

Annual Report

Annual Report of the Trustees and Financial Statements

2010-2011

Charity Registration No 1108879



ANNUAL REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS 2010-2011

LEGAL AND ADMINISTRATIVE INFORMATION

Legal Status: Voluntary and Community Action South Bedfordshire is a charity and a company limited by guarantee.

It operates under the names of Voluntary and Community Action and Volunteer Centre Central Bedfordshire.

Charity Registration No: 1108879

Company Registration No: 5386570

Directors and Trustees: The directors of the charitable company (the charity) are its trustees for the purposes of charity law and throughout this report are collectively referred to as the trustees. The trustees of the charity were as follows:

Percy Allen (until November 2010)	David Deacon
Elizabeth Bagshaw (Chairperson)	Penny Green
Raymond Harold Ball (Treasurer)	Jill Pick
Maurice Blackman (until March 2011)	Barbara Williamson
Sandra Brown (to July 2011)	

Chief Officer and Company Secretary: John Gelder

Registered Office: Bossard House, West Street, Leighton Buzzard, Bedfordshire LU7 1DA.

Auditors: Holmes Peat Thorpe Chartered Accountants
Unit F21, Basepoint Business & Innovation Centre, 110 Butterfield, Great Marlings, Luton LU2 8DL

Bankers: Barclays Bank PLC
Market Square, Aylesbury, Buckinghamshire HP20 1TT
CAF Bank Ltd
25 Kings Hill Avenue, Kings Hill, West Malling, Kent ME19 4JQ
Santander UK plc
Business Banking, 301 St Vincent Street, Glasgow G2 5NT

Staff:	Jenny Allthorpe	Development Adviser
	Janet Brennan	Volunteering Adviser
	Lucy Crayk	Community Development Officer
	Vicki Drummond	Partnerships Officer (SLB) (from November 2011)
	John Gelder	Director
	Rebecca Gooch	Volunteering Adviser
	Maxine Hayes	Volunteering Adviser (until November 2010)
	Toby Johnston	Volunteering Adviser (from October 2011)
	Kim Mead	Information and Resources Coordinator
	Sonia Moodey	Finance and Premises Officer (until November 2010)
	Helen Nottingham	Partnerships Officer (SLB) (until September 2011)
	Rizwana Zaman	Funding and Social Enterprise Adviser

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REPORT OF THE TRUSTEES

The trustees, who are also directors for the purpose of company law, are pleased to present their report together with the financial statements of the charity for the year ended 31 March 2011.

The legal and administrative information set out on the page 2 forms part of this report. The financial statements comply with current statutory requirements and the *Statement of Recommended Practice – Accounting and Reporting by Charities* issued in March 2005.

Structure, Governance and Management

Governing document

Voluntary and Community Action is a charitable company limited by guarantee, incorporated on 9 March 2005 and registered as a charity on 6 April 2005. The company is governed by its Memorandum and Articles of Association, which was amended on the 5 November 2008. In the event of the company being wound up, members are required to contribute an amount not exceeding £1.

Recruitment and appointment of trustees

The trustees who have served during the year and since the year end are set out on page 2. One third of the trustees are retired (and may be reappointed) annually. Opportunities for members to join the Board as trustees are promoted throughout the year. The Trustee Board has appointed an Appointments Committee to oversee the recruitment, appointment and retirement of trustees and has developed procedures for undertaking this function. The Trustee Board usually meets eight times a year.

Trustee induction and training

Voluntary and Community Action provides an induction programme for all new trustees, along with an Induction Pack with wide-ranging contents.

Trustees are encouraged to attend appropriate training and conferences. Voluntary and Community Action has a specific budget for this purpose. As part of the forward planning process trustees, along with the Chief Officer and staff, meet together for occasional Away Days.

General management

The day to day running of the organisation is entrusted to the Chief Officer (also known as the Director). The Chief Officer is not a director or trustee of the charitable company.

Internal control and risk management

During the year the trustees examined the major risks that the charity faces in relation to external factors and relationships, its governance and management, its internal operations and business. The trustees considered the likelihood and the impact of the risk concerned materialising. They also reviewed the controls in place to control risk and agreed a number of additions to these. The management of risk is reviewed by the Management Services team every six months and by Trustee Board every year.

The trustees continue to keep under review their systems of internal financial control, which conform with guidelines issued by the Charity Commission. The systems have been designed to provide reasonable, but not absolute, assurance against material misstatement or loss. They include:

- a Strategic Plan and an annual budget approved by the trustees;
- performance against the non-financial annual Development Plan;
- regular consideration by the trustees of financial results and variance from budgets;
- delegation of authority and separation of duties.

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Public Benefit

Voluntary and Community Action seeks to promote any charitable purposes beneficial to the community; to develop the capacity and skills of socially and economically disadvantaged communities; to promote citizenship, community development and community cohesion. It is committed to strengthening the effectiveness of the voluntary and community sector in Bedfordshire by developing, enabling, promoting and supporting local voluntary and community action. It seeks to achieve this through advocacy; capacity building activities; enhancing the provision of volunteering opportunities; the exchange of information; the provision of training, advice and consultancy.

As a local infrastructure organisation for the voluntary and community sector, Voluntary and Community Action provides services to local voluntary organisations, community groups, charities, clubs and societies, faith groups, social enterprises and others who wish to promote, support or engage in local voluntary and community action, including volunteering. These services enable organisations and individuals to deliver better services to members of the public who live or work in Bedfordshire.

In seeking to represent the sector, and to advocate on its behalf, Voluntary and Community Action also seeks to work in partnership with others. It works to influence and respond to public policy by informing, consulting and involving organisations within and out with the sector. In undertaking this role it seeks to serve the wider community by providing voice for all members of the public who have access to the range of voluntary and community organisations that exist locally.

