

CVS FALKIRK AND DISTRICT

Report and Financial Statements

Year ended 31 March 2014

Charity No: SC000312
Company No: SC085838

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 (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**

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**

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

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

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
		<hr/>	<hr/>	<hr/>	<hr/>
Total incoming resources		374,097	471,509	845,606	958,304
		<hr/>	<hr/>	<hr/>	<hr/>
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
		<hr/>	<hr/>	<hr/>	<hr/>
Total resources expended	3	340,420	494,561	834,981	883,938
		<hr/>	<hr/>	<hr/>	<hr/>
Net incoming/(outgoing)resources before transfers		33,677	(23,052)	10,625	74,366
Transfers between Funds		-	-	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
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
		<hr/>	<hr/>	<hr/>	<hr/>
Total funds at 31 March 2014		148,303	32,530	180,833	170,208
		<hr/>	<hr/>	<hr/>	<hr/>

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 (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

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

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

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

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>