

REGISTERED COMPANY NUMBER: 177372 (Scotland)
REGISTERED CHARITY NUMBER: SC013885

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31 March 2011
for
Skye & Lochalsh Council for Voluntary Organisations

Donald Rankin Business Services
Tigh an Oisean
Bridge Road
PORTREE
Isle of Skye
Highland
IV51 9ER

Skye & Lochalsh Council for Voluntary Organisations

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for the Year Ended 31 March 2011

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Skye & Lochalsh Council for Voluntary Organisations

Report of the Trustees
for the Year Ended 31 March 2011

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2011. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

177372 (Scotland)

Registered Charity number

SC013885

Registered office

Tigh Lisigarry
Bridge Road
Portree
Isle of Skye
IV51 9ER

Trustees

P A Urquhart

J A Fraser

C MacKinnon

- resigned 14.7.10

Mrs D Turner

- resigned 21.9.10

C Pearson

Mrs J M Westgarth

Ms M Johnston

R MacNeill

- appointed 21.9.10

Company Secretary

Miss C F MacDonald

Independent Examiner

Jacqueline Smith

CPFA

Donald Rankin Business Services

Tigh an Oisean

Bridge Road

PORTREE

Isle of Skye

Highland

IV51 9ER

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

OBJECTIVES AND ACTIVITIES

Significant activities

In the year under review, Skye & Lochalsh CVO has continued to provide support, information, advice and practical services in response to the needs of local voluntary sector groups, enabling them to make a valuable contribution to the social and economic welfare of the Skye & Lochalsh area. The number of people accessing these services (just under 2,500 excluding website visitors) remained much the same as in the previous financial year (2009-2010). Facing cuts in core funding from 2011 and undergoing a network restructuring, this year's Annual User Survey was more crucial than ever in identifying local needs and planning future service provision. Feedback from 105 community group representatives in July-Aug 2010 overwhelmingly confirmed that retaining a local service was particularly important to groups.

"Such a valuable and important service needs to be operated at local level, where staff are aware of the needs of charities and voluntary organisations that are the lifeline to communities in the Highlands & Islands. SLCVO works so well because they are aware of the local issues and difficulties and can respond to them. Please do not let our local services disappear!"

Membership of Skye & Lochalsh CVO increased by 2% over the financial year. 16 new members were welcomed, 7 of which required one to one assistance to get them started. Analysis of the local community sector (through our member groups) indicates that areas of activity remain fairly consistent, with slight increases in the number of groups providing health & welfare services, arts/culture & heritage activities and groups involved in regeneration projects.

The energies of both the Board and staff of Skye & Lochalsh CVO have been focused on developing a number of targeted projects alongside development of the core CVS services. This year, restricted grant funding has enabled Skye & Lochalsh CVO to:-

- retain the Community Development Worker post - 3rd year of Lloyds TSB Foundation for Scotland;
- continue their secretariat services for Skye Old Peoples Welfare (assisted by HC Rural Transport grant);
- continue the network roll-out of Community Toolkit online resource and begin a comprehensive re-development programme for the resource in response to user feedback; and
- provide advice & information on the Digital switchover through the Community Outreach Programme

Skye & Lochalsh CVO strategic work continues to involve partnership working at a local, Highland and National level. This includes active contribution to Community Planning through the local Ward Forum, Health and Social Care Forum, Drug & Alcohol Forum and LEADER local area partnership. Through Voluntary Action Highland, Skye & Lochalsh CVO are part of the Highland Third Sector Forum, HISEZ, Highland Interface Steering Group and H&I Equality Forum.

During the period under review the Skye & Lochalsh Community Toolkit became the official shared or 'common' resource for Third Sector support agencies across Scotland. In October 2010 Skye & Lochalsh CVO were awarded a contract through the BIG Lottery Supporting Voluntary Action Programme (SVA) being administered by the Scottish Council for Voluntary Organisations (SCVO) to assist with the comprehensive network roll-out of the Community Toolkit resource. This success came after 2 years of trying to access funding via the different portfolio strands of the SVA programme, and after several months of negotiating the final contract with SCVO was signed in October 2010. To date this SVA funding (a total of £121,365 up to 31 March 2012) has enabled 24 Third Sector Interface organizations to enhance their online services with the addition of the Community Toolkit feed on their own websites. It has also helped Skye & Lochalsh CVO to identify areas for improvement for the resource to ensure that it continues to address the changing needs of the Third Sector. Post SVA (financial year 2012-2013) it remains the long term goal of the Trustees to further the charitable purposes of the organisation by generating income from the Community Toolkit.

