

Southampton Voluntary Services
(A Registered Charity and Company Limited by Guarantee)

Trustees Report and Financial Statements
For the Year Ended 31 March 2011

Charity number 1068350
Company number 3515397

Southampton Voluntary Services
(A Registered Charity and Company Limited by Guarantee)

Trustees Report and Financial Statements
for the year ended 31 March 2011

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Southampton Voluntary Services

Report of the Executive Committee for the year ended 31 March 2011

The Executive Committee presents its report and the audited financial statements for the year ended 31 March 2011.

Reference and administrative information

Charity name	Southampton Voluntary Services
Charity registration number	1068350
Company registration number	3515397
Registered office & operational address	Voluntary Action Centre Kingsland Square, St Mary Street Southampton, SO14 1NW

Executive Committee

The following have served in office between the start of the year (or date of appointment if later) and the date of this report:

R F Stubbs *	Chair
M W Treasure Jones *	Vice Chair
C F Warburg *	Honorary Treasurer, Chair of Finance sub-Committee

Cllr. A Samuels (nominated – SCC)	Resigned 5 May 2011
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Cllr. N Fitzgerald (nominated – SCC)	
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M J Carnegie	
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M J De-La Haye	
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P C Keeley*	
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S P Mantle*	
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A E T J Robinson	Resigned 2 June 2010
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L E Slack	
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D G Wrighton	
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K Liles	Appointed 27 April 2011
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Ex-officio representatives

In addition to the directors listed above the following are also invited to attend Executive Committee meetings as ex-officio representatives:

Dr G Watkinson	NHS Southampton
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G Henderson	Probation Trust
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* Denotes member of Finance Sub-committee

Company secretary

J Ash

Auditors

BDO LLP, Arcadia House, Maritime Walk, Ocean Village, Southampton SO14 3TL

Bankers

The Royal Bank of Scotland, 156 High Street, Southampton SO14 2NP

Cater Allen Private Bank, 9 Nelson Street, Bradford BD1 5AN

Standard Life Bank plc, Dundas House, 20 Brandon Street, Edinburgh EH3 5PP

Clydesdale Bank, Portsmouth FSC 1st Floor, Gunwharf House, Gunwharf Quays,

Portsmouth, PO1 3TZ

Allied Irish Bank (GB), 14 The Avenue, Southampton, SO17 1XF

Solicitors

Paris Smith, No. 1 London Road, Southampton SO15 2AE

Southampton Voluntary Services

Report of the Executive Committee for the year ended 31 March 2011 (continued)

Our aims and objectives

Purposes and aims

SVS's purposes, our Charitable Objects, are stated in our Memorandum and Articles of Association and form the basis of our registration as a charity. These documents were prepared on incorporation in 1997 and two small amendments not affecting the Charitable Objects were made to the Articles of Association at the AGM in October 2007. Our Charitable Objects remain as set out in 1997, as follows:

"To promote any **charitable purposes** for the **benefit of the community** in the area of the administrative authorities comprising the historic county of Hampshire (including Portsmouth and Southampton) and in particular, the City of Southampton, and if the directors of the charity shall so decide, in any of the administrative authorities immediately adjoining, and in particular **the advancement of education, the protection of health and the relief of poverty, distress and sickness.**"

Ensuring our work delivers our aims

We review our aims, objectives and activities each year and normally carry out a comprehensive re-appraisal every three years in the preparation of our three year Forward Plan documents. The annual reviews look at what we achieved and the outcomes of our work in the previous twelve months. The review looks at the success of each key activity and the benefits they have brought to those groups of people we are set up to help. The review also helps us to ensure that our aims, objectives and activities remain focussed on our stated purposes. **We have paid due regard to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.**

The Charitable Objects are summarised in SVS's Vision, Organisational Values, Mission Statement and Key Aims which were reviewed during the year through discussion and consultation with SVS members, staff and volunteers, including the Executive Committee, but SVS decided that due to the unprecedented level of uncertainty this year that it would defer development of the next iteration of its Forward Plan for 12 months. However the Executive Committee reviewed and reaffirmed the key principles and purposes as set out in the Vision, Mission Statement and Key aims as set out in the current Forward Plan 2008-2011. It is the Executive Committee's intention to consult on and develop its next forward Plan during 2011-2012.

SVS's **Vision** is of "a city in which all people are inspired to make positive contributions to their communities".

SVS's **Organisational Values** are defined as:

- **Passion** – SVS believes voluntary action is built on the passion of people and communities to make a positive difference;
- **Inclusiveness** – SVS believes that the voluntary ethic is best upheld when organisations promote equality and diversity and are open, democratic, accessible and accountable to their users, members and the wider community;
- **Independence** – SVS will be a strong and independent voice for the sector, supporting best practice in autonomous organisations;
- **Innovation** – SVS will support organisational resourcefulness, flexibility and adaptability, through innovative, original ideas and creative solutions;
- **Partnership** – SVS is committed to positive partnership work to create shared thinking and find solutions to meet local needs.

The **Mission Statement** is that "SVS aims to support a vibrant voluntary and community sector with a strong voice and the best of support. SVS actively promotes voluntary action and the provision of essential services to vulnerable communities."

Southampton Voluntary Services

Report of the Executive Committee for the year ended 31 March 2011 (continued)

The focus of our work

Our main objectives for the year are summarised in our strapline, "Promoting Voluntary Action", and in the eight **Key Aims** which are:

Voluntary Sector Support

- **Services and support** – SVS will promote the effectiveness of local voluntary and community groups by providing them with a range of services including access to practical facilities, such as meeting rooms, photocopiers and ICT equipment and more involved support through general and specialist advice and information including regular newsletters, website, training and funding advice;
- **Liaison** – as a focal point for the local voluntary and community sector in Southampton, SVS will encourage networking between individuals and groups within the sector, and between local groups and the statutory and private sectors. SVS will also help different communities to organise their own networking activity;
- **Representation** – with government encouraging involvement of voluntary and community groups in shaping and delivering services, SVS will enable the views of local groups to be represented strategically at local, regional and national levels;
- **Development work** – SVS will help identify gaps in service provision and work with groups to develop new and innovative services to meet these needs;
- **Strategic partnerships** – SVS will work in partnership with local government and other statutory agencies to shape and deliver services to meet city needs;
- **Promoting volunteering and voluntary action** – SVS will use its resources to promote volunteering in Southampton and to facilitate increased opportunity for voluntary action as an expression of active citizenship and civil society;

SVS Services

- **Quality Services** – SVS will deliver good quality services to meet the individual needs of vulnerable communities;

Governance

- **Governance and performance** – SVS will demonstrate best practice in governance by upholding the standards within the Good Governance Code for the Voluntary and Community Sector.

How our activities deliver public benefit

Our main activities and who we try to help are described in "who used and benefited from our services" and our achievements and performance in the year are assessed in the "summary review of the year". **All our charitable activities are undertaken to further our charitable purposes, as embodied in our Charitable Objects, Vision and Mission Statement, for the public benefit.**

Who used and benefited from our services?

