

Company Number 3505634
Charity Number 1070790

Nottingham Council for Voluntary Service

Trustees Report and Financial Statements

For Year Ended 31st March 2009

Nottingham Council for Voluntary Service

Trustees Report and Financial Statements 2008/09

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The following do not form part of the statutory accounts but are available on request to Affiliated Members and others who NCVS at its sole discretion, believe have a relevant interest.

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Nottingham Council for Voluntary Service

Notice of Annual General Meeting and Networking Event for 2009

Notice is hereby given that the Annual General Meeting of the Nottingham Council for Voluntary Service for 2009 is to be held on 5 November 2009 at 12.00 at the Voluntary Action Centre, 7 Mansfield Road, Nottingham NG1 3FB.

Staff and volunteers of Affiliated Members organisations are welcome to attend. Only two persons nominated by each affiliated member organisation are entitled to vote at the meeting. The meeting will also be open to partner organisations.

The Annual General Meeting will be held for the following purposes:

Ordinary resolutions:

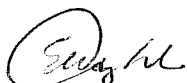
1. To receive and approve the Directors'/ Trustees' Report and the audited financial statements for the year ended 31 March 2009. Drafts are available on the website.
2. To appoint Directors (known internally as Trustees). In the event of contested posts further voting forms will be issued.
3. To reappoint PKF (UK) LLP as auditors of the company.
4. To authorise the Directors to determine the remuneration of the auditors.

Special resolution:

5. To consider amendments to the Articles of Association. (Proposed new articles of association are attached.)

The business of the Annual General Meeting generally lasts twenty minutes. It will be preceded by a voluntary sector conference and will be followed by a review of the year and a buffet lunch.

By order of the board



Ms A Cartwright
Company Secretary
8th October 2009

Nottingham Council for Voluntary Service Directors'/ Trustees' Report for Year Ended 31 March 2009

The directors submit their report and the financial statements for the twelve months ended 31 March 2009. The prior period is for the twelve months ended 31 March 2008.

Directors, senior management and advisors

Directors

The directors of the company (known internally as Trustees) guarantee £1 each. Therefore it is not possible for any director to hold an interest in the shares of the company.

Mr P D Lane – Chair, retired 25th September 2009
Mr M Reece – Vice Chair, appointed chair 25th September 2009
Mr M Fraser – Treasurer
Ms A Cartwright – Secretary

Ms A M Ainger	co-opted	13.11.08
Ms R Greenberg		
Ms B Hall		
Mr N Horsley	retired	13.11.08
Ms J Lewis	appointed	13.11.08
Mr R Taylor	appointed	13.11.08

The honorary officers are subject to re-election each year. The other trustees are proposed by Affiliated Member Organisations, elected at the annual general meeting and one third must retire and seek re-election each year.

The Board of Directors have the right to co-opt up to five Directors who must retire at each AGM, but are eligible for further co-option. Mr Fraser, Mr Reece, Ms Cartwright and Ms Ainger are co-opted Directors.

Senior Management

The senior management team consists of the Chief Executive - Helen Voce, the Deputy Chief Executive – Claire Rintoul, Partnerships Team Manager - Jo Dean and the Finance Manager – Shona Small. Project managers and department heads support them.

Advisors

Bankers Unity Trust Bank plc; 9 Brindleyplace; Oozells Square
Birmingham; B1 2HB

Solicitors Freeth Cartwright LLP; Cumberland Court; 80 Mount Street;
Nottingham; NG1 6BR

Auditors PKF (UK) LLP; Chartered Accountants; Regent House; Clinton
Avenue; Nottingham; NG5 1AZ

Reference and Administrative Information

Nottingham Council for Voluntary Service was incorporated on 5th February 1998 (Company no. 3505634). It is limited by guarantee, not having a share capital, and has obtained exemption under Section 30 of the Companies Act 1985 to dispense with the word limited as part of its name. It is a registered charity (no. 1070790). Nottingham Council for Voluntary Service (referred to as NCVS) is based at the Nottingham Voluntary Action Centre, 7 Mansfield Road, Nottingham, NG1 3FB which is also its registered office. The telephone number is 0115 934 8400 and email is 'ncvs@nottinghamcvs.co.uk'. NCVS also uses the names: Volunteer Centre Nottingham and NVAC in appropriate circumstances.

Prior to incorporation, NCVS had served the Voluntary Sector in Nottingham for over 120 years.

Structure, Governance and Management

The governing documents of NCVS are its memorandum and articles of association and it is proposed to replace these with new articles at the AGM.

Voluntary and charitable organisations with involvement in the Nottingham or surrounding areas may apply to the Trustees for affiliated membership, which gives them the right to vote at the annual general meeting and to nominate a person to sit on the Trustee Board. The affiliation fee is currently set at zero but this lies within the discretion of the Board.

