

REPORT AND  
FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2009

# CONTENTS

MANAGEMENT BOARD REPORT .....	3
STATEMENT OF DIRECTORS' RESPONSIBILITIES .....	10
INDEPENDENT AUDITORS' REPORT .....	11
INCOME AND EXPENDITURE ACCOUNT .....	13
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES .....	13
STATEMENT OF FINANCIAL ACTIVITIES .....	14
BALANCE SHEET .....	15
CASH FLOW STATEMENT .....	16
NOTES TO THE FINANCIAL STATEMENTS .....	17
The following pages do not form part of the financial statements:	
APPENDIX .....	30-31

# MANAGEMENT BOARD REPORT

The Management Board present their annual report together with the audited financial statements for the year ended 31st March 2009.

## MISSION

SCVO seeks to advance the values and shared interests of the voluntary sector by fostering collaboration, promoting best practice and delivering sustainable services.

## OBJECTIVES

- Build voluntary sector capacity and strengthen governance
- Increase the effectiveness of the voluntary sector's infrastructure
- Promote citizen action and civic engagement
- Improve the voluntary sector's contribution to better Scottish public services
- Promote civil society interaction locally, nationally and globally

## ACTIVITIES

- Strengthen the **voice** of voluntary organisations and support them to advocate on behalf of the communities they serve
- **Communicate** with, about, and on behalf of the voluntary sector
- Develop **knowledge** about the voluntary sector
- Develop voluntary sector **networking** and collaboration
- Provide **organisational development** support for the sector
- Develop **resources** for the voluntary sector
- Sustain and enhance **services** tailored to the needs of the voluntary sector
- Develop SCVO's own **effectiveness**

## GOVERNANCE STRUCTURE

Members of the Management Board are Charity Trustees and Directors of the Company and are elected from the SCVO Policy Committee in General Meeting. The Convener, Vice-Convener and Treasurer are similarly elected as office bearers and up to two co-options are available to bring skills to the Board that would not otherwise be available. The SCVO Management Board has responsibility for the strategic management of SCVO. Day to day operation of SCVO is delegated to the Chief Executive and his directorate team. During this financial year (from October) the Chief Executive took sabbatical leave from the organisation with the Deputy Chief Executive temporarily acting up to his responsibilities.

SCVO is a member-led organisation. Twenty-four out of thirty-two members of the SCVO Policy Committee are elected by members for an initial term of up to three years and may stand for election for a further three years. The Policy Committee sets and reviews policy priorities and represents the collective voice of the voluntary sector. Up to eight co-options are available to represent fields of voluntary sector activity not otherwise represented.

All new Trustees and members of the Policy Committee are invited to participate in induction training prior to commencing their role and are given copies of SCVO Memorandum and Articles of Association, and supporting documentation, including the current strategic and operational plans.

## STRATEGY

SCVO's approach to strategic and operational planning and performance management involves an overarching strategic framework (objectives and activity areas as above), and an operational plan detailing actions within each activity area. These are linked to associated cost centres and are monitored on a routine basis by the directorate, who report periodically to the Board.

This year the Board approved the introduction of a new system of evaluation of SCVO's impact. Working with the expert input of Evaluation Support Scotland a new outcome-based framework to assess progress towards organisational objectives was developed, and will be implemented over coming months.

The evaluation framework will also help underpin a new 'strategic partnership' which was negotiated and agreed with the Scottish Government Third Sector Division to take effect from April 2009.

Looking forward, SCVO will be fully engaged in helping our members respond to needs arising from the recession. In particular, new opportunities to act in an agency role between government and voluntary organisations who can provide employment and training services will be explored. It is anticipated that the purchase and development of a building in Glasgow will enable SCVO to realise a long held ambition to provide a shared services hub for members who work in the city. Finally, closer relationships with social partners and other non-governmental interests will continue to be developed with a view to building stronger networks and alliances in Scottish civil society.

## REVIEW OF THE YEAR

Membership of SCVO rose to 1277 on 31st March 2009, with the biggest increase being in the 'grassroots' category of membership.

## PRINCIPAL ACTIVITIES THROUGHOUT THE YEAR

### Voice

The impact of the onset of recession on the voluntary sector, along with the continuing impact of the Scottish government's localism agenda have been the major features of SCVO's advocacy work over the year. There has been a major emphasis on working with government at all levels, and with Parliament, to find solutions to seemingly intractable problems of a significantly reducing public expenditure budget at a time when demand on the sector's services was radically increasing. A roundtable recession-busting session with the Cabinet Secretary for Finance was followed by an invitation to present to the full Cabinet. A strategic engagement also with CoSLA and the local government chief executives association (SOLACE) has provided a focus for issues around local level funding, procurement processes and relationships.

Other key issues on the agenda included a major review of Lottery funding, the potential of the 2014 Commonwealth Games to increase community activism, input to the Calman Commission and National Conversation reviewing the devolution settlement, proposed amendments to charity law and the proposed extension of freedom of information legislation to the sector.

Support for the sector to engage directly with decision-makers has continued with a successful parliamentary reception in June, evidence sessions with parliamentary committees, and topical conferences.

### Communication

A revamp of our main communications channels was begun this year to increase accessibility and broaden content to make them attractive to a wider civil society audience. Phase one of an overhaul of the website was completed, with the result that website traffic now averages around 17,000 visits a month, of which approaching 40% are new visitors, indicating a substantial and steady increase in our web-reach. A review of the reach of subscriptions to Third Force News was undertaken and planning towards a new distribution mechanism was initiated, both of which will see a significant increase in readership.

## Knowledge

A new online 'evidence library' was published which provides a focal point for information and research material about the voluntary sector. A new relationship with Economic and Research Council led to a series of joint seminars involving sector practitioners, academics and government researchers. Strategic engagement with Scottish Government on the planning and commissioning of research has newly established the voluntary sector as a legitimate area of official study.