The majority of our services are available to users free of charge, although some services may incur a small charge; those who are members can receive services at a discounted rate.

Strategic Outcomes and Activities

In order to meet our ongoing public benefit as a charitable organisation, the Trustee Board develops a programme of activity, set out in its three-year Strategic Plan for 2006-2009. This has been further extended by the Trustee Board to 2011 to take into account changes in local authority structures and accommodate a changing public policy agenda. In September 2010 the Board and staff met together to commence the development of a new five-year Strategic Plan, which will be published in April 2011.

During the year our work has been delivered under five strategic outcomes, which are reported on below.

Achievements and Performance

Strategic Outcome 1: Voluntary organisations and community groups have the skills, knowledge, structures and resources to fulfil their potential for responding to the needs of, and providing services to, their communities.

We have continued to publish our bi-monthly *Action!* newsletter, our bi-monthly funding e-bulletin, an occasional training e-bulletin and other information resources to keep the sector informed of key issues, opportunities and developments. Additional pages and resources were also added to our website.

62 voluntary organisations and community groups received consultancy support during the year covering a wide variety of issues, including setting up new organisations; legal structures and governance; charity registration; policy development, including equal opportunities, volunteering, health and safety, and safeguarding children and vulnerable adults; employing staff; staff training and development; organising community events; financial management; insurance; conflict

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resolution; premises re-development; quality assurance systems; partnership working and organisational health checks. 89 voluntary organisations and community groups received information and advice on funding sources or support in making applications to local funders.

An open programme of 29 networking and training events was planned and delivered during the year; attended by 359 participants from 236 organisations; and covering a range of subjects designed to meet the learning and skills development needs of employees, volunteers and trustees of voluntary organisations and community groups.

During the year the Funding and Development Advisers also delivered seven in-house bespoke training sessions to voluntary organisations and community groups (attended by 86 participants) on a range of subjects, including safeguarding children, safeguarding vulnerable adults and funding applications.

Strategic Outcome 2: More people are able to access a diverse range of volunteering opportunities that meet both the needs of volunteers and local volunteer-involving organisations.

Voluntary and Community Action has worked with local volunteer-involving organisations to increase the range, quantity and flexibility of volunteering opportunities, including specific work to increase the range of opportunities available within the public sector. By the end of the year the number of volunteer-involving organisations had increased to 451 (an increase of 4.9%) with 696 different opportunities registered (a decrease of 2%).

During the year we continued to distribute promotional posters and flyers to promote volunteering and the wide range of opportunities that exist. Regular articles in the local press have also raised awareness of volunteering.

19 promotional campaigns and community engagement events were held throughout the year, including Jobs and Training Fairs, the Leighton-Linslade Canal and Waterside Festival, Leighton Buzzard Picnic in the Park, Dunstable Party in the Park, Dunstable and Leighton Buzzard Markets, and displays at local Libraries.

With reduced capacity within the Volunteer Centre, the number of potential volunteers accessing our services decreased by 7% from 1089 enquiries in 2009-2010 to 1011 enquiries this year.

21 volunteer involving organisations were provided with intensive support to help them develop their volunteer management, including marketing volunteering opportunities, new recruitment processes, volunteering policies, induction training for volunteers and rewarding volunteers.

Strategic Outcome 3: Voluntary organisations and community groups have a strong voice and an active involvement in influencing the decisions that shape the community in which they operate.

Much has been done to raise the sector's profile through our contributions to public policy developments and other issues affecting the voluntary and community sector, locally, regionally and nationally. This has included engagement in new local government structures and partnerships, the social infrastructure needs of new communities and the regeneration of priority neighbourhoods.

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As part of our work to increase the involvement and representation of the sector in local partnerships we continued to support the development of the Central Bedfordshire Third Sector Assembly, which had its second meeting in November 2010, attended by over 81 delegates. The event considered the impact of reduced public expenditure on the delivery of public services and the new Coalition Government's Big Society agenda. An occasional *Assembly Point* newsletter keeps Assembly members up to date with public policy issues, partnership working and consultation opportunities.

Voluntary and Community Action is committed to partnership and multi-agency working and held regular meetings with key local partnerships and organisations, including:

- Bedfordshire & Luton VCS Infrastructure Consortium (VoluntaryWorks)
- Bedfordshire & Luton Compact Development Group
- Bedfordshire and Luton Funding Network
- Central Bedfordshire Council Office of the Chief Executive
- Central Bedfordshire Council Children's Services
- Central Bedfordshire Council Adult Social Care, Health and Housing
- Central Bedfordshire Council Sustainable Communities
- Central Bedfordshire Together Local Strategic Partnership Board
- Central Bedfordshire Together Environment and Economy Partnership
- Central Bedfordshire Together Healthier Communities and Older People Partnership
- Central Bedfordshire Together Safer Communities Partnership
- Central Bedfordshire Together Stronger Communities Partnership
- Downside and Tithe Farm/Parkside Neighbourhood Improvement Partnerships
- Dunstable Town Council
- Houghton Regis Town Council
- Leighton-Linslade Town Council

Early in the year the Director of Voluntary and Community Action was re-elected as Vice Chairperson of the Central Bedfordshire Together Board and represented the Luton and Central Bedfordshire LSPs on the Joint Committee (the statutory body dealing with planning and transportation issues for the growth area).

Strategic Outcome 4: The voluntary and community sector takes a leading role in enabling people to create, run and sustain the voluntary and community groups, volunteering opportunities and social networks required for new and growing communities.

Voluntary and Community Action has continued to lobby for investment to support the growth of new community groups and volunteering, and to secure VCS participation in the wider debate on community and social infrastructure. It has also sought to ensure that the provision of new social and community infrastructure is taken account of in the development of a new Core Strategy for southern Central Bedfordshire and Luton.

