

CVS FALKIRK AND DISTRICT

Report and Financial Statements

Year ended 31 March 2014

**Charity No: SC000312
Company No: SC085838**

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CVS FALKIRK AND DISTRICT

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CVS FALKIRK AND DISTRICT

LEGAL AND ADMINISTRATIVE INFORMATION

Status

The organisation is a charitable company limited by guarantee, governed by a Memorandum and Articles of Association.

Board of Directors

William Thomas Kelly	Chairperson
Iain James Opray	Treasurer
Isabella Russell Breen	Resigned 6 November 2013
Elaine Maxwell Costello	
Stuart McAllister	Resigned 6 November 2013
Alexander Milne	
Paul Mooney	
Rosemary Dean Murray	
Margaret Torrance	

Secretary

Karen Herbert	Appointed 29 October 2013
Pamela Dixon	Appointed 22 April 2013
	Resigned 23 September 2013

Chief Executive Officer

Karen Herbert

Registered Office and operation address

Unit 6, The Courtyard
Callendar Business Park
Callendar Road
Falkirk
FK1 1XR

Auditors

Alexander Sloan, Chartered Accountants, 1 Atholl Place, Edinburgh, EH3 8HP

Bankers

Royal Bank of Scotland, 2 Newmarket Centre, Falkirk, FK1 1JX
Unity Trust Bank plc, Nine Brindleyplace, Birmingham, B1 2HB

Solicitors

Marshall Wilson, 2 High Street, Falkirk, FK1 1EZ

CVS FALKIRK AND DISTRICT
DIRECTORS' ANNUAL REPORT
for the year ended 31 March 2014

The Directors present their report and the financial statements of the charity for the year ended 31 March 2014.

Directors

The Directors of the charitable company are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Directors.

The Directors serving during the year and since the year end are detailed on page 1.

STRUCTURE, GOVERNANCE AND MANAGEMENT
Governing Document

CVS Falkirk and District is a Scottish company, limited by guarantee, incorporated on 6 December 1983 and is a registered Scottish charity. The company also uses the operating name Volunteer Centre Falkirk, and since April 2014 also uses the operating name Forth Valley Top Toes. 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. In the event of the company being wound up, members may be required to contribute an amount not exceeding £1.

Appointment of Directors

Our governing document allows for up to 10 Directors to be elected from member organisations. It also allows 2 Directors to be designated by Falkirk Council or its successor – to date these have been 1 Councillor and 1 Officer. In addition, up to 3 Directors can be appointed by the Board of Directors on the basis that he/she has a specialist experience and/or skills which could be of assistance to the Board. Appointees do not have to be from member organisations, but must stand down at the Annual General Meeting although they can be appointed for a further period after the AGM should the Board continue to require their services. We have 2 appointed directors at present, one of whom holds the office of Treasurer.

Director's induction and training

Most new Directors are already familiar with the work of CVS Falkirk and District due to coming from organisations we serve or work closely with.

New Directors are given a pack of information about the organisation and have an initial induction session with the Chairperson and Chief Executive Officer.

To further familiarise themselves with the organisation's work Directors ask all new staff members attend a Board meeting and present an overview of their job role and key objectives.

In 2013/14, we continued to retain a specific budget for Trustee/Director Training. The organisation subscribes to the charity magazine 'Governance' for the purposes of keeping Trustees/Directors up to date and able to consider issues pertinent to their role as strategic leaders of the organisation.

**CVS FALKIRK AND DISTRICT
DIRECTORS' ANNUAL REPORT (continued)
for the year ended 31 March 2014**

Directors are given opportunities to attend training/development sessions throughout the year, with at least one Director, usually the Chairperson, attending the annual third sector interface conference.

Organisational structure

The Directors are responsible for the overall governance of the charity and receive reports from a Finance Sub Committee, a Human Resources Sub Committee and from the Chief Executive Officer (CEO). The Finance Sub Committee and Human Resources Sub Committee are chaired by a Board member.

Day to day responsibility for the operation of the organisation is delegated to the CEO.

At the start of the year the Capacity Building Development Officer post was vacant and was filled at the start of August 2013. At the same time we appointed a new and complementary post, Social Enterprise Development Officer, for a joint pilot scheme lasting 2 years in partnership with The Helix, Scottish Canals, Scottish Social Enterprise Academy and Falkirk Council Growth & Development Unit.

