

Charity Registration Number: 223007  
Company Number: 215695 (England and Wales)



voluntary action sheffield

**TRUSTEES' ANNUAL REPORT & ACCOUNTS**

**YEAR ENDED 31 MARCH 2016**

# **VOLUNTARY ACTION SHEFFIELD LIMITED**

## **TRUSTEES' ANNUAL REPORT & ACCOUNTS**

*FOR THE YEAR ENDED 31 MARCH 2016*

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# **VOLUNTARY ACTION SHEFFIELD LIMITED**

## **LEGAL AND ADMINISTRATIVE INFORMATION**

*FOR THE YEAR ENDED 31 MARCH 2016*

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### **Registered office:**

The Circle  
33 Rockingham Lane  
Sheffield  
S1 4FW

Telephone: 0114 253 6600  
Fax: 0114 253 6601  
Web: [www.vas.org.uk](http://www.vas.org.uk)  
Email: [info@vas.org.uk](mailto:info@vas.org.uk)

Charity No: 223007  
Company No: 215695  
VAT Reg No: 706 1183 63

### **Honorary officers:**

Debbie Mathews	(Chair)
Nicola Smith	(Vice-Chair)
Alan Philips	(Vice-Chair)
Nell Booth	(Treasurer)

### **Other trustees:**

Liz Ballard (retired December 2015)  
Rachel Boyce  
Andy Buck  
Efe Eruero  
Mubarak Hassan  
James Locke  
Uri Rennie  
Mark Swales (co-opted July 2015)  
Rob Walton  
Sarah Williamson

### **'Observer' (non-voting) members of the Board:**

Dawn Shaw	(Sheffield City Council)
Kevin Clifford	(NHS Sheffield)
Cllr Nikki Bond	(Sheffield City Council, until May 2015)
Cllr Adam Hurst	(Sheffield City Council, from May 2015)

### **Chief executive and company secretary:**

Sue White

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LEGAL AND ADMINISTRATIVE INFORMATION - CONTINUED  
*FOR THE YEAR ENDED 31 MARCH 2016*

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**Committees and advisers:**

Finance and General Purposes Committee

Nicola Smith (Chair for General Purposes section until June 2015), Alan Phillips (Chair for General Purposes section from June 2015), Neil Booth (Chair for Finance section), Debbie Mathews, Sue White, Sue James (until December 2015), Maddy Desforges (from January 2016), Liz Dingle, Philip Allsop (adviser Finance section).

Human Resources Committee

Alan Phillips (Chair), Uri Rennie (from July 2015), Nicola Smith (until July 2015), Sarah Williamson, Sue James (until December 2015), Sue White (from January 2016), Marge Wiltshire.

**Auditors:**

BHP, Chartered Accountants  
2 Rutland Park  
Sheffield  
S10 2PD

**Bankers:**

Unity Trust Bank plc  
Nine Brindleyplace  
4 Oozells Square  
Birmingham  
B1 2HB

**Solicitors:**

Taylor Bracewell (formerly Bhayani Bracewell)  
Fountain Precinct  
Balm Green  
Sheffield S1 2JA

# **VOLUNTARY ACTION SHEFFIELD LIMITED**

## **TRUSTEES' REPORT - CONTINUED**

*FOR THE YEAR ENDED 31 MARCH 2016*

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### **Foreword from the Chair**

It has been an extremely busy yet productive year and for me, seeing staff, Trustees, volunteers and VCS partners working together to tackle the challenges we face in the City has reinforced VAS's role in encouraging and supporting collaboration and helping VCS organisations to be as effective and efficient as possible.

The VAS Board has benefited enormously from fresh perspectives and ideas brought by new Trustees who were appointed in 2014/15, and at the same time, experienced Trustees have played a key role in recruiting 3 new senior staff including the new CEO. Particular thanks go to Liz Ballard who retired from the Board in December 2015; and we welcomed Mark Swales who was co-opted in the summer and is bringing special expertise in building and estate management. I am really grateful to all Board members for their commitment and enthusiasm.

The highlights over the last year include:

- Continuing to provide high quality volunteering support to refugees and asylum seekers when the Northern Refugee Centre, our Lottery project delivery partner, went into liquidation in the autumn. We have since been successful in applying to the Lottery for continuation funding to run the entire project.
- Achieving national Volunteer Centre Quality Assurance Accredited Status; giving us the credibility to roll out the Volunteer Best Practice Standard locally.
- Staff survey results were very positive – morale and commitment being generally very high. Sick absence rate was 0.09% - an extremely positive position.
- A comprehensive succession plan was drawn up and delivered which resulted in recruitment of new senior managers including Marge Wiltshire as Professional Services Manager, Maddy Desforges, initially as Business Growth Manager but subsequently appointed as the new CEO. Maddy's previous role will be filled by Helen Sims. We have an extremely strong and experienced senior management team in place.
- Both office rental and conferencing/room hire targets were exceeded, meaning that for the first time since 2007, The Circle made a profit to be reinvested in our social purpose in line with the original business case for what was the new building at that time. The Circle was a truly vibrant hub for voluntary and community action in 2015/16.
- We galvanised Third Sector voice and influence via the Thriving Voluntary Community and Faith Leadership Group, and the Social Leaders Network both of which are brought together and led by VAS. We organised and delivered a successful sector-wide conference in February, "Working for Sheffield" identifying practical ways in which the sector can work together to tackle challenges in our City.

Looking ahead, we are celebrating our 90<sup>th</sup> Anniversary in 2016 including a Street Party to recognise the valuable role of volunteers, and an Awards Ceremony to recognise the fantastic work done by the VCS in our City.

We also have an exciting opportunity to join forces with Sheffield Cubed, the City's service delivery consortium, which has the potential to reinforce VAS's role as a key VCS infrastructure organisation in Sheffield.

Finally, I would like to thank Sue James, the Deputy Chief Executive, who retired in December after 20 years at VAS. Sue had a number of roles over the years and in all of them her professionalism and expertise shone through. As a result she made an extremely positive difference for staff, stakeholders and the Sector more broadly.

# **VOLUNTARY ACTION SHEFFIELD LIMITED**

TRUSTEES' REPORT - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2016

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A big thank you goes to all staff and Trustees, past and present.

Debbie Mathews  
7 July 2016

## **Strategic Framework**

The Board and senior management team reviewed our strategic planning framework in 2014 and developed a 5-year strategy as the basis for business and work planning. This sets out our vision, purpose and values; the strategic aims we want to achieve and the underpinning strategic 'enablers' that will help make this happen. Each individual team or service work plan relates to achieving one or more of VAS's strategic aims or enablers, and managers report quarterly on these to VAS's Board, along with key issues and risks.

In summary, the framework is comprised of the following key elements:

### **Vision**

People work together to make a vital and growing contribution to the quality of life in all of Sheffield's communities.

### **Purpose**

To support the development of voluntary and community action in a professional way, so that it is sustainable and brings about positive social change.

### **Values**

VAS is committed to promoting social justice, fairness and respect, valuing diversity, and empowering and enabling others.

## **Strategic aims and enablers**

VAS has a number of strategic aims in each of 4 key areas: Voice, Leadership and Partnership; Supporting the Development of Organisations; Volunteering; and Opportunities for Growth. Underpinning this we have a number of strategic enablers relating to People, Money, and Facilities/The Circle.