During the year Voluntary and Community Action took an active role in working with the new Central Bedfordshire Council and the Local Strategic Partnership. It developed relationships with key officers within the new authority and secured wider representation from, and support for, the voluntary and community sector in new partnership arrangements. It also sought the inclusion of key sector issues in a range of new and emerging strategies for the area, including the Sustainable Community Strategy and the Community Engagement Strategy; and it also commenced work on the development of a Volunteering Strategy for the area.

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Strategic Outcome 5: Voluntary and Community Action South Bedfordshire is a model of good governance, is fit for purpose and has sufficient resources to fulfil its purpose and better achieve its mission.

In the light of a difficult economic environment the Trustee Board found it had no option but to restructure the organisation, reduce staff hours and implement a redundancy programme in order to ensure that the organisation could continue to meet its financial commitments. This resulted in an overall reduction of 53% in staff hours by December 2010. Despite this, the remaining staff worked extraordinarily hard to ensure that we continued to deliver services at a very difficult time, for which the Trustee Board is extremely grateful.

The trustees and the chief officer have continued to seek additional funding to sustain and improve the organisation's capacity at a time when funding for local infrastructure organisations has significantly reduced. They also undertook a thorough review of all income and expenditure and sought to further reduce expenditure where possible.

During the year the Trustee Board agreed a new Safeguarding Policy.

In December 2010 Voluntary and Community Action/Volunteer Centre Central Bedfordshire was again awarded the Volunteer Centre Quality Accreditation mark by Volunteering England. In making the award, the assessors had this to say about our submission:

A comprehensive and clear overview of the context in which the Volunteer Centre and Voluntary and Community Action operates was given. Reference to this work and knowledge base was made consistently ... and used to inform (the) work undertaken. The good practice demonstrated ... has been in place for some time. There was clear evidence that the Volunteer Centre has a sound understanding of the local environment in which they operate and their work priorities are evidence based.

Much of the evidence presented seemed to be part of a rigorous reporting system. Overall, there is evidence of consistent, confident, evidence led and reflective practice in all the core functions. This was an excellent submission.

Financial Review

Total income for the year increased from £343,933 (2009-2010) to £391,594. Unrestricted income decreased by £10,758 as a result of reduced income through management fees, membership fees and sales and service charges due to the current economic climate. Restricted income increased by £58,419 due to new contracts and grant income for charitable activities.

A further £244,493 in restricted income was received on behalf of Third Parties, mainly through the Big Lottery Fund BASIS II programme and the Capacitybuilders ChangeUp programme, for which Voluntary and Community Action acted as the Accountable Body for the Bedfordshire and Luton VCS Infrastructure Consortium.

Total expenditure decreased slightly from £365,875 (2009-2010) to £330,828. Unrestricted spending decreased from £94,332 (2009-2010) to £59,058 as a result of reduced staffing costs and other operational activity. Restricted spending increased very slightly from to £271,543 (2009-2010) to £271,770, with an additional £244,493 of restricted funds paid to Third Parties as part of the ChangeUp programme, the Big Lottery Fund BASIS II programme and the Economic Participation programme.

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There is a small surplus for the year of £7,051 for unrestricted funds. At the year end, our unrestricted funds were £104,000, of which £90,947 has been designated for specific purposes, including a new Redundancy Fund to cover the costs of any future redundancies that may be necessary. These are set out in note 15 to the accounts.

Reserves Policy

It is the policy of the trustees to maintain the 'free reserves' (unrestricted funds not committed or invested in tangible fixed assets) at a minimum level to facilitate cash flow and the payment of contracts in arrears. We estimate that this should ideally be in the region of £62,077, but can only make provision of £13,053 at the year end.

Over the last few years the general increase in income, staffing, premises and service delivery has resulted in increased contractual obligations, which may need to be met through adequate reserves. There is also a need to manage risk and meet the lead-in costs associated with 'payment by results' contracts. The trustees therefore designate funds that equate to approximately three months' salaries and premises costs, along with contractual redundancy payments, anticipated to be (in total) £84,441 at the year end, and funds for the provision of future depreciation following the transfer of assets from restricted funds.

It is also the policy of the trustees to make provision for enhancing organisational capacity, but there are currently insufficient funds to meet the reserves desired. The reserves remain at a critical level, putting at risk the trustees' ability to continue the current level of activity in the event of a significant drop in future funding. At the year end 'free' reserves were £13,053 and designated reserves were £90,947.

Investment Powers and Policy

Under its Memorandum and Articles of Association, the charity has the power to make any investment that the trustees see fit. At present, surplus funds are invested in interest bearing bank accounts and funds are moved between accounts so as to maximise the interest earned. Bank interest receivable during the year increased as a result of seeking to maximise investment income during the economic recession and amounted to £1,058 (2009-2010: £257); compared to £4,401 in 2008-2009.

Plans for Future Periods

The trustees have embarked on the development of a new five-year strategic plan that takes account of the substantial change that has taken place within the context of local government reorganisation and public policy; and the new Coalition Government's Programme for Government, including its *Big Society* agenda and significant reductions in public spending.

The new strategic plan will be published in April 2011 and it is expected that Voluntary and Community Action will continue to deliver against outcomes similar to those set out in the current plan, and reported on in this Annual Report. It is expected that there will be additional work on a Luton and Southern Central Bedfordshire Core Strategy, the development of a new Community Action project in Southern Leighton Buzzard and the development of an innovative Community House secured through planning obligations. There will also be opportunities to develop a youth volunteering initiative and continue work with those who are economically inactive or unemployed. The need to reconfigure the market to take account of the personalisation of health and social care services will be a key feature of our work with social enterprises, along with the continued facilitation of partnership working within and out with the sector, and the development of the Central Bedfordshire Third Sector Assembly.

