

Company number 3505634
Charity number 1070790



Nottingham Community and Voluntary Service

Trustees Report and Financial Statements

For Year Ended 31st March 2011

Nottingham Community and Voluntary Service
Trustees Report and Financial Statements 2010/11

Contents

	Page
Directors'/ Trustees' Report	3 to 16
Auditor's Report	17 to 18
Statement of Financial Activities (S.O.F.A)	19
Balance Sheet	20
Notes to the Financial Statements	21 to 27
Statement of Funds	28

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.

	Appendix
Detailed Income and Expenditure Accounts	1 to 5
Summary Income and Expenditure Account	6

Nottingham Community and Voluntary Service Directors'/ Trustees' Report for Year Ended 31 March 2011

The Directors submit their report and the financial statements for the twelve months ended 31 March 2011. The prior period is for the twelve months ended 31 March 2010.

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.

The honorary officers are as follows

Ms G Bright – Chair,
Mr M Reece – Vice Chair,
Mr M Fraser – Treasurer and Secretary

The honorary officers are subject to re-appointment each year.

The trustees are proposed by affiliated member organisations, appointed at the board meeting and must retire after they have served three full calendar years. Retiring trustees may be re-proposed and appointed for a further term.

Trustee	Nominated by	Appointed
Ms G Bright (Chair)	Inspire	
Mr M Reece (Vice Chair)	NDE	
Mr M Fraser (Treasurer and Secretary)	C A Plus	
Ms A M Ainger	Co-opted	
Ms L Barker	Nottinghamshire Clubs for Young People	18 November 2010
Ms R Greenberg	Partnership Council	
Ms B Hall	Nottingham Universal African Caribbean Network	
Ms J Lewis	Base 51	
Mr R Taylor	Marcus Garvey Day Centre	

Trustee	Nominated by	Resigned
Ms A Cartwright (Chair)	Co-opted	18 November 2010

The Board of Directors have the right to co-opt up to five additional Directors who must retire each year, but are eligible for further co-option. At all times the number of co-opted Directors must be less than the number of appointed Directors. The co-opted members are listed above.

The following directors will have served three full calendar years by the AGM in November 2011:

Ms R Greenberg, Ms J Lewis and Mr R Taylor.

Senior Management

Following a management restructure in October 2010 the senior management team consists of the Chief Executive - Helen Voce, External Services Director - Jo Dean and the Corporate Services Director – 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

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

Reference and Administrative Information

Nottingham Community and 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 60 of the Companies Act 2006 to dispense with the word limited as part of its name. It is a registered charity (no. 1070790). Nottingham Community and 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 Focus on Funding 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 articles of association. The latest articles were adopted on the 5th November 2009.

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, External Services director and the Corporate Services Director. 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 and the Corporate Services Director 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, External Services Director and the Corporate Services Director 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 External Services Director are focused on external relationships with the City Council, other infrastructure bodies, both national and local, and voluntary and charitable organisations; and the Corporate services Director on internal management. However in practice they work closely together.

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)

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.

Public Benefit Statement

The section of this report below 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 2011, 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.

Objectives and Activities

Objectives of NCVS

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

- a) The advancement of citizenship and community development particularly the promotion of the voluntary sector, volunteering, capacity building and the efficiency and effectiveness of charities and similar organisations.
- b) Any charitable purpose for the benefit of the community and in particular the advancement of education, the furtherance of health and the relief of poverty, distress and sickness.
- c) Organise co-operation in the achievement of the above purposes and to that end bring together representatives of the statutory authorities and voluntary organisation engaged in the furtherance of the above purposes.

NCVS operates using a 3 year plan and the plan in operation during 2010/11 was that covering the period from 1 April 2009 to 31 March 2012.

Our Strategic Aims are

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

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 impact of our work will be measured against our outcomes.

Strategic outcome 1: Improved effectiveness of groups

Our objectives are to

Increase skills and knowledge within the third sector

Enable groups to put plans into action

Improve the effectiveness of group development services across sectors in Nottingham.

Our work with Groups will result in :-

Increased knowledge

Increased skills

Strategic outcome 2: Improved quality of volunteering within Nottingham

Our objectives are to

Improve the quality and diversity of volunteering opportunities

Increase the numbers and diversity of people volunteering

Our work with individuals will result in :-

More choice of volunteering opportunities

Increased volunteer satisfaction with our service

Our work with groups will result in :-

Improved effectiveness in recruiting and managing volunteers.

