

**Community Action Southwark  
(A company limited by guarantee)**

**Report and Financial Statements  
For the Year Ended 31 March 2013**

Charity registration number: 1105835  
Company registration number: 5090324

<b>Content</b>	<b>Page</b>
Legal and Administrative Information	1
Report to the Board of Trustees	2
Independent Auditor's Report	13
Statement of Financial Activities	15
Balance Sheet	16
Notes forming part of the Financial Statements	18

## **Community Action Southwark**

### **Legal and Administrative Details for the year ended 31 March 2013**

The Board of Trustees presents its report and audited financial statements for the year ended 31 March 2013.

#### **Reference and Administrative Information**

Charity name: Community Action Southwark  
Charity registration number: 1105835  
Company registration number: 5090324  
Registered office and operational address: 131 Addington Square  
London  
SE5 0HF

#### **Board of Trustees**

Verinder Mander Chair  
Viv Oyolu (to 10<sup>th</sup> May 2012)  
David Stock Treasurer  
Les Alden  
Beccy Allen  
Helena Kowalska (to 28<sup>th</sup> February 2013)  
Matthew Guest (appointed on 5<sup>th</sup> December 2012)  
Stuart Cox (appointed on 5<sup>th</sup> December 2012)  
Andrew Rice (appointed on 5<sup>th</sup> December 2012)  
Jim Wintour Vice Chair (appointed on 5<sup>th</sup> December 2012)

#### **Senior Management**

Gordon McCullough Chief Executive/Company Secretary

**Auditors:** Haines Watts, Old Station House, Station Approach, Newport Street, Swindon, SN1 3DU

**Bankers:** Unity Trust Bank, Nine Brindley Place, Birmingham, B1 2HB

**Solicitors:** Bates, Wells & Braithwaites LLP, 2-6 Cannon St, London, EC4M 6YH

## **Community Action Southwark (A company limited by guarantee)**

### **Report of the Board of Trustees for the year ended 31 March 2013**

The Trustees, who are also directors of the charity for the purposes of the Companies Act, submit their annual report and financial statements of Community Action Southwark (CAS) (the company) for the year ended 31 March 2013. The trustees confirm that the annual report and financial statements of the company comply with current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in 2005.

### **OUR AIMS AND OBJECTIVES**

#### **Purposes and aims**

As the Council for Voluntary Services in Southwark we equip voluntary organisations and community groups in Southwark with the tools and information they need to help them make a difference in the communities they serve. We provide training and support on a wide range of topics to empower our members to develop and grow, and we represent the voluntary and community sector to local government and more widely.

Our **mission** is to create and support the conditions for a strong and thriving voluntary and community sector in Southwark.

Our strategic priorities for the years 2011-14 are to:

- To increase the resilience of voluntary and community sector organisations
- To create and maintain an equitable and influential relationship between the public and voluntary and community sectors
- To increase collaboration, sharing and co-ordination of resources, skills and knowledge within the voluntary and community sector
- To ensure that CAS has the resources for continuous improvement and development

The charity's legal objects are:

- to promote any charitable purpose for the benefit of the community in the London Borough of Southwark and adjacent London Boroughs ("the Area of Benefit") and in particular to advance education, protect health, relieve poverty, distress and sickness and provide facilities for recreation and other leisure-time occupation in the interests of social welfare with the aim of improving the conditions of life of those who live and/or work in the Area of Benefit; and
- to promote the efficiency and effectiveness of voluntary and charitable sector organisations providing health, community care and children's and family services for the benefit of the inhabitants in the area of benefit, through promoting good practice and partnerships within the voluntary and charitable sector.

#### **Ensuring our work delivers our aims**

Quarterly and annual reviews of our work evaluate our activities against our set aims, targets and outcomes. Annual stakeholder events, along with ad hoc questionnaires, enable us to identify member

## **Community Action Southwark (A company limited by guarantee)**

### **Report of the Board of Trustees for the year ended 31 March 2013**

satisfaction and tailor our service delivery to match local need more closely. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

#### **The focus of our work**

Our work continues to focus on the five NAVCA (National Association for Voluntary and Community Action) performance standards designed for Councils for Voluntary Service. These are:

1. Pro-actively identifying needs in the local community and facilitating improvement in service provision to meet those needs.
2. Assisting local voluntary and community organisations to function more effectively and delivering quality services to our members.
3. Facilitating effective communication or networking and collaboration amongst local voluntary and community groups.
4. Enabling the diverse views of the local voluntary and community sector to be represented to external bodies, developing and facilitating structures which promote effective working relationships and two-way communication.
5. Enhancing the voluntary and community sector's role as an integral part of local planning and policy-making.

