

community action southwark

creating a stronger voluntary and community sector

Report and Financial Statements
For the Year Ended 31 March 2010

Charity Number: 1105835

A company limited by guarantee; Company Number (England and Wales): 5090324

**Community Action Southwark
(A company limited by guarantee)**

**Report and Financial Statements
For the Year Ended 31 March 2010**

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Community Action Southwark

Legal and Administrative Details for the year ended 31 March 2010

The Board of Trustees presents its report and audited financial statements for the year ended 31 March 2010.

Reference and Administrative Information

Charity name: Community Action Southwark
Charity registration number: 1105835
Company registration number: 5090324
Registered office and operational address: Voluntary Sector Resource Centre,
8th Floor, Hannibal House,
Elephant and Castle,
London, SE1 6TE

Board of Trustees

H Rice	Chair
L Alden	Vice Chair
D Stock	Treasurer
K Abiola	(removed 28 th April 2010)
B Allen	(appointed 1 st July 2010)
P Batt	(resigned 22 nd January 2010)
J Gillespie	
H Kowalska	(appointed 12 th August 2010)
V Oyolu	
V Mander	(appointed 1 st July 2010)
B Stansfield	(appointed 1 st July 2010)
C Wilson	(resigned 14 th January 2010)

Senior Management

C Sanford Chief Executive/Company Secretary

Auditors: Haines Watts, Old Station House, Station Approach, Newport Street, Swindon, SN1 3DU

Bankers: Unity Trust Bank, Nine Brindley Place, Birmingham, B1 2HB

Solicitors: Bates, Wells & Braithwaites LLP, 2-6 Cannon St, London, EC4M 6YH

Community Action Southwark (A company limited by guarantee)

Report of the Board of Trustees for the year ended 31 March 2010

The Trustees, who are also directors of the charity for the purposes of the Companies Act, submit their annual report and financial statements of Community Action Southwark (CAS) (the company) for the year ended 31 March 2010. The trustees confirm that the annual report and financial statements of the company comply with current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in 2005.

OUR AIMS AND OBJECTIVES

Purposes and aims

We seek to equip Southwark's voluntary and community organisations with the tools and information they need to achieve their objectives. We provide training and one-to-one support on a wide range of topics to empower our members to develop and grow, and we represent our members to local government and more widely.

Our mission is to provide our members with:

- Support to reach their potential;
- Information to make the right decisions; and
- Representation at local and national levels.

Our strategic priorities for the years 2008-2011 are to:

- Develop programmes of support that meet members' needs.
- Represent effectively members' interests at the local and national level.
- Continuously improve the quality and effectiveness of the organisation's services.

The charity's legal objects are:

- to promote any charitable purpose for the benefit of the community in the Area of Benefit and in particular to advance education, protect health, relieve poverty, distress and sickness and provide facilities for recreation and other leisure-time occupation in the interests of social welfare with the aim of improving the conditions of life of those who live and/or work in the Area of Benefit; and
- to promote the efficiency and effectiveness of voluntary and charitable sector organisations providing health, community care and children's and family services for the benefit of the inhabitants of the London Borough of Southwark and adjacent London Boroughs ("the Area of Benefit"), through promoting good practice and partnerships within the voluntary and charitable sector.

Ensuring our work delivers our aims

Quarterly and annual reviews of our work evaluate our activities against our set aims, targets and outcomes. Annual stakeholder events, along with ad hoc questionnaires, enable us to identify member satisfaction and tailor our service delivery to match local need more closely. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

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Report of the Board of Trustees for the year ended 31 March 2010

The focus of our work

Our work continues to focus on the five NAVCA (National Association for Voluntary and Community Action) performance standards designed for Councils for Voluntary Service. These are:

1. pro-actively identifying needs in the local community and facilitating improvement in service provision to meet those needs.
2. assisting local voluntary and community organisations to function more effectively and delivering quality services to our members.
3. facilitating effective communication or networking and collaboration amongst local voluntary and community groups.
4. enabling the diverse views of the local voluntary and community sector to be represented to external bodies, developing and facilitating structures which promote effective working relationships and two-way communication.
5. enhancing the voluntary and community sector's role as an integral part of local planning and policy-making.

