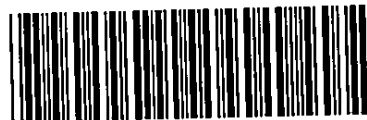


REGISTERED COMPANY NUMBER: 02433659 (England and Wales)  
REGISTERED NUMBER: 803077

**REPORT OF THE TRUSTEES AND**  
**FINANCIAL STATEMENTS for the year ended 31 March 2008**  
**FOR**  
**LONDON VOLUNTARY SECTOR**  
**TRAINING CONSORTIUM**  
**(A COMPANY LIMITED BY GUARANTEE)**

TUESDAY



\*LD05E5W1\*

LD5

23/12/2008

128

COMPANIES HOUSE

Raffingers Stuart  
Chartered Certified Accountants  
Registered Auditors  
19-20 Bourne Court  
Southend Road  
Woodford Green  
Essex  
IG8 8HD

**LONDON VOLUNTARY SECTOR**  
**TRAINING CONSORTIUM**  
**(A COMPANY LIMITED BY GUARANTEE)**

**CONTENTS OF THE FINANCIAL STATEMENTS**  
**for the year ended 31 March 2008**

	Page
Report of the Trustees	1 to 4
Report of the Independent Auditors	5
Statement of Financial Activities	6
Balance Sheet	7
Notes to the Financial Statements	8 to 12
Detailed Statement of Financial Activities	13 to 14

**LONDON VOLUNTARY SECTOR**  
**TRAINING CONSORTIUM**  
**(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES**  
**for the year ended 31 March 2008**

The trustees, who are also directors of the charity for the purposes of the Companies Act 1985, present their report with the financial statements of the charity for the year ended 31 March 2008. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**  
02433659 (England and Wales)

**Registered number**  
803077

**Registered office**  
Bromley Hall  
43 Gillender Street  
London  
E14 6RN

**Principal Staff Director**  
R Phillips

**Company Secretary**  
R Phillips

**Auditors**  
Raffingers Stuart  
Chartered Certified Accountants  
Registered Auditors  
19-20 Bourne Court  
Southend Road  
Woodford Green  
Essex  
IG8 8HD

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 1985.

**Recruitment and appointment of new trustees**

There has been an average of 10 trustees throughout the period. Any new appointments are at the recommendation of the board.

**Induction and training of new trustees**

Trustees are recruited through publicity circulated to voluntary sector providers. On accession, each trustee is issued with an induction pack. Appropriate publications and briefings are tabled at meetings of the Board and training away days are organised from time to time.

**LONDON VOLUNTARY SECTOR**  
**TRAINING CONSORTIUM**  
**(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES**  
**for the year ended 31 March 2008**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Organisation**

Board members are elected for a period of 3 years, after which they must stand down and may reapply. Three members of the Board are elected at each AGM. The Board may co-opt for the year. The following served as company director and charity trustee during the year of this report:

Mike Webster	Co-optative
Simini Azimi	Refugee Womens Association- Chair
Winston Castello	Camden ITEC – Vice Chair
Sona Mahtani	Haringey Training Network
Kevin Belcher	PECAN - Treasurer
Joe Billington	ELATT
Mohammed Abdul Mukit	Boundary Community School
Nazek Ramadan	Migrant Resource Centre
Helen Gore	Ellingham Employment Services
Lesley Muscat	Action for Blind People.

All Board Members are representatives of organisations, which are members of the company and guarantee to contribute to the assets of LVSTC, in the event of it being wound up, such amount as may be required not exceeding £1. Board Members have no beneficial interest in LVSTC and are not remunerated.

**Related parties**

LVSTC has no tied organisations or companies. We work closely, on an informal basis, with peer umbrella organisation in London as well as with similar bodies serving the other English regions.

**Risk management**

The Board has assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the Company. The Board is satisfied that systems are in place to mitigate our exposure to those major risks. The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

**OBJECTIVES AND ACTIVITIES**

**Objectives and aims**

LVSTC's main aim is to help voluntary organisations in London to access European Funds to run high quality training for unemployed and disadvantaged people. We are a company limited by guarantee, registered with the Charity Commission. We have a membership of 105 organisations, which must themselves be voluntary organisations combating social exclusion and providing training and guidance services for the unemployed and disadvantaged. Members pay annual fee including a subscription of £1 per annum. Members are eligible to vote at General Meeting on issues relating to LVSTC and vote for an Executive at the AGM as laid in our Memorandum and Articles.