## **Progress and achievements in 2015/16**

VAS worked with 1,117 organisations and around 3500 individuals (volunteers, training course participants, Healthwatch Sheffield members) during the course of 2015/16 (these figures are drawn from monitoring information on VAS's database, VC Connect ). Highlights of achievements against targets in the main service areas are outlined below.

### **1. Volunteering**

#### Aims

The aims were to ensure high quality support for volunteers and hosts; develop an ambassador volunteering programme; develop a kite mark of volunteering good practice; establish a recognised centre

# **VOLUNTARY ACTION SHEFFIELD LIMITED**

## **TRUSTEES' REPORT - CONTINUED**

*FOR THE YEAR ENDED 31 MARCH 2016*

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for supported volunteering programmes; and deliver a first class service for host organisations, making optimum use of technology.

### Outcome

We successfully maintained NCVO Volunteer Centre Quality Assurance Accredited Status – indeed we met the standard to such a high level that the assessor said our application was a joy to read. We appointed 9 volunteer ambassadors and delivered 25 sessions promoting volunteering to approximately 600 people. An independent evaluation of the New Beginnings supported volunteering programmes for refugees and asylum seekers was extremely positive about the impact of volunteering on their lives. We have been successful with a Lottery bid for New Beginnings continuation funding with VAS taking the lead following Northern Refugee Centre liquidation. The Sheffield Volunteer Standard was launched and 10 organisations went through the process, demonstrating their commitment to high quality volunteering. Sheffield City Council and the CCG support the standard with the Council using it as evidence for the Early Years tender involving volunteers. The number of potential volunteers accessing our service recovered from an historic low in May and we ended the year exceeding our annual target by around 10%. We started using Volunteer Connect in February 2015 and have seen an 85% increase in people using our website since then. We also have figures of individuals registering online so for the first time know around 1600 people have registered online this year.

### Plans for the future

We will develop a city-wide volunteering strategy, increase the use of the volunteer best practice kite-mark, broaden the range of organisations and roles supported, and increase volunteer brokerage outreach activity. Sheffield City Council is reviewing voluntary sector grant fund arrangements and based on our track record and achievements we will make a strong case for continued financial support via this route. Anticipating a positive outcome to our application to the Lottery for extension of the New Beginnings project for refugees and asylum seekers we will extend the volunteering support we provide to include employability support.

## **2. Developing Third Sector organisations**

### Aims

The aims were to provide front line organisations with the strength and resilience to adapt and thrive; to deliver affordable high quality professional expertise and training to a greater number of Third Sector organisations; to promote the value of professionalism and sustainability in all the work we do with clients; and to remain honest with and responsive to clients.

### Outcome

One of the key measures of success in this area was the annual customer survey. Unfortunately, due to changes in management arrangements and staff capacity constraints, we did not conduct a survey in 2015/16. However, we commissioned Sheffield Hallam University to carry out a State of the Sector survey to identify priorities for support. The survey results will inform detailed planning for 2016/17. We have delivered significant support to enable 82 new groups to set up and grow through our small groups service. Payroll services have remained stable and grown slightly and front line organisations have been supported to implement complex changes to new pension arrangements required by legislation. Training places booked have decreased slightly, but the main reduction in income is due to being unable to secure a new training contract. A review of training provision was launched to review the offer to improve effectiveness, efficiency and value for money going forward.

# **VOLUNTARY ACTION SHEFFIELD LIMITED**

## **TRUSTEES' REPORT - CONTINUED**

*FOR THE YEAR ENDED 31 MARCH 2016*

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Three new staff appointments were made in-year – a dedicated Professional Services Manager (Marge Wiltshire) took up post in October and a senior community accountant, Kate Fallon, started in August. A new Business Growth Manager, Maddy Desforges, took up post in January. A cross-departmental marketing and communications group was established and in the light of these developments we expect improved performance next year. In terms of developing new products and services, we have had significant success, we now have 35 volunteer centres nationally using our new digital volunteer brokerage tool, Volunteer Connect, and it is poised to become the only national platform for volunteering in Jersey in April 2016.

Our Connect for Well Being social prescribing platform is now also being piloted across Essex in GP surgeries, pharmacies and within voluntary organisations. It is also being rolled out across Kent. VC Connect is continuing to build VAS' reputation nationally, as a forward thinking CVS, as 'the John Lewis of CVS's' to quote one customer. In order to meet customer need, we have invested significantly into developing these products this financial year; however we are expecting significant returns. This year Volunteer Connect has generated around 80k, against 20k investment. Income targets were met, although additional costs of software development reduced the potential positive effect on VAS's bottom line.

### Plans for the future

We will take account of the findings of the State of the Sector survey and customer satisfaction surveys as well as softer feedback and intelligence, to develop our service offer so it remains relevant and up to date. We will provide development and specialist support (accountancy, payroll, HR, legal) to more than 300 organisations within our budget. We will implement the findings of the training review to ensure training meets the needs of VCS organisations. We will develop a wider offer to meet organisations' management and development needs by bringing in extra capacity and expertise via accredited Associates. We will also ensure we are relevant to a wider range of organisations including social enterprises. We will continue to provide digital and technological products which meet the diverse needs of the Sector and develop Volunteer Connect (volunteer matching software) and Connect for Wellbeing (social prescribing software) in response to customer needs. We will publish a social impact report describing the social impact of our role in developing Third Sector organisations.

## **3. Voice, Leadership and Partnership**

### Aims

The aims were to support the Third Sector to collaborate to strengthen its role in policy and planning; to make better use of national research and trend data in informing development and policy; to optimise Healthwatch's role; and to engage with the Local Enterprise Partnership to ensure Sheffield VCS benefits from European Funding for social inclusion.

### Outcome

We were successful in galvanising Third Sector voice and influence via the Thriving Voluntary Community and Faith Leadership Group, and the Social Leaders Network both of which are chaired by VAS. We organised and delivered a successful sector-wide conference in February, "Working for Sheffield" identifying practical ways in which the sector can work together to tackle challenges in our City. We prepared joint position papers on devolution, and on the Council's budgetary plans. We led proactively the development of a social prescribing strategy, drawing on national evidence and best practice.

Links with the City's VCS Contract Delivery consortium, Sheffield Cubed, grew from strength to strength with both the VAS Chair and the CEO on the Cubed Board.



# **VOLUNTARY ACTION SHEFFIELD LIMITED**

## **TRUSTEES' REPORT - CONTINUED**

*FOR THE YEAR ENDED 31 MARCH 2016*

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Healthwatch continued to meet all statutory obligations and has demonstrated innovative approaches to involving children and young people via the establishment of Young Healthwatch. We responded to the Healthwatch soft market test issued by the Council.

We continued to play an active part in the city's leadership partnership – the Sheffield Executive Board – where we championed the importance of socially inclusive growth and development in the City. VAS was an active participant in the Local Enterprise Partnership Social Inclusion Advisory Board and we held 2 extremely well attended information events for the Sector. Relationships with statutory agencies improved, particularly with the NHS. VAS secured a place on the Board of the new Business Improvement District which provides access to a wide range of potential corporate sector partners with whom we might collaborate to promote corporate social responsibility. We launched our 90<sup>th</sup> anniversary celebrations at the AGM and made plans for the anniversary year ahead.

