

**GLASGOW COUNCIL FOR THE
VOLUNTARY SECTOR**

Registered No: 97679

Charity No: SC006923

**Financial Statements
For the year ended 31 March 2002**



SCT S9G07128 0365
COMPANIES HOUSE 31/01/03

GLASGOW COUNCIL FOR THE VOLUNTARY SECTOR

Financial Statements

For the year ended 31 March 2002

Contents	Page
Officers and professional advisers	1
<i>Report of the members of the executive committee</i>	2 – 4
Auditors' report to the members	5
Income and expenditure account and Statement of Financial Activities	6
Note of historical cost surpluses and deficits	7
Balance sheet	8
Notes to the financial statements	9 - 14

GLASGOW COUNCIL FOR THE VOLUNTARY SECTOR

Officers and Professional Advisers

THE MEMBERS OF THE EXECUTIVE COMMITTEE

Name	Designation	Details	Appointed by
John Wilkes	Chairperson	Resigned 30 November 2001	Member
David Belfall	Chairperson	Appointed 23 May 2002	Member
Loretta Gaffney	Treasurer		Member
David Bogie	Vice Chair		Member
George Harkins			Member
Caroline Farquhar		Resigned 30 November 2001	Member
Mae Shaw		Resigned 30 November 2001	Member
Fiaz Khan		Appointed 30 November 2001	Member
Elizabeth MacDonald		Appointed 30 November 2001	Member
Lorraine Sharpe		Appointed 30 November 2001	Member
Sandra Martin		Appointed 30 November 2001	Member
Alyson Tannahill		Appointed 30 November 2001	Member

COMPANY SECRETARY

Helen Macneil

REGISTERED OFFICE

11 Queens Crescent
Glasgow
G4 9AQS

AUDITORS

Scott-Moncrieff
Chartered Accountants
25 Bothwell Street
Glasgow
G2 6NL

BANKERS

Co-operative Bank
Glasgow Business Centre
Caithness House
127 St Vincent Street
Glasgow
G2 5JF

SOLICITORS

T C Young & Son
30 George Square
Glasgow
G2 1LH

GLASGOW COUNCIL FOR THE VOLUNTARY SECTOR

The Report of the Members of the Executive Committee

The members of the executive committee have pleasure in presenting their report and the financial statements of the company for the year ended 31 March 2002.

Members of the Executive Committee

The members of the executive committee who served the company during the year were as shown on page 1.

All the office bearers retire annually and are eligible for re-election except the chairperson who shall not normally hold that office for more than three consecutive years and shall not be eligible for re-election after holding the office for five complete years.

Statement of responsibilities of the members of the executive committee

Company law requires the members of the executive committee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company at the end of the year and of the surplus or deficit for the year then ended.

In preparing those financial statements, the members of the executive committee are required to select suitable accounting policies as described on page 9 and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The members of the committee must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The members of the executive committee 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 1985, the Law Reform (Miscellaneous Provisions)(Scotland) Act 1990 and the Charity Accounts (Scotland) Regulations 1992. The members of the executive committee 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.

Constitution

GCVS - Glasgow Council for the Voluntary Sector is a company limited by guarantee, Company Registration Number 97679. It is recognised as a charity for tax purposes by the Inland Revenue and by the Scottish Charities Office (Ref.SC006923).

The management of GCVS is the responsibility of the executive committee which is elected under the terms of the constitution.

Administration

The company operates from premises at 11 Queens Crescent, Glasgow G4 9AS.

Objectives

The principal objectives of GCVS are to promote all or any activities for the benefit of the community, to assist the work of voluntary organisations and statutory authorities engaged in the advancement of education, the furtherance of health, the relief of poverty, distress or sickness, or other charitable purposes. To promote and organise co-operation in the achievement of the above purposes.

GLASGOW COUNCIL FOR THE VOLUNTARY SECTOR

The Report of the Members of the Executive Committee - continued

Principal Activities

GCVS has continued to act as a forum for the exchange of ideas and information, and for the planning of joint action among voluntary and statutory bodies. It values its membership highly, and its activities reflect the wishes and priorities of that membership. It has continued its practice of holding a wide range of consultations and meetings with member agencies and with special interest groups within the city.

