

Company Registration No : SC279913 (Scotland)
Scottish Charity No : SC029199

REGISTRAR OF COMPANIES

COMMUNITY CARE PROVIDERS SCOTLAND
(A Company Limited by Guarantee)

REPORT AND FINANCIAL STATEMENTS

for the year ended 31 March 2007



COMMUNITY CARE PROVIDERS SCOTLAND

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COMMUNITY CARE PROVIDERS SCOTLAND

CHARITY INFORMATION

Board of Directors	N J Henderson – Convener S M Neil – Vice Convener C F Taylor – Treasurer N Baxter N M Dunning C T Fallon (co opted 21 September 2006) L Headland J H Jackson R C Langeland (resigned 21 September 2006) M C Matheson M M Mellon D O'Dwyer (appointed 21 September 2006) P Robinson (resigned 21 September 2006) S D Sinclair A J Smyth A Stevenson (appointed 21 September 2006)
Chief Executive Officer	A Gunner
Secretary	A Gunner
Company Number	SC279913
Charity Number	SC029199
Registered Office	9 Ellersly Road Edinburgh EH12 6HY
Auditors	Geoghegan & Co Chartered Accountants 6 St Colme Street Edinburgh EH3 6AD
Bankers	The Royal Bank of Scotland plc 36 St Andrew Square Edinburgh EH2 2YB

COMMUNITY CARE PROVIDERS SCOTLAND

DIRECTORS' REPORT

The Board of Directors therefore present their report and financial statements for the year ended 31 March 2007

The Board of Directors

The Board of Directors, who are also trustees for the purposes of charity law, named on page 1 have served during the year under review unless otherwise indicated

Structure, governance and management

Constitution and governing document

CCPS is a Scottish Charity and a company limited by guarantee, governed by a Memorandum and Articles

Appointment and Removal of Trustees

Trustees of the Charity (who are also Directors of the company) are elected annually by the membership with provision for co option of further Trustees from within the membership CCPS has produced a governance manual which is the principal tool for inducting new Trustees/Directors. The Board has created two sub committees, the Supporting People Enabling Unit Executive Committee and the Voluntary Sector Social Services Workforce Unit Executive Committee, to oversee the work of CCPS's two Scottish Executive funded services Both are chaired by a CCPS Trustee/Director.

Decision making

The Board meets four times a year, the full membership also meets four times a year. The strategic plan and the organisational budget are put to the full membership with a recommendation from the Board to adopt, the Board then delegates implementation of the plan to the Chief Executive Officer who provides reports on progress to each Board meeting

Risk

The Board approves a risk management review annually, identifying the risks to which CCPS is exposed and approving systems and procedures to manage those risks

COMMUNITY CARE PROVIDERS SCOTLAND

DIRECTORS' REPORT (CONTINUED)

Aims and objectives

CCPS exists to identify, represent, promote and safeguard the interests of voluntary sector and not for profit social care providers in Scotland, so that they can maximise the support they offer to the people who use their services

CCPS aims

- to be a recognised and respected source of expertise on issues affecting service providers
- to be an influential body able to use the collective experience of members to effect change
- to act as a key source of information and advice
- to champion service quality and promote the central role of providers in quality improvement
- to support providers in improving the experience of people who use their services, and their quality of life

CCPS objectives are

- to ensure that the impact of policy and strategy on service providers, their services and the people who use them, is understood by government, to influence its actions accordingly and to challenge it where necessary
- to ensure in particular that the funding implications of policy and strategy are recognised by government, and to press for adequate funding of voluntary sector services in the interests of the people who use them
- to promote more positive, equal and reciprocal relationships between service providers and the statutory bodies that commission and fund their services, in the interests of the people who use them
- to gather information and intelligence on policy, strategy, legislation and research relevant to service providers, to analyse it, and to supply high quality briefing and information about it to members
- to facilitate networking and information exchange among members on a range of relevant policy and practice issues
- to develop and manage specialist services to support voluntary sector service providers in relation to particular areas of their operations
- to identify and promote the distinctive features of care and support services provided by voluntary organisations

COMMUNITY CARE PROVIDERS SCOTLAND

DIRECTORS' REPORT (CONTINUED)

Aims and objectives (continued)

CCPS is clear that in all its work, its primary purpose is to improve and enhance the quality of the service that members are able to offer to people with care and support needs