The procedure for appointing new trustees is set out on page 3. There may be times when the Chief Executive or the Trustees encourage candidates they deem suitable to put their names forward for election. Nottingham City Council has the right to send a representative to attend Trustee meetings. Once appointed the Trustees have an induction session which includes a discussion with the Chief Executive on NCVS's activities and on the Trustee's particular interests, the receiving of information on the rights and responsibilities of company directors and trustees, a copy of the trustees' handbook which details both NCVS's structure and procedures, and an introduction to the key staff members. In addition new Trustees are consulted on training needs. Once in post Trustees are encouraged to take a liaison role with a particular department or service. Relevant training opportunities are publicised to Trustees and all Trustees are encouraged to participate.

Organisation and Management Structure

The organisation structure is intended to ensure both proper decision making and consultation with staff and volunteers at all levels

1. **Board of Trustees/ Company Directors:** The Board of Trustees acts as both the Charity Trustee Board and the Board of Directors. It has ultimate responsibility for NCVS and oversees its strategic direction. In addition it approves an annual budget for the senior management to work to and reserves to itself approval of capital expenditure, approval of expenditure significantly outside the budget, approval of new large projects and the appointment of senior managers. During the year it monitors performance and reviews the quarterly management accounts.

Board meetings are attended by the Chief Executive and the Deputy Chief Executive. Other staff are asked to present on their projects or department from time to time. The Trustees have an annual meeting to consider strategy.

2. **Finance sub committee of the Board:** The sub committee consists of the Chair, the Treasurer and certain other Board members. The Chief Executive, the Deputy Chief Executive and the Finance Manager also attend. The sub committee provides expert advice to the Board on financial matters and compares in detail quarterly management accounts with the budget.
3. **Senior Managers' Meeting:** The Chief Executive, the Deputy Chief Executive, Partnerships manager and the Finance Manager meet regularly. They implement the strategy decided by the Board, develop the services provided by NCVS and facilitate staff links with the Board. They also evaluate the performance of each service prior to formal reporting and external accountability.
4. **Staff Meeting:** This is the major link with the Chief Executive and senior managers for all staff and volunteers. Board and management decisions are reported and informal consultation is undertaken.
5. **Team and Thematic Meetings:** A number of thematic working groups meet to develop and take forward cross service work. Some larger services also have team meetings on a regular basis.

The management structure of NCVS is that the Chief Executive and the Partnerships Team Manager are focused on external relationships with the City Council, other infrastructure bodies, both national and local, and voluntary and charitable organisations; and the Deputy Chief Executive on internal management. However in practice they work closely together. Each department head and project leader (one of whom is responsible for each of NCVS' activities) reports in the first instance to the Deputy Chief Executive.

Affiliation

To facilitate its objectives and gain as much input from elsewhere as possible, NCVS is affiliated to various other organisations including:

National Association of Voluntary and Community Action (NAVCA),

National Council for Voluntary Organisations (NCVO),

Volunteering England,

Charity Finance Directors' Group

Nottinghamshire Association of Voluntary Organisations (NAVO)

East Midlands Employment Relations Forum

East Midlands Equality & Diversity Network

Urban Forum

NCVS also seeks to influence the policies and decisions of relevant national bodies.

Risk

The Trustees have considered risks to the organisation and have drawn up a schedule for the monitoring and reporting of key risks. Management reports, based on a prearranged schedule, are prepared for the Board on the specific risks identified. The Board reviews the schedule of risks annually. The funding to NCVS is generally short term and the Directors' view is that the greatest risk

to the organisation is the continuity of such funding. Relationship with funders and ongoing bids for funds based on quality of work done by NCVS, together with regular monitoring, is the principal mitigation of this risk.

Objectives and Activities

Objectives of NCVS

The objectives of NCVS as set out in the memorandum of association are

- a) Promote any charitable purpose principally, but not exclusively, for the benefit of the community in Nottingham and in particular the advancement of education, the furtherance of health and the relief of poverty, distress and sickness.
- b) Promote and organise co-operation in the achievement of the above purposes and to that end bring together representatives of the statutory authorities and voluntary organisations engaged in the furtherance of the above purposes.

NCVS operates using a 3 year plan and the plan in operation during 2008/09 was that covering the period from 1 April 2006 to 31 March 2009.

Our Strategic Aims are

- To enable groups in our diverse, sustainable and successful community and voluntary sector to further their aims
- To enable individuals to be involved in their community and to benefit as a result
- To enable the community and voluntary sector to have an effective involvement and a strong voice in strategic partnerships and planning processes.

Our plan is supported by service plans for each area of work with an outcomes focus to enable us to measure the impact of our work. Equality targets have been identified.

The results of our work with groups will show in:

Improved management and governance systems,
Increased knowledge and skills in the workforce – both paid and unpaid,
Improved financial sustainability,
Improved communication with one another,
Increased collaborative working,
Increased awareness of voluntary and community sector by the general public and other sectors.

The results of our work with individuals will show in:

More people entering into volunteering, learning or employment,
Increased confidence and self esteem,
Increased knowledge of services and support available,
More people feeling involved in their community,
Increased skills and knowledge.