### Plans for the future

We will organise and deliver 90<sup>th</sup> Anniversary celebrations including a Street Party to celebrate the work of volunteers and an Awards Ceremony to recognise and showcase the work of Third Sector organisations in the City. We will extend social media activity and update our website so we are more effective in supporting collective voice and influence. We will support the Social Leaders Network and the Thriving VCF Partnership group to proactively develop constructive and innovative programmes of work which will make a positive difference to the communities and individuals we support. We will respond to changing democratic and governance arrangements as a result of the Devolution Deal, campaigning for a socially inclusive approach. We will promote health and wellbeing by working with VCS partners to develop and implement a social prescribing model for Sheffield which attracts investment from public sector partners. We will apply successfully to Sheffield City Council for the Healthwatch contract from 2017, building on existing strengths and experience. We will optimise use of a new Healthwatch engagement software system to listen to hidden voices including children and young people.

## **4. Opportunities for VAS Growth**

### Aims

The aims were to expand markets to include social enterprise; establish wider markets and partnership working to achieve economies of scale; develop new ICT products which are saleable; and establish a subscription service for professional services support.

### Outcome

Success has been mixed. We did not make in-roads into social enterprise or broader SME markets, locally, regionally or nationally. Although a subscription model is in operation for HR services, this has not been extended to our broader professional services offer. This has been largely due to changes in personnel and capacity constraints, as well as reviewing the model in the wider context of looking at our services and how we charge for them. Appointments of both Professional Services and Business Growth Managers have started to identify new market opportunities including working with delivery partners. We have successfully marketed Volunteer Match software to 30 organisations, and we developed social prescribing system support software which has been tested in 2 areas of the country and is giving rise to customer interest. ICT income targets were broadly met (though note these were reduced by in year to reflect actual sales), but additional software development costs reduced the positive impact on VAS's bottom line.

### Plans for the future

The existing Business Growth Manager will be taking up the CEO role in July and her replacement, a newly appointed Business Growth Manager will be supported in her new role. We will work with private sector

# **VOLUNTARY ACTION SHEFFIELD LIMITED**

TRUSTEES' REPORT - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2016

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partners to develop corporate giving and employee supported volunteering programmes. We are considering a range of ways in which we can re-stimulate our offer to social enterprises and grow a new market. We will bring together partners in Sheffield City Region to identify opportunities for growth arising from devolution and put a collective offer forward. And we will identify opportunities to sell services to a wider SCR market. We will develop an investment proposal for social prescribing. We will respond to the review of Council grant funding, making the case for VAS and the Sector more broadly.

## **5. Our people**

### Aim

To build and develop staff capacity and skill base, including positive staff, volunteer and trustee morale; to maintain experienced staff in employment; and to support a high performing Board.

### Outcome

Staff survey results were very positive – morale and commitment being generally very high. Sick absence rate was 0.09% - an extremely positive position. A comprehensive succession plan was drawn up and delivered to identify new senior managers including Professional Services Manager, Business Growth Manager and new CEO, and a high number of well qualified applicants indicated interest and confidence in the organisation and sector. We successfully recruited new Board members with specific expertise and regular Board and SMT Away-days made a positive and proactive difference to strategic planning and delivery. We have made improvements to internal communications following feedback from the staff survey.

### Plans for the future

We will induct and support the new CEO and Business Growth Manager. We will review capacity and capability of the strategic HR function at VAS to ensure it is fit for purpose. We will act on outcomes from the staff survey. We will undertake a customer satisfaction survey and support our people to achieve successful Customer First Reaccreditation in January 2017. We will begin succession planning for key Board appointments.

## **6. Our money**

### Aim

The aim was to deliver a balanced budget and comply with bank covenants; deliver realistic income generation targets; diversify funding streams; and maintain proportionate reserves and core cost targets.

### Outcome

We delivered a deficit of £61k at year end, £35k of which relates to additional provision for eliminating the deficit on the pension fund. Although we have accounted for this in 2015/16, the payments are to be spread over the next 10 years. The remaining £26k was due to a number of factors including Northern Refugee Centre's liquidation which delayed the timetable for securing continuation Lottery funding for the New Beginnings Project and left VAS with a £15k debt in respect of services we had delivered. We also made a one off redundancy payment. In addition income generation from the training service was affected by not being able to secure an external training contract. Some of these challenges were offset by an excellent performance by The Circle team who achieved £62k over target via tenancy and conferencing income.

Open discussions with the Bank led us to understand they would not take action on any breach of the covenant, particularly because there is a window for mortgage renegotiation in 2017/18.

# **VOLUNTARY ACTION SHEFFIELD LIMITED**

## **TRUSTEES' REPORT - CONTINUED**

*FOR THE YEAR ENDED 31 MARCH 2016*

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The number of funding streams remained broadly static.

The reserves policy was reviewed and pragmatic decisions taken about the need for cash to shore up fluctuating income, and the overall reserves position given that VAS has shrunk in size. Senior Management Team monthly monitoring and scrutiny of management accounts against a realistic income and expenditure profile provided much better understanding and control of our financial position. We introduced robust credit control procedures which significantly reduced bad debt.

### Plans for the future

The Board of Trustees has set a balanced budget for the year ahead. We will continue to improve budget monitoring, providing training for budget accountability; and we will improve delegated budget limit arrangements. The Board will review the reserves target. We will increase the range of funding streams over the 2015/16 position. We will prepare for a mortgage renegotiation window in 2017/18 in the light of decisions taken about community ownership models.

## **7. Our assets and facilities**

### Aims

The aims were to work towards paying off a part of the mortgage in 2018 in favour of a community ownership model; and to achieve conferencing and office rental targets so that The Circle is a net contributor to VAS's bottom line.

### Outcome

Both office rental and conferencing/room hire targets were exceeded, meaning that for the first time since 2007, The Circle made a profit in line with the original business case for what was the new building at that time. The Circle was a truly vibrant hub for voluntary and community action in 2015/16. We made good progress in exploring the feasibility of community ownership for The Circle, involving a dedicated working group, the Board and SMT, expert consultancy, and the Bank. The feasibility study did not identify any potential deal-breakers which could stand in the way of this being achieved, should the Board and the senior management team decide to proceed in the year ahead.

### Plans for the Future

We will complete the community ownership feasibility study and if appropriate, we will draw up plans to launch a community shares prospectus. We will achieve an improvement in the levels of Circle customers reporting a positive experience and explore different use of space for customers including hot-desking. We will develop an upgrading, cleaning and maintenance schedule to retain high quality standards of accommodation. We will achieve conference and office rental income targets and maintain a waiting list of prospective new tenants.