Karen Herbert was appointed as CEO in July 2013 following the resignation of the previous CEO at the end of March 2013.

The strategic plan was updated at the end of October 2014 and an Organisation Workplan developed for 2014/15 to implement this strategy.

Related Parties

CVS Falkirk and District is an independent charitable organisation, providing services and support to other charities and voluntary organisations, community groups and members of the public in its area of operation. We work closely with organisations across sectors to do this effectively and efficiently.

The organisation is recognised as the Third Sector Interface by the Falkirk Community Planning Partnership and the Scottish Government, delivering four key functions in the Falkirk local authority area. These are:

1. Developing volunteering
2. Developing social enterprise
3. Developing third sector organisations
4. Linking the third, public and independent sectors, and engaging with the Community Planning Partnership.

Throughout 2013/14 we had membership of Voluntary Action Scotland, and representation on the boards of Falkirk Environmental Trust, and Forth Valley and Lomond LEADER Local Action Group, having resigned from the latter in April 2014.

Since January 2014 we have had representation on the board of the newly founded Falkirk and Kelvin Valley LEADER Local Action Group.

**CVS FALKIRK AND DISTRICT
DIRECTORS' ANNUAL REPORT (continued)
for the year ended 31 March 2014**

One Director is a senior officer with Falkirk Council and another is an elected member. Falkirk Council is a key funder of CVS Falkirk and District.

We continue to be an active member of the Falkirk Community Planning Partnership. We are committed to working in partnership to achieve those outcomes within the Single Outcome Agreement which are compatible with our charitable and strategic objectives. We have participated fully in the partnership working around the Reshaping Care for Older People national agenda, and are continuing to engage in actions around the integration of Health and Social Care, both of which continue into 2014/15.

Risk management

Major risks to which the organisation is exposed have been reviewed continuously and wherever possible, systems and procedures put into place to mitigate risks faced by the charity. Internal control risks are minimised by the design and implementation of robust procedures for authorisation of all transactions. Risks to funding income are being mitigated through, for example, new contract activities and investing in the generation of limited trading income from tenants and room hires. The graphics design activity made no contribution to funds in 2013/14 and was closed down early in 2014/15.

A risk reporting matrix is reviewed at each Board meeting by the CEO and Directors.

OBJECTIVES AND ACTIVITIES

The organisations' principal objectives are to:

- Promote any charitable purposes for the benefit of all inhabitants of the Falkirk Council area and in particular, the advancement of education and the furtherance of health and the relief of poverty, distress and sickness.
- Provide information (including producing publications) and practical support to voluntary organisations and community groups in order to assist them in achieving their objectives and in doing so, promote best practice.
- Develop and support appropriate networks in order to ensure the voluntary and community sector's engagement in local planning and partnerships in areas such as volunteering, health, social work, housing, education, employment, environment and leisure.
- Provide information and practical support to individuals who wish to volunteer and to volunteer-engaging organisations, thus promoting best practice.
- Promote the work of the local voluntary sector to local, national and UK governments and to other statutory agencies or appropriate bodies.

**CVS FALKIRK AND DISTRICT
DIRECTORS' ANNUAL REPORT (continued)
for the year ended 31 March 2014**

ACHIEVEMENTS AND PERFORMANCE

The year was a busy time for the organisation as we responded to a continuing increase in demand on our services and for our partnership contributions. In this section we highlight some notable achievements and results.

The support we provide to volunteers and to organisations engaging with volunteers was under significant demand during the year. We had 877 new registrations and facilitated 739 matches, with a further 77 being directly signposted to organisations.

Every year we report that our annual Volunteer Awards Ceremony was the busiest ever, and this year was no exception. We had 533 nominations and 450 attendees. In addition Saltire Awards were presented to 326 young volunteers, from a total of 409 new registrations, and we presented 68 Celebration of Volunteering Certificates to students at Forth Valley College and school pupils with additional support needs.

Our fourth annual Charity Fayre was held in October 2013, and despite poor weather we had 33 organisations attending with over 250 visitors.