The results of our work on policy and partnerships will show in

Increased sector involvement in consultation and engagement processes,

Improved mechanisms to participate in strategic planning and consultation processes,
Increased contribution to the delivery of partnership agendas,
Increased effectiveness of voluntary sector representation on all relevant partnerships,
Improved operating environment for groups, so the sector can flourish.

Main services and some key achievements against objectives in 2008/09

Our key aims and activities for 2008/09 were:

Work with Groups

As a result of our successful National Lottery funding bid NCVS has put in place a dedicated group development team. This team works with the groups in our area in a number of ways. They provide one off telephone advice, training in response to needs identified by our clients (such as outcomes training, financial management, governance) and more in depth case work where they work with a group over a number of weeks or months to assist them in achieving identified goals; such as registering as a limited company and a charity or recruiting a greater skills base to their trustee board or employing staff for the first time.

Over the course of the past year this team worked with 101 groups in total of which 83 groups that were new to NCVS and completed 71 case work assignments.

As part of the dedicated group development service provided by NCVS, we also assist small groups to access the Nottinghamshire Community Foundations small grants programme and provide a criminal records disclosure service.

We have recently been successful in securing further National Lottery funding to enable us to set up a funding advice network to drive up the quality and consistency of funding advice given to groups in both the County and City areas. We will be working in collaboration with many county groups in order to achieve this.

Training programme, based on a training needs assessment, provided 37 training courses.

Work with Individuals

We have three year funding from V in order to enable us to have a team to work specifically with young people between the ages of 16 and 24. The purpose of this project is to encourage more young people to volunteer in their community and thus reap the rewards and benefits of becoming more involved.

168 of these young volunteers achieved the v-fifty accreditation/recognition award. During the year our organisation formed ongoing partnerships with groups working with specific client groups, such as E2E, Princes Trust, Young Potential, Probation Service and Mind the Gap.

In this first year we developed a youth proof check list in order to work with partner organisations to develop exciting and youth friendly opportunities.

This project is currently working to achieve the REACH quality standard and expects to have completed this within the next year.

Our core volunteer service continues to be funded out of our own resources although we anticipate being able to secure some funding for this in the near future.

In order to facilitate a greater range of individuals accessing our volunteer brokerage service we piloted opening on Saturdays and evenings over this year.

Towards the end of the year our organisation was able to access funding to employ a consultancy team to review our Volunteer Services current activities and pull together a strategic plan for the future of volunteering in Nottingham.

Work on Policy and Partnerships

NCVS has continued to work closely with One Nottingham and Nottingham City Council on the issues of commissioning and the third sector. As a result of feedback from local groups, we have negotiated a new model for supporting third sector organisations to influence One Nottingham. We have created a cross sector NI7 group to focus attention on delivering “an environment for a thriving third sector”. We are also developing closer links with NHS Nottingham City. Our chief executive was re-elected by the third sector in Nottingham to sit on the One Nottingham board as one of the two third sector representatives.

In March we hosted a breakfast meeting about the impact of the credit crunch on the third sector, attracting 70 groups. As a result of the feedback from this meeting, we will be facilitating a network where groups can come together to discuss the impact of the recession on the demand for their services and the resources available to meet this increased demand.

NCVS has been invited to be the voluntary sector representative on the City Council’s Economic Resilience Task & Finish Board. Our organisation continues to provide board representation to Urban Forum, NCVO, One Nottingham, Enable, One East Midlands and Volunteering Nottinghamshire as well as playing an active role in the Nottingham infrastructure consortium.

Our Partnerships Team commissioned two consultancy opportunities to enable our organisation to find out about faith groups and disabled peoples groups. The remit of both was to map out the extent by which these groups are operating in the City and how they are providing social value through their activities. In addition we were interested in how we could assist them in achieving their objectives and to encourage them to participate in decision making structures within the City. More involvement by our diverse communities results in better decision making in addressing the needs of those communities.

Aims and Objectives for the Year ended 31 March 2010

NCVS has in place a new strategic plan which will operate from 1 April 2009 to 31 March 2012.

In these three years we will aim

- To improve the effectiveness of local third sector organisations
- To improve the quality of volunteering in Nottingham
- To improve the quality of decision making by involving the third sector

Over the next year we aim to:

- Provide a flexible group development service open to all City groups but will prioritise working with organisations that are willing and able to change and develop.
- Complete the review of the volunteer centre operations to make sure we are making best use of our very limited resources.
- Develop our performance management systems so that we can continually improve the support offered by the volunteer centre to groups and individuals.
- Work with partners to develop a consistent approach to volunteering and to promote volunteering opportunities and benefits.
- Continue to work on the compact with the City Council and expand it to include the PCT and other city agencies.
- Support and strengthen existing networks of VCS groups.
- Update our website.
- Continue to employ a diverse work force and strive to be a good employer.
- Set up a funding advice network covering both the City and the County areas.