It has continued:

- to deliver a wide range of services to voluntary and community organisations in Glasgow and environs, providing information, producing newsletters and other publications, and promoting a wide range of training activities.
- to provide voluntary and community organisations with financial, management and administrative services, and has disbursed funding through the Independent Living Fund to people with disabilities paying for their own care.
- to operate a Sports Unit working closely with the City Council, the Greater Glasgow Health Board, NHS Trusts and other agencies to provide sports activities for people in the city.
- to offer the services of its SVQ Centre to enable small organisations to offer accredited training to their staff and volunteers.

Risk policy

The Trustees have assessed the major risks to which the charity is exposed, and are satisfied that the Trustees have taken action to minimise these risks.

Reserves policy

The Trustees have reviewed the position and having set aside £830,000 to meet running cost and other liabilities, are satisfied with the level of reserves at the present time.

Financial review

The results for the year, and the company's financial position at the end of the year are shown in the attached financial statements.

This has been another successful year for GCVS, both financially, and in terms of activities and outputs for GCVS. A substantial organisational and service review was undertaken by the Board and Staff during 2001. This resulted in a new organizational structure, with strengthened management being put in place during the course of the year.

The grants we receive from public agencies to fund our core activities remain inadequate. We have been fortunate over the past 3 years to be in receipt of substantial funding from the Communities Fund, and substantial project funding income from our New Deal activities. These two sources of funding, and our other income-generating work, have enabled us to consolidate and expand significantly our core services to members and to the wider voluntary sector in Glasgow, and to invest in ICT and staff training and development.

GLASGOW COUNCIL FOR THE VOLUNTARY SECTOR

The Report of the Members of the Executive Committee - continued

Financial Report (cont'd)

However, the CF and New Deal funding is now at an end, and it will be the task of the Executive Board and GCVS Management in the coming years to secure sufficient levels of core and project funding to continue to maintain, and expand GCVS services, to meet the growing needs of the Glasgow voluntary sector. A new three-year Strategic Plan is being developed to support this work.

The Executive is concerned to ensure that there be no loss of momentum in this transition period, and has therefore made a commitment to fund certain vital key posts and key core activities as required, and has resultantly increased operational reserves to take account of the projected rise in our operating costs, our commitments and liabilities.

Auditors

A resolution to re-appoint Scott-Moncrieff as auditors will be put to the members at the Annual General Meeting.

Approved by the members of the executive committee on
and signed on their behalf by



Helen Macneil Company Secretary



29 November 2002

GLASGOW COUNCIL FOR THE VOLUNTARY SECTOR

Independent Auditors' Report to the members of Glasgow Council for the Voluntary Sector for the year ended 31 March 2002

We have audited the financial statements of Glasgow Council for the Voluntary Sector for the year ended 31 March 2002 set out on pages 6 to 14. These financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out on page 9.

Respective responsibilities of the Members of the Committee

As described in the Statement of Responsibilities the members of the executive committee are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Report of the Members of the Executive Committee is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding members of the executive committees' remuneration and transactions with the company is not disclosed.

We read the Report of the Members of the Executive Committee 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 United Kingdom 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 that we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 2002 and of its surplus for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