In addition to the above objectives, the CCPS Board agreed a number of strategic directions for the association to be pursued during 2006 07, as follows

- building a broad based provider movement, focusing on the issues, concerns and interests that are shared by all service providers in the voluntary sector
- reinvigorating our work to address the serious funding issues faced by service providers
- working to increase and expand the scope of our influence

Activities

The strategic directions agreed by the Board were pursued by CCPS ensuring that its activities, publications and events addressed issues faced by all service providers. Accordingly, membership of all working groups, and the content of all briefings and events, have had input from, and are relevant to, providers of services for children and families, older people, adults with learning disability, physical impairment, mental health problems and a range of other challenges, and indeed the full range of groups and individuals in need of social care and support.

The Board has also ensured that the serious funding issues faced by providers have been addressed, chiefly through the establishment of the Funding Forum and implementation of its action plan.

In addition, a great deal of activity during the year has focused on increasing and expanding the scope of our influence, in the main through our 'think tank' and associated initiatives, which we report on below.

In pursuit of the aims and objectives of the association, the CCPS Board and membership approved a detailed action plan which was implemented during the year 2006 07. The key elements of the plan were as follows:

- to play a full part in the Scottish Executive's programme relating to the implementation of *Changing Lives*, the report of the 21st century review of social work, particularly those elements relating to social care commissioning,
- to convene a 'think tank' to examine the range of policy and documents reviews relating to public service reform, and to produce a report in response
- to organise a major national conference to launch that report;
- to implement a detailed plan of action on key funding issues for service providers developed by the Funding Forum during the last period,
- to convene a new working group of members to develop a programme of work on quality in the provision of social care and support
- to conduct a review of our information services
- to continue to provide information, support and representation on a range of key issues, including Supporting People and workforce development

COMMUNITY CARE PROVIDERS SCOTLAND

BOARD OF DIRECTORS' REPORT (CONTINUED)

Achievements and performance

In relation to the above objectives, the following was achieved:

- CCPS accepted an invitation from the Scottish Executive to serve on the National Social Work Services Forum, an initiative recommended by the *Changing Lives* report, chaired by the Minister
- CCPS and its members accepted a range of further invitations to serve on the working groups overseeing the change programmes stemming from the *Changing Lives* report, including an invitation to the CCPS Convener to co chair the Service Development change programme
- CCPS held monthly meetings of its 'think tank' throughout the year, with guest speakers at each meeting, and produced its final report – *Ready, willing and able?* – in the autumn of 2006 the report was extremely well received by key policy makers and influencers and several invitations to speak to it were subsequently received
- CCPS launched its policy report at a highly successful and influential conference held at Dunblane Hydro Hotel in November 2006, where the main issues arising were publicly debated with key figures from central and local government, regulatory agencies and service user groups
- CCPS sent Freedom of Information requests to all Scottish local authorities regarding funding of the voluntary sector and used their responses to make a persuasive case to COSLA on funding matters, leading to the personal support of the COSLA President in encouraging appropriate funding
- CCPS conducted two major funding surveys of its membership, one relating to current and projected levels of service deficits and another relating to funding for training, the findings of both surveys were collated and analysed in preparation for publication during the next period
- CCPS convened a new working group on Quality, under the auspices of which a major survey of members' approaches to quality was conducted plans were put in hand for a seminar and a programme of work for the next period
- CCPS organised seminars and briefings for members, led by key figures in central and local government, professionals associations and independent experts, on a range of topics including the *Changing Lives* report; commissioning and procurement; competitive tendering and TUPE, the principles of good contracting, the Scottish Executive vetting and barring scheme, and charity regulation
- CCPS developed its positive links with provider organisations throughout Europe through membership of EASPD, taking a role in the association's 10th anniversary events in Brussels and hosting a visit to Scotland from the EASPD General Secretary
- CCPS completed its review of information services, leading to major overhaul of electronic information to be implemented during the next period

COMMUNITY CARE PROVIDERS SCOTLAND

BOARD OF DIRECTORS' REPORT (CONTINUED)

Achievements and performance (continued)