Grant making Policy

NCVS as a rule does not issue grants to other organisations but will on occasion bid for funds on a partnership basis, and those partners to the bid will receive funds dispersed through NCVS by way of the amounts specified in the bid submitted to funders.

Use of Volunteers

NCVS used volunteers in the following services: administration, volunteer centre, ICT, the NCVS finance department and the NCVS board. NCVS benefited from 4543 volunteer hours in the year to 31 March 2009. Valuing these hours at £7.50 per hour gives a monetary value of £34,072.

The estimated value of volunteers to the City of Nottingham area each year is set out below under contribution to Nottingham.

Transactions with Affiliated Members

At 31st March 2009, some 250 charities and voluntary organisations were affiliated to NCVS. A list of these affiliated members is given in appendix 8 and details of how to contact them may be obtained from the NCVS Help-line (0115 9348400). A copy of the appendices is available by contacting the

Finance Manager or from the web site. NCVS provides payroll services and rented accommodation to various affiliated members and contracts with others to provide services. All such transactions are negotiated on an arms length basis.

Public Benefit Statement

The section of this report above entitled Aims and Objectives sets out NCVS aims, the priorities in the current 3 year plan and reports on the activity and successes in the year to 31 March 2009, as well as explaining the plans for the current financial year. NCVS' activities benefits voluntary sector organisations, individuals and the interaction between the statutory sector and the voluntary and community sector in Nottingham and its environs.

The Directors have considered Public Benefit and concluded

1. That the aims of the organisation continue to be charitable;
2. That the aims and the work done give identifiable benefits to the charitable sector and both indirectly and directly to individuals in need;
3. That the benefits are for the public, are not unreasonably restricted in any way and certainly not by ability to pay; and
4. That there is no detriment or harm arising from the aims or activities.

Financial Review

NCVS has a deficit for the year of £4,754. The budget for the year showed a deficit position of £53,596 and the Directors would like to thank management for their efforts in controlling costs, using volunteers and earning additional revenue. We are now reaching the lower end of our target of having 6 to 12 weeks of reserves. Total incoming resources, excluding community network activities, totalled £1,526,557 against £1,927,943 in the previous year.

Net assets amount to £1,981,854 of which £1,259,932 represents the property from which NCVS operates. The cash position, net of borrowings, was £888,556 at 31 March 2009 as against £841,342 at the previous year end. Of this some £419,208 is monies held for restricted funds or amounts held on behalf of other organisations. NCVS's cash position fluctuates hugely during most months and the balance tends to be high at the year end. NCVS continues to stress to funders and others the importance of paying in accordance with contracts. With limited reserves, a substantial payroll and contractual commitments to pay other Voluntary Sector organisations, we have to monitor cash flow tightly. NCVS is now a complex organisation with diverse activities.

There have been no accounting policy changes since last year. The different funds of NCVS are explained in note 11 to the financial statements.

Reserves Policy

NCVS needs reserves for three reasons:

1. To cover short term requirements (for instance, where grant income is delayed, where up front amounts of expenditure are required or where there are termination costs for a project).
2. To enable NCVS to undertake projects without funding if necessary.

3. To provide working capital.

The Directors believe NCVS needs reserves of between 6 and 12 weeks expenditure. For this purpose reserves are taken as unrestricted reserves excluding specifically allocated monies such as the Repairs Fund. On this basis at 31 March 2009 NCVS had reserves of 9 weeks' expenditure (2008: 9.1 weeks).

The Directors review the reserves position annually as part of the budget approval process and take appropriate action to maintain reserves both then and where necessary during the course of the year.

Funders

NCVS is dependent on all its funders and could not help support the voluntary sector, and ultimately the people of Nottingham, without them. The Directors are extremely grateful to all funders but particularly to Nottingham City Council for its continued investment in supporting key elements of NCVS core costs. Without this long term support, we would find it impossible to lever in other funding (currently at the rate of 12:1) to deliver the breadth and quality of services to local groups and individuals.

Statement of Corporate Social Responsibility

Ethos

The underpinning ethos is rooted in NCVS' commitment to social justice, cultural diversity, and social and economic inclusion.

This commitment shapes the priorities and direction of the organisation as well as its day to day activities. In providing support and services to local groups we prioritise those groups working with individuals and communities who are most disadvantaged and excluded. In our services that directly support individuals, we focus most of our resources into supporting individuals who are socially or economically excluded, and have developed a range of interconnected services to achieve this. For example many individual volunteers who we support not only make a significant contribution to the community, but also gain valuable skills, experience and confidence because of their voluntary activities.

Some use the experience and skills they gain to move into training and employment. For others it is a means of overcoming social isolation, making friends, combating loneliness and meeting their own needs in helping others.

In Nottingham's many disadvantaged neighbourhoods, the benefits of volunteering activity goes beyond building social capital at an individual level to that of strengthening and building communities. We passionately believe that the more the true potential of the community and voluntary sector can be realised, and the more people who can be encouraged to participate, the stronger our society will be.