The last three year core funding agreement with Scottish Government ended 31 March 2011. In line with Government policy, the old CVS network had been tasked with restructuring. In Highland this process has been a hard one. At the end of the financial year, the first model for the TSI in Highland (an LLP) had been rejected by the Scottish Government, but the SLCVO Board continues to have a Trustee representative involved in the process. Funding from Scottish Government from 1st April 2011 will be distributed via the new Interface structure and will be for one year only. One of the conditions of any new Scottish Government funding is that all Interface achieve the EFQM Committed to Excellence Quality standard. Work on this has been started.

Skye & Lochalsh Council for Voluntary Organisations

Report of the Trustees
for the Year Ended 31 March 2011

FINANCIAL REVIEW

Reserves Policy

The directors have examined the requirement for free reserves which are those unrestricted funds not invested in fixed assets, designated for specific purposes or otherwise committed. They have taken into consideration the uncertainty of funding beyond 2012, the reliance of its members on its services and the need to retain sufficient funds to remain operational whilst alternative funding is sourced in the event of core funding being withdrawn or substantially reduced.

At the balance sheet date the company retained unrestricted funds of £133,436 (2010 - £116,320) which the directors consider to be adequate to maintain operational capacity for the foreseeable future, given the circumstances in which the company operates.

ON BEHALF OF THE BOARD:

.....
Trustee - P A Urquhart

Date:

Independent Examiner's Report to the Trustees of
Skye & Lochalsh Council for Voluntary Organisations

I report on the accounts for the year ended 31 March 2011 set out on pages five to twelve.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity's trustees consider that the audit requirement of Regulation 10(1)(a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under Section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

Basis of the independent examiner's report

My examination was carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements
- to keep accounting records in accordance with Section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
 - to prepare accounts which accord with the accounting records and to comply with Regulation 8 of the 2006 Accounts Regulations

have not been met; or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Jacqueline Smith
CPFA
Donald Rankin Business Services
Tigh an Oisean
Bridge Road
PORTREE
Isle of Skye
Highland
IV51 9ER

Date:

Skye & Lochalsh Council for Voluntary Organisations

Statement of Financial Activities
for the Year Ended 31 March 2011

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	31.3.11 Total funds £	31.3.10 Total funds £
INCOMING RESOURCES						
Incoming resources from generated funds						
Voluntary income		56,037	-	-	56,037	55,926
Activities for generating funds	2	6,102	-	-	6,102	5,977
Investment income	3	1,608	-	-	1,608	1,302
Incoming resources from charitable activities						
Toolkit		-	10,600	-	10,600	10,400
Grants		-	55,485	-	55,485	33,095
Training fees		-	-	-	-	595
Rents received		2,790	-	-	2,790	2,640
Mailout income		37	-	-	37	13
Total incoming resources		66,574	66,085	-	132,659	109,948
RESOURCES EXPENDED						
Charitable activities						
Wages		42,464	35,330	-	77,794	66,443
Social security		3,765	3,178	-	6,943	5,590
Pensions		2,729	2,178	-	4,907	4,313
Rates & water		624	237	-	861	814
Insurance		370	805	-	1,175	569
Light and heat		759	237	-	996	1,406
Telephone		1,240	578	-	1,818	1,490
Postage and stationery		1,393	604	-	1,997	2,396
Advertising		276	1,776	-	2,052	1,340
Sundries		394	-	-	394	461
Travel expenses		50	907	-	957	1,902
Repairs & renewals		213	776	-	989	2,154
Cleaning		458	200	-	658	322
Licences & subscriptions		-	-	-	-	443
Rental of office equipment		3,752	200	-	3,952	3,862
Website costs		-	6,452	-	6,452	2,772
Training and conference costs		-	737	-	737	1,167
Depn of freehold property		-	-	1,804	1,804	1,804
Depn of fixtures & fittings		107	1,505	514	2,126	2,084
Credit card charges		32	-	-	32	32
Bank charges		14	4	-	18	4
Room hire		-	43	-	43	134
HTSP		1,000	-	-	1,000	-
Governance costs		2,151	355	-	2,506	1,851
Total resources expended		61,791	56,102	2,318	120,211	103,353