## Networking and Collaboration

The last in the series of SCVO-hosted CIVICUS World Assemblies took place in June 2008. 778 civil society activists from 102 different countries participated in an event running alongside the Scottish voluntary sector's own Gathering, giving Scottish voluntary sector people an unrivalled opportunity for networking and learning. The circa £4m project to run the CIVICUS series has run over five years and while it initially presented a level of financial risk to the organisation, has now concluded positively, with both CIVICUS and SCVO in a stronger position. As a Scottish legacy to the CIVICUS series, SCVO's international activity has stepped up with operational partnerships with Malawi and Zimbabwe and Poland, planning underway with India and a new formal network with our European counterparts imminent. SCVO has played host to visiting fellows from across the globe including Malawi, Vietnam, Burma, Pakistan and China for various periods during the year.

At home the Supporting Voluntary Action Programme, designed to strengthen local support for the voluntary sector, supported by an £8m grant (over five years) from the BIG Lottery Fund, got into full swing. Working principally with councils for voluntary service and volunteer centres the investment has proved timely as Scottish Government-directed changes to local planning and decision-making has taken effect. In this context considerable effort has also gone into ensuring that the national networks of voluntary organisations (known as intermediaries) are well connected with each other and with the local infrastructure.

These changes in this field of activity have caused a rebalancing in our CVS-related investment streams.

A focus this year has also been on SCVO itself as a key network, with a more pro-active approach to membership relations being introduced and the launch of a series of members' networking and feedback sessions.

## Organisational Development

SCVO's Information Service helpline and governance and management web-resources continue to be well-used. Referral to the pro-bono legal service has increased and an evaluation in December reported a high level of customer satisfaction. The helpline took 2805 formal requests for information from April 2008 to March 2009. SCVO is involved in a new forum on leadership and governance issues that emerged during the year with the voluntary sector chief officers' organisation (ACOSVO) and the charity regulator (OSCR).

During the financial year 2008-09, 427 learners engaged in 52 days of learning directly provided by SCVO. Over the same period, a further 80 learners engaged in 7 short courses which were delivered in-house for organisations across Scotland.

Support for the development of equalities good practice remains a focus of our North of Scotland team's work, and with the establishment of a new strategic engagement with the Equalities and Human Rights Commission, signs are good that this work strand can be extended. A new post of Green Agenda Officer was created.

## Resources

The recession has made funding and resource issues even more important for the voluntary sector over the last year and has therefore been a priority focus for the organisation. Non-cash resources such as premises and affordable shared services, have all received new attention with progress being made on the

potential of a Glasgow building and Fairways House in Inverness proving attractive accommodation to 15 voluntary organisations. A developing strategic engagement with the private sector via Scottish Chambers of Commerce is bringing fresh expertise into the sector through skills exchanges and mentoring. The Rural Direct programme has stepped up this year, providing direct assistance to rural voluntary organisations accessing funding from Scottish Government and European programmes. Campaigning on general voluntary sector access to European funds has also continued with evidence submitted to a key Parliamentary committee and new interest in the issue from ministers.

## Workforce

The role of the voluntary sector in the skills agenda in Scotland has received welcome attention over the last year with fresh interest by the lead Cabinet Secretary in the sector as both an employer and as a provider of learning opportunities. There has been strategic engagement with the new Skills Development Scotland body, and some progressing in advancing the sector's long-standing workforce development aspirations, though institutional complexity still creates barriers to progress.

SCVO's advocacy of a voluntary sector role in UK Government led employability programmes gained new urgency in the context of recession. In the 2009 Budget statement came the very welcome news that the Department of Work and Pensions was investing in a local government and voluntary sector-focused job creation programme, in which, building on our track record in New Deal delivery, SCVO is well-placed to engage.

In terms of our ongoing New Deal activity, we had 1,198 people starting on our New Deal programmes in 2008-09. In addition we also supported a number of clients with barriers to employment through Progress2work, Link Up, Get Ready for Work and Moray New Futures.

We continue to work in a close partnership with a number of organisations including Apex Scotland, New Start Highland, Aberlour Childcare Trust, Volunteering Highland and Third Sector Hebrides and a wide range of Third Sector Organisations who provide work experience placements for unemployed people.

## Services

As a means of increasing the value of SCVO membership, four new affinity services were launched in the 2008-09 financial year. These are energy assessment, advice and collective buying power from Utility Aid, a teleconferencing service from Community Network, an income generating search box work facility from Whitebox, and sustainable print and design solutions from GMP. We provided 87 new brokered insurance policies for voluntary organisations through the Encompass scheme, bringing the number of participants to 1239. Overall the income earned from SCVO's range of affinity services grew by over 11% from 2007-08.

420 voluntary organisations now use the SCVO Payroll services, recruitment advertising is holding up despite the recession with 1702 jobs advertised on Goodmoves throughout the year. Membership of SCVO gives access to the services of the SCVO Credit Union, which by the end of the period had 924 individual members.

## SCVO Effectiveness

As well as developing the new evaluation framework during this year, and agreeing the new strategic partnership with Scottish Government, significant management attention was given to improving internal systems and better aligning financial and operational planning cycles. Staff objective-setting, support and appraisal is being geared more directly to the achievement of overall strategic objectives, and following a steer given by the Board, particularly to step up our efforts in promoting community action and civil society interaction.

A new intranet was introduced during the year which has significantly improved internal communication and record-keeping, and improvements to the analysis and reporting functions of the central database was commissioned.

## Acknowledgement

SCVO gratefully acknowledges the contribution made by the Big Lottery Fund during this year, namely:

- Supporting Voluntary Action Programme: £1,083,152
- CIVICUS World Assembly: £167,303
- CIVICUS Intelligent Funder Programme: £32,500

## Results

This year SCVO ended the year with a deficit of £606,799 compared to a surplus in 2008 of £80,782. The deficit for the year can be split between a deficit for the year on restricted activities of (£874,246) and a surplus of £267,447 on unrestricted funds.

## Reserves

Funds employed stand at £3,601,786 (2008: £4,208,585) of which £1,823,757 (2008: £2,698,003) are of a restricted nature. The directors, in considering their ongoing commitments, have designated in total £423,629 (2008: £495,768) as detailed in the notes to the financial statements.