Additional achievements

- CCPS made representations to a number of government ministers during the year, including the Deputy Ministers for Education (Robert Brown MSP and Hugh Henry MSP) and the Minister for Communities (Malcolm Chisholm MSP)
- CCPS took up a seat on the newly established National Children's Services Steering Group convened by the Scottish Executive
- CCPS worked with the Scottish Parliament and its members on a range of relevant issues, most notably the proposals for a Scottish Vetting and Barring scheme and associated legislation, on which evidence was provided to committee and work undertaken with officials to amend the legislation
- CCPS organised a major management development programme on social enterprise, with funding from Futurebuilders Scotland, for senior service managers within provider organisations

Plans for future periods

2007/08 will be CCPS's 10th anniversary year. We will reflect this at our 2007 AGM by organising an event for members combining a celebration of our achievements to date with a look into what the future holds for service providers and how we can prepare for it and influence it.

Our action plan for the year includes

- familiarising our new MSPs and councillors, post election, with our association and its key issues
- working to develop our programme on quality in social care and support, through our Quality working group
- seeking a major role in influencing and developing forthcoming major developments in social care commissioning and procurement
- publishing a series of survey findings and position statements on funding for social care services, funding for training and qualifications in social care, and competitive tendering.

Financial Review

During the year income exceeded expenditure by £54,374 of which £31,793 related to unrestricted funds and £22,581 related to restricted funds. With total funds brought forward of £100,962 this leaves total funds to carry forward of £155,336 of which £87,699 relates to unrestricted funds and £67,637 relates to restricted funds.

The present level of funding is considered adequate to support the continuation of CCPS's activities.

COMMUNITY CARE PROVIDERS SCOTLAND

BOARD OF DIRECTORS' REPORT (CONTINUED)

Reserves Policy

It is the policy of the directors to maintain unrestricted funds not invested in tangible fixed assets (which are the free reserves of the charity) at a level which equates to approximately four months budgeted unrestricted expenditure (£63,000). This is to provide sufficient funds to meet working capital requirements and to cover support costs in the event of a fall in funding. Free reserves at the year end were £87,466, exceeded this target level.

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Board of Directors Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the financial activities of the charity for that period. In preparing these financial statements, the directors are required to

- (a) select suitable accounting policies and apply them consistently,
- (b) make judgements and estimates that are reasonable and prudent,
- (c) state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements,
- (d) prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 1985 and other applicable regulations. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

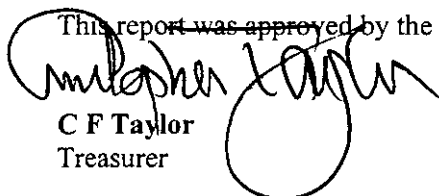
Statement of disclosure to the auditor

- (a) so far as the Board of Directors are aware, there is no relevant audit information of which the company's auditors are unaware, and
- (b) the Board of Directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (revised 2005) and in accordance with the Special provisions of Part VII of the Companies Act 1985 relating to small entities.

Approval

This report was approved by the Board of Directors on 25 July 2007 and signed on their behalf by


C F Taylor
Treasurer

INDEPENDENT AUDITORS' REPORT TO THE BOARD OF DIRECTORS' OF COMMUNITY CARE PROVIDERS SCOTLAND

We have audited the financial statements of Community Providers Scotland for the period ended 31 March 2007 on pages 10 to 20. These financial statements have been prepared under the historical cost convention, the accounting policies set out therein, and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2005).

This report is made solely to the Board of Directors, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the Board of Directors 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 Board of Directors as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the board of directors and auditors

The Board of Directors' responsibilities for preparing the Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of the Board of Directors' Responsibilities on page 7.

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 are properly prepared in accordance with the Companies Act 1985. We report to you whether in our opinion the information given in the Board of Directors' Report is consistent with the financial statements. We also report to you if, in our opinion, the charity 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 trustees' remuneration and transactions is not disclosed.

We read the Board of Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 management committee 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.

