

**Annandale & Eskdale Council
for Voluntary Service**

(A company limited by guarantee)

**Annual Report and Financial
Statements**

31 March 2010

Company registration number: SC176394

Charity registration number: SC013763



Annandale & Eskdale Council for Voluntary Service
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Annandale & Eskdale Council for Voluntary Service
Reference and Administrative Details

Charity name	Annandale & Eskdale Council for Voluntary Service
Charity registration number	SC013763
Company registration number	SC176394
Principal office	16 High Street Lochmaben LOCKERBIE DG11 1NH
Registered office	16 High Street Lochmaben LOCKERBIE DG11 1NH
Trustees	C Neilson I M B Taylor (resigned 23 September 2009) J Scoular (resigned 23 September 2009) M G Fletcher (resigned 23 September 2009) M W Sanderson W D Hunter-Grant I S Roxburgh G Copeland S J Ledger (appointed 4 November 2009) R A Flexney (appointed 4 November 2009)
Secretaries	K Nutt (resigned 18 March 2010) M Silvester (appointed 18 March 2010)
Accountant	Dodd & Co FIFTEEN Rosehill Montgomery Way Rosehill Estate CARLISLE CA1 2RW

Annandale & Eskdale Council for Voluntary Service

Trustees' Report for the Year Ended 31 March 2010

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

AECVS is a charitable company limited by guarantee, registered as a charity 29th January 1991 and incorporated 13th June 1997. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

Recruitment and Appointment of Trustees

The directors of the company are also charity trustees for the purposes of charity law. Under the requirements of the Memorandum & Articles one third of the directors shall retire by rotation but can be reappointed.

Due to the nature of the service which AECVS provides, the Management Board seeks to ensure a wide representation of AECVS members on the Board, both in terms of the nature of the voluntary organisation they represent and their location within Annandale & Eskdale.

Trustee Induction and Training

All long serving trustees are already familiar with the practical work of AECVS due to the breadth of their experience and service. New trustees undergo an induction at our offices in Lochmaben, undertaken by the AECVS Manager. This includes an information pack on the work of AECVS, a guide to the obligations of Management Board members, financial information, and extracts from the "Essential Trustee" guide from the Charity Commission. They also have the opportunity to be mentored by an experienced board member.

Risk Management

Since moving into new premises seven years ago the activities of AECVS have expanded to include housing other voluntary organisations (at subsidised costs) as a way of diversifying income. Internal control risks were minimised in 2007-8 by the implementation of additional procedures for authorisation of all transactions and new projects. The Management Board agreed to implement SAGE accounting systems in 2006-2007 which has allowed enhanced tracking of finances, particularly project funding.

Procedures are in place to ensure compliance with health and safety of staff, volunteers, clients and visitors to our premises in Lochmaben. Policies and procedures are reviewed annually.

Organisational Structure

AECVS has a Management Board which meets at least quarterly and is responsible for the strategic direction and policy of AECVS. At present the Board has seven members from a variety of professional and voluntary sector backgrounds relevant to the work of AECVS. The Board also has two advisors from Dumfries & Galloway Council, Councillors Archie Dryburgh and Ian Lindsay. The Company Secretary sits on the Board but has no voting rights.

An organisational structure is in place and day-to-day responsibility for the provision of AECVS services rests with the Board. The Board is also responsible for ensuring that AECVS delivers the services specified from our funders, and that our key performance indicators are met, such as the Scottish Government Thrive and Connect Business Plan. The Chair is responsible for individual supervision of the staff team and ensuring that the team continues to develop their skills and working practices in line with good practice.

