SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2008

REGISTERED NUMBER 05582643

CHARITY REGISTERED NUMBER 1112999

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2008

DIRECTORS

JP Barneveld
Dr MT Bennett
J Brear
CA Cunio (Vice-chair)
A Dods (Resigned 14 August 2007)
GF Drake
JA Haig - Haddow (Resigned 28 July 2007)
R Olivent (Appointed 15 August 2007)
T O'Rourke (Treasurer)
Dr SD Reeve
G Scott (Chair)
M Tucker
LSC Williams (Co-opted 11 December 2007)
A Woods MBE (Deceased 9 September 2007)
DG Wrighton

SECRETARY

DG Wrighton

REGISTERED OFFICE

11 Porchester Road, Woolston, Southampton, SO19 2JB

COMPANY NUMBER

05582643

CHARITY REGISTERED NUMBER

1112999

BANKERS

CAF Bank Ltd, West Malling, Kent

AUDITOR

Keith Powers FCA
AIMS Accountants for Business
PO Box 241, Sarisbury Green, SO31 1DF

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2008

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SOUTHAMPTON ADVICE & REPRESENTATION CENTRE
DIRECTORS' / TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2008

The directors present their report and the audited financial statements of the company for the year ended 31 March 2008.

ADMINISTRATIVE DETAILS

Relevant details of the charity are given on page 1. The Co-ordinator, to whom the day to day management of the charity has been delegated by the trustees, is Gary Edwards.

DIRECTORS RESPONSIBILITIES

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with 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 company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:-

1) select suitable accounting policies and then apply them consistently.

2) make judgements and estimates that are reasonable and prudent.

3) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

STATEMENT OF DISCLOSURE TO AUDITORS

In the case of each of the persons who are directors at the time when the directors' report is approved:

a) so far as the director is aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware; and

b) he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The charity was constituted by the memorandum and articles of association (incorporated 4 September 2005) as a company limited by guarantee. On 1 April 2006 the company commenced operations when the assets and liabilities of the organisation bearing the same name were

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transferred to the charity.

Trustess are elected to post having been selected from suitable candidates to ensure that the board contains an appropriate balance of expertise. Trustees undergo an initial induction and thereafter attend training courses as appropriate to enable them to continue to carry out their duties effectively.

The trustees meet monthly to attend to the legal and administrative affairs of the company and to review and set the policy and long term strategies of the charity. There are two subcommittees: Personnel and Service Development. The latter is charged with developing and monitoring delivery of the strategic plan. The day to day operations of the charity are delegated to the co-ordinator and the management team.

The trustees have assessed the major risks to which the charity is exposed, in particular those relating to the operations and finances of the charity, and believe effective insurance, checks, controls and procedures are in place to mitigate those risks. As required by the CLS Quality Mark procedures, there is a full set of office manuals including financial procedures.

PRINCIPAL ACTIVITY

The principal activity of the charity is the provision of advice and representation in the fields of employment law and welfare benefits to residents of Southampton and Eastleigh.

OBJECTIVES AND ACTIVITIES

Within the fields of employment rights and welfare benefits, the charity aims to provide it's clients with high quality, accurate advice and (when appropriate) representation at tribunals etc. This service is available to all who live within the areas of Southampton and Eastleigh, and those from other areas such as trade unions and housing association with which the charity has funding agreements.

The strategies for achieving the aims and objectives may be summarised as follows:

a) Staff - all staff are encouraged to provide an exceptional level of committment to the client group. The charity has a well-developed training programme that ensures that the quality of advice is sound, consistent and accurate;

b) The Community Legal Services Quality Mark - adherence to the Quality Mark ensures that management and staff are committed to excellence based on a strong qualitative base;

c) Centre of Excellence - the charity strives to be recognised as providing high quality advice and representation in it's areas of expertise;

d) Specialists - the charity focuses only on its areas of expertise in welfare benefits and employment law;

e) Outreach - in order to ensure that it's services are available to all members of the community, the charity operates a number of outreach centres;

f) Equality of opportunity - the charity's staff complement is intended to be broadly representative of the community which it serves.