Our wide ranging Principal Activities are set out below together with the individuals and groups, mainly based within the city of Southampton, that benefit from these activities:

- **Voluntary Sector Support:** Informing, training, involving, representing, innovating and promoting the voluntary and community sector;
- **Promoting Volunteering and Voluntary Action:** Promoting volunteering and voluntary action to individual volunteers and organisations involving volunteers in their work;
- **Services to meet the needs of individuals:**
 - **Family Projects:** Groups for families with a child under 8 who have high social, emotional or health needs, live in temporary or inadequate housing and are not accessing other resources;
 - **morph:** A project of ex and on-going drug users committed to improving things for anyone still using drugs or trying to stop;
 - **Safe in Sound:** A voluntary project committed to raising awareness of the risks associated with substance use, reducing harm and promoting the health, safety and enjoyment of young people using local entertainment venues;
 - **Shopmobility:** Provision of wheelchairs and scooters to people with limited mobility and sighted guide service for visually impaired people enabling them to access the city centre and shop independently;

Southampton Voluntary Services

Report of the Executive Committee for the year ended 31 March 2011 (continued)

- **Street Homeless Prevention Team:** Reducing the level of street homelessness in Southampton and promoting positive life changes through volunteering;
- **Young Carers:** Work with children and young people under the age of 18 years whose lives are affected by caring for an unwell or disabled family member.

Summary review of the year

It is recognised that this remains a time of continuing and increasing uncertainty within our sector as set out in the "Financial review" below. However, SVS has continued to develop throughout the year on many fronts, focusing on securing the foundations for the difficult years ahead. The review below includes comments on our activity in the year, in which we set our theme as '**Adapting to Change**'.

We have prepared a summary "**Review of the Year**" which gives an overview of our activities for the year and a detailed "**Annual Report**" which reports in much greater depth on the work we have carried out to fulfil our objectives project by project. Both are available on request or from our website www.southamptonvs.org.uk.

Key highlights of the year included:

- Through difficult times SVS staying true to our values, visions and aims of **promoting voluntary action** and volunteering, providing **independent support** and a **voice for the voluntary sector**;
- Leading the successful bid for pump priming **Big Local** funding for Harefield, on behalf of the group of local agencies looking to work with local groups and people to develop capacity and opportunities in the area through a £1m Big Lottery funded 10 year programme;
- Strategic development work through the **Children and Young People's Alliance** to support the sector to adapt to changes within Children Services and Learning Directorate and newly introduced Locality working arrangements;
- Completed the **final year of Capacity Builders** programme which included commissioning the development of a quality standards tool, providing two specifically commissioned training courses, 'Demonstrating Outcomes' and 'Preparing Successful Bids for Statutory Contracts and Grants', as well as sector support for Personalisation including the development of an information hub and bursary scheme;
- Review and update of our IT systems including installing a new server and rebuilding our **new website**. Additionally, the increase in targeted electronic based communication with our member organisations and updated factsheets and good practice guides
- Launch of the **Free Community Paint Scheme** for voluntary groups with business partners PPG Architectural Coatings and Carillion.
- Progressing the Southampton Volunteering Action Plan by organising a Valentines Day breakfast seminar aptly titled '**Doing It For Love**', in partnership with Business Southampton, where colleagues from the voluntary, public and private sectors came together to share ideas surrounding how through increased corporate social responsibility and practical business engagement with the voluntary sector we can work together more effectively to tackle social issues and improve things for people in Southampton.

Other key themes of the year and continuing from the past year have revolved around increased uncertainty from:

- The increasing difficulty in securing funding;
- Lateness of decision making processes;
- The continual complexity of commissioning and tendering;
- Ever growing demand for services including from member organisations, new clients and over-stretched resources.

Southampton Voluntary Services

Report of the Executive Committee for the year ended 31 March 2011 (continued)

Major work in the year has included the following key issues:

Supporting the sector to adapt to change

- SVS actively participated in the major **SCC grants review** consultation process both hosting the joint meetings and also holding voluntary sector only discussions;
- As part the work with the Children and Young People's Alliance, progressing the **Workforce Development training programme**, including online services;
- Providing briefings and training sessions to support the sector to adapt to change in Government policy and embrace the **Big Society** concept;
- Conducted a **questionnaire to our member organisations** seeking their views of how we can best support them in the coming year and how we can help broker groups sharing resources or back office functions and facilities;
- **Providing a safe haven** in which organisations can address problems and issues and get independent information and guidance.
- Offering training and development opportunities including on volunteer management , use of social media , health and safety and first aid, independent examination of accounts , safeguarding , ISA and CRB, fundraising and writing funding bids.
- Provides the CRB umbrella service for a growing number of local groups.
- As partners of HIOW Community Foundation supported groups applying for Grassroots grants.

Providing a voice for the sector, locally and nationally

- Deputy Chief Executive, Phil Lee, was part of the NCVO Public Service network **delegation to meet the Prime Minister** to discuss the needs of the sector and impacts of the government policy and cuts;
- Coordinated, consulted and provided support for the sector on a **three year savings proposal** within Children's Services and Learning;
- Arranged a number of opportunities for the voluntary sector to directly **engage with key developments and people in the city**. These have included meeting with Bob Deans, Chief Executive of the PCT, Penny Furness Smith, SCC Executive Director of Health and Social Care, contributing to the Joint Strategic Needs Assessment and hosting a major 'Health Changes' conference.

Promoting and supporting volunteering in the City

- We have seen a **600% increase** in volunteering enquires over the last 4 years with a 4% increase this year;
- Supporting member organisations to update their volunteer opportunities, in line with the changing volunteer profile, and promote these opportunities through the tools such as the Do It website and Volunteering Information Sessions;
- As part of Southampton City Council's priority "**Getting the city working**" the Volunteering Development Team has been actively engaging those who are unemployed to take on volunteering to improve their work skills and enhance their C.V's, successfully placing **65 job seekers** into voluntary work;
- V-STEPS project exceeding all targets resulting in **25 parents becoming involved in voluntary activity**;
- Coordinating the **Volunteers Certificate Scheme** which recognises the contributions of hundreds of volunteers across the City.

SVS's Services have adapted to change and continued to serve some of the most vulnerable and disadvantaged people in the City in increasingly difficult times. All Projects have had to deal with funding issues but highlights of their work include:

- **Family Projects** reconfiguring groups, co-ordinating and delivering two Incredible Years Parenting courses that had a 80% completion rate;
- **MORPH** joining the Integrated Drug Treatment System Management Board at HMP Winchester, alongside delivering training to a wide range of professionals locally and nationally including GP's, drug workers and nurses;

Southampton Voluntary Services

Report of the Executive Committee for the year ended 31 March 2011 (continued)

- The registration of 407 new customers at **Shopmobility** which is an increase of 3.5% on last financial year and 100% satisfaction rates in an independent customers review ;
- The participation of the **Street Homeless Prevention Team** allotment project in the Eden project Places for Change garden at the Chelsea Flower Show last summer;
- The **Young Carers Project** supporting 173 young carers across the city, an increase on last year, whilst restructuring the project in line with new contractual obligations.
- **Safe in Sound**, a peer led outreach project for young people around substance misuse and risky behaviours won DoH funding to develop its work.