Annandale & Eskdale Council for Voluntary Service

Trustees' Report for the Year Ended 31 March 2010

OBJECTIVES AND ACTIVITIES

The AECVS' objects and principles are to:

- Work towards a smooth transition to an interface model for Dumfries & Galloway, as required by the Scottish Government
- Promote any charitable purposes for the benefit of the inhabitants of Annandale & Eskdale district and environs and in particular the advancement of education, the furtherance of health and the relief of poverty, distress and sickness;
- Promote and organise co-operation in the achievement of the above purposes and to that end bring together in council representatives of the voluntary organisations with the statutory authorities engaged in the furtherance of the above purposes or any of them within Annandale & Eskdale district and environs;
- Do all other things as will properly attain the above purposes.

The main objectives and activities of the year continued to focus on supporting the local voluntary sector in Annandale & Eskdale and providing services to meet AECVS' charitable purposes. Our activities this year have included:

- Dealing with requests for information, signposting and support;
- Informing the voluntary sector in Annandale & Eskdale through regular newsletters, briefing papers and email correspondence;
- Representing the sector on local community planning forums;
- Providing support services to members including advice on funding applications, constitutions and good governance;
- Working with a range of partners to improve the range of services available to the voluntary sector;
- Delivering training sessions for individual groups and community planning partners on good governance;
- Assisting the Third Sector Forum to achieve agreed outcomes.

ACHIEVEMENTS AND PERFORMANCE

AECVS main areas of charitable activity are the provision of information, support and representation for the voluntary sector, in addition to developing the sector in Annandale & Eskdale.

Further to Help the Aged and Age Concern amalgamating in 2009, funding for the HandyVan service by Help the Aged ceased. AECVS took ownership of the HandyVan service and actively sought funding for its continuation. Funding was secured via Care & Repair and Dumfries & Galloway Council and the service now operates under the name "HandyVan Small Repairs and Home Support Service". In total over 548 jobs were carried out by the service during the financial year.

Our work in representing the interests of the voluntary sector in Annandale & Eskdale on a range of local partnerships and community planning forums continued and included involvement with the Local Rural Partnership, the Local Health Partnership and the Annan Learning Community.

We also worked in partnership with the Local Rural Partnership to deliver two best practice support sessions in Basic Book-Keeping and Scottish Charity Accounting.

Annandale & Eskdale Council for Voluntary Service Trustees' Report for the Year Ended 31 March 2010

AECVS also co-ordinated the annual funding and information roadshow in February for voluntary organisations. This took the form of a marketplace of funders and supporting agencies, and a talk was given by BBC Children in Need. The event was very well attended and feedback was excellent.

AECVS continues to facilitate Annandale & Eskdale Third Sector Forum. The Forum has 28 registered voluntary sector group members and has held 5 meetings during the financial year.

We supported 17 local groups to lever in nearly £50,000 in funds from various trusts and grants.

FINANCIAL REVIEW

Against the backdrop of limited resources and insecurities over funding, AECVS has nevertheless continued to deliver a quality service to its members and the voluntary sector in Annandale & Eskdale. Through sound financial management and the support of both its staff and volunteers AECVS generated a surplus for the year in unrestricted funds of £9,125. However, due to the crystallisation of an employer debt of £87,132 (see note 17 of the accounts for further detail) this resulted in an overall negative net movement in general funds of £78,007 leading to a deficit of £5,056 at the year end.

A positive net movement in restricted funds resulted in restricted reserves of £22,214 at the year end.

Principal Funding Sources

AECVS receives core funding from the Scottish Executive Voluntary Issues Unit and Dumfries & Galloway Council. All other grant funding is on a project timescale basis only. In order to promote sustainability and the continued delivery of our services, AECVS generates income through delivering training, providing office space and office services, and by a limited amount of management fees from delivering projects.

Investment Policy

Aside from retaining a prudent amount in reserves each year most of AECVS' funds are to be spent in the short term so there are few funds available for long term investment.

Reserves Policy

The Management Board has examined AECVS requirements for reserves in the light of the main risks to the organisation. It has established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets held by AECVS should be between 3 and 6 months of the expenditure. Budgeted expenditure for 2009/10 is £80,000 and therefore the target is £20,000 to £40,000 in general funds.