# VOLUNTARY ACTION SHEFFIELD LIMITED

TRUSTEES' REPORT - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2016

## Representation and strategic collaboration

VAS continued to work closely with a range of organisations and partnerships throughout the year in pursuit of its strategic objectives. What follows is a list of those of which we were members or active participants (*these are in addition to those that Healthwatch Sheffield is represented at*):

Ageing Better Core Partnership\*  
Association of Chartered Certified Accountants Charities Panel  
Common Purpose Advisory Group\*  
Community Accountants National Network (CANN)\*  
Drinkwise Agewell Stakeholder Group\*  
National Association of Voluntary and Community Action  
National Centre for Sports and Exercise Medicine Sheffield Partnership Board\*  
National Council for Voluntary Organisations (NCVO)  
Certa (formerly Open College Network Yorkshire & Humber)  
Sheffield Business Improvement District  
Sheffield Chamber of Commerce and Industry and the Junior Chamber  
Sheffield City Region Councils for Voluntary Service  
Sheffield Cubed\*  
Sheffield First Partnership/Sheffield Executive Board\*  
Sheffield Refugee Forum  
Sheffield Social Enterprise Network\*  
Sheffield Social Leaders Network  
Sheffield Teaching Hospitals Governing Council\*  
Thriving VCF Leadership Group\*  
Yorkshire & Humber Volunteer Centre Network (YAHCON)  
*\* denotes Board membership*

## Planning ahead

Our new CEO, Maddy Desforges, takes up post in July 2016. Maddy has a wealth of leadership experience and expertise, and as a result of her recent role as VAS Business Growth Manager, she already has a good understanding of VAS and has started to build strong relationships with stakeholders in the public, private, and VCS sectors.

The democratic and economic landscape of our City is changing rapidly and VAS will identify opportunities for the VCS to ensure that, for example, the devolution deal promotes equality and social inclusion as an integral part of economic growth. We will respond proactively to the development of the Sheffield City Region footprint, working with colleagues in other areas of the City Region to promote and support effective community and voluntary action.

Subject to Board decision, we will join forces with Sheffield Cubed, the City's service delivery consortium, combining contract and service delivery with capacity and capability building to ensure the skills and expertise of VCS organisations are developed and utilised for the benefit of the communities we support. In that context we will develop a compelling investment proposal for social prescribing.

We will respond proactively to the review of Council grant funding, making the case for VAS and the Sector more broadly. And based on Healthwatch Sheffield's strong track record and achievements we will submit a proposal to win the contract from 2017, should the Council go out to re-tender.

# **VOLUNTARY ACTION SHEFFIELD LIMITED**

## **TRUSTEES' REPORT - CONTINUED**

*FOR THE YEAR ENDED 31 MARCH 2016*

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We will recruit 3 new staff to deliver the New Beginnings Refugee and Asylum Seeker volunteering and work readiness support project, tailoring our support to meet the needs of clients. We will extend coverage of the volunteer quality standard.

We will fine-tune professional service support for front line organisations in the light of the outcome of the State of the Sector survey and customer satisfaction surveys and we will implement the recommendations of the training review. We will achieve Customer First Reaccreditation in 2017.

We will continue to develop and promote bespoke ICT software products and support to meet the changing needs of the Sector, including Connect for Wellbeing, a software system which can support social prescribing.

We will look after our people – inducting new staff, and listening to staff views and ideas via a further staff survey. We will look after our building, implementing a comprehensive repair and maintenance programme to make sure it remains fit for purpose. We will prepare a plan for mortgage renegotiation in 2017/18 and consider the possibility of community share ownership. And we will deliver a balanced budget.

We will work with partners to develop a corporate giving programme to include employer supported volunteering.

And we will use our 90<sup>th</sup> Anniversary to celebrate the work of volunteers and to promote the value and impact of voluntary and community action via an Awards Ceremony.

Achieving all this will require the combined effort of staff, Trustees, volunteers and VCS partners and we will work hard to encourage and support collaborative approaches and partnership opportunities.

### **Governance, management and structure**

Members of the Board of Trustees are nominated from and elected by the members. Each Trustee is elected at an Annual General Meeting to serve for a three-year term, with approximately one third retiring each year. Casual vacancies may be filled by appointment by the Board until the next AGM. Honorary Officers (Chair, two Vice-Chairs and Treasurer) are nominated and elected by Trustees annually, at the first Board Meeting to follow the AGM. The Board also has the power to admit observers, which is used to ensure close links with important partner organisations, such as the City Council and the NHS. Observers are not registered Trustees or Directors, and do not have voting rights.

The Board is also served by its sub-committees, each chaired by a member of the Board, which meet between three and five times per year. These are responsible for scrutinising specific areas of work, undertaking tasks delegated to them by the Board, and advising the Board on policy and strategy.

All new Board members receive an individual induction with the Chair and Chief Executive. In addition, there are annual or twice yearly away-days - development and planning events to enable Trustees to understand the organisation and their responsibilities.

The senior management team (SMT) is the executive decision-making body for VAS. This comprises the Chief Executive, Business Growth Manager, and Departmental Managers.

The link between the Trustee Board and the staff is maintained through the following mechanisms:-

- Line management of the Chief Executive by the Chair
- Senior staff attendance at meetings of the Board and Committees
- Annual joint away days of the Board and Senior Management Team

# **VOLUNTARY ACTION SHEFFIELD LIMITED**

## **TRUSTEES' REPORT - CONTINUED**

*FOR THE YEAR ENDED 31 MARCH 2016*

- VAS's Communications Cafe, a monthly meeting for staff and trustees to exchange information and discuss issues.

In 2015/16 VAS benefited from having a stable and experienced cadre of Trustees who brought constructive challenge and support to the Executive. Relationships between Trustees and the Senior Management Team developed productively and positively, largely via our joint Away-days. We recruited a new Board member in July 2015 with substantial experience of building and facilities management which is adding considerable value to our work. Board Members played a very proactive role in designing and implementing succession planning arrangements for senior staff including recruitment of the new CEO.

The organisational structure is set out in Appendix A. A list of VAS's member organisations is available on VAS's website: [www.vas.org.uk](http://www.vas.org.uk)

### **Objectives and activities for public benefit**

The principal objects of the charity are "to promote any charitable purposes for the benefit of the public, principally but not exclusively in the local government area of the City of Sheffield and elsewhere ..... and, in particular, build the capacity of third sector organisations and provide them with the necessary support, information and services to enable them to pursue or contribute to any charitable purpose" and "to promote, organise and facilitate co-operation and partnership working between third sector, statutory and other relevant bodies in the achievement of the above purposes with the area of benefit" (Articles 3 (1) & (2)).

The Trustees confirm that they have referred to the Charity Commission's general guidance on public benefit and are satisfied that the organisation's strategic framework, which provides the template for all of its work, conforms to these requirements.

### **Risk management**

An audit of the risks faced by the organisation was undertaken by senior managers and the Finance and General Purposes Committee during the year. A list of top ten risks was identified by weighting according to probability and impact, and these are regularly reviewed by the Finance & General Purposes Committee and then reported on to the Trustee Board.

The principle risks and associated mitigating actions were:

Failure to meet income targets, including ICT service sales, professional service and training provision, necessitating the use of reserves to cover operating costs. Mitigating actions include rigorous review of monthly income targets, controlling and benchmarking costs so that VAS is competitive, improving marketing, and reviewing our training offer to make it more cost effective.

Insufficient management and core services capability to effectively manage operational delivery and change programmes. Mitigating actions include managing staffing changes carefully, analysing impact on existing management and core services capacity; efficiency and effectiveness improvements; effective involvement of volunteers to add breadth and depth, and implementation of full-cost recovery into budgets to reflect changing core costs.