In all aspects of SVS work and service delivery we have teams of active volunteers who enhance our work and the services we offer to the public. Some of our SVS volunteers have themselves experienced unemployment, whilst others have additional support needs, so our experience in working with and involving them provides an excellent grounding for the work we do in encouraging others to actively involve volunteers.

All of SVS services are operated in partnership with other voluntary and statutory bodies and our thanks are due to them for both their tangible (especially monetary) support as well as for the willingness to share ideas, expertise and work collaboratively with us confident that we will do our bit to tackle shared issues if they do theirs. We also receive practical support and help from a wide variety of private sector partners to whom again a big thank you is due. We genuinely appreciate the trust and confidence all our supporters place in us.

The role of Volunteers in our service provision

There is a substantial donation of volunteers' time and effort, with well over 100 volunteers engaged in the work of SVS and its projects during the year. At the time of the last annual Equal Opportunities snapshot survey 83 were currently active and on average these volunteers contribute a minimum of 4 hours weekly to their volunteering. The annual monetary value of their volunteering contribution at that point in time would be in excess of £232,831 pa based on the national median hourly earnings rate as published in 2010 ASHE by National Statistics.

Financial review

Financial overview

This is an increasingly challenging time within our sector with major funding uncertainties, a turbulent external environment with wide ranging public expenditure reductions and the increasing impact of procurement and tendering. We continued to face uncertainty over parts of our income and to deal with late decisions over funding income, but we plan recognising that these are aspects of the environment in which we operate. In this context, **SVS achieved a satisfactory outcome for the year with a surplus in its unrestricted general fund of £30,884, excluding FRS17 adjustments.**

Our continued requirement to apply FRS 17 has resulted in a reduction of liability £106,000 (charge 2010: £26,000) for the Hampshire County Council ("HCC") Pension Fund net service cost (in addition to £16,966 (2010: £16,957) of normal contributions) and a gain of £50,000 relating to the actuarial gain on liabilities over actuarial gains on assets (2010: a charge of £102,000).

This significant volatility in our reported results caused by the application of this accounting standard is further commented on below under "FRS 17 – accounting for pensions". However, it is important to recognise that SVS's cash outflow in respect of pension contributions to the HCC Pension Fund amounted to £16,966 in the year to 31 March 2011 for the three remaining staff members in the scheme. Thus even though the application of FRS 17 gives rise to such large fluctuations in reported results, **the underlying cash cost to the organisation is stable.**

The remaining SVS staff are not admitted to the HCC superannuation scheme and have been offered stakeholder pensions since October 2001.

Southampton Voluntary Services

Report of the Executive Committee for the year ended 31 March 2011 (continued)

Financial overview (continued)

Restricted funding will by its nature involve situations where funds are received in one year and spent in a different year, resulting in situations where net surpluses or deficits arise. In the current year our total Voluntary Sector Support Team reserves increased by £51,983 (2010: £39,984), explained principally by funding for future work received late in the year.

Restricted reserves for SVS Services increased in the year by £45,333 (2010: £70,964), resulting from receiving some funding ahead of the associated expenditure and also from an effort across the Services to increase reserves, over time, to a more prudent level that reflects current risk and uncertainty. Our reserves policy is set out in more detail below.

The SVS Balance Sheet remains appropriate for an organisation of our size, with appropriate liquidity. The coming year and beyond will become increasingly challenging, with several funding streams being reduced or withdrawn completely.

There are no unreported incidents under the Charity Commission guidance on reporting of serious incidents.

FRS 17 - accounting for pensions

We have continued to apply FRS 17. The pension fund actuaries have calculated SVS's share of the fund deficit to be £303,000 (2010: £459,000). **We continue to consider that the existence of the current pension fund deficit has no impact on our ongoing activities.**

The actuaries advise that the disclosures under FRS 17 can change dramatically depending on stock market and bond market conditions and this leads to volatility in the level of the year end deficit or surplus. While the Charity Commission, through SORP 2005, require compliance with FRS 17 they also recognise that a pension fund surplus or deficit is of a different nature to a charity's other assets or liabilities and stipulate that the adoption of FRS 17 should have no impact on the level of free reserves and that instead a separate pension reserve is established.

Specifics

Total incoming resources amounted to £1,155,833 compared with £1,238,195 for 2010, a decrease of 7%. Total resources expended amounted to £917,554, a reduction of 20% compared with the previous year's figure of £1,147,394. Total funds at the year end amounted to £1,597,427 (2010: £1,309,148) which is made up as follows:

	2011	2010
	£	£
Restricted reserves - <i>held for future project expenditure</i>	538,804	437,409
Designated reserves - <i>set aside for VAC depreciation and for essential future operating expenses</i>	1,286,729	1,256,729
General reserves - <i>see below</i>	74,894	74,010
Pension reserve - <i>as discussed above</i>	(303,000)	(459,000)
Total funds	1,597,427	1,309,148

General reserves now stand at £74,894 (2010: £74,010). The increase of £884 comprises the unrestricted surplus of £30,884 before FRS 17 gains of £106,000 which are accounted within the Pension reserve movement, and the transfer of £30,000 to designated reserves. As shown below, general reserves are in the form of current assets (66%) and fixed assets (34%) which will be depreciated over future years:

	2011	2010
	£	£
Fixed assets	25,581	30,375
Current assets – free reserves	49,313	43,635
Total general reserves	74,894	74,010

Southampton Voluntary Services

Report of the Executive Committee for the year ended 31 March 2011 (continued)

Specifics (continued)

The Charity's free reserves may decrease significantly as future essential expenditure on fixed asset replacement becomes inevitable. Accordingly, these reserves are held principally to give some protection against future uncertainties and are not available for short-term expenditure.

Principal funding sources

Voluntary Sector Support and Promoting Volunteering and Voluntary Action are funded through a core grant from **Southampton City Council (SCC)** together with sizeable contributions from the local PCT, **NHS Southampton**, Capacity Builders (Change-Up) and various smaller funding streams, some of which also derive from SCC. The SVS Services are primarily funded through a mix of grants, contracts and charitable trusts.

Fundraising policy

Whilst SVS welcomes donations and in kind contributions from business and other supporters, especially with respect to our service delivery work to the public, SVS does not actively undertake fundraising from the general public to support its voluntary sector support work as this would be counterproductive to our aims and put us in competition with many of the voluntary and community groups that we seek to support. However we do seek grant support for voluntary sector support activities from appropriate national funding streams and charitable trusts. SVS Services maintain annual fundraising activities to enhance their basic services and these have been increased universally in the past year in response to the constraints of public funding.

Investment policy

The Executive Committee, having regard to the liquidity requirements of the charity and the reserves policy, have reviewed and operated a policy of keeping available funds in competitive interest bearing deposit accounts and seek to achieve a rate of deposit interest which matches or exceeds inflation as measured by the retail prices index.

The Executive Committee, mindful of public concern regarding the liquidity of banking institutions, periodically review the allocation of funds to individual banks and have, during the year, increased the number of banking institutions with whom the charity holds accounts from four to five. The Executive Committee believes that SVS would be eligible to receive compensation through the Financial Services Compensation Scheme on the failure of a UK registered bank, and considers that investment in five banks both minimises the risk of losing charitable funds and the risk of losing liquidity due to bank failure.