The reserves are needed to meet the working capital requirements of AECVS and the Management Board is confident that at this level they would be able to continue the current activities of AECVS in the event of a significant drop in funding. The Management Board has, however, considered the extent to which existing activities and expenditure could be curtailed should such circumstances arise.

However, due to the crystallisation of the employer debt and the full amount being accounted for in the 2009-10 accounts, unrestricted reserves disclosed a negative position for the year. The Management Board hope that through a combination of sound financial management and income generation this position can be reversed during the next financial year and will work towards returning general funds to a level sufficient to meet the target of 3-6 months expenditure.

Plans for Future Periods

AECVS plans to continue the core activities outlined above in the forthcoming years depending on how the proposed Interface Board plans to operate in Dumfries & Galloway. With the Interface coming into being in March 2011, we are endeavouring for the CVSs to work together, possibly on projects, in the future. The next twelve months will be challenging and result in change.

Annandale & Eskdale Council for Voluntary Service
Trustees' Report for the Year Ended 31 March 2010

Current government policy (local, national and UK) and the economic issues the country faces, means that the voluntary sector as a whole is facing possible funding cuts.

The trustees' responsibilities with regard to the preparation of the accounts and the requirement to keep proper accounting records are set out on page 6.

Small company provisions

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Approved by the Board on 6 August 2010 and signed on its behalf by:

.....

S J Ledger
Trustee

Annandale & Eskdale Council for Voluntary Service

Trustees' Responsibilities in relation to the Financial Statements

The trustees (who are also the directors of Annandale & Eskdale Council for Voluntary Service for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Trustees are required by company law to prepare financial statements which give a true and fair view of the state of affairs of the charitable company at the end of the financial year and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the period ending on that date. In preparing those financial statements, trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charitable company and to prevent and detect fraud and other irregularities.

Independent Examiner's Report to the Trustees of Annandale & Eskdale Council for Voluntary Service

I report on the accounts of the company for the year ended 31 March 2010, which are set out on pages 8 to 19.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The trustees consider that the audit requirement of Regulation 10(1)(a) to (c) of the 2006 Accounts Regulations does not apply.

It is my responsibility to examine the accounts as required under section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with Regulation 11 of the 2006 Accounts Regulations. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

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

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with Section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
 - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulationshave not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

.....
Martin S Ward FCA
Dodd & Co
Chartered Accountants

6 August 2010

FIFTEEN Rosehill
Montgomery Way
Rosehill Estate
CARLISLE
CA1 2RW

Annandale & Eskdale Council for Voluntary Service
Statement of financial activities (including income and expenditure account)
for the Year Ended 31 March 2010

		Unrestricted funds	Restricted funds	Total Funds 2010	Total Funds 2009
	Note	£	£	£	£
Incoming resources					
Incoming resources from generated funds					
Voluntary income	2	66,522	31,521	98,043	63,850
Activities for generating funds	3	2,915	2,356	5,271	2,910
Investment income	4	37	-	37	1,610
Incoming resources from charitable activities	5	11,994	-	11,994	7,008
Total incoming resources		<u>81,468</u>	<u>33,877</u>	<u>115,345</u>	<u>75,378</u>
Resources expended					
Charitable activities	6	163,077	28,350	191,427	104,689
Governance costs	6	1,925	-	1,925	4,956
Total resources expended		<u>165,002</u>	<u>28,350</u>	<u>193,352</u>	<u>109,645</u>
Net movements in funds		(83,534)	5,527	(78,007)	(34,267)
Reconciliation of funds					
Total funds brought forward		<u>78,478</u>	<u>16,687</u>	<u>95,165</u>	<u>129,432</u>
Total funds carried forward		<u>(5,056)</u>	<u>22,214</u>	<u>17,158</u>	<u>95,165</u>

The notes on pages 11 to 19 form an integral part of these financial statements.