How our activities deliver public benefit

All our charitable activities focus on supporting and representing local voluntary and community organisations in Southwark. Our main activities are listed below. The vast majority of our services are free at point of use or heavily subsidised. Lack of funds is not a barrier to accessing our services. Furthermore, membership is free.

Who used and benefited from our services?

CAPACITY BUILDING

Funding and organisational support

The Funding Advice Project improves the lives of people in Southwark by supporting voluntary and community organisations in securing funding for the services and activities they are providing or want to provide for their users.

During the last year through the provision of casework support to 104 groups which includes help with locating sources of funding, development of funding strategies, assistance with completing application forms and feedback on completed application forms. Members were kept informed about funding opportunities through the production of six news-sheets and two 'meet the funder' events. Five training sessions assisted participants from 22 organisations develop their monitoring and evaluation procedures and funding strategies. Further sessions covered public law, collaboration and equalities and diversity. An intensive series of four one day sessions enabled 12 organisations to develop their approach to tendering. In total 439 individuals attended learning sessions in the year. The project has been instrumental in helping groups raise more than £740,000 to continue and develop services for people in Southwark. It has also worked with organisations to develop all the necessary policies and governance and management systems to enable them to deliver more effectively their services and to ensure that they will be able to continue providing these services in the future.

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Report of the Board of Trustees for the year ended 31 March 2010

Southwark Trustee Project

The Southwark Trustee Project, funded by the Big Lottery Fund, aims to improve the standard of governance of Southwark trustees and management committee members which will have the ultimate effect of producing more efficient and effective organisations delivering high quality services.

Trustees become more confident if they are sure of their ground, are well informed and develop their skills in accordance with the changing environment. They are more effective if they are in tune with employed staff, but are also able to take a strategic view and act decisively. The project has enabled trustees to be better informed through a well developed programme of six orientation (induction) sessions which 59 people from 20 organizations attended. A further six training programmes were delivered during the year. In the year 99 voluntary and community organisations received one to one casework and outreach services tailored to their individual needs. In addition, many more benefitted from the signposting service that we were able to provide.

Premises Project

The premises project, funded by Capacity Builders, aims to support the voluntary and community sector in borough wide premises issues as well as increasing the sector's skills and expertise in this area.

During the year 30 organisations benefited from one to one advice and support sessions and 54 people improved their skills by attending training courses including a four day intensive 'Managing your Community Building' programme. Planning for the development of a voluntary sector resource centre was started. In partnership with Southwark Council a survey of voluntary and community sector premises identified many crucial issues for the project to address. We commissioned the Ethical Property Foundation to carry out seven Lease and Asset Performance 'Health Checks' which benefited participants by reports demonstrating how they could reduce costs and generate more income.

Plans for the future

Following an internal review of services and job descriptions we have developed new priorities in what are turbulent times for the voluntary and community sector and will develop our approach over the coming year. A change of focus will be to encourage and work with our member organisations to develop a sustainable approach to funding. That is to support our members to diversify their sources of funding and reduce dependence on grants. We will be developing a more targeted approach to our work acting more as consultants, with a programme of work agreed with organisations we help, rather than the on-demand service we have previously provided. We will be further developing our approach to training and learning, which will be facilitated by the employment of a new post of training coordinator.

COMMUNITY DEVELOPMENT

Objectives

The project aims to engage Southwark's most isolated communities and empower them with the tools and information they need to develop into sustainable communities, capable of representing their members' needs. This is done through reaching out to community members, bringing them together and encouraging them to work together, identifying their needs and finding ways of addressing those.

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Report of the Board of Trustees for the year ended 31 March 2010

Achievements

We have strengthened our links with the Sierra Leonean and Latin American communities and continued to provide them with support services which ultimately enabled them to formally set up and register community forums. For each of these now established community groups, we focused on addressing governance and development planning issues, as well as empowering community members to become champions and effective representative for their own communities.

We achieved this through one to one guidance, advice and/or training sessions on a variety of topics ranging from choosing an appropriate legal structure, understanding trusteeship and management committee's roles and responsibilities, to basic IT training for Latin American women, English for Business training for Latin American traders, Effective Lobbying, How Southwark Works, and Holding Meetings (in partnership with Volunteers Centre Southwark), Business Start Up course (in partnership with GLE One London), etc.