Advice is available daily by telephone, by appointement at the main Woolston centre, and drop in arrangements are in place at outreach sites.

During the year, the charity has delivered training on Age Discrimination to the voluntary sector in Southampton and other areas, This has provided additional income and the trustees will explore other training opportunities in the coming year.

Following a service review by the Service Development Sub-committee there is no intention to extend or contract the current broad level of service and the current policy to concentrate on the areas of expertise will continue.

ACHIEVEMENTS, PERFORMANCE AND FINANCIAL REVIEW

The statement of financial activities is the main summary of the financial activities of the charity for the year. This shows reserves generated from charitable activities of £17,440 (2007:- £6,052) for the year leaving £81,947 (2007:- £64,507) in reserves at the year end, all of which is free of any restrictions.

RESERVES

The trustees' objective is to maintain sufficient reserves to fund:

1 operating costs to enable the organization to continue trading during any unusual disruption to income. This is estimated to represent at least 5% of annual turnover;

2 costs of closure including redundancy costs, holiday pay and other final payments to creditors;

3 anticitipated building repairs and maintenance to ensure compliance with contractual obligations in terms of the lease and for an ongoing program of equipment replacement.

On the above basis it is currently estimated that between £60,000 and £85,000 is required to be held in reserve.

AUDITOR

The auditor, Keith Powers FCA, is deemed to be reappointed in accordance with section 386 of the Companies Act 1985 by virtue of an elective resolution passed by the members on 29 September 2008.

SMALL COMPANY EXEMPTIONS

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the board on 29 September 2008 and signed on their behalf.

29/9/2008

Signed
DG Wrighton

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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF SOUTHAMPTON ADVICE & REPRESENTATION CENTRE FOR THE YEAR ENDED 31 MARCH 2008

I have audited the financial statements of Southampton Advice & Representation Centre for the year ended 31 March 2008 which comprise Statement of Financial Activities, Profit and Loss Account, Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein, the requirements of the Financial Reporting Standard for Smaller Entities (Effective 2005) and the Statement of Recommended Practice (2005) relating to Charities.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. My audit work has been undertaken so that I might state to the company's members those matters I am required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company and the company's members as a body, for my audit work, for this report, or for the opinions I have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

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

I report to you my opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. I also report to you whether in my opinion the information given in the Directors' Report is consistent with the financial statements.

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

I read the Directors' Report and consider the implications for my report if I become aware of any apparent misstatements within it.

Basis of opinion

I conducted my 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 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.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me 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 my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE SHAREHOLDERS OF
SOUTHAMPTON ADVICE & REPRESENTATION CENTRE
FOR THE YEAR ENDED 31 MARCH 2008

Opinion

In my opinion:
1) 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 company's affairs as at 31 March 2008 and of its profit for the year then ended.
2) The financial statements have been properly prepared in accordance with the Companies Act 1985.
3) The information given in the Directors' Report is consistent with the financial statements.

Keith Powers FCA
AIMS Accountants for Business
Registered Auditor

PO Box 241, Sarisbury Green, SO31 1DF

29 September 2008

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2008

	Notes	2008		2007
			Unrestricted funds	
		£	£	£
INCOMING RESOURCES				
Income resources from generated funds	2			
Voluntary income			298,993	299,752
Investment income	5		4,409	3,846
RESOURCES EXPENDED				
Charitable activities			(1,087)	(2,761)
Other resources expended:				
Staff costs			(244,749)	(248,088)
Depreciation	3		(2,200)	(2,200)
Establishment costs	3		(37,077)	(43,766)
NET INCOMING RESOURCES BEFORE TAXATION			18,289	6,783
Tax on ordinary activities	6		849	731
NET INCOMING RESOURCES AFTER TAXATION			17,440	6,052
TOTAL FUNDS FOR THE YEAR TRANSFERRED TO RESERVES	10	£	17,440	£ 6,052