In particular, designated funds have been established to avoid the necessity of realising fixed assets held for the charity's use or selling investments at an inappropriate state of the market:

- to equate to the unrealised appreciation of the value of its investments
- to equate to tangible assets, other than property, required by the council to run its operations
- to equate to the commitment made by the Board to support the CIVICUS World Assembly

Unrestricted reserves are required:

- to allow investment in new projects which will further SCVO's objectives
- to cover staff and operating costs on a short term basis to allow for re-organisation in the event of a significant decrease in income

The reserves policy adopted by the Board is based on the major risks facing the organisation. An estimate has been made of the likely monetary impact and risk weighting based on the likelihood of the event occurring. This allows a monetary value to be assigned to the reserves required. The level of reserves is monitored by the directors on a quarterly basis. At 31 March 2009 the unrestricted reserves stood at £1,354,400 (2008 £1,014,814), an amount the Board considers sufficient to meet operating costs for three months and to contribute to the investment required to implement SCVO's forward plan.

## Investment

An ethical investment is held with ISIS Fund Management Limited, in their UK ethical fund. The amount of investment is relatively small and hence external advice has not been sought in the past year.

## Grant Making

The company has in the past year obtained grants from Government and trusts for the purpose of providing onward grants to other voluntary sector organisations. The grant making policy for these onward grants is determined by the body providing the initial grant funding.

## Risk Management

The directors have, with support from senior staff, adopted a structured approach to risk management and incorporated risk management into its management practices. A regular review of the risks facing the organisation, the risk mitigation possible, the impact and likelihood is carried out on a regular basis. A regular report is made to the Board.

The company is not a risk averse organisation. It recognises that to stay in the forefront of representing the sector's interests and developing services, calculated risks need to be taken. The overall level of risk

accepted may, if the risks materialise, lead to significant change and disruption in the organisation but should not place the organisation as a whole in jeopardy.

The level of risk acceptable is considered against the benefit to the sector. High risk activities with little direct benefit to the sector are not to be undertaken even if there is a possibility of significant amounts of income generation.

The Management Board is the ultimate governing body of the company and is responsible for the organisation's system of internal financial controls. The system of controls aims to give the Board reasonable (but not total) assurance that issues are identified as they arise and are dealt with appropriately in an effective, timely manner. The three main objectives of the control system are:

- to ensure that the company continues to maintain proper accounting records
- to safeguard the organisation's assets from unauthorised disposal or use
- to ensure the integrity and reliability of financial and operational information used for decision-making within the organisation and for external publication

The company's internal controls include:

- a strategic plan and an annual budget approved by the directors
- regular consideration by the directors of financial results, variance from budgets, non-financial and performance indicators.
- delegation of authority and segregation of duties
- Identification and management of risks

#### Associated Undertaking – Workwithus.org Limited

Workwithus.org was established to develop and run a voluntary sector Portal Site on the Internet. At 31 March 2009, the company owned 44% of the shares (2008: 44%).

#### Auditors

It is the director's assessment that there is no relevant audit information which the auditors have not been made aware of and they have taken all necessary steps to ensure that the auditors have been made aware of all relevant audit information.

#### Legal and Administrative Information

The Scottish Council for Voluntary Organisations (SCVO) is a Scottish Charity, Recognition Number SC003558. It is a private company limited by guarantee with no share capital, registration number 24591. The operation of SCVO is governed by its Memorandum and Articles of Association.

#### Directors

The directors during the year and their date of election were as follows:-

**Dr Alison Elliot (Convener)**  
Elected: 29 November 2007

**Helen Tyrell (Vice-Convener)**  
Elected: 22 November 2005

**Lindsay Hall**  
Elected: 25 November 2008

**Alexander Cole-Hamilton**  
Elected: 29 November 2007

**Niall Smith**  
Elected: 5 December 2006

**Neville Mackay (Co-opted)**  
Elected: 12 March 2009

**Margaret Murdoch**  
Elected: 29 November 2007

**Morna Wilson**  
Elected: 5 December 2006

**Patricia Aniello (Treasurer)**  
Elected: 5 December 2006

**Penny Brodie**  
Elected: 25 November 2008

Chief Executive  
**Martin Sime**

Registered Office

Mansfield Traquair Centre  
15 Mansfield Place  
Edinburgh  
EH3 6BB

Auditors

PKF (UK) LLP  
17 Rothesay Place  
Edinburgh  
EH3 7SQ

Bankers

SCVO's main bank accounts are held at:  
The Royal Bank of Scotland plc  
2 Blenheim Place  
Edinburgh  
EH7 5JH

Solicitors

Shepherd & Wedderburn  
Saltire Court  
20 Castle Terrace  
Edinburgh  
EH1 2ET

On behalf of the board



**Dr Alison Elliot (Convener)**

12 October 2009

## STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company and charity law requires the directors to prepare financial statements for each financial year. Under that law the directors are required 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 to give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity, including its income and expenditure, for that period. In preparing these financial statements the directors are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business

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 requirements of the Companies Act 1985 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006. 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements and other information included in annual reports may differ from legislation in other jurisdictions.

# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS AND DIRECTORS OF SCOTTISH COUNCIL FOR VOLUNTARY ORGANISATIONS

We have audited the financial statements of the Scottish Council for Voluntary Organisations for the year ended 31 March 2009 which comprise the statement of financial activities, the summary income and expenditure account, the balance sheet, the cash flow statement 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 section 235 of the Companies Act 1985 and to the charity's directors as a body, in accordance with regulations made under section 44 of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charity's members and 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 charity, the charity's members as a body and the charity's directors as a body, for our audit work, for this report, or for the opinions we have formed.

## **Respective responsibilities of directors and auditors**

The responsibilities of the directors (who are also the directors of the company for the purposes of company law) for preparing the directors' 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 directors' responsibilities.