In February 2014 we held a very successful Funders Fayre in Camelon, which saw 20 funders participating for the day, and over 180 attendees. We are still following up with the funders to determine the size of funds leveraged into the Falkirk area as a result of this exposure, and intend to make it an annual event.

We continue to work with 'hard to reach groups' and our listing of over 273 organisations we engaged with during the year helps us to target efforts towards these organisations, although increasing demand on our services means that much of our work remains reactive rather than proactive.

Our website has been a difficulty throughout the year that has compromised our ability to spread information, although we have continued to publish fortnightly e-bulletins and hotlists to an audience of 1,129 organisation contacts. The new website is under development and targeted for launch in August 2014.

As part of the Scottish Government's Reshaping Care for Older People Change Fund, we continued to provide the secretariat function for distribution of a further £300,000 to local third sector organisations, and successfully applied for an extension of the original scheme to allow funded organisations to apply for funding for a second year.

We again ran our successful Broadening Your Horizons youth employability programmes, with a good success rate on the three programmes of achieving positive outcomes for the participants. This programme was funded by Falkirk Council's Employment and Training Unit (ETU).

We continue to facilitate the Community Care and Health Forum, which increases membership year on year, and is a model frequently asked about by other TSIs. We also continue to provide secretariat services for the Voluntary Sector Children's Services Forum.

We are increasingly regarded as a serious partner by our public sector colleagues, and recognised for the significant role and contribution the third sector has to play in improving services in the Falkirk Council area. As our reputation expands, so too does the demand on our very limited resources to actively participate in a wide range of meetings across a diverse

**CVS FALKIRK AND DISTRICT
DIRECTORS' ANNUAL REPORT (continued)
for the year ended 31 March 2014**

portfolio of thematic and service areas. This is an area we will have to manage more effectively in the coming year if we are not to lose the momentum gained, and this will prove increasingly difficult with the pace of public service reform increasing and presenting new challenges.

The above is a summary of some of the activities undertaken during the year. We produce an Annual Review each year which provides more detail on our work.

FINANCIAL REVIEW

2013/14 has been another year of strong financial performance against a climate of significant reductions in overall public sector spending and cost increases. In the Falkirk Council area we have been fortunate that cuts have not severely impacted the third sector to date. Our core funding from both Scottish Government and Falkirk Council remained in line with previous years, and will remain the same for 2014/15. However we are aware that this is not sustainable, and we, in common with all third sector organisations locally, have to plan for resilience in the face of future cuts to funding. We continued to negotiate a one-year Joint Working Agreement with Falkirk Council, and this will be standard for future years, giving rise to uncertainties going forward.

We constantly review our services and projects to determine their financial viability, and to maximise our grants to deliver the services intended. During the year, following very poor demand for the services, we stopped providing a payroll service and independent examination of accounts. We were happy however to signpost the existing clients and any future enquiries to other third sector payroll bureaux, and to local trained individuals capable of undertaking independent examinations at favourable rates.

During the year we administered the second year of the Partnership Innovation Fund (PIF) of £325,884 and we saw the first full year of partnership working in the Helix Social Enterprise Initiative, which attracted funding of £35,000. Both of these projects will continue into next year. We ran the final sessions in the youth employability training in partnership with Falkirk Council - Broadening Your Horizons with £38,334 income, and engaged in a number of small value short duration non-recurring projects. Overall we saw a reduction in generated income of 12%, and we are looking at ways to reverse this decline in the coming year. However this is in some way mitigated by a reduction in aligned expenditure of 6%. We know that in part this has happened due to unfilled posts, and we are looking to build a more resilient core team for the tasks ahead. Because of the nature of the on-off projects and funding base we work with, regular staff turnover is inevitable, and we continue to build on our core strengths rather than rely on the short term nature of some specific activities. With all new projects, we start with either an exit strategy or a plan for sustainability in order to minimise disruption as each project's funding finishes.

Overall we increased our unrestricted general funds by £22,430 allowing us to retain our stated policy of holding a 3 month reserve. Our designated funds increased overall by £11,247. We increased the designated fund for website development to £10,000 and this is now due to be launched in autumn 2014. We experienced a failure of our telecoms equipment and had to replace it during the year. This highlighted the age and limited capacity of our IT systems, so we increased our Designated Fund for IT Equipment & Replacement to £10,000 and are working with our IT provider to look at increasing resilience in this key operational area.