The notes form part of these financial statements

Skye & Lochalsh Council for Voluntary Organisations

Statement of Financial Activities
for the Year Ended 31 March 2011

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	31.3.11 Total funds £	31.3.10 Total funds £
		_____	_____	_____	_____	_____
NET INCOMING/(OUTGOING) RESOURCES before transfers		4,783	9,983	(2,318)	12,448	6,595
Gross transfers between funds	10	<u>12,334</u>	<u>(12,334)</u>	-	-	-
Net incoming/(outgoing) resources		17,117	(2,351)	(2,318)	12,448	6,595
RECONCILIATION OF FUNDS						
Total funds brought forward		116,320	16,854	70,777	203,951	197,356
TOTAL FUNDS CARRIED FORWARD		<u>133,437</u>	<u>14,503</u>	<u>68,459</u>	<u>216,399</u>	<u>203,951</u>

The notes form part of these financial statements

Skye & Lochalsh Council for Voluntary Organisations

Balance Sheet
At 31 March 2011

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	31.3.11 Total funds £	31.3.10 Total funds £
FIXED ASSETS						
Tangible assets	7	324	4,520	68,459	73,303	77,233
CURRENT ASSETS						
Debtors	8	1,373	701	-	2,074	606
Cash at bank and in hand		<u>137,186</u>	<u>9,705</u>	<u>-</u>	<u>146,891</u>	<u>135,910</u>
		138,559	10,406	-	148,965	136,516
CREDITORS						
Amounts falling due within one year	9	(5,447)	(422)	-	(5,869)	(9,798)
		<u>133,112</u>	<u>9,984</u>	<u>-</u>	<u>143,096</u>	<u>126,718</u>
NET CURRENT ASSETS						
		<u>133,436</u>	<u>14,504</u>	<u>68,459</u>	<u>216,399</u>	<u>203,951</u>
TOTAL ASSETS LESS CURRENT LIABILITIES						
		<u>133,436</u>	<u>14,504</u>	<u>68,459</u>	<u>216,399</u>	<u>203,951</u>
NET ASSETS						
		<u>133,436</u>	<u>14,504</u>	<u>68,459</u>	<u>216,399</u>	<u>203,951</u>
FUNDS						
Unrestricted funds	10				133,436	116,320
Restricted funds					14,504	16,854
Endowment funds					<u>68,459</u>	<u>70,777</u>
TOTAL FUNDS						
					<u>216,399</u>	<u>203,951</u>

The notes form part of these financial statements

Skye & Lochalsh Council for Voluntary Organisations

Balance Sheet - continued

At 31 March 2011

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2011.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 March 2011 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

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

The financial statements were approved by the Board of Trustees on and were signed on its behalf by:

.....
Trustee - P A Urquhart

Notes to the Financial Statements
for the Year Ended 31 March 2011

1. ACCOUNTING POLICIES

Accounting convention

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), the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Land and buildings	- 2% on cost
Plant and machinery etc	- 25% on reducing balance and 15% on reducing balance

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

2. ACTIVITIES FOR GENERATING FUNDS

	31.3.11	31.3.10
	£	£
Office services	566	860
DTP and photocopying	3,591	3,217
Room hire	<u>1,945</u>	<u>1,900</u>
	<u>6,102</u>	<u>5,977</u>

3. INVESTMENT INCOME

	31.3.11	31.3.10
	£	£
Deposit account interest	<u>1,608</u>	<u>1,302</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2011

4. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting):

	31.3.11	31.3.10
	£	£
Depreciation - owned assets	<u>3,930</u>	<u>3,888</u>

5. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2011 nor for the year ended 31 March 2010.

Trustees' Expenses

	31.3.11	31.3.10
	£	£
Trustees' expenses	<u>363</u>	<u>378</u>

6. STAFF COSTS

	31.3.11	31.3.10
	£	£
Wages and salaries	77,794	66,195
Social security costs	6,943	5,590
Other pension costs	<u>4,907</u>	<u>4,561</u>
	<u>89,644</u>	<u>76,346</u>

7. TANGIBLE FIXED ASSETS

	Land and buildings £	Plant and machinery etc £	Totals £
COST			
At 1 April 2010 and 31 March 2011	<u>90,223</u>	<u>28,609</u>	<u>118,832</u>
DEPRECIATION			
At 1 April 2010	21,502	20,097	41,599
Charge for year	<u>1,804</u>	<u>2,126</u>	<u>3,930</u>
At 31 March 2011	<u>23,306</u>	<u>22,223</u>	<u>45,529</u>
NET BOOK VALUE			
At 31 March 2011	<u>66,917</u>	<u>6,386</u>	<u>73,303</u>
At 31 March 2010	<u>68,721</u>	<u>8,512</u>	<u>77,233</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2011