We have been appointed as auditors under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 1985 and report to you in accordance with those Acts and regulations made under them.

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 1985, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 and whether the information given in the management board 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 directors' remuneration and transactions with the charity is not disclosed.

We read the management board 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 directors 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.

## 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 2009 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 1985, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006; and

The information given in the management board report is consistent with the financial statements.



**19 October 2009**

### **PKF (UK) LLP**

Eligible to act as auditors in terms of section 25 of the Companies Act 1989

Registered auditors

Edinburgh, UK

INCOME AND EXPENDITURE ACCOUNT  
YEAR ENDED 31 MARCH 2009

		2009	2009	2009	2008
	Note	£	£	£	£
		Unrestricted	Restricted	Total	Total
<b>Income</b>	1b	4,868,858	7,084,432	11,953,290	11,597,196
<b>Expenditure</b>		<u>(4,570,321)</u>	<u>(7,958,678)</u>	<u>(12,528,999)</u>	<u>(11,590,240)</u>
<b>Gross (deficit)/surplus</b>	7	298,537	(874,246)	(575,709)	6,956
Income from listed investments		11,027	-	11,027	8,763
Bank interest receivable		38,340	-	38,340	65,063
Unrealised deficit on revaluation of investments		<u>(62,404)</u>	<u>-</u>	<u>(62,404)</u>	<u>-</u>
<b>Surplus/(deficit) for the year</b>		<u>285,500</u>	<u>(874,246)</u>	<u>(588,746)</u>	<u>80,782</u>

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

		2009	2009	2009	2008
		£	£	£	£
		Unrestricted	Restricted	Total	Total
Surplus/ (deficit) for the year		285,500	(874,246)	(588,746)	80,782
Unrealised deficit on investments		<u>(18,053)</u>	<u>-</u>	<u>(18,053)</u>	<u>(27,548)</u>
Total recognised gains and losses relating to the year		<u>267,447</u>	<u>(874,246)</u>	<u>(606,799)</u>	<u>53,234</u>

All amounts relate to continuing operations.

The unrestricted surplus of £267,447 is the surplus generated from unrestricted operations.

The restricted deficit of £874,246 includes net expenditure of £797,656 spent on CIVICUS and other projects. This net expenditure was covered by funding previously received for these purposes and held in Restricted Project Funds. The remaining restricted deficit of £76,590 is the reversal of a Capital grant fund received to support the purchase and equipping of Fairways House in Inverness, less amounts released to unrestricted funds to match the depreciation.

STATEMENT OF FINANCIAL ACTIVITIES  
YEAR ENDED 31 MARCH 2009

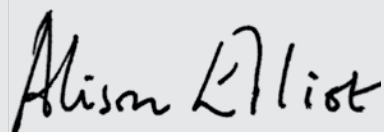
	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2009 £	Total Funds 2009 £
<b>INCOMING RESOURCES</b>					
<b>Incoming resources from generating funds</b>					
Voluntary income	2	893,251	-	893,251	856,878
Investment income		49,367	-	49,367	73,826
<b>Incoming resources from charitable activities</b>					
Services to the sector		1,506,711	320,050	1,826,761	2,479,086
Development and capacity build		262,690	2,128,040	2,390,730	2,487,397
CVS support and development		85,774	4,373,325	4,459,099	3,152,654
Employment initiatives		2,120,432	263,017	2,383,449	2,621,181
<b>Total incoming resources</b>		<u>4,918,225</u>	<u>7,084,432</u>	<u>12,002,657</u>	<u>11,671,022</u>
<b>RESOURCES EXPENDED</b>					
<b>Charitable activities</b>					
Services to the sector		1,810,627	1,167,270	2,977,897	2,738,869
Development and capacity build		573,913	2,155,065	2,728,978	3,189,305
CVS support and development		62,607	4,373,325	4,435,932	3,104,430
Employment initiatives		2,088,831	263,018	2,351,849	2,522,600
<b>Governance costs</b>		34,343	-	34,343	35,036
<b>Total resources expended</b>	3	<u>4,570,321</u>	<u>7,958,678</u>	<u>12,528,999</u>	<u>11,590,240</u>
<b>Net (outgoing) / incoming resources before other recognised gains and losses</b>		347,904	(874,246)	(526,342)	80,782
Other recognised gains / (losses) on investments		(80,457)	-	(80,457)	(27,548)
<b>Net movement in funds</b>		<u>267,447</u>	<u>(874,246)</u>	<u>(606,799)</u>	<u>53,234</u>
Fund balances brought forward at 1 April 2008		1,510,582	2,698,003	4,208,585	4,155,351
<b>Fund balances carried forward at 31 March 2009</b>	13, 14, 15	<u>1,778,029</u>	<u>1,823,757</u>	<u>3,601,786</u>	<u>4,208,585</u>

BALANCE SHEET  
AS AT 31 MARCH 2009

	Note	2009 £	2008 £
<b>Fixed Assets</b>			
Tangible assets	9	2,040,976	2,205,079
Investments	10	153,969	224,811
		<u>2,194,945</u>	<u>2,429,890</u>
<b>Current Assets</b>			
Debtors	11	1,687,298	1,657,140
Cash at bank and in hand		803,994	1,460,997
		<u>2,491,292</u>	<u>3,118,137</u>
<b>Creditors:</b> amounts falling due within one year	12	<u>(1,084,451)</u>	<u>(1,339,442)</u>
<b>Net current assets</b>		<u>1,406,841</u>	<u>1,778,695</u>
<b>Total assets less current liabilities</b>		<u>3,601,786</u>	<u>4,208,585</u>
<b>Total assets less liabilities</b>		<u><u>3,601,786</u></u>	<u><u>4,208,585</u></u>
<b>Funds employed:</b>			
Restricted funds	13	1,823,757	2,698,003
<b>Unrestricted funds</b>			
Designated funds:	14	423,629	495,768
General funds	15	1,354,400	1,014,814
<b>Total funds</b>	16	<u><u>3,601,786</u></u>	<u><u>4,208,585</u></u>

The financial statements were approved and authorised for issue by the board on 12<sup>th</sup> October 2009.