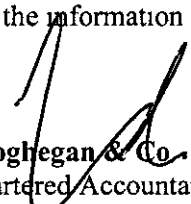
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

**INDEPENDENT AUDITORS' REPORT TO THE
BOARD OF DIRECTORS' OF COMMUNITY CARE PROVIDERS SCOTLAND
(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 2007, and of its incoming resources and application of resources, including its income and expenditure, in the year then ended,
- the financial statements have been properly prepared in accordance with of the Companies Act 1985, and
- the information given in the Board of Directors' Report is consistent with the financial statements


Geoghegan & Co.
Chartered Accountants and Registered Auditors
6 St Colme Street
Edinburgh EH3 6AD

25 July 2007

COMMUNITY CARE PROVIDERS SCOTLAND

STATEMENT OF FINANCIAL ACTIVITIES (Incorporating Income and Expenditure Account) for the year ended 31 March 2007

	Notes	Unrestricted Funds £	Restricted Funds £	Year to 31.03 07 £	Period from 14 02 06 to 31 03 06 £
Incoming Resources					
Incoming resources from generated funds:					
<i>Voluntary income</i>					
Grants and donations	3	10,100	316,335	326,435	304,076
Bank interest		4,719		4,719	3,507
Incoming resources from charitable activities:					
Subscriptions		160,653		160,653	150,791
Events income	4	69,367	30,070	99,437	16,830
Other income		4,019		4,019	161
Total incoming resources		<u>248,858</u>	<u>346,405</u>	<u>595,263</u>	<u>475,365</u>
Resources expended					
Charitable activities	5	202,725	323,824	526,549	432,350
Governance costs	5	<u>14,340</u>		<u>14,340</u>	<u>13,079</u>
Total resources expended		<u>217,065</u>	<u>323,824</u>	<u>540,889</u>	<u>445,429</u>
Net Movement in Funds	6	31,793	22,581	54,374	29,936
Funds Brought Forward		<u>55,906</u>	<u>45,056</u>	<u>100,962</u>	<u>71,026</u>
Funds Carried Forward		<u>87,699</u>	<u>67,637</u>	<u>155,336</u>	<u>100,962</u>

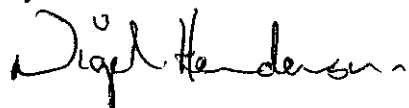
COMMUNITY CARE PROVIDERS SCOTLAND

BALANCE SHEET at 31 March 2007

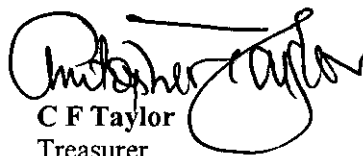
	Notes	2007 £	2006 £
Fixed Assets			
Tangible Assets	8	<u>2,696</u>	<u>3,351</u>
Current Assets			
Debtors	9	6,423	11,046
Cash at bank and in hand		<u>167,287</u>	<u>111,991</u>
		<u>173,710</u>	<u>123,037</u>
Current Liabilities			
Trade creditors		7,487	14,476
Other creditors		10,880	8,835
Accruals and deferred income		<u>2,703</u>	<u>2,115</u>
		<u>21,070</u>	<u>25,426</u>
Net Current Assets		<u>152,640</u>	<u>97,611</u>
Net Assets		<u>155,336</u>	<u>100,962</u>
Funds			
Unrestricted funds	10	87,699	55,906
Restricted funds	10	<u>67,637</u>	<u>45,056</u>
		<u>155,336</u>	<u>100,962</u>

These accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with Financial Reporting Standard for Smaller Entities (effective January 2005)

Approved and authorised for issue by the Board of Directors on 25 July 2007 and signed on its behalf by



N J Henderson
Convenor



C F Taylor
Treasurer

COMMUNITY CARE PROVIDERS SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2007

1 Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective from January 2005)

The accounts have been prepared in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP) issued in March 2005

The charity has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it qualifies as a small charity

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

Membership subscriptions, grants, conference and other income are accounted for when receivable by the charity. Grants, where entitlement is not conditional on the delivery of specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant

Investment income

Bank interest is accounted for when receivable

Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. The charity is not registered for VAT and expenditure therefore includes any VAT which cannot be recovered, and is reported as part of the expenditure to which it relates

Charitable expenditure

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

Governance costs

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 an appropriate basis as set out in note 4

COMMUNITY CARE PROVIDERS SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 March 2007

1 Accounting policies (continued)

Tangible fixed assets

Tangible fixed assets costing more than £500 are capitalised and included at cost

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis

Office equipment – 3 years straight line basis

Fund Accounting

Funds held by the charity are either

Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the Board of Directors

Restricted funds – these are funds that 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 a particular restricted purpose

Taxation

The company is a charity and is recognised as such by the Inland Revenue for taxation purposes