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The creation of Central Bedfordshire Council, as new unitary authority, continues to require additional work to safeguard the sector's position, influence the development of new strategies and develop new partnership working arrangements and community engagement activities. Voluntary and Community Action will continue to respond, and contribute, to this work to ensure that the sector is kept informed of, and involved in, these developments.

The Government has already signalled massive restructuring of the National Health Service, the abolition of much of the architecture of Government, the return of local authority responsibilities for public health and planning, reform of the benefits system and welfare to work programmes, and a *Big Society* agenda that will have a very significant impact on the voluntary and community sector. Voluntary and Community Action will respond, and contribute, to this work to ensure that the sector is kept informed of, and involved in, these developments.

Trustees' Responsibilities in Relation to the Financial Statements

Company law requires the trustees to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the charity at the end of the financial year and of its incoming resources and application of resources, including income and expenditure for the financial year. In doing so the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the policies adopted are in accordance with Charities SORP and with applicable accounting standards and statements of recommended practice, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for maintaining proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement as to Disclosure of Information to Auditors


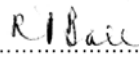
In accordance with company law, as the company's directors, we certify that so far as we are aware, there is no relevant audit information of which the company's auditors are unaware; and as the directors of the company, we have taken the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and establish that the company's auditors are aware of that information.

Auditors

Holmes Peat Thorpe Chartered Accountants have been appointed as the charity's auditors.

The report of the trustees has been prepared in accordance with Statement of Recommended Practice – *Accounting and Reporting by Charities* – issued in March 2005, and with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the Trustees on 30 November 2011 and signed on their behalf by:

 and 

Elizabeth R Bagshaw
Trustee

Raymond H Ball
Trustee

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INDEPENDENT AUDITORS' REPORT

We have audited the financial statements on pages 11 to 24 for the year ended 31 March 2011. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 495 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Trustees and auditors

The Trustees' responsibilities for preparing the Annual Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom accounting standards are set out in the Statement of Trustees' Responsibilities.

We have been appointed auditors under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that Act. 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 2006. We also report to you if, in our opinion, the Annual Report of the Trustees is not consistent with the financial statements, if the charity 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 transactions with the company is not disclosed.

We read the Annual Report of the Trustees, and consider the implications for our report if we become aware of any apparent misstatements within it.

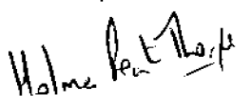
Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by 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 judgments made by the Trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity'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 misstatements, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the charity's affairs as at 31 March 2011 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 2006.



Peter Cooper, Senior Statutory Auditor

Holmes Peat Thorpe, Chartered Accountants, Registered Auditors

Unit F21, Basepoint Business & Innovation Centre, 110 Butterfield, Great Marlings, Luton LU2 8DL

Dated: 30 November 2011

ANNUAL REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS 2010-2011**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDING 31 MARCH 2011
(INCOPRORATING AN INCOME AND EXPENDITURE ACCOUNT)**

	Note	Unrestricted Funds	Restricted Funds	Total Funds 2010-2011	Total Funds 2009-2010
		£	£	£	£
Incoming Resources					
Incoming resources from generated funds:					
Voluntary Income	[2]	4400	0	4400	4750
Investment Income	[2]	1058	0	1058	257
Incoming resources from charitable activities	[2]	58968	325485	384453	338836
Other incoming resources	[2]	1683	0	1683	90
Total incoming resources for Voluntary and Community Action	[2]	66109	325485	391594	343933
Income received on behalf of Third Parties	[2]	0	244493	244493	389258
Total Incoming Resources	[2]	66109	569978	636087	733191
Resources Expended					
Cost of generating funds	[5]	3411	0	3411	2727
Governance costs	[5]	13506	0	13506	9811
Charitable activities		42141	271770	313911	353337
Other resources expended		0	0	0	0
Total resources expended for Voluntary and Community Action	[3]	59058	271770	330828	365875
Funds paid to Third Parties	[3]	0	244493	244493	380660
Total Resources Expended	[3]	59058	516263	575321	746535
Net Incoming (Outgoing) Resources		7051	53715	60766	(13344)
Transfers between Funds	[15/16]	0	0	0	0
Net Movement of Funds		7051	53715	60766	(13344)
Reconciliation of Funds					
Funds Brought Forward 1 st April		96949	17756	114705	128049
Funds Carried Forward 31 st March	[15/16]	104000	71471	175471	114705

The statement of financial activities includes all gains and losses recognised in the year.

All incoming resources and resources expended derive from continuing activities.

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	Note	2010-2011	2009-2010
		£	£
Fixed Assets			
Tangible Fixed Assets	[10]	5561	10219
Current Assets			
Debtors	[12]	64787	20531
Pre-payments	[12]	4660	12333
Cash at Bank and in Hand	[14]	106899	74075
		<u>176346</u>	<u>106939</u>
Current Liabilities			
Accruals	[13]	6436	2453
Net Current Assets		169910	104486
Total Net Assets		<u><u>175471</u></u>	<u><u>114705</u></u>
Accumulated Funds			
Unrestricted Funds - General	[15]	13053	20575
Unrestricted Funds - Designated	[15]	90947	76374
Restricted Funds	[16]	71471	17756
		<u><u>175471</u></u>	<u><u>114705</u></u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements on pages 11 to 24 were approved by the Trustee Board on 30 November 2011 and signed on its behalf by:

Elizabeth R. Bagshaw and *R. H. Ball*

Elizabeth R Bagshaw
Trustee

Raymond H Ball
Trustee

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NOTES TO THE ACCOUNTS

1. Accounting Policies

Basis of Accounting – The financial statements have been prepared under the historical cost convention and in accordance with the applicable United Kingdom Accounting Standards of Recommended Practice, *Accounting and Reporting by Charities – Statement of Recommended Practice (SORP 2005)* issued in March 2005 and the Companies Act 1985.