**CVS FALKIRK AND DISTRICT
DIRECTORS' ANNUAL REPORT (continued)
for the year ended 31 March 2014**

RESERVES POLICY

Funding received for specific pieces of work or particular areas of work is contained within Restricted Funds in order to ensure monies are spent for the purpose it was received.

During the year, the Directors reviewed the company's Reserves Policy and decided to maintain the current position that the organisation should retain reserves equivalent to three months of unrestricted operating costs. These costs and therefore the organisation's target amounts to £85,105 based on 2013/14 figures, to be held in General (Unrestricted) Funds. The unrestricted reserves amount of £148,303 exceeds this target at the end of March 2014. We recognise this target has been met in part due to staff vacancies during the year, and we are taking steps to address these issues.

PLANS FOR FUTURE PERIODS

We anticipate further pressure on income and will continue to work hard to secure additional sources of income. We will continue to develop our income generating options throughout the year ahead and monitor these closely.

As public service reform continues apace, we shall work closely with third sector and public sector partners alike to maximise opportunities for third sector growth and sustainability, with a view to minimising the impact of things like welfare reform on our local communities and citizens. We will continue to build on the excellent relationships we have with our public sector partners to find ways of developing new services which are efficient, high quality and deliver improved outcomes for people.

RECOGNITION AND THANKS

The Board of Directors would like to express their thanks to those who have worked with us during the year. We would particularly like to thank the volunteers and third sector organisations that work tirelessly to improve our communities and the opportunities for local people. We would also like to thank our funders and partners for their continued support.

The Directors are particularly appreciative of the hard work and commitment of the skilled staff, placements and volunteers who have made our achievements possible. The Board appreciate the dedication by all staff to the organisation's goals during a year of significant change, especially during the first four months of the year when we were without a CEO.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Director's Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure of the charitable company for that period. In preparing these statements Directors are required to:

**CVS FALKIRK AND DISTRICT
DIRECTORS' ANNUAL REPORT (continued)
for the year ended 31 March 2014**

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume the charitable company will continue in operation.

The Directors are responsible for keeping proper accounting records that 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 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

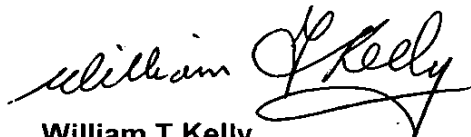
In so far as the Directors are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware, and
- They have undertaken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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

This report was approved by the Directors on 20th August 2014 and signed on their behalf by


William T Kelly
Chairperson

CVS FALKIRK AND DISTRICT

INDEPENDENT AUDITOR'S REPORT to the Directors of CVS Falkirk and District

We have audited the financial statements of CVS Falkirk and District for the year ended 31 March 2014 which comprise the Statement of Financial Activities, the Balance Sheet and the related Notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (Effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charity's Directors, as a body, in accordance with Section 44 (1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the charity's Directors 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 its members as a body and its Directors as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and Auditor

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

We have been appointed as auditors under Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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

Scope of the audit of the financial statements

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

CVS FALKIRK AND DISTRICT

INDEPENDENT AUDITOR'S REPORT to the Directors of CVS Falkirk and District (continued)

Opinion on financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2014 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act and Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the information given in the Directors' Annual Report is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept proper and adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.
- the Directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption available in preparing the Directors' Report.

We have nothing to report in respect of these matters.

Alan Cunningham (Senior Statutory Auditor)
for and on behalf of
Alexander Sloan
Chartered Accountants and
Statutory Auditor



**1 Atholl Place
Edinburgh
EH3 8HP**

Dated: 17 September 2014

Alexander Sloan is eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006.

