



**THE VOLUNTEER CENTRE -THE CENTRE  
FOR VOLUNTEERING  
COMMUNITY ACTION AND  
EMPLOYMENT INITIATIVES**

**Report and Financial Statements**

**31 March 1997**

**Deloitte & Touche  
39 St Vincent Place  
Glasgow  
G1 2QQ**





**REPORT AND FINANCIAL STATEMENTS 1997**

<b>CONTENTS</b>	<b>Page</b>
<b>Officers and professional advisers</b>	<b>1</b>
<b>Directors' report</b>	<b>2</b>
<b>Statement of directors' responsibilities</b>	<b>4</b>
<b>Auditors' report</b>	<b>5</b>
<b>Statement of financial activities</b>	<b>6</b>
<b>Balance sheet</b>	<b>7</b>
<b>Notes to the accounts</b>	<b>8</b>
<b>Additional information</b>	<b>13</b>



## **OFFICERS AND PROFESSIONAL ADVISERS**

### **DIRECTORS**

J.S. Brown  
A.C. Macdonald  
M. Watson  
J.B. Findlay  
J.W.W. Stevenson  
A.F. Dewar  
J. T. McKechnie  
D.T.D. McLean

### **SECRETARY**

A.F. Dewar

### **BANKERS**

Bank of Scotland  
Park Circus Place  
Glasgow G3 6AN

### **SOLICITORS**

Downie Aiton & Co  
48 West Regent Street  
Glasgow G2 2QT

### **AUDITORS**

Deloitte & Touche  
Chartered Accountants  
39 St Vincent Place  
Glasgow  
G1 2QQ



## **DIRECTORS' REPORT**

The directors present their annual report and the audited financial statements for the six month period ended 31 March 1997.

### **ACTIVITIES**

The company was incorporated as a registered charity on 3 June 1996 and commenced trading on 1 October 1996. The company's activities were formerly carried on by The Volunteer Centre, ("the Centre") an unincorporated, charitable body. The company administers a number of Projects funded by annual European, UK and local government grants, a full list of which are included in Note 11.

### **REVIEW OF BUSINESS AND FUTURE PROSPECTS**

Each of the Projects is funded on a discrete basis, with the objective being neither surplus nor deficit. The administration is similarly funded by an agreed allocation of costs to each Project, supplemented by specific grants received for that purpose. The company will, therefore, never report a profit, and any surpluses on a year to year basis are regarded as Deferred Income, to be carried forward against expenditure of the next year, or for repayment to the Funder. Losses will only be reported in the company if expenditure exceeds agreed funding for any Project.

At Project level, funding has been reduced by many of the organisations from whom grants were sourced historically, mainly due to constraints on public expenditure and changes following local government reorganisation. Savings have been, and will continue to be made to ensure expenditure remains within these grant restraints.

Funding has been secured for most projects for the financial year 1997/98 and the Centre looks forward to continuing in its role of directing and supporting volunteering and its community projects in the coming year.

### **DISTRIBUTION AND TRANSFERS TO RESERVES**

The accumulated deficit represents the excess of expenditure over income due on one Project. The directors are confident that this deficit will be eliminated in the next financial year. The Memorandum of Association of the company prohibits any distributions being made and, accordingly, the deficit for the year has been transferred to reserves.

### **DIRECTORS**

The directors who served throughout the period were:

S. Mabbott	(appointed and resigned 3 June 1996)
B.Reid	(appointed and resigned 3 June 1996)
J.S. Brown	(appointed 24 June 1996)
A.C. Macdonald	(appointed 24 June 1996)
A.F. Dewar	(appointed 24 June 1996)
J.B. Findlay	(appointed 9 December 1996)
J.W.W. Stevenson	(appointed 9 December 1996)
M. Watson	(appointed 1 October 1996)
J.T. McKechnie	(appointed 9 December 1996)
D.T.D. McLean	(appointed 9 December 1996)



**DIRECTORS' REPORT (continued)**

**AUDITORS**

Deloitte & Touche have expressed their willingness to continue in office as auditors. A resolution to appoint auditors will be proposed at the AGM.

Approved by the Board of Directors  
and signed on behalf of the Board

Director

26 November, 1997



## **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for that period. 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
- state whether applicable accounting standards have been followed
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act. 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.



## Chartered Accountants

Deloitte & Touche  
39 St. Vincent Place  
Glasgow G1 2QQ

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## AUDITORS' REPORT TO THE MEMBERS OF

### THE VOLUNTEER CENTRE -THE CENTRE FOR VOLUNTEERING COMMUNITY ACTION AND EMPLOYMENT INITIATIVES

We have audited the financial statements on pages 6 to 12 which have been prepared under the accounting policies set out on page 8.

#### Respective responsibilities of directors and auditors

As described on page 4 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

#### Basis of opinion

We conducted our audit in accordance with Auditing Standards 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 judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material 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.