Reserves policy

The Executive Committee has examined SVS's requirements for reserves in light of the main risks to the organisation and in line with its policy to do so on an annual basis following detailed scrutiny and recommendations by its Finance sub-committee which is itself guided by the Charity Commission guidance on charity reserves. In light of the increased uncertainty around public sector funding the Executive committee have reviewed its position and feel that due to recent experience and the prevailing climate, a more prudent approach is currently required and that its policy should be strengthened so that the unrestricted funds and restricted project funds not committed or invested in tangible fixed assets held by the charity, should be at least 6 and if possible 12 months of the expenditure together with our best estimate of future capital expenditure in order to provide sufficient time to seek alternative funding or to properly wind down services if absolutely necessary in the event of loss of public sector funds.

The charity needs reserves to enable it to continue to operate as an ongoing concern. The Executive Committee consider the reserves held on the balance sheet to be at an adequate level, as set out further below, to meet their responsibilities and commitments, protect and advance its current activities.

Based on budgeted expenditure for the year commencing 1st April 2011, the target is for free reserves of between £75,000 and £150,000 in unrestricted funds and of between £375,000

Southampton Voluntary Services

Report of the Executive Committee for the year ended 31 March 2011 (continued)

Reserves policy (continued)

and £750,000 in restricted project funds. The reserves are needed to meet the working capital requirements of the charity and the Executive Committee are confident that at this level they would be able to continue in the short term the current activities of the charity in the event of a significant drop in funding.

The present level of free unrestricted reserves, being the unrestricted reserves excluding those represented by fixed assets and those held for designated purposes, is £49,313 which falls short of the target. However the Executive Committee is satisfied that the level of free reserves is acceptable having taken note of SVS's policy of increasing reserves together with the existence of certain designated reserves, and also recognising SVS's expected future capital expenditure. The present level of free restricted reserves, being restricted reserves excluding those represented by fixed assets, is £536,292. The Executive Committee has concluded that these reserves are adequate based on the SVS Projects' policy of increasing reserves. In the short term the Executive Committee has also considered the extent to which existing activities could be curtailed, should such action be required. In volatile financial circumstances, having adequate reserves has meant that we have been able to avoid issuing precautionary redundancy notices linked to SCC or other bodies grants and tendering outcomes.

Plans for future periods

This Report covers the final year of the SVS 3 year 2008-2011 Forward Plan which sets out our medium term objectives. It is available on our website www.southamptonvs.org.uk or on request. Our **key work programmes** for the period 2008-2011 are summarised as follows:

- i. **Services and support** - One to one work with groups; Training for groups & individuals; Library & equipment loan; Funder Finder & funding advice; Room hire; Events & workshops; and SVS information services.
- ii. **Liaison** - SVS Forums & Networks; Forums Link; Practitioner links; Presentations, awareness raising, joint events & conferences; and Links to Neighbourhood Partnerships & Management.
- iii. **Representation** - Forums; Steering Groups; Advocacy; Forums Link and electoral process for Voluntary and Community Sector (VCS) representatives; Input to RAISE, NCVO, NAVCA, Volunteering England & other sector bodies; and Implementation of Guidelines for Representation.
- iv. **Development work** - One to one work with groups; SVS information services; Research & highlighting gaps in provision & unmet needs; CRB umbrella service; Good practice guidance on policies & procedures; and Trustee Development Programme.
- v. **Strategic partnerships** - Support to VCS to achieve City of Southampton Strategy outcomes; Facilitate sector representatives on Southampton Partnership; Outreach widely in the city; and Implementation of Compact and Codes of Practice.
- vi. **Promoting volunteering and voluntary action** - Volunteer information sessions & outreach; Volunteer involvement in all areas of SVS work; Volunteer Co-ordinators Group good practice advice; Volunteers Certificate Scheme; Training & good practice advice; and Promoting active citizenship, social cohesion & civil society.
- vii. **Quality Services** - Service delivery to specified targets & relevant quality standards; Securing longer term funding / contracts; and User involvement in service delivery.
- viii. **Governance and performance** – Maintain Governance Code Principles; Expand ICT, database & web effectiveness; Develop SVS Communication & Marketing strategy; Harmonise HR terms & conditions; Maximise income opportunities; Develop Key Performance Indicators (KPIs) for SVS; Grow membership, review member pack & member services; and gain & continue to meet Quality Standard requirements.

SVS sees 2008-2011 as more likely to be a period of consolidation than of growth. Our aspiration is not to stand still but to build steadily from a strong and consolidated base. Opportunities to apply for **funding for additional work** are likely to arise and, where appropriate, SVS will seek out these opportunities in the areas of Small group support including in new and emerging communities; Procurement, contracting and tendering; Adult &

Southampton Voluntary Services

Report of the Executive Committee for the year ended 31 March 2011 (continued)

Plans for future periods (continued)

supported volunteering; Funding & financial management; ICT; Asset management; User and carer voice; Trustee development; Local neighbourhood focused outreach & development including Good Neighbour and

Community Care Groups; and for further development at the Voluntary Action Centre. SVS will normally not seek to compete with member organisations, as to do so would undermine the sector we seek to serve. SVS will also consider Social Business opportunities, where appropriate.

Structure, governance and management

Governing document and member organisations

Southampton Voluntary Services (SVS) is a **charitable company** limited by guarantee. The company was established under a Memorandum of Association which stated 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 are each required to contribute an amount not exceeding £1. There are currently over **471 members**, mainly voluntary and community organisations that operate in Southampton and the surrounding area.

Recruitment and Appointment of Executive Committee

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as members of the Executive Committee. Under the requirements of the Memorandum and Articles of Association the members of the Executive Committee are elected to serve for a period of three years after which they must be re-elected at the next Annual General Meeting, at which time members also vote annually for the Chair, Vice Chair and Honorary Treasurer. There are two trustees who are Councillors nominated by Southampton City Council.

All members of the Executive Committee give their time voluntarily and received no benefits from the charity. Expenses reclaimed from the charity are set out in note 2 to the accounts.

The Executive Committee monitors the skill requirements for the trustee body and carries out periodic specific reviews of skills and sector experience. When additional trustees are required or a trustee retires, nominations for election are sought from member organisations and vacancies are filled by suitable co-options in the interregnum.

Trustee induction and training

New trustees receive a detailed induction pack (including the Memorandum and Articles, the latest financial statements and the Charity Commission's guide "the Essential Trustee") and have an induction meeting with the Chief Executive. Feedback from new trustees about their induction has been very positive. Additionally, new and existing trustees are invited and encouraged to attend the regular trustee training sessions available to trustees of all member organisations via the SVS Trustee Development Programme. An annual Financial Management briefing is provided for the whole Executive Committee. An active policy of ongoing trustee training has been adopted based upon Charity Commission guidance document CC60 "The Hallmarks of an Effective Charity". This has led to specific training activities including:

- Away Day development;
- Trustees taking a specific interest in the lead areas of development workers or being linked to project steering groups;
- Financial training; and specific briefings on relevant topical issues.

Risk management

The **Risk Assessment Report** is updated and reviewed annually by the Executive Committee, focusing on the major external and internal risks to which the charity is exposed. This is undertaken by a joint Executive and staff working group. The Charity Commission guidance is used to prepare and review the risk assessment.