Strategic outcome 3: Improved quality of decision making by involving the third sector

Our objectives are to

Increase third sector knowledge of the bigger picture and their place within it

To enable the third sector to take actions individually or in partnership

To increase the opportunities available to groups to change Nottingham

Our work with Partnerships will result in :-

Increased understanding among partners of the third sector role

Increased opportunities to deliver public services

Increased opportunities to influence decisions

Main services and some key achievements against objectives in 2010/11

Our key aims and activities for 2010/11 were:

Improved effectiveness of groups

We provide a flexible Group Development service which meets the needs of groups. The service is provided in three main ways - one to one case work, a helpdesk and a comprehensive training programme. Our service has a wide range of useful resources, many of which are specifically for voluntary organisations. They include: toolkits, factsheets, briefings, good practice guides and a specialist library.

We feel our resources are best used by targeting work to those groups with the best chance of start up, those with potential to grow or in process of growth, groups representing more marginalised communities or those who cannot be supported better elsewhere.

Although we work mainly during traditional office hours, we also work evenings and weekends to support groups as and when they need it. Our service is open to all city groups.

During 2010/11 we worked with 229 groups with new case work support,

We offer a wide ranging training programme, open to all of Nottingham's voluntary and community groups. During the year we ran 31 training sessions on a wide variety of topics. We also offer bespoke training to groups at their own premises. Where appropriate, we can also offer follow up support. Representatives from 274 different groups attended our training sessions over the past year, although some groups may have attended more than one training session.

During the year we provided a Helpdesk service to 366 unique groups. The actual number of contacts was much higher since many groups contact us on several occasions

We continued to work in collaboration with the county groups in order to promote a consistent and quality driven funding advice network in the city and county.

During the year we were appointed as one of the seven sustainable funding beacons in England to work with NCVO.

We took on a university intern over the summer who worked with groups in looking for funding and compiling statistics and information that groups could use in their funding applications. She compiled a list of local charitable trusts that the group development team can use as a resource with groups.

A trustees' network was set up in October 2010 and 2 sessions were held in the course of this year and we look forward to developing this further.

Improved quality of volunteering within Nottingham

The Volunteer Centre offers support, through our brokerage services, to individuals of all ages who are looking to start their volunteering journey.

Through the Volunteer Centre and the v project we offer client centred, one-to-one support that matches potential volunteers to the 100's of opportunities we have developed with partner organisations that match their needs and aspirations.

The Volunteer Centre also offers support and advice to voluntary, community and statutory groups of any size on the development of their volunteering opportunities and promoting their service. We do this through:

- Individual support from development workers
- Toolkits on volunteer best practice
- Peer Support (through Volunteer Coordinators Network)
- Bi-weekly news bulletins
- Case Studies

The Volunteer Centre also works to promote the concept and value of volunteering throughout the city by:

- Organising volunteer celebration events
- Promoting, in partnership with City Council, Volunteers Week
- Offering volunteer accreditation

The Volunteer Centre Nottingham supports potential volunteers in Nottingham to find an opportunity to match their requirements, promotes volunteering on the internet through the do-it.org.uk website, and aids Volunteer Involving Organisations to find the volunteers they need.

The advice service operates predominantly on weekdays from 10:00 till 16:00 using a pre-book appointment system for anyone, aged over 25, who wishes to meet a trained Advisor and find a volunteering opportunity. The Advisors are a dedicated team of volunteers and staff who strive to find live opportunities to volunteer that suit the individual's specific requirements. During the year a drop in service was started on Wednesdays. This means that potential volunteers could see someone straight away without having to wait for an appointment.

In addition, the Volunteer Centre Nottingham uploads opportunities onto the www.do-it.org.uk website which enables people to apply for volunteering opportunities online. This is a quick way for those who know what they want to apply directly to the organisation of their choice.

In 2010/11, the service conducted 1,620 advisory sessions and of those beneficiaries:

- 50.5% were from BME backgrounds
- 42.6% were unemployed
- 10.9% were self classified as disabled

- 52.3% were under the age of 25

In April the Youth Action team launched the first ever v scene magazine designed and produced by themselves. They followed that up with the second and final edition in March 2011 just prior to the V project contract ending.