The Company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard No 1 on the grounds that it is entitled to the exemption as a small entity.

Separate Funds – Incoming and outgoing resources are split between restricted funds, designated funds and other unrestricted funds. Closing funds are categorised in the same way.

- **Restricted Funds** – These are funds subject to specific trusts which may have been declared by the funders or with their authority (e.g. in a public appeal), but still within the objects of Voluntary and Community Action. They may be restricted income funds, which are expendable at the discretion of the trustees in furtherance of a particular project or objective of Voluntary and Community Action. The restricted funds of the charity are detailed in note 16.
- **Designated Funds** – These are unrestricted funds, which have been designated by the trustees for a particular purpose or project that they have decided to undertake. The designated funds of the charity are detailed in note 15.
- **Unrestricted Funds** – These are expendable at the discretion of the trustees in the furtherance of the objects of Voluntary and Community Action.

Grants Receivable – Grants receivable are recognised in the *Statement of Financial Activities* when the conditions for receipt have been complied with. Grants receivable in respect of certain activities are paid in relation to a given period such as a year and in these circumstances the grants are deferred to the extent that they relate to future accounting periods.

Grants received for specific projects are accounted for as restricted funds. Grants received on behalf of third parties are separately identified and paid over during the lifetime of the project (see notes 2, 3 and 16).

Grants that are provided as core funding, and are of a general nature, are included within *Voluntary Income*.

Those grants that have conditions attached, and for example are provided to deliver a service and therefore are similar in economic terms to trading income, are included within *Incoming resources from charitable activities*.

Incoming Resources from Charitable Activities – Income from charitable activities is included in the year in which the charity is entitled to receipt and the amount can be measured with reasonable certainty.

Investment Income – Bank interest is included when receivable by the charity.

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

Expenditure that is directly attributable to specific activities has been included in those cost categories. Other costs, which are attributable to more than one activity, are apportioned across cost categories on the basis of an estimate of proportion of staff time spent on those activities.

- **Cost of Generation Funds** – This includes the costs of promotional items together with an allocation of other costs in respect of costs incurred to generate voluntary income. Management and administration costs have been allocated based on staff time spent undertaking this function.
- **Governance Costs** – This includes the direct and indirect costs relating to external audit and to the constitutional and statutory requirements for managing the organisation. Management and administration costs have been allocated based on staff time spent undertaking this function. Trustee Board costs, fees and charges, including audit and accounting fees, have been included at cost. Included in Professional Fees is the auditors' remuneration of £2,438 (2009-2010: £2,382).

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- **Charitable Activities** – These are the direct and indirect costs of Voluntary and Community Action's work to meet its charitable objectives. They include the costs of specific projects as well as the cost of core services.

All staff costs and overheads not allocated to the cost of generating funds or governance costs have been allocated to charitable activities.

Tangible Fixed Assets – Tangible fixed assets are included at original cost less accumulated depreciation. Depreciation on IT equipment, office furniture and fittings is calculated so as to write off the cost of fixed assets over their expected useful lives, which is assumed to be four years (straight line). Only expenditure on fixed assets exceeding £500 per item is capitalised, with the exception of the bulk purchase of assets used to furnish and equip our offices.

Operating Leases Rentals – payable under operating leases are charged to the *Statement of Financial Activities* as incurred over the term of the lease.

Pension Costs – The charity has a group personal pension plan. Contributions are charged to the *Statement of financial activities* as they become payable.

Legal Status – The charity is a company limited by guarantee and has no share capital.

ANNUAL REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS 2010-2011**2. Incoming Resources**

	Note	Unrestricted Funds	Restricted Funds	Total Funds 2010-2011	Total Funds 2009-2010
Voluntary Income		£	£	£	£
Dunstable Town Council		0	0	0	350
Houghton Regis Town Council		2000	0	2000	2000
Leighton-Linslade Town Council		2400	0	2400	2400
Donations		0	0	0	0
Total Voluntary Income	[2]	4400	0	4400	4750

Incoming resources from charitable activities

Management Fees		45694	0	45694	57732
Membership Fees		3147	0	3147	3566
Sales and Service Charges:					
Catering Charges		359	0	359	216
Mailings		147	0	147	685
Photocopying		478	0	478	820
Room and Equipment Hire		1270	0	1270	550
Trainers Fees		3957	0	3957	5491
Workshops and Events		3916	0	3916	2710
Other Income		0	0	0	0
Bedfordshire Local Area Agreement		0	86500	86500	0
Big Lottery Fund BASIS II Project		0	33241	33241	32965
Capacitybuilders:					
Capacity Building the Consortium Project		0	23488	23488	22119
Database Collaboration Project		0	0	0	4434
Modernising Volunteering Project		0	0	0	23287
Procurement Project		0	10220	10220	9967
Regional Infrastructure Services East		0	1850	1850	377
Representation & Local Government Reorganisation Project		0	0	0	46125
Volunteer Management WORKS Project		0	20565	20565	15577
Central Bedfordshire Council:					
Adult Safeguarding Board		0	1000	1000	0
Economic Participation		0	10692	10692	11609
Growth Area Fund – Sandhills Community House		0	52298	52298	0
Partnerships		0	59920	59920	12897
Development and Funding Advice		0	9000	9000	11166
Volunteering		0	0	0	39443
Learning Partnership Bedfordshire and Luton:					
Workforce Development Learning Champion Project		0	0	0	11800
Neighbourhood Learning in Deprived Communities Fund		0	3405	3405	3270