Contribution to Nottingham

Our research shows that the Voluntary Sector in Nottingham makes not only a major contribution to people's lives and welfare but it provides a direct

contribution of some £120 million to the City's economy. The research identified that the economic value of time contributed by volunteers has a value equivalent to a further £120 million.

Equality and Diversity

One of our stated aims is a strong commitment to equality and diversity. NCVS continues to work according to its Ethical Values Statement and most importantly the Action Plan which ensures that actions follow words, and this year we continued with equality and diversity performance indicators in our Service Delivery Plans. There is still much work to do, in particular around our mechanisms for collecting quantitative and qualitative data, but we are committed to improving these areas over the coming years. We now have a rolling awareness training programme in place in which all new staff are required (and volunteers encouraged) to participate.

Accessibility

NCVS is committed to providing full accessibility to its services, covering both its physical working environment and its information services. We have created an accessibility plan and regularly check to see that it is effective.

Health and Safety

NCVS actively seeks to ensure a safe and healthy working environment for its staff, volunteers and visitors. NCVS minimises hazards and risks through active monitoring and appropriate action.

Environmental Awareness

NCVS is committed to minimising the impact of all its activities on the environment through: responsible procurement policies, energy efficiency and conservation, waste reduction, reuse and recycling, minimum impact modes of transportation and the monitoring of its activities through the 'Green Working Group'.

Human Resources

The Directors recognise the importance of both employees and volunteers to NCVS' success and future development and are committed to an environment that will attract and motivate them. Salaries and benefits for employees are linked to the public sector and we have implemented a job evaluation scheme to assess new and changing posts.

The Union Recognition Agreement we developed with Unison has proved beneficial for NCVS and its staff. We now have a process in place that is able to pick up developing issues and concerns early on and deal with them, and a formal mechanism to review terms and conditions and to ensure that we are up to date with current legislation and good practice. We have also boosted our team to include a personnel manager and an assistant for this activity. Our personnel manager is an ACAS trained mediator and this benefits not only our organisation but other voluntary sector organisations that may need to use this service.

We have a range of formal and informal mechanisms to ensure employees and volunteers are kept informed on developments and are asked to contribute to

improving services. In the last year a major focus of this consultation revolved around the restructuring process which resulted from the potential termination of multiple funding streams without replacement. The Directors believe that the employees and volunteers should be and are passionately involved in NCVS' many and varied activities.

Community Activities

NCVS and its staff are committed to community involvement, supporting other organisation's events and activities both on a corporate and an individual level. NCVS publicises community activities and encourages both staff and volunteers to participate in the wider voluntary sector. Several of our staff volunteer in the projects we run. In addition, we have established an employee volunteering scheme. During the year our staff used their volunteering leave to participate on the boards of other voluntary sector organisations to assist with governance and recruitment, befriending with the Alzheimer's Association and reading activities in local schools.

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Directors/Trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

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

Provision of Information to Auditors

The Directors at the time when this Director's report was approved confirm that:

- So far as they are aware, there is no relevant audit information of which the company's auditors are unaware, and:
- Each Director has taken all steps that ought to have been taken as a Director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information.

Basis of Preparation

This report and the financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to smaller companies.

By approval of the Board



Ms A Cartwright
Company Secretary
8th October 2009

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE NOTTINGHAM COUNCIL FOR VOLUNTARY SERVICES

We have audited the financial statements of the Nottingham Council for Voluntary Services for the year ended 31 March 2009 which comprise the statement of financial activities, the summary income and expenditure account, the balance sheet and the related notes. The financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charity's members, as a body, in accordance with section 235 of the Companies Act 1985. 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 auditors' 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

The responsibilities of the trustees (who are also the directors of the company for the purposes of company law) for preparing the trustees annual report and the financial statements in accordance with applicable law and United Kingdom accounting standards ('United Kingdom Generally Accepted Accounting Practice') are set out in the statement of trustees' responsibilities.

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 have been properly prepared in accordance with the Companies Act 1985 and whether the information given in the trustees' annual report is consistent with the financial statements.

We report to you if, in our opinion, the charity has not kept proper accounting records, if the charity's financial statements are not in agreement with those 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 charity is not disclosed.

We read the trustees' report 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 the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and 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 we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charity's affairs as at 31 March 2009 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the trustees' report is consistent with the financial statements.