During the year 120 v50 certificates were issued through the V Project. This represents 6,000 hours of young people volunteering their time.

Work on Policy and Partnerships

NCVS has continued to work closely with One Nottingham, Nottingham PCT and Nottingham City Council on the issues of commissioning and the third sector.

In this year we have worked with the City council to put in place a new commissioning strategy for services to be provided to people with sensory and physical impairments.

We also collaborated on setting up and running a personalisation provider steering group to involve providers in the creation of the new personalised adult social care system. The steering group will continue to have an on-going role in the personalisation of adult social care.

Network of voluntary sector women's groups was set up and nurtured leading to the setting up of a formally constituted group: Women's Voluntary Action Network (WoVAN). They launched a new awards scheme 'Women of Substance' celebrated on International Women's Day.

We have been working with Disability Direct in order to develop a user led organisation in Nottingham and assisted in the launch of Disability Direct Nottingham.

We have been working with Nottingham Insight in order to increase the third sector use of the data and statistics that they compile and make available through their website.

In the year to 31 March 2011 we achieved outreach contacts with 229 (nine months to 31 March 2010:128 groups). This contact is defined as we understand what the group does and what its priorities are and as a result of our contact that group understands the services we can offer and the developing networks they can access.

By the end of the year we had recruited, trained and supported third sector advocates across the One Nottingham partnership family except for the Crime & Drugs Partnership where recruitment was underway.

We increased our work with local politicians, including nine 'conversations' between portfolio holders and local voluntary groups. It's hoped that these small, informal meetings will open the communication channels between elected members and key

people in the voluntary sector, in advance of decisions around budget cuts and the reshaping of services.

We worked with Business in the Community through the Business Champions scheme, to connect the VCS with private sector experts.

We wrote and publicised policy briefings on big society, localism and funding cuts.

Corporate Objectives

This is a year in which we have had a lot of media coverage, appearance on BBC Politics show, national round table debate on personalisation & the big society published in the guardian, Politics Show in the East Midlands and Nottingham Evening Post.

In the course of the year we adopted our new name and rebranded our logo. We developed and launched a new website making it easier for customers to find what they want and easier for NCVS to generate our weekly ebuletin We have made progress on making our building greener and more environmentally friendly. We refurbished our ground floor meeting rooms and made our space more open and welcoming to groups and individuals as a preparation to a new style of working.

During the year we reduced overheads & restructured the management team. The year finished with substantial funding cuts which led to 13 redundancies and a restructured organisation. Four new posts were created, Assistant Building Manager, two Community Resource Workers and a Policy and Campaigns Officer.

Aims and Objectives for the Year ending 31 March 2012

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

In these three years we are aiming

- 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 achieve the following:

- Secure funding for the services we are supporting through reserves
- Increase the earning potential of all our services
- Work closely with other sector support services in the city
- Improve our relationship with private companies for the benefit of the sector
- Refine our target audience
- Maintain the level of meaningful contact we have with groups and potential volunteers

Finance

Financial Review

NCVS has a surplus for the year of £2,780. The budget for the year showed a deficit position of £39,745 and the Directors would like to thank management for their efforts in controlling costs, using volunteers and earning additional revenue. We now have 20 weeks of undesignated reserves but we are expecting to be spending our reserves in order to continue our activities in the forthcoming year against a background of little available funding. Total incoming resources totalled £1,472,283 against £1,512,994 in the previous year.

Net assets amount to £2,048,217 of which £1,196,940 represents the property from which NCVS operates. The cash position was £848,863 at 31 March 2011 as against £971,926 at the previous year end. Of this some £68,203 (2010: £244,391) 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 moderate reserves, a substantial payroll and contractual commitments to pay other Voluntary Sector organisations, we have to monitor cash flow tightly. NCVS is 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 10 to the financial statements.

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

In the year to 31 March 2011 NCVS benefited from volunteers who assisted us on our board, delivering volunteer brokerage and assisting throughout the organisation with administration and IT tasks.

NCVS is grateful to everyone who volunteers to help us deliver our services.