2 Legal status of the charity

The charity is a company limited by guarantee and not having a share capital. That liability of each member in the event of winding up is limited to £1

3	Grants and donations	Unrestricted Funds	Restricted Funds	2007 Total £	2006 Total £
	<i>Scottish Executive</i>				
	SP Enabling Unit	1,250	124,403	125,653	103,048
	Workforce Unit	8,850	191,932	200,782	201,028
		<u>10,100</u>	<u>316,335</u>	<u>326,435</u>	<u>304,076</u>

4 Events income

Included within Events Income is grant funding from the Scottish Executive of £10,000 in connection with the 2006 Conference and £20,000 from Communities Scotland in connection with the development programme for senior managers of service providers

COMMUNITY CARE PROVIDERS SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 March 2007

5	Total Resources Expended	Basis of Allocation	Core Activities £	Governance £	WF Unit £	SP Unit £	Total 2007 £	Total 2006 £
	Costs directly allocated to activities							
	Staff costs	Staff time	90,740	9,166	103,159	74,847	277,912	250,964
	Travel	Direct	1,971	150	6,843	2,036	11,000	11,050
	Printing	Direct	8,516	-	7,005	3,392	18,913	12,328
	Website development	Direct	1,708	-	1,046	3,007	5,761	4,554
	CCPS events	Direct	86,133	-	5,084	11,551	102,768	24,761
	Office costs share	Usage	4,550	1,795	16,444	3,270	26,059	39,268
	Conference expenditure	Direct	1,702	-	5,733	1,075	8,510	8,083
	Membership EASPD	Direct	3,578	-	835	125	4,538	3,345
	Advertising	Direct	-	-	-	2,183	2,183	4,406
	Research/consultancy	Direct	3,642	276	635	588	5,141	1,608
	Audit and accounting fees	Direct	-	2,703	-	-	2,703	2,115
	Start up costs	Direct	-	-	-	-	-	9,395
	Support costs allocated to activities							
	Staff costs	Staff time	9,485	-	25,790	18,712	53,987	47,616
	Office costs share	Usage	4,550	-	4,111	818	9,479	12,622
	Research/consultancy	Direct	620	-	-	-	620	600
	Stationery	Direct	1,146	-	-	-	1,146	1,125
	Computer costs	Direct	340	-	1,172	466	1,978	1,630
	Depreciation	Direct	117	-	2,376	846	3,339	4,678
	Insurance	Direct	893	-	-	-	893	1,347
	Trustee indemnity insurance	Direct	-	250	-	-	250	405
	Training	Direct	231	-	-	-	231	1,198
	IT support	Direct	2,566	-	-	451	3,017	1,490
	Miscellaneous expenditure	Direct	-	-	-	-	-	189
	Loss on disposal of fixed assets	Direct	-	-	-	204	204	528
	Bank charges	Direct	237	-	20	-	257	124
	Total resources expended		<u>222,725</u>	<u>14,340</u>	<u>180,253</u>	<u>123,571</u>	<u>540,889</u>	<u>445,429</u>

COMMUNITY CARE PROVIDERS SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 March 2007

6	Net movement in funds	2007	2006
		£	£
	This is stated after charging		
	Depreciation	3,339	4,678
	Auditors' remuneration	<u>2,703</u>	<u>2,115</u>

7 Staff costs

No remuneration was paid to the Board of Directors during the year, nor were any expenses reimbursed. The staff costs were

	2007	2006
	£	£
Salaries and wages	280,305	259,540
Social Security costs	23,452	15,922
Pension	<u>28,142</u>	<u>23,118</u>
	<u>331,899</u>	<u>298,580</u>

No employee received emoluments of more than £60,000

The average number of employees during the year, calculated on the basis of full time equivalents, was as follows

Directors (Units)	3	3
Policy and Development	4	4
Administration and support	<u>4</u>	<u>3</u>
	<u>11</u>	<u>10</u>

The charity participates in The Pension Trust SCVO Final Salary Pension Scheme (see note 10). Employer pension costs for the year were £28,142 (2006 £23,118). Pension contributions outstanding at the year end were £3,454 (2006 £3,192).