The key risks identified in the 2010-11 risk assessment exercise were:

- changed political priorities from national and local government;

Risk management (continued)

Southampton Voluntary Services

Report of the Executive Committee for the year ended 31 March 2011 (continued)

- demographic and social changes with higher unemployment, high deprivation and an increasing strain on SVS's scarce resources including capacity to fully harness huge increase in volunteering enquiries;
- short-term initiatives, arrears / outcome funding, late signing of contracts, delayed payments and adequacy of reserves to meet obligations;
- the loss of a key contract from the increased pressures associated with tendering and procurement practices;
- the charity's financial planning being adversely impacted by funding uncertainties and the impact of the other key risks set out here.

The Executive Committee ensures, where appropriate, that systems or procedures are in place to mitigate the risks the charity faces as identified through the comprehensive risk review process, including both the key risks set out above and other lesser risks.

Organisational Structure and Governance

The organisational governance and management is headed up by an **Executive Committee** which meets ten times a year. The Executive Committee consists of elected trustees and non-voting ex-officio representatives from the Primary Care Trust, Social Services and Probation Services. The Executive Committee is responsible for the strategic management of all current work and for the oversight of development in line with its Vision, Mission Statement and Charitable Objects. At present the Committee has thirteen members from a variety of professional backgrounds relevant to the work of the charity. The Company Secretary also attends the Committee but has no voting rights. The Committee has adopted the Good Governance Code for the Voluntary and Community Sector.

The Executive Committee is supported by the **Finance sub-committee** who scrutinise the details of the management accounts, look at relevant financial issues and make recommendations to the full Executive Committee, including in respect of the Executive Committee's annual review of financial policies. This Committee also communicate with SVS's external Auditor and make recommendations in respect of the external Auditor appointment, reporting back to the Executive Committee; receiving an unqualified audit opinion from a reputable audit firm is a key ongoing priority. The work of the Finance sub-committee includes an annual review of the Charity Commission internal financial control self-checklist for charities.

The day to day **management** of the organisation is delegated to the Chief Executive, Ms Jo Ash, who reports regularly to the Executive Committee and is also the Company Secretary. Line management arrangements through team leaders are in place as is regular supervision for staff and volunteers as well as an annual Joint Progress Review process

Related parties

The relationships between the charity and related parties, together with details of any related party disclosures, are set out in note 2 to the financial statements.

Auditors

BDO LLP were re-appointed as the charitable company's auditors during the year and have expressed their willingness to continue in that capacity.

Southampton Voluntary Services

Report of the Executive Committee for the year ended 31 March 2011 (continued)

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with the Companies Act 2006 and for being satisfied that the financial statements give a true and fair view. The Trustees are also responsible for preparing the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable 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 that the charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that show and explain the charity's transactions, 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.

They 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.

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the Trustees. The Trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Members of the Executive Committee

Members of the Executive Committee, who are directors for the purpose of company law and trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on page 1.

In accordance with company law, as the company's directors, we certify that:

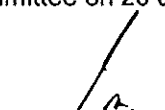
- so far as we are aware, there is no relevant audit information of which the company's auditors are unaware; and
- as the directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's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

This report has been prepared in accordance with the Statement of Recommended Practice: "Accounting and Reporting by Charities" (issued in March 2005) and in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the Executive Committee on 20 July 2011 and signed on its behalf by:



R F Stubbs
Chair


C F Warburg
Treasurer

Southampton Voluntary Services

Independent auditors report to the members of Southampton Voluntary Services

We have audited the financial statements of Southampton Voluntary Services for the year ended 31 March 2011 which comprise the Statement of Financial Activities, the summary Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Trustee's Responsibilities Statement (set out on page 12), the trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

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, 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 Companies Act 2006;

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the trustees' 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 matter where the Companies Act 2006 required us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or

Southampton Voluntary Services

Independent auditors report to the members of Southampton Voluntary Services

- we have not received all the information and explanation we require for our audit.

BDO WP

■ Paul Bricknell, Senior Statutory Auditor
for and on behalf of BDO LLP, Statutory Auditor
Southampton
United Kingdom

Date: 25/7/11

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

Southampton Voluntary Services
Statement of Financial Activities (including Income & Expenditure Account)
for the year ended 31 March 2011

	Note	Unrestricted funds 2011 £	Restricted funds 2011 £	Total funds 2011 £	Total funds 2010 £
Incoming resources					
<i>Incoming resources from charitable activities</i>	10	184,330	966,015	1,150,345	1,230,508
<i>Incoming resources from generated funds:</i>					
Voluntary income		-	-	-	1,183
Investment income	11	5,488	-	5,488	6,504
		5,488	-	5,488	7,687
Total incoming resources		189,818	966,015	1,155,833	1,238,195
Resources expended					
<i>Charitable activities:</i>					
<i>General expenditure</i>	12	115,598	864,620	980,218	1,078,487
<i>Pension scheme net service cost</i>	3i	(106,000)	-	(106,000)	26,000
<i>Charitable activities expenditure</i>		9,598	864,620	874,218	1,104,487
<i>Governance costs</i>		43,336	-	43,336	42,907
Total resources expended		52,934	864,620	917,554	1,147,394
Net income / (expenditure) before other recognised gains and losses		136,884	101,395	238,279	90,801
Other recognised gains and losses					
<i>Actuarial gains/(losses) on defined benefit pension schemes</i>	3m	50,000	-	50,000	(102,000)
Net movement in funds		186,884	101,395	288,279	(11,199)
Reconciliation of funds					
Total funds brought forward		871,739	437,409	1,309,148	1,320,347
Total funds carried forward	13, 14	1,058,623	538,804	1,597,427	1,309,148

The notes on pages 17 to 25, incorporating the Accounting Policies on pages 17 to 18, form part of these accounts.

The Statement of Financial Activities includes all gains and losses recognised in the year.

All amounts relate to continuing activities.

Southampton Voluntary Services
Balance Sheet as at 31 March 2011

	Note	2011 £	2010 £
Fixed assets			
Tangible assets	4	<u>896,864</u>	<u>929,152</u>
Current assets			
Debtors	5	160,586	204,839
Cash at bank and in hand		<u>877,303</u>	<u>697,723</u>
		1,037,889	902,562
Liabilities			
Creditors: amounts falling due within one year	6	34,326	63,566
Net current assets		<u>1,003,563</u>	<u>838,996</u>
Total assets less current liabilities and Net assets excluding pension liability		1,900,427	1,768,148
Defined benefit pension scheme liability	3h	303,000	459,000
Net assets including pension liability		<u>1,597,427</u>	<u>1,309,148</u>
 The funds of the charity			
Restricted funds	14	<u>538,804</u>	<u>437,409</u>
Unrestricted funds:			
Designated	13	1,286,729	1,256,729
General	13	74,894	74,010
Unrestricted income funds excluding pension reserve		<u>1,361,623</u>	<u>1,330,739</u>
Pension reserve	3h, 13	<u>(303,000)</u>	<u>(459,000)</u>
Total unrestricted funds	13	<u>1,058,623</u>	<u>871,739</u>
Total charity funds		<u>1,597,427</u>	<u>1,309,148</u>

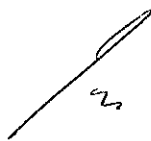
The notes on pages 17 to 25, incorporating the Accounting Policies on pages 17 to 18, form part of these accounts.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and the Financial Reporting Standard for Smaller Entities (effective April 2008).