CVS FALKIRK AND DISTRICT

Statement of Financial Activities (Incorporating Income and Expenditure Account)

for the year ended 31 March 2014

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2014 £	Total Funds 2013 £
Incoming resources					
Incoming resources from generated funds:					
Voluntary income	2	299,348	-	299,348	299,348
Activities for generating funds	2	67,762	-	67,762	124,071
Investment income and interest		320	-	320	173
Incoming resources from charitable activities	2	6,667	471,509	478,176	534,712
Total incoming resources		374,097	471,509	845,606	958,304
Resources expended					
Charitable activities		271,390	494,561	765,951	764,482
Costs of generating funds		62,133	-	62,133	108,638
Governance costs		6,897	-	6,897	10,818
Total resources expended	3	340,420	494,561	834,981	883,938
Net incoming/(outgoing)resources before transfers		33,677	(23,052)	10,625	74,366
Transfers between Funds		-	-	-	-
Net movements in funds		33,677	(23,052)	10,625	74,366
Total funds at 1 April 2013		114,626	55,582	170,208	95,842
Total funds at 31 March 2014		148,303	32,530	180,833	170,208

The Notes on pages 13 to 23 form an integral part of these financial statements

CVS FALKIRK AND DISTRICT


BALANCE SHEET

As at 31 March 2014

	Notes	£	2014 £	2013 £
Fixed assets				
Tangible assets	8		7,939	4,192
Current assets				
Debtors	9	114,416		82,020
Cash at bank and in hand		240,508		277,534
		<u>354,924</u>		<u>359,554</u>
Creditors: amounts falling due within one year	10	(182,030)		(193,538)
Net Current Assets			172,894	166,016
Net Assets			<u>180,833</u> =====	<u>170,208</u> =====
Funds :				
Unrestricted Funds:				
Designated Funds			40,939	29,692
General Funds			107,364	84,934
			<u>148,303</u>	<u>114,626</u>
Restricted Funds			32,530	55,582
Total Funds	13		<u>180,833</u> =====	<u>170,208</u> =====

The financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006.

The financial statements were approved and authorised for issue by the Directors on 20 August 2014 and signed on their behalf by:


William T Kelly (Director/Chairperson)


Iain Opray (Director/Treasurer)

Registered Number: SC085838

The Notes on pages 13 to 23 form an integral part of these financial statements

CVS FALKIRK AND DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2014

1. Accounting policies

1.1 Accounting Convention

The financial statements are prepared under the historical cost convention and where appropriate, modified to include the revaluation of certain fixed assets and in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP 2005) issued in March 2005, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) and the Companies Act 2006. The principal accounting policies adopted in the preparation of the financial statements are set out below.

1.2 Incoming Resources

Voluntary income including donations, gifts and legacies and grants that provide core funding or are of a general nature are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when the donor specifies that the grant or donation must only be used in future accounting periods, or when the donor has imposed conditions which must be met before the charity has unconditional entitlement.

Income from commercial trading activities is recognised as earned (as the related goods and services are provided).

Income from investments is included in the year in which it is receivable.

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions is recognised as earned (as related goods or services are provided). Grant income included in this category provides funding to support performance activities where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

The value of services provided by volunteers has not been included.

1.3 Resources Expended

Expenditure is recognised on an accruals basis when a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

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.

Costs of generating funds are those costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

CVS FALKIRK AND DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2014

Accounting policies (continued)

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

1.4 Activity Based Reporting

The Directors are of the opinion that the charity has a single activity and there is no merit in providing further analysis within the Notes to the financial statements.

1.5 Tangible Fixed Assets

Fixed assets are stated at cost less accumulated depreciation. The cost of minor additions or those costing below £500 are not capitalised. Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life, as follows

Computer equipment	evenly over 3 years
Office equipment and fixtures	evenly over 4 years
Tenant's improvements	evenly over 5 years

1.6 Leasing

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against income on a straight-line basis over the period of the lease.

1.7 Pensions

The charity contributes 6% of gross salary to the individual personal pensions of its employees. The pension costs charged in the financial statements represent the contribution payable by the charity during the year.

1.8 Funds

Unrestricted Funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as General Funds.

Designated Funds are unrestricted funds earmarked by the Directors for particular purposes.

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, together with a fair allocation of overheads.