Development capacity insufficient to identify, develop and take full advantage of available opportunities. Mitigating actions include senior management restructure to create a business growth manager post,

# VOLUNTARY ACTION SHEFFIELD LIMITED

## TRUSTEES' REPORT - CONTINUED

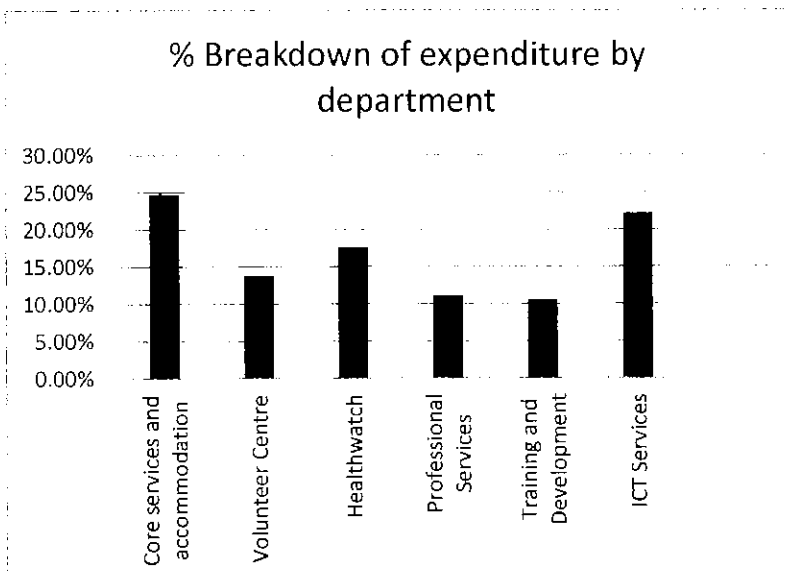
FOR THE YEAR ENDED 31 MARCH 2016

buying in extra capacity for bid writing where feasible and necessary, extending partnership working with other voluntary organisations to share expertise and bid writing costs and capacity.

Reductions in public funding. Mitigating actions include scanning for new opportunities, diversifying our funding base, building constructive relationships with public and private sector partners, seeking opportunities arising as a result of the City Region Devolution Deal, and also improving efficiency and effectiveness.

### Financial review

The % breakdown of charitable expenditure by department in 2015/16 (see note 7 in the accounts) was as follows:



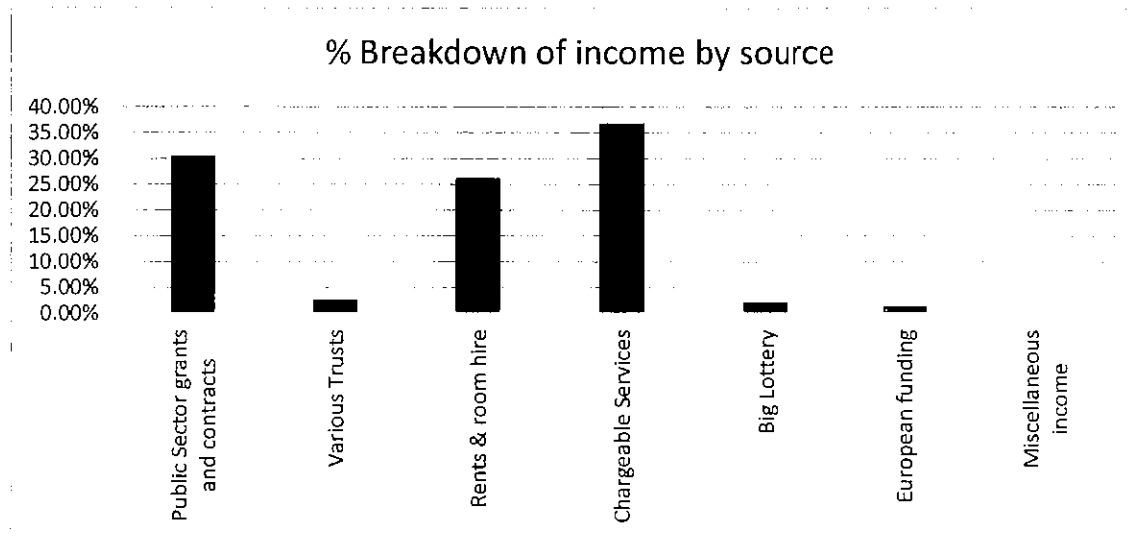
Income continues to be derived from many sources, including public sector funding bodies, charitable trusts and the Big Lottery (see notes 3 & 5 in the accounts). Of note is the amount of funds derived from fees and charges: in 2015/16 these increased by £107,198 to £886,130 and constituted 63% of total income (53% in 2014/15). This relates to income from renting office space and providing conference and meeting facilities in The Circle, plus sales and fees from IT and fees from services to other voluntary and community organisations, including training, HR, legal, accounting and payroll. The increase is due to a significant increase in sales of VC Connect and also improved bookings for room hire and conference facilities. In addition our rented office space was at 100% occupancy by the end of the year.

# VOLUNTARY ACTION SHEFFIELD LIMITED

TRUSTEES' REPORT - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2016

## Financial review - continued

A summary of the principal sources of income is set out in the table below.



Net movement in funds was a £76,428 reduction or deficit, comprising a £60,683 deficit in unrestricted funds and a £15,745 deficit in restricted funds. The restricted fund deficit of £15,745 reflects timing differences of income and expenditure and restricted reserves have decreased to include this deficit.

£34,838 of the unrestricted deficit of £60,683 relates to an increase in provision for eliminating the deficit on the pension fund. This liability has been included in the accounts for the first time this year, in line with the new Statement of Recommended Practice (SORP) for charity accounts, and has been set against the designated funds. The remaining £25,845 is partly due to a loss incurred as a result of the Northern Refugee Centre going into administration and partly due to additional one-off costs associated with a management restructure.

In 2014/15, the impact of the above on the free reserves (that is the general reserve) is a £48,548 negative impact, reducing the general reserve balance to £214,143.

A budget has been agreed for 2016/17 by the Board which gives a small surplus. Whilst this doesn't immediately bring the free reserve in line with the value required by our Reserves Policy, the Board is confident that the reserves are sufficient for the on-going operation of the organisation (see below).



# **VOLUNTARY ACTION SHEFFIELD LIMITED**

TRUSTEES' REPORT - CONTINUED

*FOR THE YEAR ENDED 31 MARCH 2016*

## **Reserves policy**

The Board has determined:

- (a) To maintain free reserves of at least £250,000, of which £170,000 is available to meet redundancy costs in case of wind-up, £40,000 is available to provide working capital (to be released against a business case) and a further £40,000 is available to manage risks and short-term year-on-year budget fluctuations.

To take a flexible approach to the precise amounts designated for each purpose if necessary.

At 31 March 2016, free reserves were £214,143, which is £35,857 short of the Board's target. £20,000 of this represents the investment in development of the Connect for Wellbeing platform that forms part of the VC Connect product. The remainder relates to budget fluctuations. It was felt that, in the current climate, it would be very difficult to restore the reserves to the full £250,000 this year. Given that the reserves are sufficient to cover the redundancy costs in case of wind-up, the Board agreed to set a break even budget. The level of reserve and any action required will be reviewed by the Board at their December meeting.

- (b) That restricted funds must be kept in a risk-free and liquid form.

Designated funds totalled £1,125,003. This relates to The Circle building, less the outstanding mortgage and the amounts owing to eliminate the pension fund deficit. See note 22 of the accounts for further details.