These financial statements were approved by the Board on 20 July 2011 and were signed on its behalf by:



R F Stubbs



C F Warburg

Southampton Voluntary Services

Notes to the Financial Statements for the year ended 31 March 2011

1 Accounting policies

1(a) Basis of preparation

The financial statements have been prepared under the historic cost convention, and in accordance with the Statement of Recommended Practice – “Accounting and Reporting by Charities” (SORP 2005) issued in March 2005, the Financial Reporting Standard for Smaller Entities (effective April 2008) and the provisions applicable to companies subject to the small companies’ regime. The principal accounting policies adopted in the preparation of the financial statements are set out below.

As the company is a charity, the wording of the statutory formats required by the Companies Act 2006 has been appropriately amended in order to give a true and fair view.

1(b) Funds structure

Funds held by the charity are either:

- Unrestricted general funds - these are funds which can be used in accordance with the objects at the discretion of the trustees;
- Designated funds - these are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects; or
- Restricted funds - these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are given for particular restricted purposes.

Further explanation of the nature and purpose of funds is included in the notes below.

1(c) Incoming resources

Income from charitable activities includes income received under grants, contracts and service level agreements.

Incoming resources are recognised when the charity’s entitlement to the resources is confirmed, there is certainty of the resources being received and they can be measured with reliability.

1(d) Resources expended – direct charitable, governance and support costs

Expenditure is recognised on an accruals basis.

Most expenditure is directly categorised as either expenditure on charitable activities or costs of governance. Where expenditure cannot be directly categorised a proportion of the expenditure is allocated to governance on the basis of the usage of the resources concerned.

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements. These include costs associated with trustees meetings, production of the detailed annual report and audit fees.

The benefit of this direct categorisation of resources expended is that there is no unallocated expenditure or ‘support costs’ as defined by SORP 2005.

1(e) Tangible fixed assets

Tangible fixed assets are depreciated on a straight line basis over their estimated useful lives as follows:

<u>Asset category</u>	<u>Useful life</u>
Voluntary Action Centre (VAC) – leasehold premises	40 years
Office & project equipment	5 - 20 years
Computer equipment	2 years

1(f) Pensions

The defined benefit pension scheme has been accounted for in accordance with SORP 2005 and FRS 17 on Retirement Benefits.

Southampton Voluntary Services

Notes to the Financial Statements for the year ended 31 March 2011 (continued)

1(g) Flow through funding

The charity deals with the onward payment of salary and other costs on behalf of some other organisations. These sums are excluded from both incoming and expended resources on the basis that they do not represent incoming or expended resources for the charity itself. The amount of flow through incoming and outgoing funds during the year were £3,619 (2010: £142) and £0 (2010: £1,397) respectively and the funding held at the year end was £21,634 (2010: £18,015).

2 Related party disclosures

2(a) Control of the charity

Throughout the year, the charity was controlled ultimately by its members who meet annually at the Annual General Meeting. The directors elected by the members govern the affairs of the charitable company between Annual General Meetings.

2(b) Directors / trustees remuneration and expenses

No remuneration was paid to any directors / trustees in the year and no director / trustee waived the right to any remuneration in the year. No Trustee expenses have been reimbursed this year (2010: £86).

2(c) Other related party transactions

Transactions with the directors / trustees directly are set out above. Apart from that, some members of the Executive Committee are involved in other organisations which naturally interact with Southampton Voluntary Services including nominated representatives of SCC as shown on page 1. However, any goods, grants or services received or supplied are on normal terms and conditions. Neither the members concerned nor Southampton Voluntary Services receive any material pecuniary advantage from any such relationships.

3 Pensions

Three of the permanent employees of this charity are members of the Hampshire County Council pension fund. This is a contributory defined benefit pension scheme. The detailed disclosures in connection with this fund required by FRS 17 are given below, and the impact of including FRS 17 in these accounts is commented on in the Trustees Report.

The remaining SVS staff are not admitted to the HCC scheme and have been offered stakeholder pensions since October 2001. Since April 2009 staff have been offered the opportunity to benefit from matched pension contribution funding whereby SVS match employee contributions to the stakeholder scheme up to 3% pa.

FRS 17 disclosures

3(a) Introduction

The disclosures below relate to the funded liabilities within the Hampshire County Council Pension Fund (the Fund) which is part of the Local Government Pension Scheme. Southampton Voluntary Services participates in the Fund which provides defined benefits, based on members' final pensionable salary. In accordance with Financial Reporting Standard No.17 - Retirement Benefits (FRS 17) disclosure of certain information concerning assets, liabilities, income and expenditure relating to pension schemes is required.

3(b) Contributions for the accounting period ending 31 March 2012

The Employer's regular contributions to the Fund for the accounting period ending 31 March 2012 are estimated to be £16.5k. In addition, Strain on Fund Contributions may be required.

3(c) Assumptions

The latest actuarial valuation of Southampton Voluntary Services' liabilities took place as at 31 March 2011. The principal assumptions used by the independent qualified actuaries in updating the latest valuation of the Fund for FRS17 purposes were:

Southampton Voluntary Services

Notes to the Financial Statements for the year ended 31 March 2011 (continued)

3 Pensions (continued)

3(d) Principal financial assumptions (% per annum)

	2011	2010	2009
Discount rate	5.5	5.5	6.5
RPI Inflation	3.7	3.9	3.6
CPI Inflation	2.8	N/A	N/A
Rate of increase to pensions in payment	2.8	3.9	3.6
Rate of increase to deferred pensions	2.8	3.9	3.6
Rate of general increase in salaries	5.2	5.4	5.1

3(e) Principal demographic assumptions

Post retirement mortality	2011	2010
Males		
Year of birth table	Standard SAPS Normal Health Light Amounts	PNMAOO with allowance for MC Improvement factors to 2007
Rating to above base table * (years)	0	0
Scaling to above base table rates	100%	110%
Cohort improvement factors (from 2007)	-	80% of LC
CMI 2009 with a long term rate of improvement	1.25%	1.25%
Future lifetime from age 65 (aged 65 at accounting date)	23.8	22.3
Future lifetime from age 65 (aged 45 at accounting date)	25.6	24.7
Females		
Year of birth table		
Rating to above base table * (years)	0	0
Scaling to above base table rates	110%	110%
Cohort improvement factors (from 2007)	-	60% of LC
CMI 2009 with a long term rate of improvement	1.25%	1.25%
Future lifetime from age 65 (aged 65 at accounting date)	24.8	24.3
Future lifetime from age 65 (aged 45 at accounting date)	26.7	26.5

3(f) Commutation

Each member assumed to exchange 25% of the maximum amount permitted of their past service pension rights on retirement, for additional lump sum. Each member assumed to exchange 75% of the maximum amount permitted of their future service pension rights on retirement, for additional lump sum.

2010 - Each member assumed to exchange 25% of the maximum amount permitted of their pre 1 April 2008 pension entitlements. Each member assumed to exchange 75% of the maximum amount permitted of their post 31 March 2008 pension entitlements.