#### **How our activities deliver public benefit**

The trustees have paid due regard to the Charity Commission's guidance on public benefit. The trustees are confident that CAS's aims and activities of supporting, connecting, informing, and influencing on behalf of the voluntary and community sector in Southwark are in accordance with the regulations on public benefit, as described below.

#### **Who used and benefited from our services?**

##### **Support**

One way to create a strong and resilient organisation is to provide advice with one-to-one support and training. During the past year we have provided 198 instances of intensive/one off casework support to Southwark-based voluntary and community organisations (VCOs). CAS assisted and advised 20 voluntary and community organisations access over £500,000 in funding. More specifically, some of our achievements from the last year include:

##### **Governance & trustee support**

Good governance is a fundamental aspect of developing strong and resilient organisations. CAS has been funded by the BIG Lottery over the last five-years to support the development of good governance

## **Community Action Southwark (A company limited by guarantee)**

### **Report of the Board of Trustees for the year ended 31 March 2013**

practices. Over the final year of this project there has been a range of activities: from one-to-one support (40% of all support relates to governance issues), through to more detailed governance reviews; CAS provided 80 instances of casework support related to governance issues and delivered 3 in-depth governance reviews aimed at assessing the effectiveness of their governance structures and suggest action points to improve their arrangements. Further, CAS provided training for trustees and developed a range of interrelated sessions to help support and develop future trustees in the sector (58% of all training is related to governance).

CAS also delivers tailored, paid for support and facilitation around good governance and strategic planning to boards. In the past six months we have offered in-depth consultancy to three local organisations looking at: strategic and business planning, reviewing the Memorandum and Articles of Association and developing trustees understanding of roles and responsibilities. This is a growing area of work and will help subsidise future governance support once the BIG Lottery funding has finished.

#### **Collaboration**

Organisations are expected to do more for less. A common response to this challenge is to work together and share resources. Collaborative working is not easy and requires sophisticated skills and resources to ensure success. To help support organisations in this we launched the Collaboration and Partnerships Support programme (CoPS). CoPS has three key strands **[1] Think:** we developed a suite of online resources based on the experiences of others focusing on the challenges of collaborative working **[2] Learn:** we developed four participatory sessions that gives organisations wishing to collaborate a more in-depth understanding of where to begin, the technical aspects they need to be aware off and how to measure and articulate the difference collaboration has made **[3] Support:** CAS will provide bespoke support to organisations which are seriously considering entering into collaborative working arrangements.

Seven out of ten organisations in the first CoPS training cohort strongly agreed that they now know what support is available; they understand why it is important; and they understand the benefits of collaborative working.

#### **Learning and Development**

Ensuring that organisations and individuals have access to the right skills and learning to run organisations well and to deliver good services is a core function of CAS. Many other CVSs have stopped delivering training but we have expanded our programme.

Over the year a total of 277 participants attended 24 training sessions that were either hosted or delivered by CAS. Topics included Trustee induction sessions, ICT, Collaboration, Fundraising, Conflict Management and Mediation, Public Speaking, Management and Leadership Skills.

The number of training courses and attendees is interesting but it is only half the picture. The real value is what changes the training brings about for individuals and organisations. After attending CAS training

## **Community Action Southwark (A company limited by guarantee)**

### **Report of the Board of Trustees for the year ended 31 March 2013**

two thirds (63%) of participants were significantly more confident, knowledgeable and able to practically apply the learning. We have also developed the bespoke training we offer to organisations which want a more in-depth, tailored support.

#### **Connections**

CAS plays a pivotal role in providing the space, resources and information that allow organisations to connect with one another. We do this in a number of ways, ranging from hosting networking events and conferences, through to providing an online database of organisations working in the borough (Southwark Signpost).

#### **Conferences and forums**

Almost 500 people from voluntary and community organisations attended one of our conferences, forums or sub-groups throughout the year (348 people attended Southwark Forum and sub-groups). We covered issues and topics such as: welfare reform; section 106; localism; changes in health and children's services; demystifying social enterprise; troubled families; safeguarding, and many more. Across all the sessions, 82% of attendees really valued the information and opportunities provided.