# **VOLUNTARY ACTION SHEFFIELD LIMITED**

TRUSTEES' REPORT - CONTINUED

FOR THE YEAR ENDED 31 MARCH 2016

## **Trustees' responsibilities statement**

The trustees (who are also directors of VAS 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).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then 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 the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

On behalf of the Board



Debbie Mathews

**Chair**

Date: 7 July 2016

## **VOLUNTARY ACTION SHEFFIELD LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VOLUNTARY ACTION SHEFFIELD LIMITED**

**FOR THE YEAR ENDED 31 MARCH 2016**

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We have audited the financial statements of Voluntary Action Sheffield Ltd for the year ended 31 March 2015 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Generally Accepted Accounting Practice.

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 auditor's 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 16), the trustees (who are also the directors of Voluntary Action Sheffield Ltd 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's (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' Report to identify material 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 financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of Voluntary Action Sheffield Ltd's affairs as at 31 March 2015, 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## **VOLUNTARY ACTION SHEFFIELD LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VOLUNTARY ACTION SHEFFIELD LIMITED**

*FOR THE YEAR ENDED 31 MARCH 2016*

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#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Trustees' 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 and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Philip Allsop (Senior Statutory Auditor)  
for and on behalf of BHP, Chartered Accountants

2 Rutland Park  
Sheffield  
S10 2PD

Statutory Auditor

Date: 29 July 2016

**VOLUNTARY ACTION SHEFFIELD LIMITED**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 MARCH 2016**

	Note	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
<b>Income:</b>					
Donations and legacies	3	25,658	500	26,158	68,276
Income from charitable activities	4/5	886,130	482,407	1,368,537	1,410,179
Investment income		521	-	521	565
<b>Total Income</b>		<b>912,309</b>	<b>482,907</b>	<b>1,395,216</b>	<b>1,479,020</b>
<b>Expenditure:</b>					
Costs of raising funds	6	(3,952)	-	(3,952)	(5,502)
Expenditure on charitable activities (Includes exceptional costs of £28,345, as shown in note 10)	7/9	(909,110)	(523,744)	(1,432,854)	(1,509,397)
<b>Total expenditure</b>		<b>(913,062)</b>	<b>(523,744)</b>	<b>(1,436,806)</b>	<b>(1,514,899)</b>
<b>Net income/(expenditure)</b>		<b>(753)</b>	<b>(40,837)</b>	<b>(41,590)</b>	<b>(35,879)</b>
Transfers between funds	21	(25,092)	25,092	-	-
Other recognised gains/(losses) Actuarial gains/(losses) on defined benefit pension scheme		(34,838)	-	(34,838)	-
<b>Net movement in funds</b>		<b>(60,683)</b>	<b>(15,745)</b>	<b>(76,428)</b>	<b>(35,879)</b>
<b>Reconciliation of funds:</b>					
Funds brought forward as at 1 April 2015		1,399,829	38,326	1,438,155	1,474,034
<b>Funds carried forward as at 31 March 2016</b>		<b>1,339,146</b>	<b>22,581</b>	<b>1,361,727</b>	<b>1,438,155</b>

All of the above results are derived from continuing activities. The result for Companies Act purposes comprises the net movement in funds of £76,428 (2015: Net movement in funds of £35,879).

The statement of financial activities includes all gains and losses recognised during the year.

# VOLUNTARY ACTION SHEFFIELD LIMITED

## BALANCE SHEET

AS AT 31 MARCH 2016

	Note	£	2016 £	2015 £
<b>Fixed assets</b>				
Tangible assets	15		<b>2,149,763</b>	2,200,726
Intangible assets	16		<b>20,000</b>	-
			<b>2,169,763</b>	2,200,726
<b>Current assets</b>				
Debtors	17	<b>137,663</b>		280,533
Cash at bank and in hand		<b>301,109</b>		225,416
		<b>438,772</b>		505,949
<b>Creditors: amounts falling due within one year</b>	18	<b>(268,058)</b>		(259,053)
<b>Net current assets</b>			<b>170,714</b>	<b>246,896</b>
<b>Total assets less current liabilities</b>			<b>2,340,477</b>	2,447,622
<b>Creditors: amounts falling due in more than one year</b>				
Mortgage	19		<b>(843,350)</b>	(894,208)
Pension deficit	27		<b>(135,400)</b>	(115,259)
<b>Net assets</b>			<b>1,361,727</b>	1,438,155
<b>Charity funds</b>				
<b>Restricted</b>	20		<b>22,581</b>	38,326
<b>Unrestricted</b>				
Designated	22	<b>1,125,003</b>		1,137,138
General	24	<b>214,143</b>		262,691
			<b>1,339,146</b>	1,399,829
<b>Total Charity Funds</b>	23		<b>1,361,727</b>	1,438,155

These accounts were approved by the Board on 7 July 2016 and are signed on its behalf by:-



**N Booth**  
Honorary Treasurer



**D Mathews**  
Chair

Company Registration No.215695

BHP, Chartered Accountants

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# VOLUNTARY ACTION SHEFFIELD LIMITED

## CASHFLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2016

	2016 £	2015 £
<b>Cash flows from operating activities:</b>		
Net cash provided by/(used in) operating activities	143,717	35,712
<b>Cash flows from investing activities:</b>		
Purchase of fixed assets	(20,000)	(3,428)
Interest on Investments	<u>(521)</u>	<u>(565)</u>
<b>Net cash provided by/(used in) investing activities</b>	<b>(20,521)</b>	<b>(3,993)</b>
<b>Cash flows from financing activities:</b>		
Repayment of borrowing	<u>(47,503)</u>	<u>(44,671)</u>
<b>Net cash provided by/(used in) financing activities</b>	<b>(47,503)</b>	<b>(44,671)</b>
<b>Net Increase/(decrease) in cash and cash equivalents</b>	<b><u>75,693</u></b>	<b><u>(12,952)</u></b>
<b>Cash and cash equivalents at 1 April 2015</b>	<b>225,416</b>	<b>238,368</b>
<b>Cash and cash equivalents at 31 March 2016</b>	<b><u>301,109</u></b>	<b><u>225,416</u></b>
<b>Cash and cash equivalents consists of:</b>		
Cash at bank and in hand	301,109	225,416
<b>Cash and cash equivalents at 31 March 2016</b>	<b><u>301,109</u></b>	<b><u>225,416</u></b>
<b>Reconciliation of net income/(expenditure) to net cash flow from operating activities</b>		
	2016	2015
	£	£
<b>Net Income/(expenditure) for the reporting period (as per the statement of financial activities)</b>	<b>(76,428)</b>	<b>(35,879)</b>
<b>Adjustments for:</b>		
Depreciation charges	50,963	54,495
Interest from investments	521	565
(Increase)/decrease in debtors	142,870	(40,741)
Increase/(decrease) in creditors	6,114	63,631
Increase/(decrease) in pension deficit provision	19,677	(6,359)
<b>Net cash provided by/(used in) operating activities</b>	<b><u>143,717</u></b>	<b><u>35,712</u></b>

# **VOLUNTARY ACTION SHEFFIELD LIMITED**

## **NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31 MARCH 2016**

---

### **1. Accounting policies**

#### **(a) General information and basis of preparation**

Voluntary Action Sheffield is a registered charity in the United Kingdom and a company limited by guarantee in the United Kingdom. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 1 - 2 of these financial statements. The nature of the charity's operations and principal activities are detailed in the Trustees' report.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

The charity adopted SORP (FRS 102) in the current year and an explanation of how transition to SORP (FRS 102) has affected the reported financial position and performance is given in note 28.