3(g) Expected returns on assets

The approximate split of assets for the Fund as a whole (based on data supplied by the Fund Administering Authority) is shown in the table below. Also shown are the assumed rates of return adopted by the Employer for the purposes of FRS17.

	Asset split %			Long-term expected %pa rate of return		
	2011	2010	2009	2011	2010	2009
Equities	63.4	61.3	55.2	8.4	8.0	7.0
Property	7.3	6.1	7.3	7.9	8.5	6.0
Government bonds	23.3	24.4	27.4	4.4	4.5	4.0
Corporate bonds	1.7	2.4	3.9	5.1	5.5	5.8
Cash	4.3	5.8	6.2	1.5	0.7	1.6
Other	0.0	0.0	0.0	8.4	8.0	1.6
Total	100.0	100.0	100.0	7.1	6.7	5.7

Southampton Voluntary Services

Notes to the Financial Statements for the year ended 31 March 2011 (continued)

3 Pensions (continued)

Narrative description of the basis used to determine expected return

Southampton Voluntary Services employs a building block approach in determining the rate of return on Fund assets. Historical markets are studied and assets with higher volatility are assumed to generate higher returns consistent with widely accepted capital market principles. The assumed rate of return on each asset class is set out within this note. The overall expected rate of return on assets is then derived by aggregating the expected return for each asset class over the actual asset allocation for the Fund at 31 March 2011.

3(h) Reconciliation of funded status to balance sheet

	2011 £000	2010 £000	2009 £000
Notional value of assets	641	755	570
Present value of liabilities	944	1,214	901
Net pension (liability)/asset	<u>(303)</u>	<u>(459)</u>	<u>(331)</u>

3(i) Analysis of Income and Expenditure / Profit and Loss charge

	2011 £000	2010 £000
Current service cost	22	17
Past service cost	(122)	0
Interest cost	61	58
Expected return on assets	(50)	(32)
Curtailment cost	0	0
Settlement cost	0	0
Expense recognised	<u>(89)</u>	<u>43</u>
Expense recognised in:		
Charitable activities – general expenditure	17	17
Charitable activities – pension scheme net service cost	(106)	26
	<u>(89)</u>	<u>43</u>

3(j) Changes to the present value of liabilities during the accounting period

	2011 £000	2010 £000
Opening present value of liabilities	1,214	901
Current service cost	22	17
Interest cost	61	58
Contributions by participants	6	6
Actuarial losses on liabilities	(205)	259
Net benefits paid out	(32)	(27)
Past service cost	(122)	0
Net increase in liabilities from disposals and acquisitions / curtailments / settlements	0	0
Closing present value of liabilities	<u>944</u>	<u>1,214</u>

3(k) Changes to the fair value of assets during the accounting period

	2011 £000	2010 £000
Opening fair value of assets	755	570
Expected return on assets	50	32
Actuarial (losses)/gains on assets	(155)	157
Contributions by the employer	17	17
Contributions by participants	6	6
Net benefits paid out	(32)	(27)
Net increase in assets from disposal and acquisitions / settlements	0	0
Closing fair value of assets	<u>641</u>	<u>755</u>

Southampton Voluntary Services

Notes to the Financial Statements for the year ended 31 March 2011 (continued)

3 Pensions (continued)

3(l) Actual return on assets

	2011	2010
	£000	£000
Expected return on assets	50	32
Actuarial gain / (loss) on assets	(155)	157
Actual return on assets	<u>(105)</u>	<u>189</u>

3(m) Analysis of amount recognised in Statement of Total Recognised Gains & Losses

	2011	2010
	£000	£000
Total actuarial gains / (losses)	50	(102)
Total gain / (loss) in STRGL	50	(102)

3(n) History of asset values, present value of liabilities and surplus / (deficit)*

	2011	2010	2009	2008	2007
	£000	£000	£000	£000	£000
Fair value of assets	641	755	570	691	639
Present value of liabilities	944	1,214	901	772	863
Surplus / (deficit)	<u>(303)</u>	<u>(459)</u>	<u>(331)</u>	<u>(81)</u>	<u>(224)</u>

3(o) History of experience gains and losses

	2011	2010	2009	2008	2007
Experience gains/(losses) on assets:					
- amount	(155)	157	(190)	(15)	(1)
- % of assets	-24.2	20.7	(33.3)	(2.2)	(0.1)
Experience gains/(losses) on liabilities:					
- amount	163	3	(1)	15	(1)
- % of the present value of the liabilities	17.3	0.2	(0.1)	1.9	(0.1)

4 Tangible fixed assets

	Leasehold Voluntary Action Centre	Office & project equipment	Computer equipment	Total
	£	£	£	£
Cost:				
As at 1 April 2010	1,061,093	143,452	101,676	1,306,221
Additions	-	1,000	-	1,000
As at 31 March 2011	1,061,093	144,452	101,676	1,307,221
Depreciation:				
As at 1 April 2010	165,796	112,122	99,151	377,069
Charged in the year	26,526	4,237	2,525	33,288
As at 31 March 2011	192,322	116,359	101,676	410,357
Net book value:				
As at 1 April 2010	895,297	31,330	2,525	929,152
As at 31 March 2011	868,771	28,093	-	896,864

All fixed assets are held at historic cost

Southampton Voluntary Services

Notes to the Financial Statements for the year ended 31 March 2011 (continued)

5 Debtors

	2011	2010
	£	£
Grants receivable	153,095	201,077
Other debtors	7,491	3,762
	<u>160,586</u>	<u>204,839</u>

All amounts are due within one year from the balance sheet date.

6 Creditors: amounts falling due within one year

	2011	2010
	£	£
Trade creditors	7,968	45,304
Accruals and deferred income	26,358	18,262
	<u>34,326</u>	<u>63,566</u>

7 Analysis of Net Assets between funds

		Fixed assets £	Net current assets / (liabilities) £	Pension scheme liability £	Total £
Restricted funds	14	2,512	536,292	-	538,804
Unrestricted funds:					
Designated funds	13	868,771	417,958	-	1,286,729
General funds	13	25,581	49,313	-	74,894
Pension reserve	3g	-	-	(303,000)	(303,000)
At 31 March 2011		<u>896,864</u>	<u>1,003,563</u>	<u>(303,000)</u>	<u>1,597,427</u>

		Fixed assets £	Net current assets / (liabilities) £	Pension scheme liability £	Total £
Restricted funds	14	3,480	433,929	-	437,409
Unrestricted funds:					
Designated funds	13	895,297	361,432	-	1,256,729
General funds	13	30,375	43,635	-	74,010
Pension reserve	3g	-	-	(459,000)	(459,000)
At 31 March 2010		<u>929,152</u>	<u>838,996</u>	<u>(459,000)</u>	<u>1,309,148</u>

8 Net income / (expenditure) for the year

	2011	2010
	£	£
Net income / (expenditure) for the year is stated after charging:		
Depreciation	33,289	33,713
Auditors' remuneration (including VAT): - audit	5,285	5,175
- other services	-	-
	<u>-</u>	<u>-</u>

9 Employee emoluments

	2011	2010
	£	£
Salaries and wages	694,349	753,983
Social security costs	54,484	61,520
Pension costs:		
HCC Pension Fund	16,965	16,957
Stakeholder scheme – matched contributions	7,622	9,234
	<u>773,420</u>	<u>841,694</u>

No employees had emoluments in excess of £60,000 (2010: nil).