Transactions with Affiliated Members

Groups that agree to be entered onto our database and are based in Nottingham City are treated as an affiliated member unless they choose to opt out. The benefits of affiliation for groups is that it is free, keeps them informed and contributes to a stronger voice for the voluntary sector in Nottingham.

At 31st March 2011, some 1,000 charities and voluntary organisations were on our database as affiliated members.

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.

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.

Generally the Directors believe NCVS needs reserves of between 6 and 12 weeks expenditure for these purposes. However over the last 12 months grant funding to NCVS has reduced by about 70% and NCVS has cut its wage bill and its other costs by over 30%. As a result of the reduced costs the reserves now represent 20 week's expenditure (2010 13 weeks). The NCVS directors would have needed to make substantially more cuts to match the reduction in grant funding but have decided to fund from reserves the future delivery of services such as volunteer brokerage, partnership working, supporting voluntary sector networks and similar activities, whilst seeking new funders for these services. Clearly this will reduce the reserves over time and cannot continue for an unlimited period. For this purpose reserves are taken as unrestricted reserves excluding specifically allocated monies such as the Repairs Fund.

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 £6 for every £1 of the core funding grant) 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

We commissioned research in June 2010 to investigate the scale of the contribution that the voluntary sector makes to Nottingham. This indicates that the total income for 431 organisations in Nottingham was £227,799,973. This figure of course is only an estimate of the amount of monies the sector contributes to Nottingham as there are many groups with a turnover of less than £100,000 which would not be picked up from this survey. The value of volunteering in 606 Nottingham groups was estimated to be £14,194,345. In addition it was also discovered that the average turnover of external funding brought into the city by groups was 58%. These figures indicate that the voluntary sector makes a significant contribution to the economic well being of Nottingham as well as to the community.

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. We have a rolling awareness training programme in place in which all new staff are required (and volunteers encouraged) to participate. In addition there are three formal training sessions a year which all staff must attend.

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 our '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. 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 give their personal time to volunteer in the projects we run. In addition, we have an employee volunteering scheme. During the year our staff took advantage of paid volunteering leave in order to participate in various activities such as assisting in local schools, sitting on charity boards, giving blood and assisting in one off Christmas activities. A total of 168 hours of volunteering leave was utilised in the year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- 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 Directors are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

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 Auditor

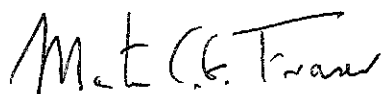
The Directors at the time when this Director's report was approved confirm that:

- So far as they are aware, there is no relevant audit information of which the company's auditor is 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 auditor in connection with preparing their report and to establish that the company's auditor is aware of that information.

Basis of Preparation

This report and the financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

By approval of the Board



Marten Fraser
Director
15th September 2011

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NOTTINGHAM COMMUNITY AND VOLUNTARY SERVICE

We have audited the financial statements, on pages 1 – 28, of Nottingham Community and Voluntary Service for the year ended 31 March 2011 which comprise statement of financial activities (incorporating the income and expenditure statement), balance sheet 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 auditor

As explained more fully in the statement of trustees' responsibilities, the trustees (who are also 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. We have been appointed as auditor under the Companies Act 2006 and report in accordance with that Act. 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 Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

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 requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

- We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:
- adequate accounting records have not been kept in respect of the charity, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements do not accord with the accounting records; or
- certain disclosures of trustee's remuneration specified by law are not made; or
- any information or explanation to which we are entitled has not been afforded to us.

PKF(UK) LLP

Roger Merchant (Senior statutory auditor)
for and on behalf of PKF (UK) LLP, Statutory auditor
Nottingham

Date:

15/9/11

Nottingham Community and Voluntary Service
Statement of Financial Activities
(Incorporating the Income and Expenditure Account)
For the 12 Months Ended 31st March 2011