**Activities**

Our work has continued broadly to fall into two areas:

- practical advice and support to individual groups (eg conferences, surgeries and publications).
- development of general voluntary sector participation via servicing of training networks.

LVSTC has supported the move of the voluntary sector in the regional infrastructure of co-financing for European Structural Funds via the Government Office for London. The sector has remained the main source of provision across the 2000 – 2006 Programme, which formally ends in 2008. In close working relationships with all 10 Co-Financing Organisations, LVSTC continues to support the voluntary and community sector into the new 2007 – 2013 Programme.

LVSTC sustained the sector's contribution to community economic development based on the formation of local economic partnerships under the 4 Area Partnerships. We offered general assistance across all priorities. The changing priorities of the new 2007 – 2013 European Regional Development Fund programme required us to close down our ERDF unit at the end of March. Staff were transferred to other ongoing work.

**ACHIEVEMENT AND PERFORMANCE**

**Charitable activities**

Over the year, LVSTC has delivered 53 conferences, 255 surgeries, 128 project visits, 97 Briefings with nearly 15,000 Helpline enquiries. Together, these have helped to sustain the position of voluntary and community sector organisations as major service providers.

**LONDON VOLUNTARY SECTOR**  
**TRAINING CONSORTIUM**  
**(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES**  
**for the year ended 31 March 2008**

**ACHIEVEMENT AND PERFORMANCE**

**Internal and external factors**

The trustees have fully assessed the internal and external factors that may affect these financial statements and do not deem any factors material enough to have an impact.

**FINANCIAL REVIEW**

**Reserves policy**

The board has striven to achieve the level of reserves (that is those funds that are freely available) that the charity ought to have. Reserves are needed to bridge the funding gaps between spending on advice and outreach activities and receiving resources through grants. The Executive Committee consider that the ideal level of reserves as at 31 March 2008 would be 6 weeks of the total resources expended. This equates to £88,345.

The actual reserves at 31 March 2008 were £3,812 which is £84,533 short of our target figure. In calculating reserves, the Committee have excluded from total funds tangible fixed assets of £28,453. The Committee are considering ways in which additional funds can be raised.

**Funding**

We would like thank our funders, who have enabled us to pursue more confidently the tasks undertaken. In particular, we thank the London Councils, Big Lottery Fund, London Development Agency, City Bridge Trust as well as the European Commission through the Government Office for London.

**Funds in deficit**

The unrestricted funds show a deficit of £8,690 for the year ended 31 March 2008. This is due to a reduction in grants received during the year. In order to eliminate the deficit the charity will be exploring other areas of extending services to generate additional income.

**Financial statements and balance sheet**

Accounting policies/material movements on the statement of financial activities were unchanged. The LVSTC asset level is sufficient to meet expected commitments. Retrospective EU payments demand a working surplus at the year-end to cash flow ongoing costs. LVSTC has neither connected charities nor subsidiary undertakings.

**Investment powers and policy**

Under its Memorandum and Articles of Association the charity has the power to invest in any way the Board may wish. The Board having regard to the liquidity requirements of operating, the charity have maintained a policy of keeping available funds in interest bearing deposit accounts.

**PLANS FOR THE FUTURE PERIODS**

The Board regularly reviews progress. Future priorities and projects have been included in the LVSTC Business Plan 2007-2010, which anticipates the new 7-year programme of the European Structural Funds. This will be closely re-examined and developed at a proposed away day. In particular, we shall be exploring the scope for extending our services through income generation.

**STATEMENT OF TRUSTEES RESPONSIBILITIES**

The trustees are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the trustees to prepare financial statements for each financial year. Under that law, the trustees have elected to prepare the financial statements in accordance with the United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the charitable company and of the surplus or deficit of the charitable company for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable 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 to enable them to ensure that the financial statements comply with the Companies Act 1985. They're also responsible for safeguarding the charity's assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**LONDON VOLUNTARY SECTOR**  
**TRAINING CONSORTIUM**  
**(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES**  
**for the year ended 31 March 2008**

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**


So far as the trustees are aware, there is no relevant information (as defined by Section 234ZA of the Companies Act 1985) of which the charitable company's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information.