Southampton Voluntary Services

Notes to the Financial Statements for the year ended 31 March 2011 (continued)

The average number of full time equivalent employees analysed by function was:

	2011	2010
Project workers	29	31
Management and administration	5	6
	<u>34</u>	<u>37</u>

10 Incoming resources from charitable activities

	Unrestricted funds	Restricted funds	Total 2011	Total 2010
	£	£	£	£
Unrestricted income:				
Southampton City Council	173,742	-	173,742	184,923
Seed Office rental & other room hire	5,832	-	5,832	6,079
Other	4,756	-	4,756	6,258
Restricted income (note 14):				
Voluntary Sector Support Team	-	266,392	266,392	272,730
Family Projects	-	234,191	234,191	249,628
Morph	-	70,608	70,608	73,214
Safe in Sound	-	12,650	12,650	43,463
Shopmobility	-	73,733	73,733	73,658
Street Homeless Prevention	-	209,256	209,256	202,791
Young Carers	-	95,106	95,106	113,685
Other Projects	-	4,079	4,079	4,079
	<u>184,330</u>	<u>966,015</u>	<u>1,150,345</u>	<u>1,230,508</u>

11 Investment income

All of the charity's investment income arises from interest bearing deposit accounts.

12 Resources expended – charitable activities general expenditure

	Unrestricted funds	Restricted funds	Total 2011	Total 2010
	£	£	£	£
Unrestricted expenditure	115,598	-	115,598	156,187
Restricted expenditure (note 14):				
Voluntary Sector Support Team	-	214,409	214,409	232,746
Family Projects	-	213,610	213,610	233,963
Morph	-	65,181	65,181	67,459
Safe in Sound	-	1,227	1,227	26,125
Shopmobility	-	65,015	65,015	64,576
Street Homeless Prevention	-	205,424	205,424	190,047
Young Carers	-	99,754	99,754	103,305
Other Projects	-	-	-	4,079
	<u>115,598</u>	<u>864,620</u>	<u>980,218</u>	<u>1,078,487</u>

Southampton Voluntary Services

Notes to the Financial Statements for the year ended 31 March 2011 (continued)

13 Unrestricted funds

	Note	At 1 Apr 2010 £	Result £	Transfers £	At 31 Mar 2011 £
<u>Designated funds</u>					
VAC depreciation		895,297	-	(26,526)	868,771
Property		165,796	-	26,526	192,322
Staffing reserve		142,636	-	-	142,636
Building maintenance		30,000	-	-	30,000
Computer and office equipment		20,000	-	-	20,000
Legal		3,000	-	30,000	33,000
		1,256,729	-	30,000	1,286,729
<u>General funds</u>					
General reserve		74,010	30,884	(30,000)	74,894
<u>Other funds</u>					
Pension reserve	3h	(459,000)	156,000	-	(303,000)
Total unrestricted funds		871,739	186,884	-	1,058,623

The VAC depreciation reserve was set up when the Voluntary Action Centre was built in 2003 and represents the remaining net book value of the VAC. Each year a transfer is made to release from the reserve into the Property fund an amount equal to the annual property depreciation. The total of these two reserves equates to the cost price of the VAC.

The other designated reserves are funds set aside for specific purposes essential for the future operation of the charity in the short to medium term. Transfers are made between these funds and the general reserve as required.

The Pension reserve was set up as a result of the implementation of SORP 2005 and FRS 17. This introduced the new heading of "Defined benefit pension scheme liability" into the assets and liabilities section of the balance sheet, matched by the introduction of a specific negative Pension reserve in unrestricted funds.

14 Restricted funds

	At 1 Apr 2010 £	Incoming resources £	Outgoing resources £	Transfers £	At 31 Mar 2011 £
<u>Voluntary Sector Support</u>					
Capacity Builders	-	22,000	(22,000)	-	-
Childrens Workforce Development Fund	-	20,000	(3,681)	-	16,319
Community development /capacity building	43,435	34,170	(38,062)	-	39,543
NAVCA Flower Roads	-	15,500	-	-	15,500
Health	21,998	74,178	(74,895)	-	21,281
Big Lottery	-	9,900	-	-	9,900
Voluntary sector training	49,046	54,744	(39,871)	-	63,919
Young people – Children's Fund	1,528	35,900	(35,900)	-	1,528
VAC contributions	10,000	-	-	-	10,000
Total – Voluntary Sector Support Team	126,007	266,392	(214,409)	-	177,990
<u>Projects</u>					
Family Projects – General fund	67,293	193,501	(176,868)	-	83,926
Family Projects – Charitable and other funds	22,407	40,690	(36,742)	-	26,355
Subtotal – Family Projects	89,700	234,191	(213,610)	-	110,281

Southampton Voluntary Services

Notes to the Financial Statements for the year ended 31 March 2011 (continued)

Morph – General fund	31,843	69,740	(63,023)	-	38,560
Morph – Charitable and other funds	18,715	868	(2,158)	-	17,425
<i>Subtotal – Morph</i>	<i>50,558</i>	<i>70,608</i>	<i>(65,181)</i>	<i>-</i>	<i>55,985</i>
Safe in Sound – General fund	10,797	12,650	(1,022)	-	22,425
Safe in Sound – Charitable and other funds	21,115	-	(205)	-	20,910
<i>Subtotal – Safe in Sound</i>	<i>31,912</i>	<i>12,650</i>	<i>(1,227)</i>	<i>-</i>	<i>43,335</i>
	£	£	£	£	£
Shopmobility – General fund	17,054	71,852	(65,015)	-	23,891
Shopmobility – Charitable and other funds	12,268	1,881	-	-	14,149
<i>Subtotal – Shopmobility</i>	<i>29,322</i>	<i>73,733</i>	<i>(65,015)</i>	<i>-</i>	<i>38,040</i>
SHPT – General fund	6,453	189,355	(185,925)	-	9,883
SHPT – Charitable and other funds	26,027	19,901	(19,499)	-	26,429
<i>Subtotal – Street Homeless Prevention Team</i>	<i>32,480</i>	<i>209,256</i>	<i>(205,424)</i>	<i>-</i>	<i>36,312</i>
Young Carers – General fund	43,686	88,992	(99,754)	-	32,924
Young Carers – Charitable and other funds	33,744	6,114	-	-	39,858
<i>Subtotal – Young Carers</i>	<i>77,430</i>	<i>95,106</i>	<i>(99,754)</i>	<i>-</i>	<i>72,782</i>
<i>Total - Projects</i>	<i>311,402</i>	<i>695,544</i>	<i>(650,211)</i>	<i>-</i>	<i>356,735</i>
Transport grant funds	-	4079	-	-	4,079
<i>Subtotal – Other projects</i>	<i>-</i>	<i>4079</i>	<i>-</i>	<i>-</i>	<i>4,079</i>
	437,409	966,015	(864,620)	-	538,804

All of the above funds arise from income received from specific funders for particular purposes.