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.11	31.3.10
	£	£
Trade debtors	<u>2,074</u>	<u>606</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.11	31.3.10
	£	£
Bank loans and overdrafts	907	-
Trade creditors	1,494	-
Taxation and social security	2,538	1,501
Other creditors	<u>930</u>	<u>8,297</u>
	<u>5,869</u>	<u>9,798</u>

10. MOVEMENT IN FUNDS

	At 1.4.10	Net movement	Transfers	At 31.3.11
	£	in funds	between funds	£
		£	£	
Unrestricted funds				
General	116,320	4,782	12,334	133,436
Restricted funds				
Toolkit	11,396	938	(12,334)	-
HIE(CED) Computers and videoconferencing equipment	2,671	(667)	-	2,004
Awards for all	3,355	(838)	-	2,517
Highland Council Transport	(568)	568	-	-
SVA Toolkit	<u>-</u>	<u>9,983</u>	<u>-</u>	<u>9,983</u>
	16,854	9,984	(12,334)	14,504
Endowment funds				
Taigh Lisigarry	70,777	(2,318)	-	68,459
	<u>203,951</u>	<u>12,448</u>	<u>-</u>	<u>216,399</u>
TOTAL FUNDS				

Notes to the Financial Statements - continued
for the Year Ended 31 March 2011

10. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General	66,574	(61,792)	4,782
Restricted funds			
Toolkit	10,601	(9,663)	938
Lloyds TSB Foundation	5,999	(5,999)	-
Highland Council Transport	7,832	(7,264)	568
Voluntary Action Highland	2,000	(2,000)	-
SVA Toolkit	30,820	(20,837)	9,983
SCVO Digital Outreach	8,833	(8,833)	-
HIE(CED) Computers and videoconferencing equipment	-	(667)	(667)
Awards for all	-	(838)	(838)
	66,085	(56,101)	9,984
Endowment funds			
Taigh Lisigarry	-	(2,318)	(2,318)
TOTAL FUNDS	<u>132,659</u>	<u>(120,211)</u>	<u>12,448</u>

Transfers between funds

The Toolkit fund balance of £12334 has been transferred to the General Fund as it was a Designated General fund (which is no longer required) and not a restricted fund as previously reported.

Skye & Lochalsh Council for Voluntary Organisations

Detailed Statement of Financial Activities
for the Year Ended 31 March 2011

	31.3.11 £	31.3.10 £
INCOMING RESOURCES		
Voluntary income		
Gifts	-	1
Memberships and donations	2,683	3,171
Grants	<u>53,354</u>	<u>52,754</u>
	56,037	55,926
Activities for generating funds		
Office services	566	860
DTP and photocopying	3,591	3,217
Room hire	<u>1,945</u>	<u>1,900</u>
	6,102	5,977
Investment income		
Deposit account interest	1,608	1,302
Incoming resources from charitable activities		
Toolkit syndication fees	10,600	10,400
Grants	55,485	33,095
Conference & training fees	-	595
Rents received	2,790	2,640
Mailout income	<u>37</u>	<u>13</u>
	<u>68,912</u>	<u>46,743</u>
Total incoming resources	132,659	109,948
RESOURCES EXPENDED		
Charitable activities		
Wages	77,794	66,195
Social security	6,943	5,590
Pensions	4,907	4,561
Rates and water	861	814
Insurance	1,175	569
Light and heat	996	1,406
Telephone	1,818	1,490
Post, stat & comp supplies	1,997	2,396
Advertising	2,052	1,377
Sundries	394	496
Travel	957	1,867
Repairs & renewals	989	2,154
Cleaning	658	322
Carried forward	101,541	89,237

This page does not form part of the statutory financial statements

Skye & Lochalsh Council for Voluntary Organisations

Detailed Statement of Financial Activities
for the Year Ended 31 March 2011

	31.3.11 £	31.3.10 £
Charitable activities		
Brought forward	101,541	89,237
Licences & subscriptions	-	406
Rental of office equipment	3,952	3,862
Website costs	6,452	2,772
Training and conference costs	737	1,167
Room hire	43	134
HTSP	1,000	-
Freehold property	1,804	1,804
Fixtures and equip	2,126	2,084
Bank interest & charges	18	4
Credit card charges	32	32
	<u>117,705</u>	<u>101,502</u>
Governance costs		
Trustees' expenses	363	378
Trustee meetings and AGM	270	140
Accountancy	1,858	1,318
Companies House fee	15	15
	<u>2,506</u>	<u>1,851</u>
Total resources expended	<u>120,211</u>	<u>103,353</u>
	<u> </u>	<u> </u>
Net income	<u>12,448</u>	<u>6,595</u>

This page does not form part of the statutory financial statements