	UNRESTRICTED FUNDS		RESTRICTED FUNDS		RESTRICTED FUNDS (PROPERTY)		TOTAL	
	2010/11	2009/10	2010/11	2009/10	2010/11	2009/10	2010/11	2009/10
	£	£	£	£	£	£	£	£
<u>Incoming Resources</u>								
Income resources from generated funds:								
Voluntary income	28,000	20,020	0	0	0	0	28,000	20,020
Investment income - bank	7,206	10,634	0	0	0	0	7,206	10,634
Incoming resources from charitable activities:								
Direct activities	813,561	922,569	651,784	588,039	-28,268	-28,268	1,437,077	1,482,340
Total Incoming Resources	848,766	953,223	651,784	588,039	-28,268	-28,268	1,472,283	1,512,994
<u>Resources Expended</u>								
Charitable activities:								
Direct activities -								
Salaries and similar costs	539,774	600,521	535,759	471,650	0	0	1,075,533	1,072,171
Admin & operational costs	72,358	70,177	86,296	69,933	0	0	158,654	140,110
Premises costs	136,867	90,617	32,508	91,905	0	0	169,375	182,522
Depreciation	31,496	31,496	0	0	0	0	31,496	31,496
Total on charitable activities	780,495	792,811	654,564	633,488	0	0	1,435,058	1,426,299
Governance costs	34,445	23,112	0	0	0	0	34,445	23,112
Total Resources Expended	814,940	815,923	654,564	633,488	0	0	1,469,503	1,449,411
Net Incoming/Outgoing Resources Before Transfers	33,826	137,300	-2,778	-45,449	-28,268	-28,268	2,780	63,583
Transfers Between Funds		-45,333		45,333	0	0	0	0
Net movement in funds	33,826	91,967	-2,778	-116	-28,268	-28,268	2,780	63,583
Fund Balances brought forward at 1 April 2010	928,149	836,182	15,550	15,666	1,101,738	1,130,006	2,045,437	1,981,854
Fund Balances carried forward at 31 March 2011	961,975	928,149	12,772	15,550	1,073,470	1,101,738	2,048,217	2,045,437

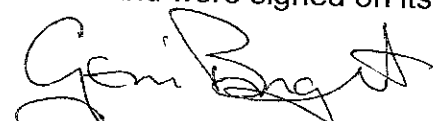
Notes: A summary of funds is shown in notes 10 and 11.

Nottingham Community and Voluntary Service
 Company number 3505634
Balance Sheet
 as at 31st March 2011

	notes	March 2011		March 2010	
		£	£	£	£
Fixed Assets					
Tangible assets	5		1,246,644		1,228,436
Current Assets					
Debtors	6			232,853	
3rd party cash		68,203		244,391	
own cash		780,660		727,535	
Cash at bank and in hand	7		848,863		971,926
			<u>969,027</u>		<u>1,204,779</u>
Creditors: amounts falling due within one year	8		<u>167,454</u>		<u>387,778</u>
Net Current Assets			801,573		817,001
Total Assets less Current Liabilities			2,048,217		2,045,437
Net Assets	11		<u><u>2,048,217</u></u>		<u><u>2,045,437</u></u>
The Funds of the Charity					
Restricted Income Funds	10&17		12,772		15,550
Restricted Property Fund	10&18		1,073,470		1,101,738
Unrestricted Income Funds:					
Unrestricted designated funds	10&16	388,589		560,314	
Unrestricted other funds	10&16	<u>573,386</u>		<u>367,835</u>	
Total Unrestricted Income Funds			961,975		928,149
Total Charity Funds			<u><u>2,048,217</u></u>		<u><u>2,045,437</u></u>

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved and authorised for issue by the Board and were signed on its behalf on 15th September 2011.


 Gerri Bright, Chair

NOTTINGHAM COMMUNITY AND VOLUNTARY SERVICE

NOTES TO THE FINANCIAL STATEMENTS 12 MONTHS ENDED 31st MARCH 2011

1 Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention in accordance with the Financial Reporting Standards for Smaller Entities (effective April 2008) and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

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 Support Costs

Support costs are allocated across all projects on a full cost recovery basis based on the number of project worker hours.

1.5 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	-	25%

Individual items of office equipment costing less than £5,000 are treated as revenue expenditure. The office equipment consists of the telephone system that has been recently installed to replace the system that was installed when the building was initially refurbished.

1.6 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 13 at 31 March 2011 (14 at 31 March 2010).

1.7 Taxation

NCVS has charitable status and no tax liability arises on its surplus income.

1.8 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/(crediting):

	2011	2010
	£	£
Audit Fees	4,850	4,766
Operating Leases	5,323	2,359
Ground Floor Renovations	102,394	0
Basement Renovations	0	65,043
Capacity Builders Grant re Basement	0	(30,000)
Bad Debts Recovered	0	(62,624)

No director accrued any remuneration or benefits under a pension scheme during this or the prior year.