**AUDITORS**

The auditors, Raffingers Stuart, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

**ON BEHALF OF THE BOARD:**

Approved by the Board Members on 14 October 2008  
and signed on their behalf by



.....  
Ray Phillips – Company Secretary

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF**  
**LONDON VOLUNTARY SECTOR**  
**TRAINING CONSORTIUM**  
**(A COMPANY LIMITED BY GUARANTEE)**

We have audited the financial statements of London Voluntary Sector Training Consortium (A Company Limited by Guarantee) for the year ended 31 March 2008 on which comprise, the statement of financial activities, the balance sheet and the related notes. 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 charitable company's members, 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 charitable company's trustees those matters we are required to state to them in an auditors' 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 the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of trustee and auditors**

The responsibilities to the board of trustees (for the purposes of company law) for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out set out in the statement of trustees responsibilities.

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 the information given in the trustees' annual report is consistent with the financial statements.

In addition, we report to you if, in our opinion, the charitable 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 with the charity is not disclosed.

We read the Report of the Trustee and consider the implications for our report if we become aware of any apparent misstatements within it. Our responsibilities do not extend to other information.

**Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 charitable 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, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the charitable company's affairs as at 31 March 2008 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 provided in the Report of the Trustees is consistent with the financial statements.



Raffingers Stuart  
Chartered Certified Accountants  
Registered Auditors  
19-20 Bourne Court  
Southend Road  
Woodford Green  
Essex  
IG8 8HD

Date: 12 November 2008

**LONDON VOLUNTARY SECTOR**  
**TRAINING CONSORTIUM**  
**(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES**  
**for the year ended 31 March 2008**

	Notes	Unrestricted funds £	Restricted funds £	2008 Total funds £	2007 Total funds £
<b>INCOMING RESOURCES</b>					
Incoming resources from generated funds					
Voluntary income	2	53,789	653,977	707,766	1,470,366
Other incoming resources		47,488	-	47,488	13,362
<b>RESOURCES EXPENDED</b>					
Charitable activities	3				
Advice, information and training		79,364	442,851	522,215	1,006,667
Policy and networking		15,673	83,001	98,674	239,833
Educational and publicity		6,389	35,799	42,188	58,868
Governance costs	5	14,045	88,530	102,575	170,527
<b>Total resources expended</b>		<b>115,471</b>	<b>650,181</b>	<b>765,652</b>	<b>1,475,895</b>
<b>NET INCOMING/(OUTGOING) RESOURCES</b>					
		(14,194)	3,796	(10,398)	7,833
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		5,504	37,159	42,663	34,830
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>(8,690)</b>	<b>40,955</b>	<b>32,265</b>	<b>42,663</b>

The notes form part of these financial statements


**LONDON VOLUNTARY SECTOR**  
**TRAINING CONSORTIUM**  
**(A COMPANY LIMITED BY GUARANTEE)**

**BALANCE SHEET**  
**At 31 March 2008**

	Notes	Unrestricted funds £	Restricted funds £	2008 Total funds £	2007 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	9	28,453	-	28,453	44,517
<b>CURRENT ASSETS</b>					
Debtors	10	27,240	-	27,240	16,001
Prepayments and accrued income		3,654	42,339	45,993	212,835
Cash at bank and in hand		41	-	41	42
		30,935	42,339	73,274	228,878
<b>CREDITORS</b>					
Amounts falling due within one year	11	(68,078)	(1,384)	(69,462)	(230,732)
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		<u>(37,143)</u>	<u>40,955</u>	<u>3,812</u>	<u>(1,854)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>(8,690)</u>	<u>40,955</u>	<u>32,265</u>	<u>42,663</u>
<b>NET ASSETS/(LIABILITIES)</b>		<u>(8,690)</u>	<u>40,955</u>	<u>32,265</u>	<u>42,633</u>
<b>FUNDS</b>	12				
Unrestricted funds				(8,690)	5,504
Restricted funds				40,955	37,159
<b>TOTAL FUNDS</b>				<u>32,265</u>	<u>42,633</u>