#### Going Concern

In forming our opinion, we have considered the adequacy of the disclosures made in note 1 to the accounts concerning the uncertainty as to the continuation of support from the company's Funders and potential repayment of surplus funds or funding of cumulative deficits in the event of the cessation of individual projects run by the company. In view of the significance of this uncertainty we consider that it should be drawn to your attention but our opinion is not qualified in this respect.

#### Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 March 1997 and of its deficit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

Chartered Accountants and Registered Auditors

26 November, 1997

**STATEMENT OF FINANCIAL ACTIVITIES**  
**Period ended 31 March 1997**

	Note	Total Funds 1997 £
<b>Income and expenditure</b>		
<b>Incoming resources</b>		
Grant income		704,818
LEC income		9,702
Interest receivable		3,612
Other income		2,213
<b>Total incoming resources</b>		<u>720,345</u>
<b>Resources expended</b>		
Direct charitable expenditure:		
Salaries	2	444,187
Volunteer expenses		57,473
Staff travel		12,743
Training allowances		8,886
Other expenditure		364
Management and administration of the Centre	3	212,320
<b>Total resources expended</b>		<u>735,973</u>
<b>Net outgoing resources for the period</b>		(15,628)
<b>Other recognised gains</b>		<u>-</u>
<b>Net movement in funds</b>		(15,628)
Funds balances brought forward at 3 June 1996		<u>-</u>
<b>Fund balances carried forward at 31 March 1997</b>		<u><u>(15,628)</u></u>

All funds are restricted to the project to which the grant was made.



**BALANCE SHEET**  
**As at 31 March 1997**

	Note	1997 £
<b>FIXED ASSETS</b>		
Tangible assets	7	10,619
<b>CURRENT ASSETS</b>		
Debtors	8	172,599
Cash at bank and in hand		72,607
		245,206
<b>CREDITORS: amounts falling due within one year</b>		
Trade creditors		8,792
Other taxation and social security		18,296
Other creditors		4,660
Accruals		25,492
Deferred income	9	214,213
		271,453
<b>NET CURRENT LIABILITIES</b>		(26,247)
<b>TOTAL NET ASSETS</b>		(15,628)
<b>CAPITAL AND RESERVES</b>		
Fund balances	10	(15,628)
		(15,628)

These financial statements were approved by the Board of Directors on 26 November, 1997

Signed on behalf of the Board of Directors

  
 Director

## **NOTES TO THE ACCOUNTS**

### **Period ended 31 March 1997**

#### **1. ACCOUNTING POLICIES**

The financial statements are prepared in accordance with applicable accounting standards. The particular accounting policies adopted are described below.

##### **Basis of preparation of the financial statements**

The nature of the company's business is such that any surpluses held by individual projects are treated as Deferred Income, to be carried forward against expenditure of the next year, or for repayment to the funder at the cessation of the project. In addition the company could be held liable to fund any cumulative deficits recorded by any individual projects under its control as each project is expected to remain within its budget constraint. As a result any cumulative deficit is the responsibility of the company not the funder. The applicability of the going concern basis is, therefore, dependent on the ability of each project under the company's control to successfully negotiate sufficient income on an annual basis to at least cover its anticipated expenditure for that period.

The majority of funding is approved on an annual basis and as a result the future funding of each project, and hence the company, is uncertain beyond 31 March 1998. Funding has been received for all projects for the year to 31 March 1998 and on this basis the directors consider it appropriate to prepare the financial statements on the going concern basis. The financial statements do not include any adjustments that might result from an unanticipated withdrawal, or reduction of support by any of the funders of the projects.

##### **Accounting convention**

The financial statements are prepared under the historical cost convention.

##### **Tangible fixed assets**

Depreciation is provided on cost in equal annual instalments over the estimated useful lives of the assets. The rates of depreciation applied are as follows:

Computer equipment	20% per annum
Plant and machinery	15% per annum
Motor vehicles	25% per annum
Office equipment	15% per annum

##### **Deferred taxation**

Deferred taxation is provided on timing differences, arising from the different treatment of items for accounts and taxation purposes, which are expected to reverse in the future, calculated at rates at which it is estimated that tax will arise.

##### **Pension costs**

Retirement benefits to employees of the company are provided by a defined contribution scheme.

The charge to the profit and loss account represents the company's proportion of the amounts paid to the scheme during the period.

##### **Grants receivable**

Due to the inherent uncertainty with regard to the amount of grant receivable, grants are credited to the income and expenditure account on receipt or when the amount due becomes known with certainty.

**NOTES TO THE ACCOUNTS**  
**Period ended 31 March 1997**

**ACCOUNTING POLICIES (continued)**

**Deferred income**

To the extent that income in any year, and cumulatively, exceeds expenditure to date, the surplus is regarded as Deferred Income until cessation of the project.

**2. INFORMATION REGARDING DIRECTORS AND EMPLOYEES**

During the period, no director received any remuneration for their services.