- 185 individuals from both communities attended training and other learning events
- 28 Latin American and 17 Sierra Leonean community groups received tailor made capacity building support
- Around 245 individuals attended social and experience sharing events such International Women Day, Black History Month celebration, Christmas Together, Latin American Women's Network

Alongside these activities, we also ensured community representatives took part in key discussions aimed at improving opportunities for local communities; these were centred around

- Improving access to healthcare services (PCT Access steering group),
- Maintaining the visibility of a Latin American presence in the development of a cultural hub at the Elephant and Castle throughout the regeneration process,
- Increasing involvement of local traders based in the Newington Butts area in the SE1 regeneration process.

Future plans

Though coming to the end of our current funding stream, we are very conscious of the many more challenges ahead of us in terms of community engagement and development for Southwark's hard to reach communities. As part of our project vision, we have identified a number of priority areas which all reflect the need of local communities:

- Continuing our development and empowerment support activities with new migrant communities,
- Developing a new programme of engagement and empowerment with faith communities and local residents (through tenants and residents associations). This will create opportunities where local people have better understanding of one another, as well as providing an atmosphere where local people are willing to come together and share their time, energy and skills to improve their neighbourhood.

POLICY AND PARTICIPATION

The Policy and Participation team has been very busy over the last 12 months working on developing a number of different innovative ways of working with the VCS. This involved setting up Southwark subgroups and ensuring the wide engagement of Southwark's VCS organisations and community activists, expanding the membership of the Southwark Infrastructure Group and rebranding as

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Report of the Board of Trustees for the year ended 31 March 2010

Southwark Voice, developing a terms of reference for Southwark Forum, becoming the lead organisation in the Capacity Building Consortium, managing the Community Chest Grant and lobbying on behalf of the sector and influencing policies.

Southwark Forum and its Subgroups

Over the last twelve months we launched the Southwark Forum, which is a vehicle for all voluntary sector organisations, community groups or local activists to hear and respond to timely issues, contribute and network.

The forum's topics and discussion vary; it includes conferences, workshops, open space etc.

In addition to the forum, there are five thematic subgroups:

- Southwark Children, Young people and Families
- Southwark Adults Independence and Wellbeing
- Southwark Space
- Southwark Skills, and
- Southwark Legal Advice

Each subgroup group is led by a representative from a local voluntary and community sector organisation; the purpose of this is to ensure that we best use the knowledge and expertise within the sector to address issues relating each area of services. The forum and subgroups meetings are held on a quarterly basis.

Southwark Voice

Southwark Voice was formerly known as the Southwark Infrastructure Group (SIG) and was attended by representatives from infrastructure organisations to discuss issues related to the sector and help influence some of the policies and decisions. SIG was reviewed and rebranded as Southwark Voice; the representation has been expanded to include representatives of the subgroup and infrastructure organisations. Its remit has changed, to cover topics of sector and borough interest as well as integrating with Southwark Alliance, the local strategic partnership. Outcomes of this group are a more coherent and representative leadership for the voluntary sector and better corporate relationship with the local public sector. This has led to greater collaboration and development of policy both within the voluntary sector and between the voluntary sector and the local public sector.

Capacity Building Consortium

The Policy and Participation team has continued to play a role in managing the Capacity Building Consortium (CBC). The Consortium is made up by a strong group of Southwark based charities that is led by Community Action Southwark. Participating charities are: Bede House, Cambridge House, Peckham Voluntary Sector Forum, Time and Talents and Blackfriars Settlement.

The five organisations work together to providing an inclusive capacity building service across Southwark that focuses on worklessness and community engagement, and on wider community development issues. The consortium has a strategic role that links in with other structures, such as Southwark Voice and the five Southwark subgroups to inform these forums of local geographic intelligence.

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Community Chest Grant

Our involvement in the Aiming High for Disabled Children has grown from strength to strength. CAS has also been awarded Community Chest grant to manage for the purpose of distributing it to the VCS. CAS has distributed over £50,000 in grants to a variety of local voluntary sector organisations to improve their capacity to support disabled children and young people.

Basecamp

In January 2010, Community Action Southwark ran a successful pilot programme of an online networking application called Basecamp. It was introduced to facilitate better communication and collaboration between voluntary and community sector groups in Southwark.