COMMUNITY CARE PROVIDERS SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 March 2007

8	Tangible fixed assets			Office Equipment £	
	Cost				
	At 31 March 2006			19,536	
	Additions			2,888	
	Disposals			<u>(2,540)</u>	
	At 31 March 2007			<u>19,884</u>	
	Depreciation				
	At 31 March 2006			16,185	
	Charge for the year			3,339	
	Disposals			<u>(2,336)</u>	
	At 31 March 2007			<u>17,188</u>	
	Net book value				
	At 31 March 2007			<u>2,696</u>	
	At 31 March 2006			<u>3,351</u>	
9	Debtors		2007	2006 £	
	Trade debtors		240	9,915	
	Prepayments		<u>6,183</u>	<u>1,131</u>	
			<u>6,423</u>	<u>11,046</u>	
10	Funds	31 March 2006 £	Incoming Resources £	Resources Expended £	31 March 2007 £
	<i>Unrestricted</i>				
	General Fund	<u>55,906</u>	<u>248,858</u>	<u>(217,065)</u>	<u>87,699</u>
	<i>Restricted</i>				
	SP Enabling Unit Fund	1,855	134,473	(123,571)	12,757
	Workforce Unit Fund	43,201	191,932	(180,253)	54,880
	Futurebuilders Scotland Learning Fund		20,000	(20,000)	
		<u>45,056</u>	<u>346,405</u>	<u>(323,824)</u>	<u>67,637</u>
		<u>100,962</u>	<u>595,263</u>	<u>(540,889)</u>	<u>155,336</u>

COMMUNITY CARE PROVIDERS SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 March 2007

10 Funds (continued)

Analysis of net assets between funds

	General Fund (Unrestricted) £	SP Enabling Unit Fund (Restricted) £	Workforce Unit Fund (Restricted) £	Total £
Tangible fixed assets	233	1,692	771	2,696
Net current assets	<u>87,466</u>	<u>11,065</u>	<u>54,109</u>	<u>152,640</u>
Net assets	<u>87,699</u>	<u>12,757</u>	<u>54,880</u>	<u>155,336</u>

The SP Enabling Unit Fund is a project funded by the Scottish Executive to assist and support independent service providers in the implementation of the Supporting People Programme

The Workforce Unit Fund has been established in collaboration with the Scottish Social Services Council and funded by the Scottish Executive to support and provide the development of the voluntary sector social services workforce in Scotland

The Futurebuilders Scotland Learning Fund was funding provided via Communities Scotland to organise a major development programme on social enterprise for senior service managers within provider organisations

11 Pension Commitments

CCPS participates in The Pensions Trust SCVO Final Salary Pension Scheme (the "Scheme") The Scheme is a multi employer defined benefit scheme The Scheme is funded and is contracted out of the state scheme

The Scheme operated a single benefit structure, final salary with a 1/60th accrual rate, to March 2007 From April 2007 there are two benefit structures available These are final salary with a 1/60th accrual rate and final salary with a 1/80th accrual rate Participating employers were required to choose which benefit structure that they wish to offer to their employees CCPS has decided to continue to offer the 1/60th accrual benefit structure to employees from October 2007

The Trustee commissions an actuarial valuation of the Scheme every 3 years The main purpose of the valuation is to determine the financial position of the Scheme in order to determine the level of future contributions required so that the Scheme can meet its pension obligations as they fall due

The actuarial valuation assesses whether the Scheme's assets at the valuation date are likely to be sufficient to pay the pension benefits accrued by members as at the valuation date Asset values are calculated by reference to market levels Accrued pension benefits are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns

During the accounting period CCPS paid contributions at the rate of 12% with member contributions of 6%

COMMUNITY CARE PROVIDERS SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 March 2007

10 Pension Commitments (continued)

As at the balance sheet date there were 7 active members of the Scheme employed by CCPS. CCPS continues to offer membership of the Scheme to its employees.

It is not possible in the normal course of events to identify the share of underlying assets and liabilities belonging to individual participating employers. Accordingly, due to the nature of the Plan, the accounting charge for the period under FRS 17 represents the employer contribution payable.

The last formal valuation of the Scheme was performed as at 30 September 2005 by a professionally qualified actuary using the "projected unit credit" method.

The financial assumptions underlying the valuation as at 30 September 2005 were as follows:

	%pa
• Investment return pre retirement	6.10
• Investment return post retirement	4.80
• Rate of salary increase	4.00
• Rate of pension increases	
For pensionable service pre 6 April 2005	2.50
For pensionable service post 5 April 2005	2.25
• Rate of price inflation	2.50

The market value of the Scheme's assets at the valuation date was £33.2 million. The valuation revealed a shortfall of assets compared with the value of liabilities of £6.7 million (equivalent to a past service funding level of 83%).