	<b>1997</b>
	<b>No</b>
<b>Average number of persons employed</b>	
Employees connected with training contracts	44
Administration	14
	<hr/> 58 <hr/>
	<b>1997</b>
	<b>£</b>
<b>Staff costs during the year (including directors)</b>	
Wages and salaries	390,402
Social security costs	33,706
Pension costs	20,079
	<hr/> 444,187 <hr/>

Mr Dewar, a director of the company, is a partner in Downie Aiton & Co, Solicitors, whose services are used by the company on a commercial basis.

**NOTES TO THE ACCOUNTS**  
**Period ended 31 March 1997**

**3. MANAGEMENT AND ADMINISTRATION OF THE CENTRE**

	1997 £
Stationery	25,341
Audit fees	11,750
Accommodation costs	31,751
Insurance and maintenance	6,082
Telephone	9,225
Postage	8,105
Professional services	14,760
Administration	27,380
Depreciation	43,495
Building alterations	8,195
Staff training	16,038
Interest payable	578
Other expenditure	9,620
	<hr/> 212,320 <hr/>

**4. NET OUTGOING RESOURCES**

Net outgoing resources for the period is stated after charging:	1997 £
Depreciation	
Owned assets	43,495
Auditors' remuneration	11,750
	<hr/>

**5. INCOME AND EXPENDITURE**

Detailed analysis of the expenditure is provided in the statement of financial activities and related notes.

The detailed income and expenditure account on page 14 is derived from the statement of financial activities on page 6 which, together with the notes to the accounts, provides full information on the movements during the year on all the funds of the company.

**6. TAXATION**

The company is registered as a charity. Accordingly no liability to taxation arises as the results fall within the exemptions from taxation contained in the Income and Corporation Taxes Act 1988, Section 505.


**NOTES TO THE ACCOUNTS**  
**Period ended 31 March 1997**
**7. TANGIBLE FIXED ASSETS**

	Computer Equipment £	Fixtures, Fittings & machinery £	Office Equipment £	Total £
<b>Cost</b>				
At 3 June 1996	-	-	-	-
Transfer from individual projects	768	350	4,058	5,176
Additions	26,866	2,903	19,952	49,721
Disposals	-	-	-	-
At 31 March 1997	27,634	3,253	24,010	54,897
<b>Accumulated Depreciation</b>				
At 3 June 1996	-	-	-	-
Transfer from individual projects	337	149	297	783
Charge for the period	22,127	1,756	19,612	43,495
Disposals	-	-	-	-
At 31 March 1997	22,464	1,905	19,909	44,278
<b>Net Book Value</b>				
At 31 March 1997	5,170	1,348	4,101	10,619
At 3 June 1996	-	-	-	-

**8. DEBTORS**

	1997 £
Trade debtors	19,645
Other debtors	8,489
Prepayments	20,566
Accrued income	123,899
	172,599

All debtors are due within one year.

**9. DEFERRED INCOME**

	1997 £
Accumulated surplus on Projects at 31 March, 1997	214,213

With one exception, as noted below in note 10, each of the projects continues to have an accumulated surplus at the end of the period.


**NOTES TO THE ACCOUNTS**
**Period ended 31 March 1997**
**10. RESERVES**

	<b>Fund balances £</b>
Balance at 3 June 1996	-
(Deficit) for the period	(15,628)
	<hr/>
Balance at 31 March 1997	(15,628)
	<hr/>

The deficit represents the excess of accumulated expenditure over accumulated income on one project as at 31 March, 1997

**11. PROJECTS**

The Projects managed by the company during the period are listed below.

Community Action  
Community Link  
Princess Royal Trust Carers Centre  
Head Office Admin. Unit  
EC Wellbeing Project  
Neighbourhood Volunteer Recruitment Project  
Neighbourhood Volunteer Recruitment Project - Transitional Funding  
Drumchapel Home Visiting Scheme  
Clydebank East Voluntary Action Project  
Clydebank East Voluntary Action Project - Transitional Funding  
Paisley/Renfrew Volunteer Project  
Paisley/Renfrew Volunteer Project - Transitional Funding  
Royston Voluntary Care Project  
Pollock Voluntary Care Project  
Hamilton Neighbourhood Volunteer Project  
Springburn Voluntary Action Project  
Drumchapel Parents Home Visiting Scheme  
Clydebank Young Persons Befriending Scheme  
Royston Young Persons Befriending Scheme  
Maryhill Young Persons Befriending Scheme  
Dumbarton Neighbourhood Volunteer Care Project  
Dumbarton Neighbourhood Volunteer Care Project - Transitional Funding  
Glasgow Volunteers  
Springburn Young Persons Befriending Scheme  
Priesthill Volunteers for Disabled People  
Drumchapel Young Persons Befriending Scheme  
Neighbourhoods Projects Management Unit  
Employment Advisory Service  
Voluntary Options Dumbarton