PKF (UK) LLP

PKF (UK) LLP

Nottingham, UK

29 October 2009

Nottingham Council for Voluntary Service
Statement of Financial Activities
(Incorporating the Income and Expenditure Account)
For the 12 Months Ended 31st March 2009

	UNRESTRICTED FUNDS		RESTRICTED FUNDS		RESTRICTED FUNDS (PROPERTY)		TOTAL	
	2008/09 £	2007/08 £	2008/09 £	2007/08 £	2008/09 £	2007/08 £	2008/09 £	2007/08 £
Incoming Resources								
Income resources from generated funds:								
Voluntary income	20,000	31,300		0			20,000	31,300
Investment income - bank	33,947	45,002		0			33,947	45,002
Incoming resources from charitable activities:								
Direct activities	969,221	1,257,944	422,746	621,965	-28,268	-28,268	1,363,699	1,851,641
Community Network activities			994,661	1,145,909			994,661	1,145,909
Total Incoming Resources	1,023,168	1,334,246	1,417,407	1,767,874	-28,268	-28,268	2,412,307	3,073,852
Resources Expended								
Charitable activities:								
Direct activities -								
Salaries and similar costs	675,029	669,332	294,747	266,182			969,776	935,514
Admin & operational costs	100,580	339,205	176,825	331,724			277,405	670,929
Premises costs	106,236	170,026	19,867	26,615			126,103	196,641
Bank loan interest	38	1,031					38	1,031
Depreciation	31,496	31,496					31,496	31,496
Community Network activities			994,661	1,145,909			994,661	1,145,909
Total on charitable activities	913,379	1,211,090	1,486,100	1,770,430	0	0	2,399,479	2,981,520
Governance costs	17,582	12,530					17,582	12,530
Total Resources Expended	930,961	1,223,620	1,486,100	1,770,430	0	0	2,417,061	2,994,050
Net Incoming/Outgoing Resources Before Transfers	92,207	110,626	-68,693	-2,556	-28,268	-28,268	-4,754	79,802
Transfers Between Funds	-57,954	-5,160	57,954	5,160			0	0
Net movement in funds	34,253	105,466	-10,739	2,604	-28,268	-28,268	-4,754	79,802
Fund Balances brought forward at 1 April 2008	801,929	696,463	26,405	23,801	1,158,274	1,186,542	1,986,608	1,906,806
Fund Balances carried forward at 31 March 2009	836,182	801,929	15,666	26,405	1,130,006	1,158,274	1,981,854	1,986,608

Notes: A summary of funds is shown in notes 11 and 12.

Nottingham Council for Voluntary Service
Balance Sheet
as at 31st March 2009

		March 2009		March 2008	
	notes	£	£	£	£
Fixed Assets					
Tangible assets	5		1,259,932		1,291,428
Investments	6		0		1
			1,259,932		1,291,429
Current Assets					
Debtors	7	413,403		407,860	
3rd party cash	8	419,208		422,314	
own cash		469,348		419,028	
Cash at bank and in hand			888,556		841,342
			1,301,959		1,249,202
Creditors: amounts falling due within one year	9		580,037		554,023
Net Current Assets			721,922		695,179
Total Assets less Current Liabilities					
			1,981,854		1,986,608
Net Assets			1,981,854		1,986,608
The Funds of the Charity					
Restricted Income Funds	11&18		15,666		26,405
Unrestricted Income Funds:					
Unrestricted designated funds	11&17		377,500		276,203
Unrestricted other funds	11&17		458,682		525,726
Property fund	11&19		1,130,006		1,158,274
Total Unrestricted Income Funds			1,966,188		1,960,203
Total Charity Funds			1,981,854		1,986,608

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies. The financial statements were approved and authorised by the Board on 6 August 2009.


Signed on behalf of the Board of Directors
Malcolm Reece, Chairman

NOTTINGHAM COUNCIL FOR VOLUNTARY SERVICE

NOTES TO THE FINANCIAL STATEMENTS 12 MONTHS ENDED 31st MARCH 2009

1 Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Charities SORP 2005 and the Financial Reporting Standard for Smaller Entities (effective January 2007), and the Companies Act 1985. The income and expenditure account is incorporated within the statement of financial activities.

1.2 Attribution of incoming and expended resources

Income comprises grants, donations, service contracts and similar conditional grants, and the invoiced value of services provided; net of value added tax and discounts.

Income is recognised when received or due, except when associated costs of contracts have not yet been incurred or where there is uncertainty that the funder's conditions can be met.

Expenditure is attributable to the period on a time based matching principle to include all known creditors and accruals.

1.3 Governance costs

Governance costs are deemed to comprise the costs of audit and preparation of the financial statements, costs of trustees' meetings, trustees' expenses, legal advice to trustees and strategic planning. These costs include an apportionment of management time where appropriate.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided each year at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold buildings	- 2%
Office equipment	- 20%

Individual items of office equipment costing less than £5,000 are treated as revenue expenditure. The office equipment consists of the telephone system that was installed in the building on its refurbishment.

1.5 Pensions

NCVS offers its employees a matched contribution to a scheme of their choice of up to 5% of gross salary, provided the scheme is a defined contributions scheme. NCVS does not offer financial advice to employees and recommends that employees seek independent financial advice in this matter.

The pension charge in the accounts represents the amounts payable by the company in respect of the year. The number of staff for whom retirement benefits are accruing under money purchase schemes was 11 at 31 March 2009.

1.6 Taxation

NCVS has charitable status and no tax liability arises on its surplus income. The company is registered for VAT and costs shown are exclusive of VAT with any non-recoverable input tax included in administration and operational costs.