#### **(b) Funds**

Unrestricted funds are available for use at the discretion of the trustees 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 trustees 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 or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

#### **(c) Income recognition**

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.



# **VOLUNTARY ACTION SHEFFIELD LIMITED**

## **NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31 MARCH 2016**

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### **1. Accounting policies – continued**

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' Annual Report.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity where it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

The charity receives government grants in respect of Healthwatch Sheffield, the Volunteer Centre and a Talent Match trainee post. Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Investment income is interest earned on the Charity's current account.

#### **(d) Expenditure recognition**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds - This relates to the cost of obtaining the grants referred to in note (c). It includes 25% of the Marketing & Communications Officer's salary together with related office costs.
- Expenditure on charitable activities - These are the direct costs of VAS's work to meet its charitable activities plus governance costs. Governance includes the direct and indirect costs relating to external audit and to the constitutional and statutory requirements for managing the charity. The following costs have been allocated to governance:
  - One day per week of the Chief Executive, Deputy Chief Executive and Finance Manager together with related office costs.
  - Auditor costs.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

#### **(e) Support costs allocation**

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative and payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources. Premises overheads have been allocated on a cost per square foot basis and other overheads have been allocated on a staff hours basis.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

The analysis of these costs is included in note 6.

# VOLUNTARY ACTION SHEFFIELD LIMITED

## NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2016

### 1. Accounting policies – continued

#### (f) Intangible assets

Research expenditure is written off in expenditure in the SoFA in the year in which it is incurred. Identifiable development expenditure in relation to software products is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

Intangible assets are amortised on a straight line basis over their useful lives. The useful lives of intangible assets are as follows:

Type	Useful life	Reason
Connect for Wellbeing computer software	4 years	In line with the NHS 5 year Forward View

Provision is made for any impairment that is apparent.

#### (g) Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Leasehold land	Nil
Leasehold buildings	50 years straight line
Computer equipment	3 years straight line
Fixtures and fittings	10 years straight line

#### (h) Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

#### (i) Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a finance transaction it is measured at present value.

#### (j) Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

# **VOLUNTARY ACTION SHEFFIELD LIMITED**

## **NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31 MARCH 2016**

---

### **1. Accounting policies – continued**

#### **(k) Provisions**

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

#### **(l) Leases**

Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

#### **(m) Employee benefits**

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service, except for any holiday pay entitlement at the balance sheet date.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

The charity operates a defined benefit plan for the benefit of its employees. A liability for the charity's obligations under the plan is recognised net of plan assets. The net change in the net defined benefit liability is recognised as the cost of the defined benefit plan during the period. Pension plan assets are measured at fair value and the defined benefit obligation is measured on an actuarial basis using the projected unit method. Actuarial valuations are obtained at least triennially and are updated at each balance sheet date.

#### **(n) Tax**

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

#### **(o) Going concern**

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

# VOLUNTARY ACTION SHEFFIELD LIMITED

## NOTES TO THE ACCOUNTS - CONTINUED

FOR THE YEAR ENDED 31 MARCH 2016

### 2. Prior Year Statement of Financial Activities (restated) – for comparison

Note	Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
<b>Incoming resources</b>				
Donations and legacies	67,766	510	68,276	34,394
Income from charitable activities	778,932	631,247	1,410,179	1,548,598
Investment income	565		565	1,251
<b>Total incoming resources</b>	<b>847,263</b>	<b>631,757</b>	<b>1,479,020</b>	<b>1,584,243</b>
<b>Resources expended</b>				
Costs of raising funds	(5,502)		(5,502)	(5,581)
Expenditure on charitable activities	(804,093)	(705,304)	(1,509,397)	(1,743,348)
<b>Total resources expended</b>	<b>(809,595)</b>	<b>(705,304)</b>	<b>(1,514,899)</b>	<b>(1,787,640)</b>
<b>Net income/(expenditure)</b>	<b>37,668</b>	<b>(73,547)</b>	<b>(35,879)</b>	<b>(203,397)</b>
<b>Transfers</b>	<b>(48,292)</b>	<b>48,292</b>	-	-
<b>Actuarial gains/(losses) on defined benefit pension scheme</b>	-	-	-	(137,234)
<b>Net incoming/(outgoing) resources for the year after transfers</b>	<b>(10,624)</b>	<b>(25,255)</b>	<b>(35,879)</b>	<b>(340,631)</b>
Funds brought forward as at 1 April 2014	1,410,453	63,581	1,474,034	1,814,665
<b>Funds carried forward as at 31 March 2015</b>	<b>1,399,829</b>	<b>38,326</b>	<b>1,438,155</b>	<b>1,474,034</b>

All of the above results are derived from continuing activities. The result for Companies Act purposes comprises the net resources expended during the year of £35,879 (2014: Net resources expended of £340,631).

# VOLUNTARY ACTION SHEFFIELD LIMITED

## NOTES TO THE ACCOUNTS - CONTINUED

FOR THE YEAR ENDED 31 MARCH 2016

### 3. Income: Donations and legacies

	Unrestricted £	Restricted £	Total 2016 £	Total 2015 £
Marjorie Coote Old People's Charity	10,000	-	10,000	10,000
Sheffield Town Trust	9,000	-	9,000	9,000
Hugh Neill Charity	-	-	-	1,000
James Neill Trust Fund	1,500	-	1,500	1,500
Church Burgesses Trust	5,000	-	5,000	7,000
Henry James Estate	-	-	-	38,005
Sundry donations	158	500	658	1,771
	<u>25,658</u>	<u>510</u>	<u>26,158</u>	<u>68,276</u>

### 4. Income from charitable activities: analysis by activity

This income can be analysed over the following activities:

	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
Core services and accommodation	376,889	18,488	395,377	356,666
Volunteer Centre	2,824	175,993	178,817	194,557
Healthwatch	10,469	239,619	250,088	237,413
Professional Services	110,390	21,750	132,140	178,734
Training and Development	113,008	10,945	123,953	163,614
ICT Support Services	272,550	15,612	288,162	279,195
	<u>886,130</u>	<u>482,407</u>	<u>1,368,537</u>	<u>1,410,179</u>

An analysis of the sources of this income is shown in note 4.

### 5. Income from charitable activities: analysis by funding source

	2016 £	2015 £
Sheffield City Council – Voluntary Sector/revenue grants	139,222	165,030
Sheffield City Council – Other Funding		
- Healthwatch	239,619	237,388
- Libraries support	-	11,420
- State of the Sector survey	5,000	-
CCG	25,000	25,000
Talent Match	5,068	1,903
Key Fund	-	695
University of Sheffield	750	750
<b>Carried forward to next page</b>	<u>414,659</u>	<u>442,186</u>

# VOLUNTARY ACTION SHEFFIELD LIMITED

## NOTES TO THE ACCOUNTS - CONTINUED

FOR THE YEAR ENDED 31 MARCH 2016

### 5. Income from charitable activities: analysis by funding source – continued

	2016	2015
	£	£
<b>Brought forward from previous page</b>	<b>414,659</b>	441,186
Big Lottery		
- Lunch clubs – (Ref: Awards for All – 0010237214) – Restricted Fund	-	5,800
- NRC New Beginnings – (Ref. RC/5/010423756) – Restricted Fund	<b>30,751</b>	37,477
European Funding- Learning 2.0 gether – (Ref. UK/12/LLP-LdV/TOI-542) - Restricted Fund	<b>15,612</b>	74,994
ESF – Calderdale College	<b>3,885</b>	65,790
Department for Energy and Climate Change	<b>8,000</b>	5,000
Santander	<b>6,500</b>	-
Yorkshire Sport Foundation	<b>3,000</b>	-
The Circle – Rental Income / room hire / conferencing	<b>366,734</b>	315,294
Chargeable services / sundry income	<b>519,396</b>	463,638
	<b>1,368,537</b>	1,410,179