The projects within Basecamp mirror Southwark Forum and its subgroups. Through features such as message boards and file-sharing, local activists, community groups and voluntary organisations are able to continue their dialogue outside of the quarterly subgroups and Forum meetings. It is an especially useful mechanism for small voluntary groups as members can log on at any time from any location.

The current membership for Basecamp stands at 150 organisations and 250 members. Discussions on Basecamp have led to tangible outcomes such as the creation of a consortium working on the Personalisation agenda, the start of an emergency care pilot programme called 'Message in Bottle' and the consultation on a number of key local government strategies, e.g. the Older People's Commissioning Strategy and the White Paper, Equity and Excellence: liberating the NHS`.

OPERATIONS AND ICT

Objectives

To conduct annual satisfaction survey of VCS organisations on the appropriateness of the services delivered by CAS

- Maintain a comprehensive up-to-date online database of VCS organisations in Southwark that can be searched by theme e.g. arts and culture, children's, employment etc.
- Provide timely and accessible information to the VCS on matters of national and local significance
- Provide a resource base for small and emerging community groups to access equipment and meeting space
- Provide back office administrative support to CAS workforce providing them with a solid foundation for effective service delivery; achieving efficiency savings where possible

Achievements

During the period up to October 2010, CAS's Operations and ICT team coordinated the delivery of 2 annual satisfaction surveys; developed and maintained Southwark Signpost, an online database of 1400 VCS organisations; delivered 6 Cascade newsletters and 20 e-bulletins to CAS's membership; CAS's resource base of equipment was accessed 88 times by some 11 organisations, and CAS's meeting spaces were accessed 38 times by 8 organisations. In addition, CAS's Operations and ICT team coordinated the implementation of an upgraded server and associated software in order to maximise the productivity of the workforce; identified and realised efficiency savings of 34% on office cleaning, saved

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20% on office stationery, postage and carriage; and managed a saving of 33% on annual service charge and rent.

Cascade is the lively magazine of Community Action Southwark distributed to 1600 VCS organisations and some 300 statutory contacts, including those in the local authority, the PCT, and libraries and schools across the borough. During this reporting period, the design and frequency of Cascade was assessed to determine if the readability of the publication could be improved, primarily to engage a wider audience, but also to make better use of free/low-cost online tools, particularly given the green agenda. As a result, the frequency of publications has been reduced to 4 issues per year rather than 6; the number of pages has been reduced to 12 from 24; news articles are shorter and, where possible, provide direct links to websites where the full articles can be accessed. We are currently seeking feedback from our stakeholders regarding our new look newsletter and welcome their input as to its efficacy.

Future Plans

A number of priority areas have been identified for the next financial year, 2010-2011. These include developing the corporate brand of the organisation by implementing a new organisational logo and website; developing a range of income generating services to ensure the long term sustainability of the work carried out by CAS's Operations and ICT team; moving from annual stakeholder satisfaction surveys to quarterly ones to ensure that we better understand the needs of our stakeholders and indeed strive to meet those needs; to exploit the use of free online collaborative tools and resources to maximise joint working opportunities; to continue identifying and realising efficiency savings where possible; to develop ICT support and/or advocacy services to support the work of the organisation and external agencies; to continue disseminating timely and accessible information to members, using a variety means where necessary.

FINANCIAL REVIEW

CAS has maintained a steady income, albeit slightly lower than the previous year due to a fall in grant income. Charitable expenditure has fallen but not to the same extent, with a deficit posted for the year. £25,000 of the deficit equates to a bad debt provision which is required following two organisations defaulting on their rent obligations during the year. These tenants are no longer part of the Resource centre, having either wound up or found alternative premises. Unrestricted reserves have therefore fallen significantly, contrary to the organisation's reserves policy.

Principal Funding Sources

Aside from income generated from letting space on the 8th Floor Resource Centre, principle funding sources for the charity are made up of contract income from Southwark Council (the reporting period constitutes the first year of funding from this three year contract); Southwark Council grants; Capacitybuilders, the central government infrastructure support organisation; and support from grant making trusts such as City Bridge and the BIG Lottery.