Annandale & Eskdale Council for Voluntary Service

Company registration number: SC176394

Balance Sheet as at 31 March 2010

		2010		2009	
	Note	£	£	£	£
Fixed assets					
Tangible assets	11		19,058		9,828
Current assets					
Stock		10,452		-	
Debtors	12	3,696		2,870	
Cash at bank and in hand		87,513		88,328	
		<u>101,661</u>		<u>91,198</u>	
Creditors: Amounts falling due within one year					
	13	<u>(29,629)</u>		<u>(5,861)</u>	
Net current assets			<u>72,032</u>		<u>85,337</u>
Total assets less current liabilities			91,090		95,165
Creditors: Amounts falling due after more than one year					
	14		<u>(73,932)</u>		<u>-</u>
Net assets			<u><u>17,158</u></u>		<u><u>95,165</u></u>
The funds of the charity:					
Restricted funds			22,214		16,687
Unrestricted funds					
Unrestricted income funds			<u>(5,056)</u>		<u>78,478</u>
Total charity funds			<u><u>17,158</u></u>		<u><u>95,165</u></u>

The notes on pages 11 to 19 form an integral part of these financial statements.

Annandale & Eskdale Council for Voluntary Service

Company registration number: SC176394

Balance Sheet as at 31 March 2010

..... *continued*

For the financial year ended 31 March 2010, the charity was entitled to exemption from audit under section 477(1) of the Companies Act 2006; and no notice has been deposited under section 476(1) requesting an audit. The directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and preparing accounts which give a true and fair view of the state of affairs of the charity as at the end of the year and of its income and expenditure for the financial year in accordance with the requirements of section 394 and which otherwise comply with the Companies Act 2006, so far as applicable to the charity.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime under the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Approved by the Board on 6 August 2010 and signed on its behalf by:

.....

W D Hunter-Grant
Trustee

.....

S J Ledger
Trustee

The notes on pages 11 to 19 form an integral part of these financial statements.

Annandale & Eskdale Council for Voluntary Service
Notes to the Financial Statements for the Year Ended 31 March 2010

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities (SORP 2005)', issued in March 2005, the Financial Reporting Standard for Smaller Entities (effective April 2008) and the Companies Act 2006.

Fund accounting policy

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Further details of each fund are disclosed in note 18.

Incoming resources

Donations are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Income of £5,088 was deferred during the year as it relates to 2010/2011.

During the year Help The Aged transferred their Handyvan service to Annandale & Eskdale Council for Voluntary Service. The transfer included a van worth £7,800 which is included in fixed assets.

Income derived from events is recognised as earned (that is, as the related goods or services are provided).

Investment income is recognised on a receivable basis.

Income from charitable activities includes income recognised as earned (as the related goods or services are provided) under contract or where entitlement to grant funding is subject to specific performance conditions. Grant income included in this category provides funding to support programme activities and is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Resources expended

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

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

Governance costs

Governance costs include costs of the preparation and examination of the statutory accounts, the costs of trustee meetings and the cost of any legal advice to trustees on governance or constitutional matters.

Annandale & Eskdale Council for Voluntary Service
Notes to the Financial Statements for the Year Ended 31 March 2010

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Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Fixed assets

Individual fixed assets costing £50 or more are initially recorded at cost.

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Fixtures and fittings	10% straight line
Office equipment	15% straight line
Computer equipment	25% straight line
Motor vehicles	25% straight line

Stock

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs. Items donated for resale or distribution are not included in the financial statements until they are sold or distributed.