ANNUAL REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS 2010-2011**3. Incoming Resources** (continued)

	Note	Unrestricted Funds	Restricted Funds	Total Funds 2010-2011	Total Funds 2009-2010
		£	£	£	£
Supported Volunteering Programme:					
Volunteering England / DWP Volunteer Brokerage Scheme		0	8769	8769	3630
NHS Bedfordshire Community Health Services		0	4537	4537	18400
Total incoming resources from charitable activities	[2]	58968	325485	384453	338836
Investment Income					
Bank Interest	[2]	1058	0	1058	257
Other Incoming Resources					
Prior years' adjustments to accruals	[2]	1565	0	1565	0
Sundry income		118	0	118	90
Total incoming resources for Voluntary and Community Action		66109	325485	387194	343933
Income received on behalf of Third Parties					
10together		0	0	0	40
Big Lottery Fund BASIS II Project		0	137216	137216	122820
Capacitybuilders:					
Capacity Building the Consortium Project		0	42512	42512	43881
Database Collaboration Project		0	0	0	5566
Modernising Volunteering Project		0	0	0	48996
Procurement Project		0	34072	34072	33064
Representation & Local Government Reorganisation Project		0	0	0	98329
Volunteer Management WORKS Project		0	19435	19435	9423
Central Bedfordshire Council:					
Economic Participation		0	11258	11258	11291
Learning Partnership Bedfordshire and Luton:					
Workforce Development Learning Champion Project		0	0	0	2250
Recycle South Bedfordshire		0	0	0	0
South Bedfordshire Women's Aid		0	0	0	13598
Total income received on behalf of Third Parties		0	244493	244493	389258
Total Incoming Resources		66109	569978	636087	733191

ANNUAL REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS 2010-2011**4. Resources Expended by Activity**

	Note	Unrestricted Funds	Restricted Funds	Total Funds 2010-2011	Total Funds 2009-2010
		£	£	£	£
Cost of generating funds	[5]	3411	0	3411	2727
Governance costs	[5]	13506	0	13506	9811
Resources expended on charitable activities					
Core Services		42141	0	42141	81794
10together		0	0	0	0
Bedfordshire Local Area Agreement		0	77220	77220	0
Bedfordshire and Luton Council for Voluntary Youth Services		0	0	0	3086
Big Lottery Fund BASIS II Project		0	33241	33241	32965
Capacitybuilders:					
Capacity Building the Consortium Project		0	23488	23488	22119
Database Collaboration Project		0	0	0	4434
Modernising Volunteering Project		0	0	0	23287
Procurement Project		0	10220	10220	9967
Regional Infrastructure Services East		0	1850	1850	377
Representation and Local Government Reorganisation Project		0	0	0	46125
Volunteer Management WORKS Project		0	20565	20565	15577
Central Bedfordshire Council:					
Adult Safeguarding Board		0	0	0	0
Economic Participation		0	10692	10692	11609
Growth Area Fund – Sandhills Community House		0	9323	9323	0
Partnerships		0	59336	59336	12897
Development and Funding Advice		0	9000	9000	11166
Volunteering		0	0	0	39443
Learning & Skills Council LID - Capacity Building Projects		0	0	0	1391
Learning Partnership Bedfordshire and Luton:					
Workforce Development Learning Champion Project		0	0	0	11800
Neighbourhood Learning in Deprived Communities Fund		0	3405	3405	3270
South Bedfordshire Women's Aid		0	124	124	0
Supported Volunteering Programme:					
Volunteering England / DWP Volunteer Brokerage Scheme		0	8769	8769	3630
NHS Bedfordshire Community Health Services		0	4537	4537	18400
Total resources expended on charitable activities for Voluntary and Community Action		59058	271770	330828	365875

ANNUAL REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS 2010-2011**5. Resources Expended by Activity (Continued)**

	Note	Unrestricted Funds	Restricted Funds	Total Funds 2010-2011	Total Funds 2009-2010
		£	£	£	£
Resources paid to Third Parties					
10together		0	0	0	40
Big Lottery Fund BASIS II Project		0	137216	137216	122820
Capacitybuilders:					
Capacity Building the Consortium Project		0	42512	42512	43881
Database Collaboration Project		0	0	0	5566
Modernising Volunteering Project		0	0	0	48996
Procurement Project		0	34072	34072	38064
Representation and Local Government Reorganisation Project		0	0	0	98329
Volunteer Management WORKS Project		0	19435	19435	9423
Central Bedfordshire Council:					
Economic Participation		0	11258	11258	11291
Learning Partnership Bedfordshire and Luton:					
Workforce Development Learning Champion Project		0	0	0	2250
Total resources paid to Third Parties		0	244493	244493	380660
Total Resources Expended		59058	516263	575321	746535

ANNUAL REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS 2010-2011**4. Resources Expended by Fund**

	Unrestricted		Unrestricted							
	General Fund	10together	Bedfordshire Local Area Agreement	Big Lottery Fund BASIS II Project	Capacity Builders	Central Bedfordshire Council	Learning Partnership Bedfordshire and Luton	South Bedfordshire Women's Aid	Supported Volunteering	Total
	£	£	£	£	£	£	£	£	£	£
Cost of generating funds	3411	0	0	0	0	0	0	0	0	3411
Governance costs	1356	0	0	0	0	0	0	0	0	1356
Employment	15094	0	61952	20103	35235	72395	2477	0	0	207256
Professional Development	0	0	0	136	0	0	0	0	0	136
Travel	1876	0	442	575	353	136	89	0	0	3471
Premises	9260	0	7222	2200	0	0	0	0	0	18682
Equipment	7802	0	2013	27	52	118	0	0	0	10012
Operating Costs	8109	0	5591	10200	20483	15702	839	124	13306	74354
Total Resources Expended by Voluntary and Community Action	59058	0	77220	33241	56123	88351	3405	124	13306	330828
Paid to Third Parties	0	0	0	137216	96019	11258	0	0	0	244493
Total Resources Expended	59058	0	77220	170457	152142	99609	3405	124	13306	575321