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Investment Policy

The economic downturn followed by recession has led to reduced rates of interest on savings, which in turn has meant a fall in the income on our investments. Should interest rates increase, or surpluses grow, the trustees will consider long term investment of funds through a review of investment policies.

Reserves Policy

The trustees have determined to set aside funds not committed or invested in tangible assets. Funds held in this way should be between three and six months running costs. Budgeted expenditure for 2010/11 is £825,000 and therefore the target reserve is between £206,250 and 412,500. The reserves are needed to meet the working capital requirements of the charity and the trustees are confident that at this level they would be able to continue the current activities of the charity in the event of a significant drop in funding.

The present level of reserves available to the charity of £44,397 (2009 £89,813) therefore falls significantly short of this target level. Although the strategy is to continue to build reserves through planned operating surpluses, the trustees are well aware that it is unlikely that the target range can be reached for at least five years. In the short term the trustees have considered the extent to which existing activities and expenditure could be curtailed, should such circumstances arise.

Plans for future periods

Whilst it is expected that the income and expenditure for the period 2010/11 will be similar to the reported period, it is likely that the organisation will see a significant fall in its income for the 2011/12 period, due to the financial spending controls imposed by central government to improve the public finances and reduce the budget deficit. The trustees are, therefore, making appropriate arrangements to ensure the organisation can continue to function and deliver its objectives at that time.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Community Action Southwark is a charitable company limited by guarantee. It was founded in 1992 as Southwark Community Care Forum, registered as a charity on 5 January 1998 and incorporated on 1 April 2004. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

On 3 April 2008, SCCF merged with Southwark Action for Voluntary Organisations (SAVO) and changed its name from Southwark Community Care Forum to Community Action Southwark on 9 April 2008. In the event of the company being wound up members would be required to contribute an amount not exceeding £10.

Recruitment and Appointment of Trustees

Trustees are recruited from the members of the charity. Each year one third of the Board of Trustees steps down, chosen either by length of service or, if they have served for the same length of time by lot.

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Report of the Board of Trustees for the year ended 31 March 2010

They may then go forward for re-election at the Annual General Meeting. Trustees who have served two consecutive terms in office must take a break and may not be reappointed until the annual general meeting following the annual general meeting at which his or her break from office commenced

All members of the Board of Trustees give their time voluntarily and received no benefits from the charity. Any expenses reclaimed from the charity are set out in the notes to the financial statements.

Trustee Induction and Training

The induction programme for new trustees includes:

- Written information and induction on Community Action Southwark's activities.
- A meeting with existing trustees and the Chief Executive.
- Time in the office to meet staff and ask questions.
- An invitation to attend any of Community Action Southwark's activities in the community.
- Copies of relevant publications, e.g. The Essential Trustee (Charity Commission).
- Induction in Board and sub committee terms of reference and objectives.

Risk Management

The trustees have conducted a review of the major risks to which the charity is exposed. A risks register has been established and is updated annually. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of staff, volunteers, beneficiaries and visitors. All procedures are reviewed periodically to ensure that they continue to meet the needs of the charity.

The full risk assessment document is available from CAS's offices.

ORGANISATIONAL STRUCTURE

See appendix 1.

Responsibilities of the Board of Trustees

Company law requires the Board of Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the Board of Trustees should follow best practice, and:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent; and
- Prepare the financial statements on the going concern basis unless it is not appropriate to assume that the company will continue on that basis.

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Report of the Board of Trustees for the year ended 31 March 2010

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

Members of the Board of Trustees

Members of the Board of Trustees, who are directors for the purpose of company law and trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on page 3.

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

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

Auditors

Haines Watts were appointed as the charitable company's auditors during the year and have expressed their willingness to continue in that capacity.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in march 2005) and in accordance with the special provisions of the Companies Act 2006 relating to small entities.

Approved by the Board of Trustees on 21 October 2010 and signed on its behalf by:

Helen Rice
Chair

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Independent Auditor's Report to the Members of Community Action Southwark

We have audited the financial statements of Community Action Southwark for the year ended 31 March 2010 which comprise the statement of financial activities (incorporating 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 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 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 2006 and whether the information given in the trustees' annual report is consistent with those financial statements.

We also 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' annual 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.

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Independent Auditor's Report to the Members of Community Action Southwark (continued)

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 2010 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 2006; and
- the information given in the trustees' annual report is consistent with the financial statements.