A key event was the CAS Trustee Conference. Now in its second year, it has become an indispensable event for trustees. This year Sam Younger, CEO of the Charity Commission, gave the key note address to 104 delegates. The day was a mix of practical guidance and debate about governance and provided an excellent opportunity for trustees to share experiences and develop their networks. In December we held our first Members' Day, (which included our AGM), where Gareth Thomas MP, (Shadow Minister for Civil Society), delivered the key note address. The day gave our members something practical as well as the opportunity to hear from a range of speakers including, Karl Wilding from NCVO and Eleanor Kelly, Chief Executive of Southwark Council, we ran interactive workshops and 86% of participants said they got something practical from the day.

#### **Premises**

Finding suitable premises is an on-going challenge for the VCS and therefore CAS has developed practical ways to help organisations find premises. The main way has been through Venue Southwark (an online database) which lists venues available to rent throughout the borough. We have also developed our On-Location sessions which are designed to bring together those with space to rent and those looking for space.

The first two sessions in Camberwell and Bermondsey and Rotherhithe, attended by 30 participants, achieved some very tangible results and we hope that their success is replicated across the borough.

#### **Keeping up-to-date**

We invested time and effort in making sure we communicate with organisations in the best way. There were some big changes in the year; regrettably we took the decision to stop producing the hard copy version of Cascade. It was replaced with an electronic version that goes out fortnightly which has a

## **Community Action Southwark (A company limited by guarantee)**

### **Report of the Board of Trustees for the year ended 31 March 2013**

readership of over 400 people working in voluntary and community organisations in Southwark. We see this as a great way to keep members up-to-date with CAS's latest training and development opportunities and news and funding opportunities from across the community.

We also changed the layout of the website: [www.casouthwark.org.uk](http://www.casouthwark.org.uk) to make it more intuitive and to respond to what we know organisations want from us. The number of visitors and what they are reading suggests we are on the right track. In the past year, the website attracted 21,981 visits (53.36% of which were new visits); each visitor viewed an average of 3.12 pages resulting in 68,476 page views overall.

#### **Influence**

We are all facing challenging times and the political, economic and social environment is changing so fast that it has never been more important to make sure the voice of the VCS is heard. This is our motivation in ensuring there is an equitable and influential relationship between the public and voluntary and community sectors. Here are a few ways we tried to do this over the year:

#### **Representation**

In December 2012, 24 newly elected voluntary and community sector representatives assumed the mantle of providing a strategic voice for the sector. The reps will represent the needs and concerns of the sector to the council and other public sector partners by sitting on various strategic partnerships. The reps are drawn from across the sector in order to influence important policy areas including health, older people, children and young people, carers and housing. They 'went live' on the 1st April and CAS has put in place a system so we can listen to and update the sector with regard to public policy.

CAS co-chairs the Council/VCS Liaison Group. This group is made up of the cabinet member with responsibility for communities, council officers and reps from the VCS. One of its achievements has been providing input into the development of an Approved Providers List for voluntary sector organisations. This initiative is designed to help streamline the application process for funding and reduce bureaucracy.

There have been a number of changes to partnership boards in Southwark Council; the main one being the introduction of the Health and Wellbeing Board. CAS played an integral role in setting the priorities for the board. We have a permanent seat to represent the views of the VCS at the highest strategic level in relation to health and social care.

#### **Cross-sector working**

Between November 2012 and February 2013, CAS hosted the Thinking Allowed Summits - a series of events that brought together voluntary and community sector organisations and various public sector agencies to try and resolve challenges and create joint action plans for the future. They focused on the developing health landscape; the future of children's services, and the personalisation of health and social care services.

## **Community Action Southwark (A company limited by guarantee)**

### **Report of the Board of Trustees for the year ended 31 March 2013**

The summits generated a lot of innovative thinking about improving cross-sector working relationships, to develop more efficient services and achieve better outcomes for Southwark residents. We took the 55 actions from the three summits and produced an integrated plan that we are using to foster partnerships with Southwark Council, the Southwark Clinical Commissioning Group and the Southwark and Lambeth Integrated Care programme. The plan focuses on: developing the market, supporting innovation & collaboration and developing providers.