SCOTT-MONCRIEFF

Chartered Accountants
Registered Auditors

25 Bothwell Street
Glasgow G2 6NL

29 November 2002

GLASGOW COUNCIL FOR THE VOLUNTARY SECTOR

Income and Expenditure Account and Statement of Financial Activities

For the year ended 31 March 2002

	Note	Unrestricted Funds General £	Unrestricted Funds Designated £	Restricted Funds £	Total Funds 2002 £	Total Funds 2001 £
Incoming Resources						
Income from operating activities in furtherance of the charities objects	2	653,186	-	1,136,030	1,789,216	1,589,734
Donations, and similar income	3	196,283	-	372,951	569,234	528,912
Investment income		134,334	-	-	134,334	141,520
Total incoming resources		<u>983,803</u>	<u>-</u>	<u>1,508,981</u>	<u>2,492,784</u>	<u>2,260,166</u>
Outgoing resources						
Charitable expenditure						
Cost of activities in furtherance of the charities objects	7	842,137	-	1,406,682	2,248,819	1,916,331
Resources expended on management and administration	8	43,405	-	-	43,405	36,355
Total resources expended		<u>885,542</u>	<u>-</u>	<u>1,406,682</u>	<u>2,292,224</u>	<u>1,952,686</u>
Net incoming resources before transfers		98,261	-	102,299	200,560	307,480
Transfers		(50,140)	130,170	(80,030)	-	-
Net movement in funds		<u>48,121</u>	<u>130,170</u>	<u>22,269</u>	<u>200,560</u>	<u>307,480</u>
Balances brought forward		<u>178,668</u>	<u>702,349</u>	<u>(20,870)</u>	<u>860,147</u>	<u>552,667</u>
Balances carried forward	16	<u>226,789</u>	<u>832,519</u>	<u>1,399</u>	<u>1,060,707</u>	<u>860,147</u>

All the activities of the company are classed as continuing.

The notes on pages 9 to 14 form part of these financial statements.

GLASGOW COUNCIL FOR THE VOLUNTARY SECTOR

Note of the Historical Cost Surpluses

For the year ended 31 March 2002

	2002 £	2001 £
Reported surplus on ordinary activities before taxation	200,560	307,480
Difference between a historical cost depreciation charge and the actual charge calculated on the revalued amount	<u>(3,773)</u>	<u>(3,773)</u>
Historical cost surplus on ordinary activities before taxation	<u>196,787</u>	<u>303,707</u>
Historical cost surplus for the year	<u><u>196,787</u></u>	<u><u>303,707</u></u>

The notes on pages 9 to 14 form part of these financial statements.

GLASGOW COUNCIL FOR THE VOLUNTARY SECTOR

Balance Sheet

For the year ended 31 March 2002

	Note	2002	2001
		£	£
Fixed assets			
Tangible assets	9	292,519	282,349
Current assets			
Debtors	10	267,458	381,244
Cash at bank and in hand		1,109,176	880,899
		<u>1,376,634</u>	<u>1,262,143</u>
Creditors: Amounts falling due within one year	11	<u>546,112</u>	<u>588,011</u>
Net Current Assets		<u>830,522</u>	<u>674,132</u>
Total Assets Less Current Liabilities		<u>1,123,041</u>	<u>956,481</u>
Creditors: Amounts falling Due after more than one year	12	<u>62,334</u>	<u>96,334</u>
Net Assets		<u><u>1,060,707</u></u>	<u><u>860,147</u></u>
Funds			
Unrestricted Funds			
Designated		832,519	702,349
General		226,789	178,668
		<u>1,059,308</u>	<u>881,017</u>
Restricted funds	16	<u>1,399</u>	<u>(20,870)</u>
		<u><u>1,060,707</u></u>	<u><u>860,147</u></u>

These financial statements were approved by the members of the executive committee on 29 November 2002 and are signed on their behalf by:

Loretta Gaffney
Loretta Gaffney

David Belfall
David Belfall

Treasurer

Chairperson

The notes on pages 9 to 14 form part of these financial statements.

GLASGOW COUNCIL FOR THE VOLUNTARY SECTOR

Notes to the Financial Statements

For the year ended 31 March 2002

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets.

The financial statements are in accordance with the applicable accounting standards and follow the recommendations of the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP) issued October 2000.

Cash flow statement

The members of the executive committee have taken advantage of the exemption in Financial Reporting Standard No.1 (Revised) from including a cash flow statement in the financial statements on the grounds that the company is small.

Income

Income represents grants received plus external revenue from operations.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold buildings	4% straight line
Fixtures and fittings	15% straight line
Office equipment	25% straight line

Taxation

No taxation is payable as the company is recognised by the Inland Revenue as a charity.

Allocation of expenditure

Expenditure is allocated directly to charitable, fundraising and publicity, or management and administration.