Susan Plumb BSc ACA
Senior Statutory Auditor
HW Chartered Accountants
and Statutory Auditors
Old Station House
Station Approach
Newport Street
Swindon
Wiltshire
SN1 3DU

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Statement of Financial Activities
(Incorporating the Income and Expenditure Account)
For The Year Ended 31 March 2010

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2010 £	Total Funds 2009 £
Incoming Resources from generated funds					
Activities for generating funds					
Rental Income	2	80,027	-	80,027	60,319
Other income	3	21,778	12,158	33,936	28,765
Interest Received	3	109	-	109	1,861
Incoming resources from charitable activities					
London Borough of Southwark		357,812	121,237	479,049	406,066
Other		-	-	-	33,750
Grants	4	-	247,393	247,393	381,168
Voluntary income					
Donations & gifts		-	-	-	18,685
Total Incoming Resources		459,726	380,788	840,514	930,614
Resources Expended					
Charitable activities	5				
Policy & participation		208,742	163,971	372,713	273,978
Capacity Building		131,883	203,613	335,496	220,676
Community development		-	183,020	183,020	95,181
Core Overheads		-	-	-	326,472
Governance costs	6	7,156	-	7,156	10,311
Total Resources Expended		347,781	550,604	898,385	926,618
Net (Outgoing)/ Incoming Resources	7	111,945	(169,816)	(57,871)	3,996
Transfers between funds		(157,361)	157,361	-	-
Net Movement in funds		(45,416)	(12,455)	(57,871)	3,996
Balances at 1 April 2009		89,813	46,971	136,784	132,788
Balances at 31 March 2010		44,397	34,516	78,913	136,784

The notes on pages 16 to 23 form part of these financial statements. There were no recognised gains or losses other than those shown above. All of the Company's activities are continuing.

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Balance Sheet as at 31 March 2010

		2010		2009	
	Notes	£	£	£	£
Fixed Assets					
Tangible fixed assets	9		10,959		13,793
Current Assets					
Debtors	10	188,490		127,680	
Cash at bank and in hand		<u>104,943</u>		<u>119,213</u>	
		293,433		246,893	
Current Liabilities					
Creditors – Amounts falling due within one year	11	225,479		123,902	
			<u>67,954</u>		<u>122,991</u>
Net Assets					
			<u>78,913</u>		<u>136,784</u>
Represented By:-					
Restricted funds	12, 13		34,516		46,971
Unrestricted funds	12		<u>44,397</u>		<u>89,813</u>
			<u>78,913</u>		<u>136,784</u>

These accounts have been prepared in accordance with the special provisions for small companies under part 15 of the Companies Act 2006.

These accounts were approved by the Trustees on 21 October 2010 and signed on its behalf by:-

.....
Helen Rice
Chair

The notes on pages 16 to 23 form part of these financial statements.

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Notes to the accounts for the year ended 31 March 2010

1. ACCOUNTING POLICIES

The principal accounting policies which have been adopted are set out below:-

a) Accounting Basis

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) and the Statement of Recommended Practice, "Accounting and Reporting by Charities" (SORP) issued in March 2005.

b) Restricted Funds

Restricted funds are to be used for a specific area or purpose as laid down by the donor. Expenditure which meets these criteria is identified to the fund.

c) Unrestricted Funds

Unrestricted funds are donations or other income received or generated for the objects of the charity without further specified purpose and are available as general funds.

d) Incoming Resources

All incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:-

- Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Investment income is included when receivable.
- Incoming resources from charitable trading activity are accounted for when earned.
- Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

e) Expended Resources

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

- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.
- All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on the basis of staff time.

1. ACCOUNTING POLICIES (continued)

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Notes to the accounts for the year ended 31 March 2010

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

f) **Fixed Assets**

Fixed assets are stated at cost less accumulated depreciation.

Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life.

Office Equipment – 33% straight line

Fixed assets with an initial cost of less than £100 are not capitalised.

g) **Cashflow**

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from producing a cash flow statement on the grounds that it is a small company.