5. Governance and Support Costs

	Charitable Activities	Governance Costs	Income Generation	Total Costs 2010-2011	Basis of Allocation
	£	£	£	£	
Board Meetings	0	84	0	84	Expenditure
Trustee Travel Expenses	0	222	0	222	Expenditure
Trustee Development	0	0	0	0	Expenditure
Professional Fees	0	2453	0	2453	Expenditure
Management & Administration	32101	9116	2948	44165	Staff time
Payroll Administration & Recruitment	234	8	2	244	Head count
Premises	18681	1224	348	20253	Floor space
Equipment	4237	278	79	4594	Floor space
ICT	3565	121	34	3720	Head count
Insurance	1964	0	0	1964	Expenditure
Total Support Costs	60782	13506	3411	77699	

Governance and support costs for 2010-2011 have been calculated in accordance with the Statement of Recommended Practice (SORP) 2005.

ANNUAL REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS 2010-2011**6. Staff Costs and Numbers**

Staff Costs	2010-2011	2009-2010
		£
Salaries	188093	204585
Employers' National Insurance Contributions	17089	19128
Pension	2455	2804
Sickness and Maternity Payments	0	425
Redundancy Payments	11446	0
Childcare Costs	5	10
Payroll and Pension Services	244	250
Recruitment	0	1510
Temporary Staff	0	0
Total	219332	228712

No employee had emoluments in excess of £60,000 per annum (2009-2010: No employee in excess of £60,000).

Staff Numbers	2010-2011	2009-2010
Average number of full-time equivalent staff employed during the year was as follows:		
Management Services	1.83	1.59
Partnerships	1.80	2.46
Development and Funding Advice	1.66	1.90
Volunteer Centre	2.46	2.71
Total	7.75	8.66

2009. Trustee Remuneration, Expenses and Third Party Interests

None of the Trustees received any remuneration during the year. Out of pocket expenses (for travel) and reimbursements of £221.60 (2009-2010: £90.40) were paid to four trustees.

Trustees are expected to comply with the organisation's Governance Policy, which states that trustees' access, use and benefit from the organisation's services shall be without due favour and on the same terms and conditions as other Members and users.

8. Pension Scheme

Voluntary and Community Action makes payments on behalf of two employees to a group personal pension scheme (a defined contribution scheme), which is administered by Ladbrook Financial on behalf of the trustees of the pension scheme. Employer's contributions to the scheme during the year were £2,455 (2009-2010: £2,804) at a rate of 3% or 5% matched by employee contributions.

9. Taxation

Since Voluntary and Community Action is a registered charity and all funds are used for charitable purposes, its results for the year are not subject to Corporation Tax.

10. Tangible Assets

	ICT Equipment	Office Furniture and Fittings	Fund at 31 March 2011
	£	£	£
Cost			
As at 1 April 2010	31799	7078	38877
Additions	0	0	0
Disposals	0	0	0
As at 31 March 2011	31799	7078	38877

ANNUAL REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS 2010-2011**10. Tangible Assets** (continued)

	ICT Equipment	Office Furniture and Fittings	Fund at 31 March 2011
	£	£	£
Depreciation			
As at 1 April 2010	23038	5619	28657
Disposals	0	0	0
Charge for the year	3200	1459	4659
As at 31 March 2011	26238	7078	33316
Net book amount			
As at 31 March 2011	5561	0	5561
As at 31 March 2010	8760	1459	10219

11. Commitments

Capital Expenditure authorised by the Trustee Board but not provided for in the accounts:	2010-2011	2009-2010
	£	£
Office Furniture	0	0
Furniture, Fixtures and Fittings for Sandhills Community House	42975	0
Total	42975	0

12. Debtors

Amounts falling due within one year:	2010-2011	2009-2010
	£	£
Trade debtors	64787	20531
Pre-payments	4660	12333
Total	69447	32864

13. Creditors

Amounts falling due within one year:	2010-2011	2009-2010
	£	£
Trade creditors	0	0
Accruals	6436	2453
Deferred income	0	0
Total	6436	2453

14. Cash at Bank and in Hand

	2010-2011	2009-2010
	£	£
Barclays Current Account	1376	2411
CAF Accounts	4555	(28449)
Cater Allen Private Bank Reserve Account	0	100038
Santander Business Reward Saver Account	100893	0
Petty Cash	75	75
Total Cash	106899	74075

ANNUAL REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS 2010-2011**15. Unrestricted Funds**

The Trustee Board has been able to increase the level of reserves from £96,949 (2009-2010) to £104,000 in order to meet its increased commitments. There are, however, insufficient funds to meet the desired level of reserves needed to meet these commitments. The Trustee Board considers the following allocation of unrestricted funds to be prudent allowing for the delays that occur in receiving grants and contingency plans for meeting contractual obligations.

Fund	Desired Reserves	Balance at 31 March 2010	Additional Resources	Released Resources	Transfers	Fund at 31 March 2011
	£	£	£	£	£	£
General Purpose Reserve Fund	62077	20575	0	0	(7522)	13053
Designated Funds:						
Salaries Reserve	46009	53251	0	0	(7242)	46009
Redundancy Reserve	34732	0	7051	0	27681	34732
Premises	3700	7000	0	0	(3300)	3700
Improved Premises	30000	0	0	0	0	0
Asset Replacement	36433	0	0	0	0	0
Depreciation	6506	16123	0	0	(9617)	6506
Total Unrestricted Funds	219457	96949	7051	0	0	104000

Description of Fund

General Purpose Reserve – to cash flow contracts paid in arrears based on three months' income from contracts.