CVS FALKIRK AND DISTRICT

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 March 2014

2. Incoming resources

			2014	2013
Incoming resources from generated funds:	Unrestricted	Restricted	Total	Total
Voluntary Income	£	£	£	£
Falkirk Council – Core Funding	113,748	-	113,748	113,748
Scottish Government – Core Funding	185,600	-	185,600	185,600
	<hr/>	<hr/>	<hr/>	<hr/>
	299,348	-	299,348	299,348
	<hr/>	<hr/>	<hr/>	<hr/>
Activities for generating funds				
Tenants	28,517	-	28,517	30,195
Conference hire	5,086	-	5,086	5,512
Payroll, Accountancy and Admin Services	13,009	-	13,009	39,964
Graphic Design	14,199	-	14,199	38,941
Other	6,951	-	6,951	9,459
	<hr/>	<hr/>	<hr/>	<hr/>
	67,762	-	67,762	124,071
	<hr/>	<hr/>	<hr/>	<hr/>
Incoming resources from charitable activities:				
Falkirk Council – Broadening Your Horizons	-	38,334	38,334	29,017
Falkirk Council – Children Services Change Manager	-	-	-	68,000
Falkirk Council – Community Care & Health	-	18,430	18,430	18,430
Falkirk Council – Employment & Training Unit	-	5,815	5,815	2,584
Falkirk Council – Helix Social Enterprise Zone	-	35,000	35,000	10,900
Forth Valley Family Support Service	6,667	-	6,667	5,000
NHS Forth Valley – Community Care & Health	-	-	-	23,500
NHS Forth Valley – Reshaping Care for Older People	-	35,000	35,000	35,000
NHS Forth Valley – Partnership Innovation Fund	-	325,884	325,884	317,045
Partnership Innovation Fund – Forth Valley Top Toes	-	10,969	10,969	-
Scottish Government – Reducing Reoffending Change Fund	-	-	-	15,960
SCVO – Community Jobs Scotland	-	2,077	2,077	5,426
Community Food and Health Scotland	-	-	-	3,850
	<hr/>	<hr/>	<hr/>	<hr/>
	6,667	471,509	478,176	534,712
	<hr/>	<hr/>	<hr/>	<hr/>
	373,777	471,509	845,286	958,131
	=====	=====	=====	=====

CVS FALKIRK AND DISTRICT

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 March 2014

3. Total resources expended

	Generation Of Funds £	Charitable Activities £	Governance Costs £	2014 Total £	2013 Total £
Staff costs (Note 5)	35,171	290,074	-	325,245	394,323
Travel & volunteer expenses	576	4,422	133	5,131	5,527
Rent	8,542	48,407	-	56,949	49,601
Premises costs	5,642	44,291	-	49,933	44,934
Office costs	8,474	5,654	227	14,355	32,639
Professional & consultancy fee	-	10,222	5,808	16,030	18,358
Activity costs	3,728	33,009	729	37,466	17,380
Grants Payable (Note 6)	-	325,884	-	325,884	317,045
Depreciation	-	3,153	-	3,153	3,338
Other costs	-	835	-	835	793
Total resources expended	<u>62,133</u> =====	<u>765,951</u> =====	<u>6,897</u> =====	<u>834,981</u> =====	<u>883,938</u> =====

4. Net incoming resources for the year

	2014 £	2013 £
<i>Net incoming resources is stated after charging:</i>		
Depreciation	3,153	3,338
Auditors' remuneration	5,808	2,664
	<u>=====</u>	<u>=====</u>

5. Staff costs and numbers

	2014 £	2013 £
Salaries and wages	279,944	347,144
Redundancy Costs	1,011	-
Social security costs	20,449	27,662
Pension charge	19,043	19,517
Recruitment	4,798	-
	<u>325,245</u> =====	<u>394,323</u> =====

There were no employees who received remuneration of over £60,000 in the period.

No Directors received any salary payments and one Director, A.Milne, received reimbursement of travel expenses in the year to the value of £133.

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

	2014 No	2013 No
Management, office & development	11	13.05
	<u>=====</u>	<u>=====</u>

CVS FALKIRK AND DISTRICT

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 March 2014

6. Grants Payable

The following grants were awarded during 2013/14 through the Partnership Innovation Fund:

	2014	2013
	£	£
Alzheimer Scotland: Community Connections Programme	51,048	39,550
Bield Housing: Thornhill Court Evening Service	18,193	-
Braveheart: Optimise: Health and Well being	48,048	-
British Red Cross: Red Cross Reablement	48,645	49,195
CVS Falkirk and District: Forth Valley Top Toes	43,875	-
Equal Futures: Circle of Support for Vulnerable Older People*	(2,532)	42,100
Falkirk and District Association for Mental Health: The Third Age Project	43,926	42,500
Falkirk Seniors Group*	(1,417)	10,611
Falkirk Football Community Foundation: The Silver Bairns Club	26,098	28,708
Forth Valley Independent Living Association: The Three C's Project	-	27,750
Relationships Scotland: Relationships in Maturity	-	32,064
Royal Voluntary Service: Community Services Falkirk	50,000	44,567
	<hr/>	<hr/>
	325,884	317,045
	=====	=====

*The Equal Futures and Falkirk and District Association for Mental Health Seniors Group projects both came to an end of their annual projects during the year to March 2014 and had some underspend which was paid back into the Partnership Innovation Fund money held by CVS Falkirk and District to be utilised towards future grants awarded.

7. Taxation

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

CVS FALKIRK AND DISTRICT

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 March 2014

8. Tangible fixed assets

	Tenant's Improvements £	Equipment & Fixtures £	Computer Equipment £	Total £
Cost				
At 1 April 2013	26,139	18,382	42,917	87,438
Additions in year	-	6,061	839	6,900
Disposals during the year	-	(-)	(-)	(-)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2014	26,139	24,443	43,756	94,338
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
At 1 April 2013	26,139	16,898	40,209	83,246
Charge for the year	-	1,157	1,996	3,153
Depreciation on disposals	-	(-)	(-)	(-)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2014	26,139	18,055	42,205	86,399
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value				
At 31 March 2014	-	6,388	1,551	7,939
	=====	=====	=====	=====
At 31 March 2013	-	1,484	2,708	4,192
	=====	=====	=====	=====

9. Debtors

	2014 £	2013 £
Grants and fees receivable	16,468	27,039
Other debtors & prepayments	97,948	54,981
	<hr/>	<hr/>
	114,416	82,020
	=====	=====

10. Creditors: amounts falling due within one year

	2014 £	2013 £
Creditors	3,752	12,225
Taxation and social security	6,569	8,526
Other creditors and accruals	171,709	171,787
Deferred Income	-	1,000
	<hr/>	<hr/>
	182,030	193,538
	=====	=====

CVS FALKIRK AND DISTRICT
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2014

11. Operating lease commitments

At 31 March 2014, the charity had annual commitments under non-cancellable operating leases as set out below:

	2014	2013
	£	£
Land and Buildings		
Operating leases which expire:		
Within two to five years	48,504	59,623
	=====	=====
Equipment		
Operating leases which expire:		
Within two to five years	3,509	4,097
	=====	=====

12. Analysis of Net Assets between Funds

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Tangible fixed assets	7,939	-	7,939
Current assets	182,981	171,943	354,924
Current liabilities	(42,617)	(139,413)	(182,030)
	-----	-----	-----
Net assets at 31 March 2014	148,303	32,530	180,833
	=====	=====	=====

CVS FALKIRK AND DISTRICT

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 March 2014

13. Movements in Funds

	At 1 April 2013 £	Incoming Resources £	Outgoing Resources £	New Designations/ Transfers £	At 31 March 2014 £
Restricted Funds:					
Adult Support and Protection	29,793	-	-	(29,793)	-
Community Care and Health	13,662	18,430	(50,826)	29,793	11,059
Falkirk Council:					
Broadening Your Horizons	4,227	38,334	(42,561)	-	-
Helix Social Enterprise Zone	7,900	35,000	(32,000)	-	10,900
Employment & Training Unit	-	5,815	(5,815)	-	-
NHS Forth Valley:					
Reshaping Care for Older People	-	35,000	(35,000)	-	-
Partnership Innovation Fund	-	325,884	(325,884)	-	-
Forth Valley Top Toes	-	10,969	(398)	-	10,571
SCVO: Community Jobs Scotland	-	2,077	(2,077)	-	-
Total Restricted Funds	55,582	471,509	(494,561)	(-)	32,530
Unrestricted Funds:					
Designated:					
IT Equipment Replacement	6,000	-	-	4,000	10,000
Website Development	5,000	-	-	5,000	10,000
Major Repairs and Maintenance	12,000	-	-	(2,000)	10,000
Contract Cancellations	2,500	-	(1,011)	1,511	3,000
Fixed Assets	4,192	-	(3,153)	6,900	7,939
General Funds	84,934	374,097	(336,256)	(15,411)	107,364
Total Unrestricted Funds	114,626	374,097	(340,420)	-	148,303
Total funds	170,208	845,606	(834,981)	-	180,833