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Notes to the accounts for the year ended 31 March 2010

2. RENTAL INCOME

	Unrestricted Funds £	Restricted Funds £	Total Funds 2010 £	Total Funds 2009 £
Rental Income	80,027	-	80,027	60,319
	80,027	-	80,027	60,319
	80,027	-	80,027	60,319

3. OTHER INCOME

	Unrestricted Funds £	Restricted Funds £	Total Funds 2010 £	Total Funds 2009 £
Other income	21,778	12,158	33,936	28,765
Bank interest	109	-	109	1,861
	21,887	12,158	34,045	30,626
	21,887	12,158	34,045	30,626

4. GRANT INCOME

	Unrestricted Funds £	Restricted Funds £	Total Funds 2010 £	Total Funds 2009 £
Pathfinders	-	-	-	7,000
London Borough of Southwark	-	-	-	87,198
The Big Lottery Fund	-	78,344	78,344	64,561
Capacity Builders	-	169,049	169,049	176,161
Bridge House Trust	-	-	-	46,248
	-	247,393	247,393	381,168
	-	247,393	247,393	381,168

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Notes to the accounts for the year ended 31 March 2010

5. Charitable Activities

	Basis of Allocation	Policy & Participation	Unrestricted Community Development	Capacity Building	Policy & Participation	Restricted Community Development	Capacity Building	Total 2010	Total 2009
		£	£	£				£	£
Costs directly allocated to activities									
Staff costs	Direct	104,930	-	60,317	95,297	66,372	82,535	409,451	587,371
Premises costs	Direct	-	-	-	-	-	-	-	5,125
Miscellaneous	Direct	3,267	-	1,411	13,537	15,463	7,275	40,953	100,717
Support costs	Staff time	100,545	-	70,155	55,137	101,185	113,803	440,825	233,405
		<u>208,742</u>	<u>-</u>	<u>131,883</u>	<u>163,971</u>	<u>183,020</u>	<u>203,613</u>	<u>891,229</u>	<u>926,618</u>

In previous years, only 22% of overheads were apportioned to charitable activities, the remainder being treated as a deduction from general funds. The Trustees have reassessed this and consider that, as all overhead costs are incurred to support the provision of the charitable activities of the company, these should be allocated fully to those charitable activities.

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Notes to the accounts for the year ended 31 March 2010

6. GOVERNANCE

	Unrestricted Funds £	Restricted Funds £	Total Funds 2010 £	Total Funds 2009 £
Audit	6,650	-	6,650	7,145
Sundry	506	-	506	3,166
	<u>7,156</u>	<u>-</u>	<u>7,156</u>	<u>10,311</u>

7. NET INCOMING RESOURCES

Net incoming resources are stated after charging:-

	<u>2010</u> £	<u>2009</u> £
Audit Fees	6,650	7,145
Depreciation	6,896	6,743

8. STAFF

Staff costs during the year were as follows:-

	<u>2010</u> £	<u>2009</u> £
Salaries and wages	500,616	522,984
Social security costs	48,982	48,233
Pension costs	3,516	6,029
	<u>553,114</u>	<u>577,246</u>

The average monthly number of employees during the year was 15 (2009: 16.5)

No employee earned over £60,000 in the period.

9. TANGIBLE FIXED ASSETS

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Notes to the accounts for the year ended 31 March 2010

	Office Equipment £	
Cost		
At 31 March 2009	78,090	
Additions	4,062	
Disposals	(11,990)	
At 31 March 2010	<u>70,162</u>	
Accumulated Depreciation		
At 31 March 2009	64,297	
Charge for year	6,896	
Disposals	(11,990)	
At 31 March 2010	<u>59,203</u>	
Net Book Value		
At 31 March 2010	<u>10,959</u>	
At 31 March 2009	<u>13,793</u>	
10. DEBTORS - Amounts payable within one year	<u>2010</u>	<u>2009</u>
	£	£
Trade debtors	157,352	126,078
Prepayments	31,138	-
Other debtors	-	1,602
	<u>188,490</u>	<u>127,680</u>
11. CREDITORS - Amounts falling due within one year	<u>2010</u>	<u>2009</u>
	£	£
Accruals	5,000	13,643
Trade creditors	46,116	65,533
Other creditors	280	-
Deferred Income	137,020	-
VAT & Social Security Costs	37,063	44,726
	<u>225,479</u>	<u>123,902</u>