Signed on behalf of the board of directors



**Dr Alison Elliot**  
Director

CASH FLOW STATEMENT  
YEAR ENDED 31 MARCH 2009

		<b>2009</b>	<b>2008</b>
	<b>Note</b>	<b>£</b>	<b>£</b>
<b>Net cash (outflow) / inflow from operating activities</b>	21a	<u>(661,055)</u>	<u>684,433</u>
<b>Returns on investments and servicing of finance</b>			
Interest received		38,340	65,063
Income from listed investments		11,027	8,763
		<u>49,367</u>	<u>73,826</u>
<b>Capital expenditure and financial investment</b>			
Payments to acquire tangible fixed assets		(35,700)	(69,698)
Payments to acquire investments		(9,615)	(7,503)
		<u>(45,315)</u>	<u>(77,201)</u>
<b>(Decrease) / Increase in cash</b>	21b	<u><u>(657,003)</u></u>	<u><u>(681,058)</u></u>

Reconciliation of net cash flow to movement in net cash and liquid resources (Note 22b)

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
(Decrease) / Increase in cash	(657,003)	681,058
<b>Movement in net cash and liquid resources</b>	(657,003)	681,058
<b>Net funds at 1 April 2008</b>	<u>1,460,997</u>	<u>779,939</u>
<b>Net funds at 31 March 2009</b>	<u>803,994</u>	<u>1,460,997</u>

## I. Accounting Policies

### a) Basis of Preparation

The financial statements are prepared under the historical cost convention, with the exception of listed investments, which are included in the balance sheet at market value. The financial statements have been prepared in accordance with the revised Statement of Recommended Practice for Accounting and Reporting by Charities (revised 2005), adapted to reflect the requirements of Scottish Law.

As allowed by paragraph 3(3) of Schedule 4 to the 1985 Companies Act the directors have, due to the special nature of the company's business, adapted the prescribed format for the profit and loss account.

In accordance with s248 of the Companies Act the accounts represent the company's figures and do not include any of the associated company's transactions.

### b) Incoming Resources – Grants Receivable and Other Income

It is the company's policy to take all grants to the statement of financial activities in the year to which they relate. Where as part of the grant conditions the donor has imposed restrictions on the expenditure of resources which amount to pre-conditions for use any grant received over and above the level of expenditure is deferred. If no such restrictions are imposed then the income is recognised in full and if the grant is of a restricted nature and the level of expenditure is not equal to the grant the balance is transferred to a restricted fund.

Where grants are received specifically to provide for a fixed asset the income is recognised in the SOFA in the year of receipt. An amount equal to the grant is transferred to a restricted fund which is then reduced over the useful economic life in line with the depreciation charged.

The company charges for services as part of its charitable activities and income is recognised on a receivable basis. Such income is included as other income.

### c) Resources Expended

Resources expended are included in the statement of financial activities on an accruals basis, inclusive of any VAT which can not be recovered. Where costs cannot be directly attributed to activities they have been allocated on a basis consistent with use of the resources.

Grant expenditure is recognised once the offer of grant has been accepted by the recipient.

### d) Resources Expended

Direct costs are charged to the charitable activities and support costs have been allocated to all activities on the on the basis of the number of full time equivalent staff working directly on an activity. Where a member of staff works on more than one activity the costs are allocated on the basis of time spent on each activity.

Governance costs are charged directly and include audit fees and committee expenses.

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 31 MARCH 2009 (continued)

#### e) Tangible Fixed Assets and Depreciation

Fixed assets are initially recorded at cost. Depreciation is provided on all completed assets that are capitalised. It is charged on a straight-line basis over the expected life of the asset after taking into account the estimated residual value. The following lives are assumed:-

- Computer equipment – 3 to 5 years.
- Fixtures and fittings – 5 to 10 years.
- Leasehold improvements – 20 years (or term of lease if less).
- Freehold buildings – 25 years

Freehold land is not depreciated.

#### f) Investments

Listed investments are shown in the balance sheet at market value. Any unrealised gains or losses are credited or charged to the investment revaluation reserve.

#### g) Funds

General funds are unrestricted funds which are available for use at the discretion of the directors in furtherance of the general objectives of the charity and which have not been designated for other purposes. Designated funds comprise unrestricted funds that have been set aside by the directors for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements. Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors.

#### h) Leases

Rentals payable under operating leases are charged in the statement of financial activities on a straight line basis over the lease term.

#### i) Pensions

The company participates in two pension schemes administered by the Pensions Trust: the SCVO Final Salary Scheme and the Growth Plan Scheme. Contributions are charged to the statement of financial activities so as to spread the cost of pensions over the employees' working lives.

#### j) Foreign Currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange gains and losses are recognised in the statement of financial activities.

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 MARCH 2009 (continued)

**2. Incoming resources**

	2009	2008
	£	£
<b>Voluntary income</b>		
Donations and gifts	2,275	2,725
Membership subscriptions	240,976	204,153
Core funding grant	650,000	650,000
	<u>893,251</u>	<u>856,878</u>

**3. Resources expended**

	Governance	Activities undertaken	Grant funding of activities	Support costs	2009 Total	2008 Total
	£	£	£	£	£	£
<b>Charitable activities</b>						
Services to the sector	-	2,342,533	370,768	264,596	2,977,897	2,738,869
Development and capacity build	-	2,289,151	93,612	346,215	2,728,978	3,189,306
CVS support and development	-	409,126	3,950,000	76,806	4,435,932	3,104,431
Employment initiatives	-	2,047,443	38,937	265,469	2,351,849	2,522,598
		<u>7,088,253</u>	<u>4,453,317</u>	<u>953,086</u>	<u>12,494,656</u>	<u>11,555,204</u>
<b>Governance costs</b>						
Governance	34,343	-	-	-	34,343	35,036
<b>Total resources expended</b>	<u>34,343</u>	<u>7,088,253</u>	<u>4,453,317</u>	<u>953,086</u>	<u>12,528,999</u>	<u>11,590,240</u>

**4. Support cost allocation**

	Services to the sector	Development and capacity build	CVS support and development	Employment initiatives	Total
	£	£	£	£	£
Accommodation	142,846	139,241	32,862	57,854	372,803
Finance	46,965	78,215	16,606	77,502	219,288
HR	28,746	47,873	10,164	47,436	134,219
ICT	48,569	80,886	17,173	80,148	226,776
<b>Total</b>	<u>267,126</u>	<u>346,215</u>	<u>76,805</u>	<u>262,940</u>	<u>953,086</u>

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 MARCH 2009 (continued)

**5. Taxation**

The company is accepted as a charity for taxation purposes. It is considered that no liability to corporation tax will arise on the results of the year.