CVS FALKIRK AND DISTRICT

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 March 2014

Purposes of Restricted Funds:

Adult Support and Protection	Funds held from previous years for partnership committee working with NHS Forth Valley and other agencies. Authorisation was granted by NHS Forth Valley during 2013/14 to use these funds as their contribution to the Community Care and Health post for the year.
Community Care and Health	Restricted grant money rolled forward from previous years, a financial contribution from Falkirk Council Social Work Services and the transfer of the Adult Support and Protection restricted fund from NHS Forth Valley all received during the year to employ a staff member with admin support to work on Community Care and Health issues.
Falkirk Council: Broadening Your Horizons	Funds received to deliver 3 sessions of a youth employability programme involving engagement with young people in meaningful activity to increase their employability goals and aspirations.
Helix Social Enterprise Zone	Contribution received from Falkirk Council towards employment of a Social Enterprise Development Officer to work on developing Scotland's first Social Enterprise Zone.
Employment & Training Unit	Nine months financial contribution from Falkirk Council towards moving our Administrator post from a modern apprentice role into full time employment
NHS Forth Valley Reshaping Care for Older People	Funding received from the Reshaping Care for Older People Change Fund to employ a Capacity Building Officer to work with partners and organisations which provide services for older people in the Falkirk Council area.
Partnership Innovation Fund	Significant funding received to pay out in grants to successful applicants to fund innovative delivery projects relating to the care for older people. This is part of the Scottish Government's Reshaping Care for Older People Change Fund.
Forth Valley Top Toes	Partnership Innovation Fund Grant awarded to CVS Falkirk and District to employ a Volunteer Co-ordinator to deliver a volunteer based personal footcare service for older people. Recruitment for the project took place in March 2014 with the service starting in April 2014.

CVS FALKIRK AND DISTRICT

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 March 2014

Purposes of Restricted Funds continued:

SCVO:

Community Jobs Scotland

Funding received through the Community Jobs Scotland partnership between Scottish Government and SCVO to employ and support a young person for a 13 week period in a creative internship role providing paid work experience in the third sector.

Purposes of Designated Funds:

IT Equipment Replacement

The Board of Directors has Designated Funds for the purchase of new IT equipment. £839 of this Fund was spent during the financial year in purchasing new phone call logging software to enable our tenants to be charged for their phone call usage. By a transfer from the General Fund, the closing fund balance has been increased to £10,000 for future IT upgrades to our systems that are planned for the current financial year.

Website Development:

£10,000 has been designated to be used toward future development of a new CVS Falkirk and District website during 2014/15.

Major Repairs and Maintenance

This Designated Fund is a contingency fund for any future repairs and maintenance work at the charity's premises. £6,061 of this Fund was spent during the year purchasing kitchen equipment and installing a new phone system within the office. By a transfer from the General Fund, the closing fund balance has been increased to £10,000 for carry forward until 2014/15.

Contract Cancellations

Funds have been set aside to contribute towards any cancellation costs that the charity may face. Staff redundancy costs paid out during the year were £1,011. By a transfer from the General Fund, the closing balance has been increased to £3,000 to cover any cancellation costs incurred during the year ending 31 March 2015.

Fixed Assets

This Fund represents the net book value of the unrestricted fixed assets.

CVS FALKIRK AND DISTRICT
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2014

14. Transfers

	Designated Funds					
	General Fund £	Fixed Asset £	IT Equipment £	Website Development £	Repairs and maintenance £	Contract Cancellations £
Additions to Fixed Assets	-	6,900	(839)	-	(6,061)	-
Other transfers	<u>(15,411)</u>	<u>-</u>	<u>4,839</u>	<u>5,000</u>	<u>4,061</u>	<u>1,511</u>
Per Note 13	<u>(15,411)</u>	<u>6,900</u>	<u>4,000</u>	<u>5,000</u>	<u>(2,000)</u>	<u>1,511</u>