Annandale & Eskdale Council for Voluntary Service
Notes to the Financial Statements for the Year Ended 31 March 2010

..... continued

2 Voluntary income

	Unrestricted funds £	Restricted funds £	Total Funds 2010 £	Total Funds 2009 £
Donations				
Donations	3,212	31,521	34,733	2,190
Grants				
Grant funding	63,310	-	63,310	61,660
	<u>66,522</u>	<u>31,521</u>	<u>98,043</u>	<u>63,850</u>

3 Activities for generating funds

	Unrestricted funds £	Restricted funds £	Total Funds 2010 £	Total Funds 2009 £
Activities for generating funds				
Contracted work	2,915	2,356	5,271	2,910
	<u>2,915</u>	<u>2,356</u>	<u>5,271</u>	<u>2,910</u>

4 Investment income

	Unrestricted funds £	Restricted funds £	Total Funds 2010 £	Total Funds 2009 £
Investment income				
Interest on cash deposits	37	-	37	1,610
	<u>37</u>	<u>-</u>	<u>37</u>	<u>1,610</u>

Annandale & Eskdale Council for Voluntary Service
Notes to the Financial Statements for the Year Ended 31 March 2010

..... continued

5 Incoming resources from charitable activities

	Unrestricted funds £	Restricted funds £	Total Funds 2010 £	Total Funds 2009 £
WELL project				
Grant underspend repaid	-	-	-	(8,537)
Access to work				
Working for Families	-	-	-	9,550
Grant underspend repaid	-	-	-	(8,882)
	-	-	-	668
CVS				
Office accommodation	9,948	-	9,948	11,606
Office services	2,046	-	2,046	3,271
	<u>11,994</u>	-	<u>11,994</u>	<u>14,877</u>
	<u>11,994</u>	-	<u>11,994</u>	<u>7,008</u>

Annandale & Eskdale Council for Voluntary Service
Notes to the Financial Statements for the Year Ended 31 March 2010

..... continued

6 Total resources expended

	Handyvan project	Improving village life	CVS	Governance	Total 2010	Total 2009
	£	£	£	£	£	£
Direct costs						
Wages and salaries	19,370	1,046	-	-	20,416	13,970
Training	-	-	845	-	845	8,444
Workshop fees	-	-	-	-	-	121
Contracted services	-	-	6,118	-	6,118	-
Sundry expenses	-	-	280	-	280	271
	<u>19,370</u>	<u>1,046</u>	<u>7,243</u>	<u>-</u>	<u>27,659</u>	<u>22,806</u>
Support costs						
Wages and salaries	-	-	40,356	-	40,356	49,200
Pension scheme exit fee	-	-	87,132	-	87,132	-
Travelling	1,268	-	2,193	-	3,461	2,572
Insurance	652	-	450	-	1,102	-
Property costs	1,800	-	11,979	-	13,779	18,197
Office expenses	1,075	-	9,527	-	10,602	8,768
Sundry and other costs	-	-	771	-	771	978
Annual report and AGM	-	-	-	215	215	242
Independent examination	-	-	-	220	220	200
Independent examiner's fee - other services	-	-	-	1,490	1,490	1,575
Management fees	2,421	-	-	-	2,421	1,494
Legal and professional	-	-	-	-	-	399
Depreciation	718	-	3,426	-	4,144	3,214
	<u>7,934</u>	<u>-</u>	<u>155,834</u>	<u>1,925</u>	<u>165,693</u>	<u>86,839</u>
	<u>27,304</u>	<u>1,046</u>	<u>163,077</u>	<u>1,925</u>	<u>193,352</u>	<u>109,645</u>

7 Trustees' remuneration and expenses

No trustees received any remuneration during the year.

Travelling expenses totalling £1,591 (2009 - £714) were paid to the trustees during the year to reimburse them for the cost of attending board meetings.

Annandale & Eskdale Council for Voluntary Service
Notes to the Financial Statements for the Year Ended 31 March 2010

..... continued

8 Net expenditure

Net expenditure is stated after charging:

	2010		2009	
	£	£	£	£
Independent examiner's fees				
- other services		1,490		1,575
Independent examiner's fees				
- external scrutiny		220		200
Depreciation of tangible				
fixed assets		<u>4,144</u>		<u>3,214</u>

9 Employees' remuneration

The average number of persons employed by the charity (including trustees) during the year, analysed by category, was as follows:

	2010 No.	2009 No.
AECVS	2	2
Handyvan project	1	1
	<u>3</u>	<u>3</u>

The aggregate payroll costs of these persons were as follows:

	2010 £	2009 £
Wages and salaries	<u>60,772</u>	<u>63,170</u>

No employees earned £60,000 or more.