**6. Staff costs**

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Salaries	3,405,285	3,529,225
Social security costs	251,435	252,469
Other pension costs	281,092	303,772
	<u>3,937,812</u>	<u>4,085,466</u>

The average number of full time equivalent employees during the year was 116 (2008: 122). One member of staff earned between £60,000 and £70,000 (2008: one), one member of staff earned over £70,000 (2008: one).

Included within staff costs are redundancy costs amounting to £19,589 (2008: £99,235).

**7. Gross surplus (deficit) for the Year**

The gross surplus/(deficit) is stated after charging:

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Depreciation	199,803	203,659
Auditors' remuneration		
statutory audit services	10,957	13,063
non-audit services	-	3,851
Indemnity insurance	5,423	5,423
Operating lease rentals		
equipment	12,716	22,573
property	119,766	116,920

**8. Directors' Expenses**

Directors are reimbursed for expenses incurred on travel and subsistence in the performance of their duties as directors. The cost in 2009 was £2,621 (2008: £4,326). No remuneration was received by directors in 2009 (2008: £nil).

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 MARCH 2009 (continued)

**9. Fixed Assets**

<b>Tangible Assets</b>	<b>Land &amp; Buildings</b>	<b>Fixtures &amp; Fittings</b>	<b>Computer Equipment</b>	<b>Total</b>
	£	£	£	£
<b>Cost</b>				
At 31 March 2008	2,163,480	343,464	373,911	2,880,855
Additions during year	-	9,261	26,439	35,700
Disposals during year	-	-	(33,935)	(33,935)
At 31 March 2009	<u>2,163,480</u>	<u>352,725</u>	<u>366,415</u>	<u>2,882,620</u>
<b>Depreciation</b>				
At 31 March 2008	255,981	187,551	232,244	675,776
Charge for year	71,132	41,248	87,423	199,803
Disposals during year	-	-	(33,935)	(33,935)
At 31 March 2009	<u>327,113</u>	<u>228,799</u>	<u>285,732</u>	<u>841,644</u>
<b>Net book amount</b>				
At 31 March 2009	<u>1,836,367</u>	<u>123,926</u>	<u>80,683</u>	<u>2,040,976</u>
At 31 March 2008	<u>1,907,499</u>	<u>155,913</u>	<u>141,667</u>	<u>2,205,079</u>

Included within Land and buildings are leasehold improvements with a net book value of £221,501 (2008: £238,166).

Included within Land and Buildings is land with a cost of £600,000 (2008: £600,000).

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 MARCH 2009 (continued)

**10. Fixed Asset Investments**

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
<b>Listed Investments</b>		
Market value at 31 March 2008	224,767	244,811
Additions at cost	9,615	7,503
Movement in unrealised appreciation	(18,053)	(27,547)
Movement in recognised appreciation	(62,404)	-
Market value at 31 March 2009	<u>153,925</u>	<u>224,767</u>
 Historical cost at 31 March 2009	 <u>216,330</u>	 <u>206,715</u>

The investment portfolio is managed by the F&C Management Limited on behalf of the company.

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
<b>Unlisted investments</b>		
Market value at 31 March 2008	44	44
Disposals at cost	-	-
Market value at 31 March 2009	<u>44</u>	<u>44</u>
 Historical cost at 31 March 2009	 <u>44</u>	 <u>44</u>

This investment represents shares issued by Workwithus.org Limited.

This investment represents 44% of the shares issued by Workwithus.org Limited.

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 MARCH 2009 (continued)

**11. Debtors**

	<b>2009</b>	<b>2008</b>
	£	£
Due within 12 months:		
Outstanding grants	955,908	693,026
Prepayments	21,427	150,880
Other debtors	601,275	657,794
	<u>1,578,610</u>	<u>1,501,700</u>
Due in more than 12 months:		
Prepayments	108,688	120,438
Other debtors	-	35,000
	<u>1,687,298</u>	<u>1,657,138</u>

Eleven years rent has been paid in advance for the offices at the Mansfield Traquair Centre in Edinburgh.

**12. Creditors:** amounts falling due within one year

	<b>2009</b>	<b>2008</b>
	£	£
Accruals	292,812	555,202
Deferred income	51,174	169,309
Other taxes and social security costs	213,246	234,711
Other creditors	527,219	380,220
	<u>1,084,451</u>	<u>1,339,442</u>

**Deferred Income**

Opening balance	169,309	150,949
Released in year	(169,309)	(150,949)
Deferred income for year	51,174	169,309
	<u>51,174</u>	<u>169,309</u>

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 MARCH 2009 (continued)

**13. Restricted Funds**

	<b>Project Funds</b>	<b>Capital Grants</b>	<b>Total 2009</b>	<b>Total 2008</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Balance at 31 March 2008	952,751	1,745,252	2,698,003	2,472,012
Surplus / (deficit) for year	(797,656)	(76,590)	(874,246)	225,991
Balance at 31 March 2009	<u>155,095</u>	<u>1,668,662</u>	<u>1,823,757</u>	<u>2,698,003</u>

Project funds represent a balance of income unexpended at the year end on a number of small restricted grants. The Capital grant fund represents grants received to support the purchase and equipping of the voluntary sector centre in Inverness, less amounts released to unrestricted funds to match the depreciation.