The long term joint contribution rates required from employers and members to meet the cost of future benefit accrual were assessed at:

<i>Benefit structure</i>	<i>Long term joint contribution rate (% of pensionable salaries)</i>
Final salary 1/60 th accrual rate	18.0%
	Comprising employer contributions of 12.0% and member contributions of 6.0%

If an actuarial valuation reveals a shortfall of assets compared to liabilities the Trustee must prepare a recovery plan setting out the steps to be taken to make up the shortfall.

In view of the past service shortfall it was agreed that the joint contribution rates shown in the table below would be payable with effect from 1 October 2007.

COMMUNITY CARE PROVIDERS SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 March 2007

10 Pension Commitments (continued)

<i>Benefit structure</i>	<i>Joint contribution rate (% of pensionable salaries)</i>
Final salary 1/60 th accrual rate	22.7% Comprising employer contributions of 15.2% and member contributions of 7.5%

New employers joining the Scheme pay contributions at the ongoing employer future service contribution rate. This rate applies from the date the employer joins the Scheme to the date of the second actuarial valuation of the Scheme following the date of joining.

New employers also pay an additional age loading if the average age of their members is higher than the average age of the Scheme membership. This loading applies from the date the employer joins the Scheme to the date of the second actuarial valuation of the Scheme following the date of joining, or such earlier date as agreed between the SCVO Pensions Committee and the Scheme Actuary.

Employers that have closed the Scheme to new entrants and are required to pay an additional contribution loading to reflect the higher costs of a closed arrangement. This loading is based on actuarial advice and is subject to change from time to time. The loading is currently 3.5%.

If the valuation assumptions are borne out in practice this pattern of contributions should be sufficient to eliminate the past service deficit, on an on going funding basis, by 31 March 2022.

A copy of the recovery plan must be sent to the Pensions Regulator. The Regulator has the power under Part 3 of the Pensions Act 2004 to issue scheme funding directions where it believes that the actuarial valuation assumptions and/or recovery plan are inappropriate. For example the Regulator could require that the Trustee strengthens the actuarial assumptions (which would increase the scheme liabilities and hence impact on the recovery plan) or impose a schedule of contributions on the Scheme (which would effectively amend the terms of the recovery plan).

A copy of the recovery plan has been sent to the Pensions Regulator. The Regulator had not issued his response to the recovery plan as at the date of this document.

The next actuarial valuation of the Scheme will be carried out as at 30 September 2008. Actuarial Reports will be prepared as at 30 September 2006 and 30 September 2007 in line with statutory regulations.

Following a change in legislation in September 2005 there is a potential debt on the employer that could be levied by the Trustee of the Scheme. The debt is due in the event of the employer ceasing to participate in the Scheme or the Scheme winding up.

The debt for the Scheme as a whole is calculated by comparing the liabilities for the Scheme (calculated on a buyout basis i.e. the cost of securing benefits by purchasing annuity policies from an insurer, plus an allowance for expenses) with the assets of the Scheme. If the liabilities exceed assets there is a buy out debt.

COMMUNITY CARE PROVIDERS SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 March 2007

11 Pension Commitments (continued)

The leaving employer's share of the buy out debt is the proportion of the Scheme's liability attributable to employment with the leaving employer compared to the total amount of the Scheme's liabilities (relating to employment with all the currently participating employers). The leaving employer's debt therefore includes a share of any "orphan" liabilities in respect of previously participating employers. The amount of the debt therefore depends on many factors including total Scheme liabilities, Scheme investment performance, the liabilities in respect of current and former employees of the employer, financial conditions at the time of the cessation event and the insurance buy out market. The amounts of debt can therefore be volatile over time.

CCPS has been notified by the Pensions Trust of the estimated employer debt on withdrawal from the Plan based on the financial position of the Scheme as at 30 September 2005. As of this date the estimated employer debt for CCPS was £276,000.

12 Contingent Liability

As referred to above (note 10) CCPS has a contingent liability for their share of the SCVO Pension Scheme's liabilities which may crystallise under certain circumstances in the future.