Directors are allowed to claim any expenses necessarily incurred in carrying out their duties. During the year travel expenses and child care amounting to £123 (2010: £222) were paid out to two Directors and refreshments were provided at meetings.

3 Staff Costs

	2011	2010
	£	£
Salaries	984,911	956,335
Social Security Costs	84,508	84,218
Pensions Costs	17,093	16,428
Total	<u>1,086,512</u>	<u>1,056,981</u>

Average Number of Employees

Full Time Equivalent 38 38

There are no employees with emoluments in excess of £60,000.

4 Allocation across Principle Activities

	Incoming resources	Direct Activities	Governance costs	Support costs included
Central	518,443	410,017	34,445	(152,389)
Volunteer Services	238,960	242,106	0	55,388
Group Support	239,364	232,329	0	23,755
Partnerships	223,282	219,262	0	36,246
NVAC	252,234	331,344	0	37,000
	<u>1,472,283</u>	<u>1,435,058</u>	<u>34,445</u>	<u>0</u>

NVAC stands for Nottingham Voluntary Action Centre. This is the building owned and managed by Nottingham CVS.

5 Tangible Fixed Assets

	Land & Buildings £	Office Equipment £	Total £
Cost			
At 1 April 2010	1,574,812	19,378	1,594,190
Additions	0	49,704	49,704
Disposals	0	(19,378)	(19,378)
At 31 March 2011	<u>1,574,812</u>	<u>49,704</u>	<u>1,624,516</u>
Depreciation			
At 1 April 2010	346,376	19,378	365,754
Disposals	0	(19,378)	(19,378)
Charge for the year	31,496	0	31,496
At 31 March 2011	<u>377,872</u>	<u>0</u>	<u>377,872</u>
Net book value			
At 1 April 2010	<u>1,228,436</u>	<u>0</u>	<u>1,228,436</u>
At 31 March 2011	<u>1,196,940</u>	<u>49,704</u>	<u>1,246,644</u>

6 **Debtors**

Amounts due within one year

	2011	2010
	£	£
Trade Debtors	68,650	187,458
Grant and project receivables	27,514	37,378
Prepayments	13,890	8,017
Other Debtors	10,110	0
Total	<u>120,164</u>	<u>232,853</u>

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

An amount of £68,203 (2010: £244,072) was held at the year end on behalf of third parties. £57,683 (2010: £218,398) relates to amounts received in advance from funders.

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

	2011	2010
	£	£
VAT	0	2,397
PAYE and NIC	84,051	87,319
Grants received in advance	57,683	218,716
Accrued expenses	5,627	42,219
Pensions	503	479
Other creditors	19,590	36,648
Total	<u>167,454</u>	<u>387,778</u>

9 **Grants received in advance**

	2011	2010
	£	£
As at 1st April 2010	218,716	407,596
Released during the year	-218,716	-407,596
New Income deferred in year	57,683	218,716
As at 31 March 2011	<u>57,683</u>	<u>218,716</u>

10 **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 16 to 18. The appendices are available on request to the finance manager, at the Voluntary Action Centre, or on the web site.

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.

The following projects are restricted funds:

Partnerships Team	funded by One Nottingham
V Team	funded by V
Childrens' Commissioning	funded by One Nottingham
Childrens' & Young Peoples Forum	funded by One Nottingham
PCT Commissioning	funded by Nottingham PCT
Basis Group Development	funded by Big Lottery
Focus on Funding	funded by Big Lottery
Strategic Volunteering	funded by One Nottingham
Volunteering Placements	funded by One Nottingham

The movement on income and expenditure on the projects funded by Big Lottery and V are as follows:

	Grant in advance/ (accrued) at 1 April 2010	Income received in the year	Expenditure in the year	Grant in advance/ (accrued) at 31 March 2010
Group development: Basis 1 Big Lottery	5,962	95,383	100,672	673
Focus on Funding: Basis 2 Big Lottery	81,214	43,099	126,033	(1,720)
V Team	(36,914)	175,838	164,157	(25,233)

Grants in advance are included in creditors and accrued income in debtors as appropriate.