10 Taxation

The company is a registered charity and is, therefore, exempt from taxation on income and gains.

Annandale & Eskdale Council for Voluntary Service
Notes to the Financial Statements for the Year Ended 31 March 2010

..... continued

11 Tangible fixed assets

	Plant & machinery £
Cost	
As at 1 April 2009	37,600
Additions	13,374
As at 31 March 2010	50,974
Depreciation	
As at 1 April 2009	27,772
Charge for the year	4,144
As at 31 March 2010	31,916
Net book value	
As at 31 March 2010	19,058
As at 31 March 2009	9,828

12 Debtors

	2010 £	2009 £
Other debtors	3,696	2,870

13 Creditors: Amounts falling due within one year

	2010 £	2009 £
Taxation and social security	1,992	1,302
Other creditors	13,200	-
Accruals and deferred income	14,437	4,559
	29,629	5,861

Annandale & Eskdale Council for Voluntary Service
Notes to the Financial Statements for the Year Ended 31 March 2010

..... continued

14 Creditors: Amounts falling due after more than one year

	2010	2009
	£	£
Other creditors	<u>73,932</u>	<u>-</u>

Included in the creditors are the following amounts due after more than 5 years:

	2010	2009
	£	£
After more than five years by instalments	<u>59,532</u>	<u>-</u>

15 Members' liability

The charity is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

16 Ultimate controlling party

The charity is controlled by the board of directors, who are also trustees and whose membership is set out on page 1.

17 Pensions

Until 4 September 2009 Annandale and Eskdale Council for Voluntary Services was a member of the SCVO pension scheme. This scheme was a multi-employer scheme and therefore the scheme has previously been accounted for as a defined contribution scheme, under the provisions of FRS12. The SCVO pension scheme is currently underfunded and therefore on the charity's withdrawal from the scheme on 4 September 2009, an employer debt of £87,132 was crystallised. This debt has been accounted for in full in the SOFA for the year ended 31 March 2010. However, the charity has been granted extended payment terms, with an initial payment of £9,000 followed by payments of £300 per month. Interest will be charged at the bank base rate plus 3% on the outstanding debt.

Annandale & Eskdale Council for Voluntary Service
Notes to the Financial Statements for the Year Ended 31 March 2010

..... continued

18 Analysis of funds

	At 1 April 2009	Incoming resources	Resources expended	At 31 March 2010
	£	£	£	£
General funds				
Unrestricted funds	78,478	81,468	(165,002)	(5,056)
Restricted funds				
Handyman project	15,641	33,877	(27,304)	22,214
Improving village life research	1,046	-	(1,046)	-
	<u>16,687</u>	<u>33,877</u>	<u>(28,350)</u>	<u>22,214</u>
	<u>95,165</u>	<u>115,345</u>	<u>(193,352)</u>	<u>17,158</u>

Handyman project - this project was run jointly with Help The Aged, but was transferred to Annandale and Eskdale Council for Voluntary Service during the year. It provides handyman services to the elderly.

Improving Village Life Research - this fund was created in order to research the issues faced by young people in rural villages.

19 Net assets by fund

	Unrestricted funds	Restricted funds	Total Funds 2010	Total Funds 2009
	£	£	£	£
Tangible assets	9,932	9,126	19,058	9,828
Current assets	81,582	20,079	101,661	91,198
Creditors: Amounts falling due within one year	(22,638)	(6,991)	(29,629)	(5,861)
Creditors: Amounts falling due after more than one year	(73,932)	-	(73,932)	-
Net assets	<u>(5,056)</u>	<u>22,214</u>	<u>17,158</u>	<u>95,165</u>