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

The financial statements were approved by the Board of Trustees on 14 October 2008 and were signed on its behalf by:

  
 Trustee

The notes form part of these financial statements

**LONDON VOLUNTARY SECTOR**  
**TRAINING CONSORTIUM**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 31 March 2008**

**1. ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standards for Smaller Entities (effective January 2007), the Companies Act 1985 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

**Incoming resources**

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

**Resources expended**

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

**Allocation and apportionment of costs**

Overhead and support costs relating to charitable activities have been apportioned based on staff time.

**Tangible fixed assets**

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

Improvements to property	-20% on cost
Fixtures and fittings	-25% on cost
Computer equipment	-25% on cost

**Fund accounting**

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

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

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

**Defined Contribution Schemes**

The charitable company makes payments to defined contribution schemes on behalf of employees. The contributions are recognised in the statements of financial activities as they fall due.

**LONDON VOLUNTARY SECTOR**  
**TRAINING CONSORTIUM**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**for the year ended 31 March 2008**

**2. VOLUNTARY INCOME**

	2008 £	2007 £
Grants	658,451	1,464,488
Subscriptions	5,625	3,280
Donations	<u>43,690</u>	<u>2,598</u>
	<u>707,766</u>	<u>1,470,366</u>

During the year, the charity received funding from the London Councils, Big Lottery Fund and City Bridge Trust. These have been applied to fund the direct staff and administration costs of providing a series of guidance and training sessions for voluntary and community groups organising their own vocational support programmes for adults out of work or in vulnerable employment.

The charitable company also received Technical Assistance finance from the European Social Fund and the European Regional Development Fund, via the Government Office for London, to enable groups form the voluntary and community sector to deliver services effectively across London within the framework of the European Structure.

Grants received, included in the above, are as follows:

	2008 £	2007 £
European Social Fund	241,374	230,636
European Regional Development Fund	108,552	105,904
London Councils	210,600	210,600
City parochial Foundation	-	5,000
Learning and Skills Council- Networkplus	-	14,842
Learning and Skills Council- Skein	-	816,841
Enfield College	4,474	800
Big Lottery Fund	81,451	79,865
The City Bridge Trust	<u>12,000</u>	<u>-</u>
	<u>658,451</u>	<u>1,464,488</u>

**Section 37 of the Local Government and Housing Act 1989 Statement**

Grant aid of £210,600 (2007 £210,600) was received in 2007/08 from London Councils as a contribution towards LVSTC Technical Support Services Project. The following table illustrates what the money was awarded for and that it has been used for the following purposes.

	Grants £	Spent £
<b>Expenditure:</b>		
Salaries	162,000	162,000
Rent and rates	9,400	9,400
Running costs	<u>39,200</u>	<u>39,200</u>
	<u>210,600</u>	<u>210,600</u>

**LONDON VOLUNTARY SECTOR**  
**TRAINING CONSORTIUM**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**for the year ended 31 March 2008**

**3. CHARITABLE ACTIVITIES COSTS**

	Direct costs	Support costs (See note 4)	Totals
	£	£	£
Advice , information and training	7,758	514,457	522,215
Policy and networking			
	1,309	97,365	98,674
Educational and publicity	<u>708</u>	<u>41,480</u>	<u>42,188</u>
	<u>9,775</u>	<u>653,302</u>	<u>663,077</u>

**4. SUPPORT COSTS**

	Management £
Advice , information and training	514,457
Policy and networking	
	97,365
Educational and publicity	<u>41,480</u>
	<u>653,302</u>

Activity	Basis of allocation
Management	Staff time

**5. GOVERNANCE COSTS**

	2008 £	2007 £
Staff costs	79,119	103,385
Other staff costs	-	1,174
Legal and professional costs	6,452	3,422
Premises costs	5,566	4,549
Communication costs	3,907	8,267
Office expenses	1,686	2,017
Insurance	578	628
Depreciation	2,505	1,960
Training and trainers	140	421
Seminar and meeting expenses	1,640	3,184
Travel and subsistence	929	1,452
Publications and subscriptions	53	97
Grants payable	<u>-</u>	<u>39,971</u>
	<u>102,575</u>	<u>170,527</u>

