVEMENTS IN FUNDS (continued)

The restricted funds of the charity comprise the above unexpended balances on donations and grants given for specific purposes. The balance of these funds are invested in the Charities Deposit Fund and appear on the balance sheet under that heading.

10. INFORMATION REGARDING MEMBERS OF THE EXECUTIVE COMMITTEE

The names of persons who are members of the Executive Committee are given in the report of the Executive Committee.

Remuneration:

Under the terms of the Memorandum of Association no member of the Executive Committee shall receive any remuneration from the company. In addition, none of the members were reimbursed for expenses incurred by them.

11. PARTICULARS OF EMPLOYEES

The average number of persons employed by the company during the year was:

	1997	1996
Administration	10	10
	<u>10</u>	<u>10</u>

The aggregate payroll cost of these persons was as follows:

	1997 £	1996 £
Wages and salaries	94,164	80,382
Social security costs	7,313	6,786
Other pension costs	3,074	3,337
	<u>£104,551</u>	<u>£90,505</u>

12. REVENUE GRANTS FROM WOLVERHAMPTON METROPOLITAN BOROUGH COUNCIL
under Section 137 Local Government Act 1988

Salaries	51,733	68,824
Other expenses	29,267	35,491
	<u>£81,000</u>	<u>£104,315</u>

13. TAXATION

The Council is not liable to tax on any of its income because of its charitable status.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 1997 (continued)

14. OPERATING LEASE COMMITMENTS

At 31 March 1997 the Council had annual commitments under non-cancellable operating leases as follows:

	1997		1996	
	Land and buildings £	Other £	Land and buildings £	Other £
Expiry date:				
Between two and five years	-	2,862	-	3,473
In over five years	12,363	-	10,965	-
	<u>£12,363</u>	<u>£2,862</u>	<u>£10,965</u>	<u>£3,473</u>

Both parties to the land and buildings lease have an option to terminate the lease on giving six months notice.

15. RELATED PARTY TRANSACTIONS

The company deals with many charitable organisations in which the executive committee are officers. No material transactions have been undertaken with these charitable organisations.

WOLVERHAMPTON VOLUNTARY SECTOR COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 1997

16. ANALYSIS OF GRANTS RECEIVED

	General Activities £	Baron Davenport Trust £	Womens' Development £	Training Development £	Community Care Development £	HIV/AIDS £	Contracts Development Officer £	Research Project £	Mental Health E'ment £	1997 Total £	1996 • Total £
Wolverhampton Borough Council grants	75,654	-	-	-	-	-	2,500	-	-	78,154	109,596
Urban Programme & Joint Finance grants	-	-	-	-	34,877	-	-	-	-	34,877	20,631
Cadbury Trust grants	-	-	10,000	-	-	-	-	3,500	-	13,500	5,000
National Council of Voluntary Organisations grant	-	-	-	-	-	-	-	-	-	0	12,103
Baron Davenport's Trust	-	400	-	-	-	-	-	-	-	400	561
TSB Foundation	910	-	-	2,190	-	-	1,750	-	-	4,850	-
Health Authorities grants	3,883	-	-	-	-	-	-	-	-	3,883	-
MIGS	-	-	-	-	-	-	-	-	26,001	26,001	-
Gross received in year	80,447	400	10,000	2,190	34,877	0	4,250	3,500	26,001	161,665	147,891