#### **Next steps and where we need to improve**

Although we realise that there we have made a difference to the groups that we support, we are acutely aware that there is a lot more that we can do to support, connect and provide influence for the voluntary and community sector in Southwark. As such, we have set out three areas where we know we need to improve.

#### **1. Co-ordinating partnerships funding**

We were not prepared for the large partnership funding programmes launched by the BIG Lottery and other funders throughout the year, (such as Talent Match and the Lambeth, Lewisham and Southwark fund for people with multiple and complex needs). These funds looked for cross sector, voluntary-sector led partnerships to form quickly in order to develop a bid. This is an increasingly common approach used by funders and CAS should have co-ordinated a more assertive consortium based approach in applying on behalf of the VCS in Southwark.

**What are we doing about it?** Over the next year we are developing a consortium based approach in order to be prepared for collaborative tendering. We are also developing a co-production and innovation group that will work with commissioners and funders to develop new ways of designing and delivering services.

#### **2. Demonstrating impact of the sector**

We all know that the austerity measures are not over and increasingly scarce resources will continue to make it challenging. However, we have not been clear or assertive enough about the impact the sector makes to people's lives.

**What are we doing about it?** First, we understand that measuring impact is hard so we are actively seeking funding to establish a programme of dedicated and targeted support for impact measurement. Second, we are launching a campaign that will show funders and commissioners the value of the sector and what would be lost if it did not exist. Finally, we are going to have earlier and more detailed conversations with Southwark Council about setting priorities for the 2014/15 budget and how the sector can work with the council to deliver its objectives.

**Community Action Southwark  
(A company limited by guarantee)**

**Report of the Board of Trustees for the year ended 31 March 2013**

**3. Supporting emerging & volunteer led groups**

We don't do enough to work with small grass roots groups and community activists.

**What are we doing about it?** We are going to establish a small groups network, (in conjunction with the Volunteer Centre Southwark), to understand more about what practical advice and guidance we can offer. We are also launching a charity mentoring scheme where large established charities help mentor small, emerging groups.

**Community Action Southwark  
(A company limited by guarantee)**

**Report of the Board of Trustees for the year ended 31 March 2013**

**FINANCIAL REVIEW**

CAS experienced an increase in income of approximately 24% over the past year, mainly in the form of restricted funding to deliver one-off or discrete pieces of work i.e. PCT Mental Health Grant programme and the Learning and Development work delivered jointly with Southwark Council. Further, due to tight controls on spending coupled with reduced charitable expenditure on items such as Salaries, Consultancy and Professional Fees we have been able to achieve a surplus of £104,106 for this reporting period.

**Principal Funding Sources**

Principal funding sources for the charity are made up of contract and grant income from Southwark Council (the reporting period constitutes the second year of funding from this three year contract); and support from grant making trusts such as the BIG Lottery (the reporting period constitutes the final year of a five year contract).

**Investment Policy**

The economic downturn followed by recession has led to reduced rates of interest on savings, which in turn has meant a fall in the income on our investments. Should interest rates increase, or surpluses grow, the trustees will consider long term investment of funds through a review of investment policies.

**Reserves Policy**

The trustees have determined to set aside funds not committed or invested in tangible assets. Funds held in this way should be between three and six months running costs. Budgeted expenditure for 2013/14 is £680,619 and the target reserve is between £126,327 and £252,654. The reserves are needed to meet the working capital requirements of the charity and the trustees are confident that at this level they would be able to continue the current activities of the charity in the event of a significant drop in funding.

Although the present level of reserves available to the charity of £230,084 (2012: £130,339) equates to just under six months running costs, it falls slightly short of the optimum target level of £252,654. Therefore, although the strategy is to continue to build reserves through planned operating surpluses, it is worth noting that the target range of retaining three to six months running costs in free reserves has been reached four years ahead of schedule.

**Plans for future periods**

It is expected that the income and expenditure for the period 2013/14 will be different to the reported period with an expanded staff team delivering more services (i.e. income is projected to increase by 16%; with total charitable expenditure representing 99% of total projected income). Nevertheless, the Board recognises the need for the organisation to diversify its income to ensure long-term financial viability. To achieve this CAS will be pursuing a fundraising/income generation strategy to ensure that the organisation can continue to function and deliver its objectives at a time of economic austerity within

## **Community Action Southwark (A company limited by guarantee)**

### **Report of the Board of Trustees for the year ended 31 March 2013**

the wider environment. As such, we expect to see income generating activities make up 12% of total income in 2013/14 compared to 4% in 2012/13).