**6. NET INCOMING/(OUTGOING) RESOURCES**

Net resources are stated after charging/(crediting):

	2008 £	2007 £
Depreciation - owned assets	17,533	19,860
Auditors' remuneration	<u>5,283</u>	<u>5,934</u>

**LONDON VOLUNTARY SECTOR**  
**TRAINING CONSORTIUM**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**for the year ended 31 March 2008**

**7. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 March 2008 nor for the year ended 31 March 2007.

**Trustees' Expenses**

Mike Webster was paid £146 (2007 £278) for expenses incurred for the year ended 31 March 2008.

**8. STAFF COSTS**

	2008 £	2007 £
Wages and salaries	<u>553,840</u>	<u>893,445</u>

**9. TANGIBLE FIXED ASSETS**

	Improvements to property £	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>				
At 1 April 2007	25,940	150,375	10,070	186,385
Additions	<u>-</u>	<u>1,469</u>	<u>-</u>	<u>1,469</u>
At 31 March 2008	<u>25,940</u>	<u>151,844</u>	<u>10,070</u>	<u>187,854</u>
 <b>DEPRECIATION</b>				
At 1 April 2007	5,188	131,340	5,340	141,868
Charge for year	<u>5,188</u>	<u>11,344</u>	<u>1,001</u>	<u>17,533</u>
At 31 March 2008	<u>10,376</u>	<u>142,684</u>	<u>6,341</u>	<u>159,401</u>
 <b>NET BOOK VALUE</b>				
At 31 March 2008	<u>15,564</u>	<u>9,160</u>	<u>3,729</u>	<u>28,453</u>
At 31 March 2007	<u>20,752</u>	<u>19,035</u>	<u>4,730</u>	<u>44,517</u>

**10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2008 £	2007 £
Trade debtors	26,511	15,273
Other debtors	<u>729</u>	<u>728</u>
	<u>27,240</u>	<u>16,001</u>

**11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2008 £	2007 £
Bank loans and overdrafts	32,035	85,803
Trade creditors	7,816	10,828
Taxation and social security	13,858	17,109
Other creditors	<u>15,753</u>	<u>116,992</u>
	<u>69,462</u>	<u>230,732</u>

**LONDON VOLUNTARY SECTOR**  
**TRAINING CONSORTIUM**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**for the year ended 31 March 2008**

**12. MOVEMENT IN FUNDS**

	Opening Balance £	Incoming resources £	Resources expended £	Closing balance £
<b>Unrestricted funds</b>				
General fund	(1,496)	101,277	(108,471)	(8,690)
Designated Fund	7,000	-	(7,000)	-
<b>Restricted funds</b>				
European Regional Development Fund (ERDF)	37,159	108,552	(104,756)	40,955
European Social Fund	-	241,374	(241,374)	-
London Councils	-	210,600	(210,600)	-
Big Lottery Fund	-	81,451	(81,451)	-
The City Bridge Trust	-	12,000	(12,000)	-
<b>TOTAL FUNDS</b>	<u>42,663</u>	<u>755,254</u>	<u>(765,652)</u>	<u>32,265</u>

***Name of Fund***  
***Restricted Funds***

***Description, nature and purposes for the fund***

European Regional Development Fund (ERDF)	to economic regeneration Technical Assistance
European Social Fund	to vocational skills and guidance Technical Assistance
London Councils	towards Technical Support Services Programme
Big Lottery Fund	to Community Economic Enhancement Project
The City Bridge Trust	towards salary and associated costs for Economic Inclusion Project

The general funds represent funds available to the Board to use for general purpose of the charity.

**13. TAXATION**

The charitable company is exempt from corporation tax on its charitable activities.

**14. CONTINGENT LIABILITY**

There is an ongoing dispute with Lambeth Voluntary Agencies Council (LVAC), regarding an outstanding payment of £24,384 for project work. To date insufficient information has been provided by LVAC to enable the Board to quantify their claim and accordingly no provision has been made in these accounts. In the event that further information is received and the claim can be quantified, the Board is of the opinion that the amount payable will ultimately be less than £24,384.