The notes on pages 11 to 14 form part of these financial statements

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2008

	Notes	2008 £	2007 £
TURNOVER	2	298,993	299,752
Cost of sales		1,087	2,761
GROSS PROFIT		297,906	296,991
Net operating expenses	3	284,026	294,054
OPERATING PROFIT	4	13,880	2,937
Interest receivable and similar income	5	4,409	3,846
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		18,289	6,783
Tax on ordinary activities	6	849	731
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		17,440	6,052
RETAINED PROFIT TRANSFERED TO RESERVES	10	£ 17,440	£ 6,052

The notes on pages 11 to 14 form part of these financial statements

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE
BALANCE SHEET
AT 31 MARCH 2008

	Note	2008 £	£	2007 £
FIXED ASSETS				
Tangible assets	7		10,270	12,470
CURRENT ASSETS				
Debtors	8	648		917
Cash at bank and in hand		82,051		59,235
		82,699		60,152
CREDITORS: Amounts falling due within one year	9	11,022		8,115
NET CURRENT ASSETS			71,677	52,037
NET ASSETS			£ 81,947	£ 64,507
THE FUNDS OF THE CHARITY				
Unrestricted funds	10		81,947	64,507
TOTAL UNRESTRICTED CHARITY FUNDS			£ 81,947	£ 64,507

These accounts have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985.

The accounts were approved by the board of directors on 29 September 2008

T O'Rourke, Director 29/9/08

The notes on pages 11 to 14 form part of these financial statements

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2008

1. ACCOUNTING POLICIES

1a. Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005) and the Statement of Recommended Practice (2005) relating to Charities.

1b. Tangible fixed assets

Fixed assets are shown at historical cost.

Depreciation is provided, after taking account of any grants receivable, at the following annual rates in order to write off each asset over its estimated useful life by the straight line method.

	2008	*2007*
	%	*%*
Equipment	15	*15*

1c. Taxation

Corporation tax payable is provided on taxable income at the current rate.

1d. Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in the year.

1e. Turnover

Turnover and voluntary income represents grants and donations which are recorded at date of receipts and not accrued.

2. TURNOVER

Turnover and profit on ordinary activities before taxation are attributable to the principal activity.

3. NET OPERATING EXPENSES

	2008 £	2007 £
Net operating expenses:		
Administrative expenses	281,826	291,854
Depreciation	2,200	2,200
	£ 284,026	£ 294,054

4. OPERATING PROFIT

	2008 £	2007 £
Profit on ordinary activities is stated after charging:		
Auditor's remuneration		
Audit services	969	900
Depreciation and amortisation		
Tangible assets: owned	2,200	2,200

5. INTEREST RECEIVABLE AND SIMILAR INCOME

	2008 £	2007 £
Bank interest receivable	4,409	3,846
	£ 4,409	£ 3,846

6. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2008 £	2007 £
UK Corporation tax	849	731
	£ 849	£ 731

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7. TANGIBLE FIXED ASSETS

	Other Tangible Assets £	Total £
Cost		
At 1 April 2007	14,670	14,670
At 31 March 2008	14,670	14,670
Depreciation		
At 1 April 2007	2,200	2,200
For the year	2,200	2,200
At 31 March 2008	4,400	4,400
Net Book Amounts		
At 31 March 2008	£ 10,270	£ 10,270
At 31 March 2007	£ 12,470	£ 12,470

8. DEBTORS

	2008 £	*2007 £*
Social security and other taxes	-	*269*
Other debtors	648	*648*
	£ 648	*£ 917*

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2008 £	*2007 £*
Trade creditors	75	-
Corporation tax	849	*731*
Other taxes and social security	5,582	-
Other creditors	3,616	*3,157*
Accruals and deferred income	900	*4,227*
	£ 11,022	*£ 8,115*

10. RESERVES

	Unrestriced funds
	£
At 1 April 2007	64,507
Surplus for the year	17,440
At 31 March 2008	£ 81,947