**14. Designated Funds**

	<b>CIVICUS Reserve</b>	<b>Investment Revaluation Reserve</b>	<b>Other Tangible Assets Reserve</b>	<b>2009</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Balance at 31 March 2008	17,888	18,053	459,827	495,768
Surplus/(Deficit) for the year	33,427	-	(87,513)	(54,086)
Transfer from general funds	-	(18,053)	-	(18,053)
Balance at 31 March 2009	<u>51,315</u>	<u>-</u>	<u>372,314</u>	<u>423,629</u>

**CIVICUS Reserve**

The reserve was created to cover commitment made by the Board to support the handover of the CIVICUS World Assembly.

**Investment Revaluation Reserve**

This reserve represents the revaluation of the company's fixed asset investments.

**Other Tangible Assets Reserve**

This reserve has been created to represent the reserves that are not available for other activities since they have been used to purchase fixed assets. It excludes fixed assets that have been funded by grants for which a restricted fund exists.

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 MARCH 2009 (continued)

**15. General Funds**

	2009	2008
	£	£
Balance at 31 March 2008	1,014,814	598,059
Surplus for year	383,937	389,207
Unrealised deficit on revaluation	(62,404)	-
Transfer from/(to) designated funds	18,053	27,548
Balance at 31 March 2009	<u>1,354,400</u>	<u>1,014,814</u>

**16. Analysis of Net Assets between Funds**

	Restricted Funds	Designated Funds	General Funds	2009	2008
	£	£	£	£	£
Tangible fixed assets	1,668,662	372,314	-	2,040,976	2,205,079
Investments	-	-	153,969	153,969	224,811
Net current assets	155,095	51,315	1,200,431	1,406,841	1,778,695
	<u>1,823,757</u>	<u>423,629</u>	<u>1,354,400</u>	<u>3,601,786</u>	<u>4,208,585</u>

**17. Administered Funds**

These are funds administered by the company on behalf of a number of companies. In accordance with the SORP they have not been included in the main financial statements of the company but are as follows:

	2009	2008
	£	£
<b>Current assets</b>		
Cash at bank and in hand	<u>68,438</u>	<u>115,662</u>
<b>Creditors:</b> amounts falling due within one year		
Covenant and gift aid funds	60,344	58,752
Other funds	8,094	56,910
Other creditors	-	-
	<u>68,438</u>	<u>115,662</u>
Total assets less liabilities	<u>-</u>	<u>-</u>

Total income administered during the year amounted to £101,255 (2008: £130,200) and disbursements totalled £148,580 (2008: £493,671).

## 18. Pension Commitments

The Scottish Council for Voluntary Organisations participates in the Scottish Voluntary Sector Final Salary 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 until 30 September 2007. From October 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.

From 1 October 2007 SCVO opted to change from the 1/60th to the 1/80th accrual benefit structure in order to maintain current contribution rates.

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 SCVO paid contributions at the rate of 12.0%. Member contributions were 6.0%.

As at the balance sheet date, there are 78 active members of the Scheme employed by SCVO. SCVO continues to offer membership of the Scheme to its employees.

It is not possible in the normal course of events to identify on a consistent and reasonable basis the share of underlying assets and liabilities belonging to individual participating employers. This is because the scheme is a multi-employer scheme where the scheme assets are co-mingled for investment purposes and benefits are paid from total scheme assets. Accordingly, due to the nature of the Scheme, the accounting charge for the period under FRS17 represents the employer contribution payable.

The last formal valuation of the Scheme was performed as at 30 September 2005. Preliminary results of the formal valuation as at 30 September 2008 have been calculated by a professionally qualified actuary using the Projected Unit Method. The market value of the Scheme's assets at the 30 September 2008 was £45.1 million. The valuation revealed a shortfall of assets compared with the value of liabilities of £20.438 million (equivalent to a past service funding level of 68.8%).

The financial assumptions underlying the valuation as at 30 September 2008 were as follows:

	<b>% pa</b>
- Investment return pre retirement	6.8
- Investment return post retirement	4.6
- Rate of salary increases	4.2% for five years and 4.7% p.a. thereafter
- Rate of pension increases:	
for pensionable service pre 6 April 2005	3.0
for pensionable service post 5 April 2005	2.3
- Rate of price inflation	3.2

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 MARCH 2009 (continued)

The long-term joint contribution rates required from employers and members to meet the cost of future benefit accrual following the 2005 valuation were assessed at:

Benefit structure	Long-term joint contribution rate (% of pensionable salaries)
Final salary 1/60th accrual rate	20.0% comprising employer contributions of 13% and member contributions of 7%
Final salary 1/80th accrual rate	15.3% comprising employer contributions of 9.3% 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, including the deficit contribution of 2.7%, shown in the table below would be payable with effect from 1 October 2007.

Benefit structure	Long-term joint contribution rate (% of pensionable salaries)
Final salary 1/80th accrual rate	18.0% comprising employer contributions of 12.0% and member contributions of 6.0%

If the valuation assumptions are borne out in practice this pattern of contributions should be sufficient to eliminate the past service deficit at the 2005 valuation, 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).

The recovery plan from the 2008 valuation will be submitted to the Pensions Regulator in due course. The next full actuarial valuation will be carried out as at 30 September 2011.

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.

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

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 MARCH 2009 (continued)

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.

SCVO has been notified by the Pensions Trust of the estimated employer debt on withdrawal from the Scheme based on the financial position of the Scheme as at 30 September 2008. As of this date the estimated employer debt for SCVO was £11,171,000.

## 19. Leasing Commitments

The company had the following annual commitments under non-cancellable operating leases:-

	Buildings		Office Equipment	
	2009	2008	2009	2008
	£	£	£	£
Expiring - within 1 year	95,329	92,938	4,892	3,700
- in 1 to 5 years	-	-	8,042	13,484
- more than 5 years	11,750	11,750	-	-
	<u>107,079</u>	<u>104,688</u>	<u>12,934</u>	<u>17,184</u>

## 20. Associated Company

At 31 March 2009, the company owned 44% of the shares in Workwithus.org Limited. Currently the company appoints one director to the Board of Workwithus.org Limited. Included within other debtors is a balance due from Workwithus.org Limited of £58,066 (2008: £87,817). A summary of the trading results for the period to 31 March 2009 is shown below.