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Governing Document**

Community Action Southwark is a charitable company limited by guarantee. It was founded in 1992 as Southwark Community Care Forum, registered as a charity on 5 January 1998 and incorporated on 1 April 2004. 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.

On 3 April 2008, SCCF merged with Southwark Action for Voluntary Organisations (SAVO) and changed its name from Southwark Community Care Forum to Community Action Southwark on 9 April 2008. In the event of the company being wound up members would be required to contribute an amount not exceeding £10.

### **Recruitment and Appointment of Trustees**

Changes to the composition of the board were suggested and approved by CAS's membership at December's AGM. As such, the Selection criteria and composition of the board has been split i.e. 75% of trustees are drawn from membership organisations and 25% appointed on the basis of skills that the organisation might require. Each year one third of the Board of Trustees steps down, chosen either by length of service or, if they have served for the same length of time by lot. They may then go forward for re-election at the Annual General Meeting. Trustees who have served two consecutive terms in office must take a break and may not be reappointed until the annual general meeting following the annual general meeting at which his or her break from office commenced

All members of the Board of Trustees give their time voluntarily and received no benefits from the charity. Any expenses reclaimed from the charity are set out in the notes to the financial statements.

### **Trustee Induction and Training**

The induction programme for new trustees includes:

- Written information and induction on Community Action Southwark's activities.
- A meeting with existing trustees and the Chief Executive.
- Time in the office to meet staff and ask questions.
- An invitation to attend any of Community Action Southwark's activities in the community.
- Copies of relevant publications, e.g. The Essential Trustee (Charity Commission).
- Induction in Board and sub-committee terms of reference and objectives.

## **Community Action Southwark (A company limited by guarantee)**

### **Report of the Board of Trustees for the year ended 31 March 2013**

#### Risk Management

In 2013 the trustees have conducted a review of the major risks to which the charity is exposed. A risks register has been established and is updated annually. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of staff, volunteers, beneficiaries and visitors. All procedures are reviewed periodically to ensure that they continue to meet the needs of the charity.

The full risk assessment document is available from CAS's offices.

#### **ORGANISATIONAL STRUCTURE**

See appendix 1.

#### **Responsibilities of the Board of Trustees**

Company law requires the Board of Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the Board of Trustees should follow best practice, and:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent; and
- Prepare the financial statements on the going concern basis unless it is not appropriate to assume that the company will continue on that basis.

The Board of Trustees is responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. The Board of Trustees is also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Sub-committees**

The Board of Trustees also comprises various sub-committees that apply expertise to specific areas of the organisation. These include a Governance sub-committee and a Resources sub-committee. The Governance sub-committee is responsible for working, on behalf of the main board, to ensure effective and improving governance; and the Resources sub-committee has a remit of overseeing all financial, human and physical resource aspects of the charity so as to ensure short and long term viability. Both sub-committees meet quarterly and report back to the main board accordingly. Devolving responsibilities to sub-committees allows the main board meetings to focus on a wider range of strategic issues.

**Community Action Southwark  
(A company limited by guarantee)**

**Report of the Board of Trustees for the year ended 31 March 2013**

**Members of the Board of Trustees**

Members of the Board of Trustees, who are directors for the purpose of company law and trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on page 1.

In accordance with company law, as the company's directors, we certify that:

- So far as we are aware, there is no relevant audit information of which the company's auditors are unaware; and
- As the directors of the company we have taken all steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

**Auditors**

Haines Watts have expressed their willingness to continue in their capacity as auditors.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in March 2005) and in accordance with the special provisions of the Companies Act 2006 relating to small entities.

Approved by the Board of Trustees on

and signed on its behalf by:

Verinder Mander  
Chair

## **Community Action Southwark (A company limited by guarantee)**

### **Independent Auditor's Report to the Members of Community Action Southwark**

We have audited the financial statements of Community Action Southwark for the year ended 31 March 2013 which comprise the Statement of Financial Activities (incorporating the summary income and expenditure account), the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of trustees and auditors**

As explained more fully in the Trustees' Responsibilities Statement set out on page 11 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board (APB's) Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material misstatements or inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on the financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2013, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended.
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and

**Community Action Southwark  
(A company limited by guarantee)**

**Independent Auditor's Report to the Members of Community Action Southwark**

- have been prepared in accordance with the requirements of the Companies Act 2006.