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Notes to the accounts for the year ended 31 March 2010

12. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted	Restricted	Total Funds	Total funds
	£	£	2010	2009
	£	£	£	£
Tangible assets	10,959	-	10,959	13,793
Current assets	258,917	34,516	293,433	246,893
Current Liabilities	(225,479)	-	(225,479)	(123,902)
Net assets at end of year	<u>41,227</u>	<u>37,686</u>	<u>78,913</u>	<u>136,784</u>

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Notes to the accounts for the year ended 31 March 2010

13. RESTRICTED AND UNRESTRICTED FUNDS

The movement on the funds of the charity were as follows:

	Balance 01-Apr-09	Re- statement	Revised 01-Apr-09	Movement in Resources			Balance 31-Mar-10
				Incoming	Outgoing	Transfers	
RESTRICTED FUNDS							
Policy & Participation							
Consortium Support	285	-	285	45,000	85,301	40,016	-
SIG	-	-	-	19,000	21,295	2,295	-
Partnership Working	-	-	-	42,000	44,251	2,251	-
Volunteer Development	-	-	-	-	-	-	-
Community Chest	-	-	-	13,124	13,124	-	-
Capacity Building							
Trustee Advice	24,272	(3,347)	20,925	78,355	67,836	-	31,444
Funding Advice	8,954	3,347	12,301	-	12,301	-	-
Children's Workforce Development	9,658	-	9,658	21,113	31,421	650	-
Premises	632	-	632	67,049	92,055	24,374	-
Community Development							
Koruso	-	-	-	5,484	5,484	-	-
Keib Thomas	-	-	-	6,663	3,591	-	3,072
Community Development	3,170	-	-	83,000	173,945	87,775	-
Total restricted funds	46,971	-	46,971	380,788	550,604	157,361	34,516
UNRESTRICTED FUNDS							
Policy & Participation							
Play Development	-	-	-	4,492	34,106	29,614	-
Faith & Health	-	-	-	10,000	34,245	24,245	-
Children & Families	-	-	-	-	-	-	-
Social Care Partnership	-	-	-	30,505	30,505	-	-
Adult Health and Social Care Partnership	-	-	-	65,888	65,888	-	-
Policy & Participation	-	-	-	43,998	43,998	-	-
Capacity Building							
Organisational Development	-	-	-	66,665	66,665	-	-
Funding Advice	-	-	-	75,121	65,218	-	9,903
General Fund	89,813	-	89,813	163,057	7,156	(211,220)	34,494
	89,813	-	89,813	459,726	347,781	(157,361)	44,397
Total funds at 31 March 2010	136,784	-	136,784	840,514	898,385	-	78,913

Details of the restricted funds are given in the trustee's report.

Surpluses on restricted funds are only transferred to unrestricted funds when agreement is given by the donor.

Deficits in restricted funds are covered by transfers from unrestricted funds.

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Notes to the accounts for the year ended 31 March 2010

13. RESTRICTED AND UNRESTRICTED FUNDS (cont)

The Funding Advice programme has previously been funded by a restricted grant received from City Bridge Trust, and therefore was included within restricted funds in that year. In 2009/10, and going forwards, the programme is being funded from general funds, and as a result, the restricted fund ceased this year, and the programme moved to unrestricted funds.

The balances on two funds, Funding Advice and Trustee Advice, were found to have been incorrectly stated as at 31 March 2009. Staff costs of £10,595 were incorrectly assigned to Funding Advice instead of Trustee Advice, while £7,428 of funding from the Big Lottery was similarly misallocated. As a result the opening balances of these funds have been restated to reflect these changes.

14. TRUSTEES

The Trustees received no remuneration during the period (2009 : £nil). Travel expenses of £331 were reimbursed (2009 : £256)

15. LEASING COMMITMENT

The Charity is committed to make the following payments within the next year under operating leases for equipment:-

	2010	2009
	£	£
Commitments expiring		
Within 1 year	-	-
Within 2 to 5 years	-	131,248
After 5 years	-	-
	<hr/>	<hr/>
	-	131,248
	<hr/>	<hr/>
	-	-

Community Action Southwark - Annual Report 2009/10
Appendix 1
CAS Organisational Structure at 1 October 2010