	2009	2008
	£	£
Turnover	191,033	200,086
Cost of sales and administration expenses	(178,957)	(202,142)
Net profit/(loss)	<u>12,076</u>	<u>(2,056)</u>
Interest receivable	1,780	2,186
Profit on ordinary activities before taxation	<u>13,856</u>	<u>130</u>
Tax on profit on ordinary activities	(437)	-
Retained in the associate	<u>13,419</u>	<u>130</u>

The assets and liabilities of the associate were:

Fixed assets	11,142	15,598
Current assets	65,835	196,275
Creditors – amounts falling due within one year	(74,581)	(187,896)
Creditors – amounts falling due greater than one year	-	(35,000)
Total net liabilities	<u>2,396</u>	<u>(11,023)</u>
Aggregate share capital and reserves	<u>2,396</u>	<u>(11,023)</u>

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 MARCH 2009 (continued)

**21. Notes to the Statement of Cash Flows**

a) Reconciliation of surplus for the year before transfers to net cash inflow from operating activities.

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
(Deficit)/Surplus for the year before transfers	(588,746)	80,782
Depreciation	199,803	203,659
(Increase) / Decrease in debtors	(30,160)	458,956
(Decrease)/ Increase in short term creditors	(254,989)	14,862
Income from investments and finance costs	(49,367)	(73,826)
Loss on investments	62,404	-
Net cash inflow from operating activities	<u>(661,055)</u>	<u>684,433</u>

b) Analysis of net cash and liquid resources

	<b>At 1 April 2008</b>	<b>Cash Flow</b>	<b>At 31 March 2009</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Cash at bank and in hand	<u>1,460,997</u>	<u>(657,003)</u>	<u>803,994</u>

**22. Grant funding of activities**

As indicated in note 3, SCVO paid out £4,453,316 in grants in the year. SCVO is not generally a grant making charity. For some grant funded activities included in the Development and Capacity Building of the sector, we work as the lead partner for projects funded by the European Union including the Northern Peripheries Programme, EQUAL and ESF. Onward grants are made to other voluntary organisations. For the year 2008-09, we worked with 10 organisations and distributed grants of £93,613. In Services to the Sector we distributed £370,768.

SCVO distributes grants funded by the Scottish Government to the CVS Network. Each CVS received a grant of between £25,885 and £130,765. The total grants distributed to the CVS Network in 2008-09 were £3,950,000.

Employment Initiatives activity grants of £38,935 were made to individuals on ESF projects linked to the New Deal.

**23. Post Balance Sheet events**

In June 2009 SCVO submitted an offer, which has been accepted, to purchase Brunswick House, 51 Wilson Street, Glasgow.

The SVSPS Pensions Committee has decided on principle to close the SVSPS scheme to future accrual from April 2010 subject to consultation. This decision affects all employers participating in the scheme and as such does not trigger a Cessation Event on any employer. SCVO will need to source alternative pension provision for its staff from April 2010.

## APPENDIX I ANALYSIS OF INCOME

Income category	Total 2008/09	Total 2007/08
<b>Voluntary income</b>		
Core Grant from the Scottish Executive	650,000	650,000
Donations	2,275	(10,250)
Membership	240,976	204,153
<b>Voluntary income total</b>	<b>893,251</b>	<b>843,903</b>
<b>Investment income and interest total</b>		
	<b>49,367</b>	<b>73,826</b>
<b>Services to the sector</b>		
<b>CIVICUS World Assembly</b>		
CIVICUS grant DIFD	-	500,000
CIVICUS grant other	11,837	11,070
Big Lottery	199,803	273,887
Earned income from services to the sector	1,522,776	1,520,393
Scottish Govt project grants	92,345	186,711
<b>Services to the sector total</b>	<b>1,826,761</b>	<b>2,492,061</b>
<b>Development and capacity build</b>		
Scottish Govt project grants	504,478	318,129
Grants from local authorities	13,000	25,000
<b>European Funding</b>		
ESF	178,054	748,309
EQUAL	-	3,444
Northern Periphery Programme	50,454	241,530
Communities Scotland	-	158,684
<b>Dev Enterprise Network</b>		
Scottish Enterprise	-	7,000
Highlands and Islands Enterprise	3,799	152,206

APPENDIX I  
ANALYSIS OF INCOME (continued)

**Development and capacity build (continued)**

Big Lottery	1,083,153	238,675
<b>Other Grant Funders</b>		
Other grant funders	349,188	336,883
Other grant funders - Carnegie Trust	-	20,803
Atlantic Philanthropies	-	25,000
Earned income from services to the sector	208,604	211,734

<b>Development and capacity build total</b>	<b>2,390,730</b>	<b>2,487,397</b>
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**CVS support and development**

Scottish Govt onward grants	3,950,000	2,853,384
Scottish Govt project grants	439,704	200,000
Earned income from services to the sector	69,395	87,120
Other grant funders	-	150

<b>CVS support and development total</b>	<b>4,459,099</b>	<b>3,152,654</b>
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**Employment Initiatives**

Grants from local authorities	61,830	61,832
ESF	165,990	440,074
Highlands and Islands Enterprise	156,578	76,889
Other grant funders	92,408	105,191

Job Centre Plus	1,909,643	1,937,195
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<b>Employment Initiatives total</b>	<b>2,383,449</b>	<b>2,621,181</b>
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<b>Grand total</b>	<b>12,002,657</b>	<b>11,671,022</b>
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### **General enquiries**

email: [enquiries@scvo.org.uk](mailto:enquiries@scvo.org.uk)

### **SCVO Information Service**

FREEPHONE 0800 169 0022

### **Visit our website**

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