**Opinion on other matters prescribed by the Companies Act 2006**

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records or returns; or
- certain disclosures of the trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Susan Plumb  
Senior Statutory Auditor  
For and on behalf of Haines Watts, Chartered Accountants and Statutory Auditors  
Old Station House  
Station Approach  
Newport Street  
Swindon  
SN1 3DU

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**Community Action Southwark**  
(A company limited by guarantee)

**Statement of Financial Activities**  
(Incorporating the Income and Expenditure Account)  
For the year ended 31 March 2013

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2013 £	Total Funds 2012 £
<b>Incoming Resources from generated funds</b>					
<b>Activities for generating funds</b>					
Other income	3	35,749	-	35,749	6,296
Interest Received	3	515	-	515	356
<b>Incoming resources from charitable activities</b>					
London Borough of Southwark	4	390,674	45,632	436,306	376,768
The Big Lottery Fund	4	-	99,842	99,842	78,344
<b>Total Incoming Resources</b>		<b>426,938</b>	<b>145,474</b>	<b>572,412</b>	<b>461,764</b>
<b>Resources Expended</b>					
Charitable activities	5				
Policy & Participation		104,352	-	104,352	148,351
Capacity Building		119,160	92,639	211,799	188,697
Keib Thomas Fund		-	2,842	2,842	5,047
PCT Mental Health Grant		-	38,000	38,000	-
Learning & Development		-	7,632	7,632	-
Core Costs		99,676	-	99,676	108,808
Governance costs	6	4,005	-	4,005	4,118
<b>Total Resources Expended</b>		<b>327,193</b>	<b>141,113</b>	<b>468,306</b>	<b>455,021</b>
<b>Net Incoming Resources</b>	7	<b>99,745</b>	<b>4,361</b>	<b>104,106</b>	<b>6,743</b>
Transfers between funds		-	-	-	-
<b>Net Movement in funds</b>		<b>99,745</b>	<b>4,361</b>	<b>104,106</b>	<b>6,743</b>
<b>Balances at 1 April</b>		<b>130,339</b>	<b>33,951</b>	<b>164,290</b>	<b>157,547</b>
<b>Balances at 31 March</b>		<b>230,084</b>	<b>38,312</b>	<b>268,396</b>	<b>164,290</b>

**Community Action Southwark**  
**(A company limited by guarantee)**

**Balance Sheet as at 31 March 2013**

The notes on pages 18-26 form part of these financial statements. There were no recognised gains or losses other than those shown above. All of the Company's activities are continuing.

		2013		2012	
	Notes	£	£	£	£
<b>Fixed Assets</b>					
Tangible fixed assets	9		245		-
<b>Current Assets</b>					
Debtors	10	70,705		50,140	
Cash at bank and in hand		361,257		187,153	
		<u>431,962</u>		<u>237,293</u>	
<b>Current Liabilities</b>					
Creditors – Amounts falling due within one year	11	163,811		73,003	
<b>Net current liabilities</b>			<u>268,151</u>		<u>164,290</u>
<b>Net Assets</b>			<u>268,396</u>		<u>164,290</u>
<b>Represented By:-</b>					
Restricted funds	12, 13		38,312		33,951
Unrestricted funds – Designated Funds	13		102,000		-
Unrestricted funds – General Funds	13		128,084		130,339
			<u>268,396</u>		<u>164,290</u>

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

**Community Action Southwark  
(A company limited by guarantee)**

**Balance Sheet as at 31 March 2013**

These accounts were approved by the Trustees on

and signed on its behalf by:-

.....  
Verinder Mander  
Chair

The notes on pages 18-26 form part of these financial statements.

**Community Action Southwark**  
**(A company limited by guarantee)**

**Notes to the accounts for the year ended 31 March 2013**

**1. ACCOUNTING POLICIES**

The principal accounting policies which have been adopted are set out below:-

**a) Accounting Basis**

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

**b) Restricted Funds**

Restricted funds are to be used for a specific area or purpose as laid down by the donor. Expenditure which meets these criteria is identified to the fund.

**c) Unrestricted Funds**

Unrestricted funds are donations or other income received or generated for the objects of the charity without further specified purpose and are available as general funds.