1.7 Accounting reference date

The company produces accounts for each 12 months to 31st March.

2 Net Movement in Funds

The net movement in funds is stated after charging:

	2009	2008
	£	£
Audit Fees	4,766	4,525
Provision against Loan to Purple Zebra (note 6)	0	9,500

3 Directors' Emoluments and Benefits

	2009	2008
	£	£
Aggregate of directors' emoluments and other benefits	<u>0</u>	<u>0</u>

No director accrued any benefits under a pension scheme.

4 Staff Costs

	2009	2008
	£	£
Salaries	933,484	910,027
Social Security Costs	82,839	79,225
Pensions Costs	14,166	15,718
Total	1,030,489	1,004,970

Average Number of Employees
 Full Time Equivalent 36 36
 There are no employees with emoluments in excess of £60,000.

5 Tangible Fixed Assets

	Land & Buildings	Office Equipment	Total
	£	£	£
Cost			
At 1 April 2008	1,574,812	19,378	1,594,190
Additions	0	0	0
At 31 March 2009	1,574,812	19,378	1,594,190
Depreciation			
At 1 April 2008	283,384	19,378	302,762
Charge for the year	31,496	0	31,496
At 31 March 2009	314,880	19,378	334,258
Net book value			
At 1 April 2008	1,291,428	0	1,291,428
At 31 March 2009	1,259,932	0	1,259,932

6 Investments

The investment of £1 in 2008 represented one third of the issued ordinary share capital of Purplezebra Ltd. This is a joint venture between three charities, namely Rural Community Action Nottinghamshire (RCAN), First Data Training and NCVS. First Data Training is currently in administration. The NCVS share has been transferred after 31st March 2009 to RCAN in order to facilitate the management of a unified ICT support service to the voluntary sector in Nottinghamshire.

7 Debtors

Amounts due within one year

	2009	2008
	£	£
Trade Debtors	161,784	90,685
Grant and project receivables	246,479	310,631
Other Debtors	5,140	6,544
Total	413,403	407,860

8 **Cash held on behalf of third parties**

An amount of £419,208 (2008: £422,314) was held at the year end on behalf of third parties. The majority of this - £407,596 (2008: £234,128) relates to amounts received in advance from funders. In 2008 an amount of £127,145 was held on behalf of the Danielle Beccan Memorial Trust, £16,334 on behalf of Volunteering Nottinghamshire and £14,187 on behalf of Positive Futures. These amounts were transferred to the organisations during the year to 31 March 2009.

9 **Creditors - Amounts falling due within one year**

	2009	2008
	£	£
Bank Loan	0	4,207
Vat	0	10,267
PAYE and NIC	82,171	91,702
Grants received in advance	407,596	234,128
Accrued expenses	8,351	6,005
Pensions	372	507
Other creditors	81,547	207,206
Total	<u>580,037</u>	<u>554,023</u>

10 **Grants received in advance**

	2009	2008
	£	£
As at 1st April 2008	234,128	116,869
Released during the year	-234,128	-116,869
New Income deferred in year	407,596	234,128
As at 31 March 2009	<u>407,596</u>	<u>234,128</u>

11 **Accounting Treatment of Funds**

NCVS funds are divided into restricted funds, unrestricted funds and the property fund. Where appropriate, these funds are each sub divided into NCVS operating accounts to enable management to monitor the diverse activities of the organisation.

Summaries of operational statements are prepared for each of the operating accounts. They do not form part of the statutory financial statements of NCVS but are shown in the appendices referred to in notes 17 to 19. The appendices are available on request to the finance manager, at the Voluntary Action Centre, or on the web site.

During the year to 31st March 2009 an amount of £57,954 was transferred from unrestricted funds to restricted funds in order to cover the deficit arising from finalising the volunteering into employment project which closed in May 2008.

Restricted Funds – these funds can only be applied for particular purposes, specified by the funder(s). They are accounted for separately and the funds are held in NCVS general bank account.

Community Network managed a substantial contract “Involving Communities” on behalf of One Nottingham. This passports funding to various Local Area Partnerships to support community empowerment activity across deprived areas of the City of Nottingham.

The following projects are designated as restricted funds:

Community Network	funded by One Nottingham
V Team	funded by V and Nottingham City Council
Investing in volunteers	funded by Big Lottery
Childrens' Commissioning	funded by One Nottingham
Childrens' & Young Peoples Forum	funded by One Nottingham
PCT Commissioning	funded by the health service
Volunteering Activists	funded by One Nottingham
Basis Group Development	funded by Big Lottery
Public Sector Commissioning	funded by One Nottingham

Unrestricted Funds – these are available to the Trustees to apply for the general purposes of the charity as set out in its Memorandum of Association. The Trustees may set aside part, or all, of the charity's unrestricted funds to be used for particular purposes in the future. Such sums are described as 'designated funds' and can be reallocated by the Trustees within unrestricted funds unless and until expended.