Salaries Reserve – three months' salaries, pension, NIC and payroll charges for all established posts.

Redundancy Reserve – provision for contractual redundancy payments for current payroll.

Premises Reserve – three months' lease and service charges for Bossard House and provision for removals and making good.

Improved Premises Reserve – funds required for developing a purpose built voluntary and community sector Resource Centre (e.g. architects' and consultants' professional fees).

Replacement of Equipment Reserve – accumulated depreciation on all capitalised items of equipment.

Depreciation – provision for future depreciation on all capital items of equipment.

16. Restricted Funds

	Balance at 1 April 2010	Incoming Resources	Outgoing Resources	Transfers	Fund at 31 March 2011
	£	£	£	£	£
Funds held for Voluntary and Community Action South Bedfordshire:					
Bedfordshire Local Area Agreement	0	86500	77220	0	9280
Big Lottery Fund – BASIS II Project	0	33241	33241	0	0
Capacitybuilders:					
Capacity Building the Consortium Project	0	23488	23488	0	0
Procurement Project	0	10220	10220	0	0
Regional Infrastructure Services East	0	1850	1850	0	0
Volunteer Management WORKS Project	0	20565	20565	0	0

ANNUAL REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS 2010-2011**16. Restricted Funds (continued)**

	Balance at 1 April 2010	Incoming Resources	Outgoing Resources	Transfers	Fund at 31 March 2011
	£	£	£	£	£
Central Bedfordshire Council:					
Adult Safeguarding Board	0	1000	0	0	1000
Economic Participation	0	10692	10692	0	0
Growth Area Fund – Sandhills Community House	0	52298	9323	0	42975
Partnerships	0	59920	59336	0	584
Training and Development	0	9000	9000	0	0
Volunteering	0	0	0	0	0
Learning Partnership Bedfordshire and Luton:					
Neighbourhood Learning in Deprived Communities Fund	0	3405	3405	0	0
South Bedfordshire Women's Aid	0	0	124	124	0
Supported Volunteering Programme:					
Volunteering England / DWP Brokerage	0	8769	8769	0	0
NHS Bedfordshire Community Health Services	0	4537	4537	0	0
Total Restricted Funds (Voluntary and Community Action)		325485	271770	124	53839
Funds held on behalf of Third Parties:					
10together	0	0	0	0	0
Big Lottery Fund – BASIS II Project	0	137216	137216	0	0
Capacitybuilders:					
Capacity Building the Consortium Project	0	42512	42512	0	0
Procurement Project	0	34072	34072	0	0
Volunteer Management WORKS Project	0	19435	19435	0	0
Central Bedfordshire Council:					
Economic Participation	0	11258	11258	0	0
Recycle South Bedfordshire	4158	0	0	0	4158
South Bedfordshire Women's Aid	13598	0	0	(124)	13474
Total Restricted Funds (held on behalf of Third Parties)	17756	244493	244493	0	17632
Total Restricted Funds	17756	569978	516263	0	71471

Description of Fund

10together – payroll giving scheme for the benefit of ten charities operating in southern Bedfordshire.

Big Lottery Fund BASIS II Project – building the capacity of voluntary organisations and community groups by providing the information, advice, training and skills development needed to become more financially sustainable.

Capacitybuilders:

- **Capacity Building the Consortium Project** – enabling the Bedfordshire & Luton VCS Consortium to develop as a strategic, credible and influential partnership able to strengthen the third sector locally and regionally.

- **Procurement Project** – enabling voluntary and community sector organisations to compete for public service contracts and, where appropriate, engage in consortia working.

- **Volunteer Management WORKS Project** – enabling those who manage volunteers to enrol and retain volunteers, enhance the diversity of those they involve and support a higher quality volunteering experience.

ANNUAL REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS 2010-2011

Central Bedfordshire Council:

- **Adult Safeguarding Board** – provision for the revision of our Safeguarding Policy to ensure compliance with Bedford Borough and Central Bedfordshire Adult Safeguarding Board Multi Agency Policy and Audit Tool requirements.

- **Economic Participation** – provision of training workshops and one-to-one support to enable voluntary and community sector organisations to develop responses to social enterprise and procurement opportunities.

Growth Area Fund – funds transferred to Voluntary and Community Action to equip and fit out the Sandhills Community House, Southern Leighton Buzzard.

- **Partnerships** – activities that enable voluntary and community sector organisations to have a strong voice and an active involvement in influencing the decisions that shape the community in which they operate.

- **Development and Funding Advice** – activities that enable voluntary and community sector organisations to have the skills, knowledge, structures and resources to fulfil their potential for responding to the needs of, and providing services to, their communities.

- **Volunteering** – activities that enable more people to access a diverse range of volunteering opportunities that meet both the needs of volunteers and local volunteer-involving organisations.

Learning Partnership Bedfordshire and Luton:

- **Neighbourhood Learning in Deprived Communities Fund** – delivery of *Springboard for Women Returners* course to women who are unemployed or economically inactive.

Recycle South Bedfordshire – funds transferred to Voluntary and Community Action, following the closure of Recycle South Bedfordshire, for the delivery of activities that promote recycling and reuse of resources.

South Bedfordshire Women's Aid – funds transferred to Voluntary and Community Action, following the closure of South Bedfordshire Women's Aid for the delivery of services for women suffering from the effects of domestic abuse.

Voluntary and Community Action

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