**d) 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 is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Investment income is included when receivable.
- Incoming resources from charitable trading activity are accounted for when earned.
- Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance. Income relating to future periods is deferred.

**Notes to the accounts for the year ended 31 March 2013**

**1. ACCOUNTING POLICIES (continued)**

**e) Expended Resources**

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

- 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 the basis of staff time.
- 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.

**f) Fixed Assets**

Fixed assets are stated at cost less accumulated depreciation.

Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life.

Office Equipment – 33% straight line

Fixed assets with an initial cost of less than £100 are not capitalised.

**g) Cashflow**

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from producing a cash flow statement on the grounds that it is a small company.

**h) Pensions**

The company operates a group stakeholder pension scheme. Contributions are charged to the Statement of Financial Activities as they are incurred.

**Community Action Southwark**  
**(A company limited by guarantee)**

**Notes to the accounts for the year ended 31 March 2013**

**3. OTHER INCOME**

	Unrestricted <u>Funds</u> £	Restricted <u>Funds</u> £	Total Funds <u>2013</u> £	Total Funds <u>2012</u> £
Consultancy and training income	17,813	-	17,813	2,616
Membership income	5,485		5,485	3,680
Other income	12,451	-	12,451	-
Bank interest	515	-	515	356
	36,264	-	36,264	6,652
	36,264	-	36,264	6,652

**4. GRANT INCOME**

	Unrestricted <u>Funds</u> £	Restricted <u>Funds</u> £	Total Funds <u>2013</u> £	Total Funds <u>2012</u> £
London Borough of Southwark				
Core Funds	361,507	-	361,507	376,768
PCT Mental Health Grants	-	38,000	38,000	-
Learning and Development	-	7,632	7,632	-
Research and Development	29,167	-	29,167	-
The Big Lottery Fund	-	99,842	99,842	78,344
	390,674	145,474	536,148	455,122
	390,674	145,474	536,148	455,122

**Community Action Southwark**  
**(A company limited by guarantee)**

**Notes to the accounts for the year ended 31 March 2013**

**5. Charitable Activities**

Basis of Allocation		Support Costs	Unrestricted		Keib Thomas Fund	Restricted		Trustee project	Total 2013
			Policy & Participation	Capacity Building		Learning & Development	PCT Mental Health Grant		
		£	£	£	£	£	£	£	£
<b>Costs directly allocated to activities</b>									
Staff costs	Direct	65,355	53,792	62,957	-	7,632	-	31,769	221,505
Miscellaneous	Direct	2,174	10,606	9,484	2,842	-	38,000	37,405	100,511
Core costs	Staff time	32,147	39,954	46,719	-	-	-	23,465	142,285
		99,676	104,352	119,160	2,842	7,632	38,000	92,639	464,301

**Community Action Southwark**  
**(A company limited by guarantee)**

**Notes to the accounts for the year ended 31 March 2013**

**6. GOVERNANCE**

	Unrestricted <u>Funds</u> £	Restricted <u>Funds</u> £	Total Funds <u>2013</u> £	Total Funds <u>2012</u> £
Audit	4,000	-	4,000	4,000
Sundry	5	-	5	118
	<hr/> 4,005	<hr/> -	<hr/> 4,005	<hr/> 4,118
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**7. NET INCOMING RESOURCES**

Net incoming resources are stated after charging:-

	<u>2013</u> £	<u>2012</u> £
Audit Fees	4,000	4,000
Depreciation	-	4,062

**8. STAFF**

Staff costs during the year were as follows:-

	<u>2013</u> £	<u>2012</u> £
Salaries and wages	255,530	247,385
Social security costs	27,059	25,324
Pension costs	2,370	-
	<hr/> 284,959	<hr/> 272,709
	<hr/> <hr/>	<hr/> <hr/>

The average monthly number of employees during the year was 9 (2012: 9)

No employee earned over £60,000 in the period (2012 same).