Further information on individual projects is available in the appendices which can be obtained from the website.

Unrestricted Funds – these are available to the Trustees to apply for the general purposes of the charity as set out in its Articles 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. This is mainly in connection with the expectation that the flat roof of the building which was not refurbished when the building was purchased will need substantial attention in the future. The state of the roof is monitored on a regular basis.

<u>Designated Funds</u>	2011 £	2010 £
Volunteer Service	70,328	55,533
Information Service	90,834	95,783
Group Development	49,427	50,998
IT infrastructure	0	15,000
Employment related costs	13,000	43,000
Building Frontage	0	150,000
<u>Repairs Fund</u>		
NVAC repairs fund	165,000	150,000
 Total	<hr/> 388,589	<hr/> 560,314

Movements on the Designated Fund are shown below.

	2011 £	2010 £
Costs incurred in year	-203,897	-139,686
Released in year	-206,417	-102,814
Provided from general reserve	223,589	410,314
Charged to Voluntary Action Centre	15,000	15,000
 Total	<hr/> -171,125	<hr/> 182,814

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. 39 years remain.

11 Analysis of net assets between funds

	General	Designated	Restricted	Restricted Property	Total
Tangible fixed assets	173,174	0	0	1,073,470	1,246,644
Current assets	120,164	0	0	0	120,164
Cash at bank and in hand	379,299	388,589	80,975	0	848,863
Current liabilities	(99,251)	0	(68,203)	0	(167,454)
	<hr/> 573,386	<hr/> 388,589	<hr/> 12,772	<hr/> 1,073,470	<hr/> 2,048,217

13 **Voluntary Income**

Donations of £25,000 were received during the year from the Robin Hood Charity Trust, £1,000 from the Lady Hind Trust and £2,000 from the Thomas Farr Charity Trust.(2010: £20,000 from Robin Hood Charity Trust and £20 from other sources). Donations are attributed to income in the period in which they are received and NCVS incurs no expenditure on fundraising.

14 **Operating Leases**

At 31 March 2011 the company had annual commitments under non-cancellable operating leases as follows:

Expiry date	2011	2010
	£	£
Within 1 year	1,011	1,670
Between 2 and 5 years	4,286	1,011
Over 5 years	0	1,670

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.

NOTTINGHAM COMMUNITY AND VOLUNTARY SERVICE STATEMENT OF FUNDS AT 31ST MARCH 2011

<u>16 UNRESTRICTED FUNDS</u>	<u>Appendix</u>	<u>RESERVES</u> <u>at 31.3.10</u>	<u>SURPLUS/</u> <u>(DEFICIT)</u> <u>at 31.03.11</u>	<u>TRANSFERS</u> <u>TO/FROM</u> <u>RESERVES</u>	<u>RESERVES</u> <u>at 31.03.11</u>
		£	£	£	£
<u>OPERATING ACCOUNTS</u>					
Central Services	1	0	73,577	-73,577	0
Voluntary Action Centre	2	0	-47,792	47,792	0
Volunteering Services	3	0	-604	604	0
Group Development	4	0	5,826	-5,826	0
Partnerships	5	0	2,819	-2,819	0
Sub - Total		0	33,826	-33,826	0
<u>GENERAL FUNDS</u>					
Designated Funds		410,314		-186,725	223,589
NVAC - Repairs Fund		150,000		15,000	165,000
General Reserve		367,835		205,551	573,386
		928,149	0	33,826	961,975
<u>TOTAL UNRESTRICTED FUNDS</u>					
		928,149	33,826	0	961,975
<u>17 RESTRICTED FUNDS</u>					
<u>OPERATING ACCOUNTS</u>					
Community Services	3	15,550	-2,778		12,772
<u>TOTAL RESTRICTED FUNDS EXCLUDING</u>					
<u>18 PROPERTY FUND</u>					
		15,550	-2,778	0	12,772
<u>PROPERTY FUND</u>					
		1,101,738	-28,268		1,073,470
<u>TOTAL RESTRICTED FUNDS</u>					
		1,117,288	-31,046	0	1,086,242
<u>TOTAL FUNDS</u>					
		2,045,437	2,780	0	2,048,217

Note 10 shows details of the accounting treatment of funds.

The appendices referred to in notes 16 to 18 do not form part of the statutory accounts.

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