Designated Funds – the Trustees have designated the following funds being either costs to be spent or losses to be incurred in the next twelve months, apart from the NVAC repair fund, which is for long term refurbishment of the building.

	2009 £	2008 £
<u>Designated Funds</u>		
Volunteer Service	53,000	50,294
Information Service	79,500	56,298
Group Development	60,000	34,611
Air conditioning	0	15,000
IT infrastructure	50,000	0
<u>Repairs Fund</u>		
NVAC repairs fund	135,000	120,000

Total	377,500	276,203
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Movements on the Designated Fund are shown below.

	2009	2008
	£	£
Costs incurred in year	-69,906	-39,988
Released in year	-86,297	-134,012
Provided from general reserve	242,500	156,203
Charged to Voluntary Action Centre	15,000	15,000
Total	101,297	-2,797

All costs incurred on the Designated Fund are charged to the appropriate operating account in the year in order to maintain close scrutiny of all costs. The movements on the Designated Fund are by annual transfer to the General Reserve.

Property Fund – this is a fund comprising the grants received towards the Voluntary Action Centre refurbishment. It is being written off over the expected life of the building – 50 years – in accordance with standard accounting procedures. 41 years remain.

12 Analysis of net assets between funds

	general	designated	restricted	property	total
Tangible fixed assets	129,926			1,130,006	1,259,932
Cash at bank & in hand	495,389	377,500	15,667		888,556
Other net current liabilities	-166,633				-166,633
	458,682	377,500	15,667	1,130,006	1,981,855

13 Voluntary Income

Donations of £20,000 were received during the year from the Robin Hood Charity Trust. (2008: £20,000 from Robin Hood Charity Trust, £10,000 from Purplezebra Ltd and £100 from other sources).

Donations are attributed to income in the period in which they are received and NCVS incurs no expenditure on fundraising.

14 Directors' Expenses

Directors are allowed to claim any expenses necessarily incurred in carrying out their duties. During the year travel expenses amounting to £518.07 (2008: £191.70) were paid out to three Directors and refreshments were provided at meetings.

15 **Contingency**

A number of funders make grant payments dependent on detailed submissions by NCVS. They reserve the right to audit these submissions retrospectively and insist that information is recorded in particular formats. NCVS makes every effort to comply with funders' requirements and to maintain the specified records but there is a risk that, at audit, some amount of grant may be disallowed. NCVS is not aware of any significant risk in this respect.

16 **Related party transactions**

NCVS held one third of the share capital of Purplezebra Ltd. During the year ended 31 March 2009, the chief executive Helen Voce and the finance manager Shona Small, represented NCVS on the board of Purplezebra Ltd.

NCVS supplies Purplezebra Ltd with payroll services. The fees for this amounted to £599. At 31 March 2009 Purplezebra Ltd owed NCVS £38 in respect of these fees.

Purplezebra Ltd supplies NCVS with IT support and equipment. The sales invoiced for this amounted to £6,859. At the year end £0 was outstanding.

**NOTTINGHAM COUNCIL FOR VOLUNTARY SERVICE
STATEMENT OF FUNDS AT 31ST MARCH 2009**

17 UNRESTRICTED FUNDS	Appendix	RESERVES	SURPLUS/ (DEFICIT)	TRANSFERS	RESERVES
		at 31.3.08	at 31.03.09	TO/FROM	at 31.03.09
		£	£	RESERVES	£
<u>OPERATING ACCOUNTS</u>					
Central Services	1	0	101,647	-101,647	0
Voluntary Action Centre	2	0	84,979	-84,979	0
Information Services	3	0	-19,168	19,168	0
Volunteering Services	4	0	-70,231	70,231	0
Group Development		0	-5,019	5,019	0
Sub - Total		0	92,207	-92,207	0
<u>GENERAL FUNDS</u>					
Designated Fund		156,203		86,297	242,500
NVAC - Repairs Fund		120,000		15,000	135,000
General Reserve		525,726		-67,044	458,682
		801,929	0	34,253	836,182
<u>TOTAL UNRESTRICTED FUNDS</u>					
		801,929	92,207	-57,954	836,182
18 RESTRICTED FUNDS					
<u>OPERATING ACCOUNTS</u>					
Group Development	5		-5,804	5,804	0
Community Network	6	15,666	0		15,666
Volunteering Services	7	10,739	-62,889	52,150	0
<u>TOTAL RESTRICTED FUNDS EXCLUDING</u>					
19 PROPERTY FUND					
		26,405	-68,693	57,954	15,666
<u>PROPERTY FUND</u>					
		1,158,274	-28,268		1,130,006
<u>TOTAL RESTRICTED FUNDS</u>					
		1,184,679	-96,961	57,954	1,145,672
<u>TOTAL FUNDS</u>					
		1,986,608	-4,754	0	1,981,854

Note 11 shows details of the accounting treatment of funds.

The appendices referred to in notes 17 to 19 do not form part of the statutory accounts.

The pages that follow do not form part of the statutory accounts.