GLASGOW COUNCIL FOR THE VOLUNTARY SECTOR

Notes to the Financial Statements

For the year ended 31 March 2002

2. Income from operating activities in furtherance of the charities objects

	2002 £	2001 £
Income from services	146,710	127,913
Training income	41,444	29,995
Rents receivable	7,338	8,040
Project funding (PASIL)	163,671	165,440
Management fees	4,250	750
Publishing income	662	395
New Deal	1,425,141	1,257,201
	<u>1,789,216</u>	<u>1,589,734</u>

3. Donations and similar income

The following represents external sources of income:

Glasgow City Council	164,019	154,566
Community Fund	83,318	172,315
NHS Greater Glasgow	23,100	23,486
Central Council for Education and Training in Social Work	6,750	4,800
European Social Fund	92,851	90,219
SCVO	-	9,126
Scottish Executive - Healthy Hobbies	15,725	19,660
- Other	60,000	-
Other grant income	47,121	300
Donations and membership fees	11,350	9,440
	<u>569,234</u>	<u>528,912</u>

4. Operating surplus

Operating surplus is stated after charging:

Depreciation	46,258	36,289
Auditors' fees	9,480	8,863
	<u>55,738</u>	<u>45,152</u>

GLASGOW COUNCIL FOR THE VOLUNTARY SECTOR

Notes to the Financial Statements

For the year ended 31 March 2002

5. Particulars of employees	2002	2001
The aggregate payroll costs were:	£	£
Wages and salaries	781,419	645,584
Social security costs	58,955	49,365
Other pension costs	56,959	47,109
	<u>897,333</u>	<u>742,058</u>
The average number of staff employed by the company during the financial year amounted to:	Number	Number
Number of Head Office administrative staff	7	4
Number of Project Management staff	7	7
Number of Service Providers	30	32
	<u>44</u>	<u>43</u>

None of the members of the executive committee received any remuneration during the year (2001 - £Nil). No employee earned remuneration of greater than £50,000.

6. Pension costs

The company contributes to a defined benefits scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions payable by the company in the year amounted to £56,959 (2001 - £47,109).

The company itself is an admitted body to the Strathclyde Pension Fund and certain eligible members of staff are members of this scheme. An actuarial valuation of the scheme was carried out as at 31 March 1999 using the projected unit method. The fund is fully funded with an asset value of £5,590 million. The assumptions which have had the most significant effect on the results of the valuation are those relating to the return on investments and the rates of increase in salaries and pensions. It was assumed that the investment returns would be 6% per annum and that salaries and pensions would increase on average by 4.3%.

7. Charitable expenditure	Unrestricted funds	Restricted funds	Total Funds 2002	Total Funds 2001
Cost of activities in furtherance of the charities objects	£	£	£	£
Core services	697,168	-	697,168	511,427
Training Costs	-	32,395	32,395	34,412
Sports Project	-	65,981	65,981	84,602
Community Fund	-	61,742	61,742	137,732
New Deal	144,969	1,109,163	1,254,132	1,082,790
New Deal ESF	-	53,798	53,798	15,781
Networks	-	11,059	11,059	10,056
Progress	-	55,698	55,698	34,811
Healthy Hobbies	-	16,846	16,846	4,720
	<u>842,137</u>	<u>1,406,682</u>	<u>2,248,819</u>	<u>1,916,331</u>