**Community Action Southwark**  
**(A company limited by guarantee)**

**Notes to the accounts for the year ended 31 March 2013**

**9. TANGIBLE FIXED ASSETS**

	<b>Office Equipment</b>
	£
<b>Cost</b>	
At 31 March 2012	70,162
Additions	245
Disposals	-
At 31 March 2013	<u>70,407</u>
<b>Accumulated Depreciation</b>	
At 31 March 2012	70,162
Charge for year	-
Disposals	-
At 31 March 2013	<u>70,162</u>
<b>Net Book Value</b>	
At 31 March 2013	<u>245</u>
At 31 March 2012	<u>-</u>

**10. DEBTORS - Amounts payable within one year**

	<u>2013</u>	<u>2012</u>
	£	£
Trade debtors	66,495	49,318
Prepayments and accrued income	3,417	-
Other debtors	793	822
	<u>70,705</u>	<u>50,140</u>

**Community Action Southwark**  
**(A company limited by guarantee)**

**Notes to the accounts for the year ended 31 March 2013**

**11. CREDITORS - Amounts falling due within one year**

	<u>2013</u>	<u>2012</u>
	£	£
Accruals	6,507	7,588
Trade creditors	8,289	6,690
Other creditors	1,253	3,570
Deferred Income	119,078	45,945
VAT & Social Security Costs	28,684	9,210
	<u>163,811</u>	<u>73,003</u>
	<u><u>163,811</u></u>	<u><u>73,003</u></u>

All deferred income is released in the following financial year.

**12. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted & Designated	Restricted	Total Funds 2013	Total Funds 2012
	£	£	£	£
Tangible assets	245	-	245	-
Current assets	274,642	157,320	431,962	237,293
Current Liabilities	(44,803)	(119,008)	(163,811)	(73,003)
	<u>230,084</u>	<u>38,312</u>	<u>268,396</u>	<u>164,290</u>
	<u><u>230,084</u></u>	<u><u>38,312</u></u>	<u><u>268,396</u></u>	<u><u>164,290</u></u>

**Community Action Southwark**  
**(A company limited by guarantee)**

**Notes to the accounts for the year ended 31 March 2013**

**13. RESTRICTED AND UNRESTRICTED FUNDS**

The movement on the funds of the charity were as follows:

	Balance	Movement in Resources			Balance
	01-Apr-12	Incoming	Outgoing	Transfers	31-Mar-13
<b>RESTRICTED FUNDS</b>					
<b>Capacity Building</b>					
Trustee Advice	31,109	99,842	(92,639)	-	38,312
<b>Community Development</b>					
Keib Thomas Fund	2,842	-	(2,842)	-	-
PCT Mental Health Grants	-	38,000	(38,000)	-	-
Learning and Development	-	7,632	(7,632)	-	-
<b>Total restricted funds</b>	<b>33,951</b>	<b>145,474</b>	<b>(141,113)</b>	<b>-</b>	<b>38,312</b>
<b>UNRESTRICTED FUNDS</b>					
<b>Policy &amp; Participation</b>					
Policy & Participation	-	126,525	(104,352)	-	22,173
<b>Capacity Building</b>					
Sustainability	3,180	94,446	(119,160)	21,534	-
<b>General Fund</b>	<b>127,159</b>	<b>205,967</b>	<b>(103,681)</b>	<b>(123,534)</b>	<b>105,911</b>
<b>Designated Funds</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>102,000</b>	<b>102,000</b>
	<b>130,339</b>	<b>426,938</b>	<b>(327,193)</b>	<b>-</b>	<b>230,084</b>
<b>Total funds at 31 March 2013</b>	<b>164,290</b>	<b>572,412</b>	<b>(468,306)</b>	<b>-</b>	<b>268,396</b>

Details of the restricted funds are given in the trustee's report.

Surpluses on restricted funds are only transferred to unrestricted funds when agreement is given by the donor. Deficits in restricted funds are covered by transfers from unrestricted funds.

Designated funds represent £50,000 staff redundancy fund and £52,000 IS development fund.

**14. TRUSTEES**

The Trustees received no remuneration during the period (2012: £nil). Expenses of £5 were reimbursed (2012: £118)

**15. LEASING COMMITMENT**

At 31 March 2013 the company had aggregate annual commitments under non-cancellable operating leases as set out below.

	<b>2013</b>	2012
	£	£
Operating leases which expire:		
Within 2 to 5 years	<u>1,956</u>	<u>1,956</u>

**Community Action Southwark**  
**(A company limited by guarantee)**

**Notes to the accounts for the year ended 31 March 2013**

**16. CONTROLLING PARTY**

During the year the charity was under the control of the Trustees.

Community Action Southwark - Annual Report 2012/13  
**Appendix 1**  
**CAS Organisational Structure at 31 January 2013**