GLASGOW COUNCIL FOR THE VOLUNTARY SECTOR

Notes to the Financial Statements

For the year ended 31 March 2002

	Unrestricted funds £	Restricted funds £	Total Funds 2002 £	Total Funds 2001 £
8. Management and administration				
Consultancy and other costs	26,594	-	26,594	9,839
Bank charges and interest	780	-	780	59
Audit fees	9,480	-	9,480	8,863
Annual report	3,630	-	3,630	3,238
Advertising	2,921	-	2,921	14,356
	<u>43,405</u>	<u>-</u>	<u>43,405</u>	<u>36,355</u>
9. Tangible Fixed Assets				
	Freehold land and buildings £	Furniture and fittings £	Office Equipment £	Total £
Cost or valuation				
At 1 April 2001	250,000	50,522	137,431	437,953
Additions	-	12,316	44,112	56,428
	<u>250,000</u>	<u>62,838</u>	<u>181,543</u>	<u>494,381</u>
At 31 March 2002				
	<u>250,000</u>	<u>62,838</u>	<u>181,543</u>	<u>494,381</u>
Depreciation				
At 1 April 2001	30,000	20,493	105,111	155,604
Charge for the year	10,000	8,407	27,851	46,258
	<u>40,000</u>	<u>28,900</u>	<u>132,962</u>	<u>201,862</u>
At 31 March 2002				
	<u>40,000</u>	<u>28,900</u>	<u>132,962</u>	<u>201,862</u>
Net Book Value				
At 31 March 2002	<u>210,000</u>	<u>33,938</u>	<u>48,581</u>	<u>292,519</u>
At 31 March 2001	<u>220,000</u>	<u>30,029</u>	<u>32,320</u>	<u>282,349</u>

GLASGOW COUNCIL FOR THE VOLUNTARY SECTOR

Notes to the Financial Statements

For the year ended 31 March 2002

9. Tangible Fixed Assets (cont'd)

Revaluation of fixed assets

The property at 11 Queens Crescent was revalued on 13 July 1997 by D M Hall, Chartered Surveyors, on the basis of open market values.

The historical cost of assets included at valuation at the balance sheet date is £344,315 (2001 - £344,315). The accumulated depreciation based on historical cost would be £173,329 (2001 - £169,556).

	2002 £	2001 £
10. Debtors		
Prepayments and accrued income	<u>267,458</u>	<u>381,244</u>
11. Creditors: amounts falling due within one year		
Bank loans and overdrafts	34,000	34,000
Other creditors	457,939	473,435
Accruals and deferred income	<u>54,173</u>	<u>80,576</u>
	<u>546,112</u>	<u>588,011</u>

12. Creditors: Amounts falling due after more than one year

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

	2002 £	2001 £
Bank loans and overdrafts	<u>62,334</u>	<u>96,334</u>

13. Borrowings

Borrowings are repayable as follows:

Up to one year and on demand	34,000	34,000
Between one and two years	34,000	34,000
Between two and five years	<u>28,334</u>	<u>62,334</u>
	<u>96,334</u>	<u>130,334</u>

GLASGOW COUNCIL FOR THE VOLUNTARY SECTOR

Notes to the Financial Statements

For the year ended 31 March 2002

14. Company limited by guarantee

Glasgow Council for the Voluntary Sector is a company registered in Scotland and is limited by guarantee.

15. Funds held in trust

The company administers projects on behalf of other organisations. The responsibility for the audit of these projects lies with the organisations concerned. At 31 March 2002 the company held net bank balances on behalf of these projects amounting to £3,290,622 (2001 - £1,754,223) which are not reflected in the Balance Sheet.

16. Analysis of net assets between funds

	Tangible fixed assets	Other net assets	Total 2002	Total 2001
	£	£	£	£
Unrestricted funds	291,120	768,188	1,059,308	881,017
Restricted funds	1,399	-	1,399	(20,870)
	<u>292,519</u>	<u>768,188</u>	<u>1,060,707</u>	<u>860,147</u>

17. Designated Funds

Funds have been designated by the Executive Committee for the following purposes:

	£
a) Employment Development and Researching	90,000
b) Fixed Asset Reserve	292,519
c) Additional Capital Expenditure	100,000
d) Research and Development	100,000
e) Operational Fund	250,000
	<u>832,519</u>

- a) The amount held to be used to cover any costs incurred associated with staff employment issues, staff training, development etc.
- b) The amount of funds held in fixed assets and therefore not available for use.
- c) The amount held to cover future building work and investment in ICT and other equipment.
- d) The amount set aside to cover unfunded costs for researching and developing new services and initiatives within the voluntary sector.
- e) The amount set aside to meet funding gaps and any other unexpected cash flow demands.