### 6. Costs of raising funds

	2016	2015
	£	£
Staff costs	<b>3,730</b>	4,910
Other costs	<b>222</b>	592
	<b>3,952</b>	5,502

### 7. Expenditure on charitable activities

Expenditure can be analysed over the following activities:-

	Activities undertaken directly £	Grant funding of activities £	Support costs £	Total 2016 £	Total 2015 £
Core services and accommodation	<b>471,028</b>	-	<b>173,605</b>	<b>644,633</b>	733,508
Less: Support costs recharged to projects	<b>(151,200)</b>	-	<b>(139,665)</b>	<b>(290,865)</b>	(358,751)
	<b>319,828</b>	-	<b>33,940</b>	<b>353,768</b>	374,757
Volunteer Centre	<b>162,472</b>	-	<b>35,659</b>	<b>198,131</b>	203,397
Healthwatch	<b>217,561</b>	-	<b>34,758</b>	<b>252,319</b>	246,949
Professional Services	<b>133,893</b>	-	<b>25,696</b>	<b>159,589</b>	207,532
Training and Development	<b>132,840</b>	-	<b>18,087</b>	<b>150,927</b>	137,412
ICT Services	<b>292,655</b>	-	<b>25,465</b>	<b>318,120</b>	339,350
	<b>1,259,249</b>	-	<b>173,605</b>	<b>1,432,854</b>	1,509,397

# VOLUNTARY ACTION SHEFFIELD LIMITED

## NOTES TO THE ACCOUNTS - CONTINUED

FOR THE YEAR ENDED 31 MARCH 2016

### 7. Expenditure on charitable activities - continued

Support costs totalling £173,605 (2015: £225,107) have been allocated across activities. Costs have been allocated either on the basis of time spent by the departments in supporting the activities, or other usage of the service.

	2016	2015
	£	£
Finance	31,713	43,835
Personnel	16,368	8,778
ICT internal services	36,596	48,284
Implementation and training on new finance software	-	10,676
Executive management and administration	88,928	113,534
	<u>173,605</u>	<u>225,107</u>

### 8. Grants paid

	2016	2015
	£	£
South Yorkshire Community Foundation	-	8,506
Amounts paid to other organisations under £1,000	-	16,634
	<u>-</u>	<u>25,140</u>

The grants paid comprise monies from SCC Bursary Fund In 2015.

### 9. Governance costs

	2016	2015
	£	£
Staff costs	26,781	29,574
Related office costs	1,748	1,647
Audit	8,624	9,240
	<u>37,153</u>	<u>40,461</u>

### 10. Net income/(expenditure) for the year is stated after charging:

	2016	2015
	£	£
Auditors' remuneration	8,624	9,240
Other non-audit services	840	840
Operating lease rentals in respect of equipment and vehicles	2,540	2,540
Depreciation of fixed assets	50,963	54,496
Bad debt provision re Northern Refugee Centre liquidation	15,045	-
Redundancy costs	13,300	-

### 10a. Interest payable

	2016	2015
	£	£
Bank loans/mortgage	60,039	62,872

# VOLUNTARY ACTION SHEFFIELD LIMITED

## NOTES TO THE ACCOUNTS - CONTINUED

FOR THE YEAR ENDED 31 MARCH 2016

<b>11. Staff costs and employee benefits</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Wages and salaries	<b>687,566</b>	729,242
Social security costs	<b>48,533</b>	47,510
Pension contributions – current service	<b>37,323</b>	38,333
Pension contributions – scheme deficit (see note 12)	<b>15,888</b>	15,425
	<b>789,310</b>	830,510

Included in the wages and salaries total for 2016 are redundancy costs of £13,300.

The average number of employees during the year was 43 (2015: 42).

No employee earned more than £60,000 per annum (2015: nil).

## **12. Trustees and key management personnel remuneration and expenses**

None of the trustees receive any remuneration in respect of their role as director/trustee of VAS. No travel expenses were paid during the year (2015: £79). No trustees received payment in respect of training and consultancy (2015: £1,825 and £390).

Several VAS trustees are also employees or trustees of VAS member organisations to which VAS provides various services including payroll and accountancy services. The charges for these services are relatively small and always on normal commercial terms. One trustee is an employee of Sheffield Citizens Advice that provided sub-contracted services to the Healthwatch contract with a value of £15,000 (2015: £45,000).

The total amount of employee benefits received by key management personnel is £238,975. (2015: £246,941). The Trustees consider key management personnel to comprise: Chief Executive Officer, Deputy Chief Executive Officer (to Dec 2015), Business Growth Manager (from Jan 2016), Finance Manager, ICT Manager, Buildings and Facilities Manager, Volunteer Centre Manager and Professional Services Manager.

## **13. Pension costs**

VAS makes payments on behalf of employees into individuals defined contributions pension schemes. The assets of these schemes are held separately from those of VAS in independently administered funds. The pension cost charge in the statement of financial activities represents contributions payable by VAS to the funds and amounts to £53,211 (2015: £53,758). VAS also has an obligation to The Pensions Trust. £15,888 of the contributions in 2016 related to the deficit on this scheme (see note 27) (2015: £15,425). There were contributions of £4,297 payable at the year-end (2015: £4,133).

## **14. Taxation**

As a charity, VAS is exempt from tax on income and gains falling within the available tax exemptions to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity.



# VOLUNTARY ACTION SHEFFIELD LIMITED

NOTES TO THE ACCOUNTS - CONTINUED

FOR THE YEAR ENDED 31 MARCH 2016

## 15. Tangible assets

	Long Leasehold land and buildings £	Computer equipment and software £	Other fixtures £	Total £
<b>Cost</b>				
At 1 April 2015	4,305,888	116,899	188,203	4,610,990
Additions	-	-	-	-
<b>At 31 March 2016</b>	<b>4,305,888</b>	<b>116,899</b>	<b>188,203</b>	<b>4,610,990</b>
<b>Depreciation</b>				
At 1 April 2015	2,153,888	113,470	142,906	2,410,264
Charge for the year	31,000	1,143	18,820	50,963
<b>At 31 March 2016</b>	<b>2,184,888</b>	<b>114,613</b>	<b>161,726</b>	<b>2,461,227</b>
<b>Net Book Value</b>				
At 31 March 2016	2,121,000	2,286	26,477	2,149,763
At 31 March 2015	2,152,000	3,429	45,297	2,200,726

## 16. Intangible assets

	Computer Software Development £
<b>Cost</b>	
At 1 April 2015	-
Additions	20,000
<b>At 31 March 2016</b>	<b>20,000</b>
<b>Amortization</b>	
At 1 April 2015	-
Charge for the year	-
<b>At 31 March 2016</b>	<b>-</b>
<b>Net Book Value</b>	
At 31 March 2016	20,000
At 31 March 2015	-

# VOLUNTARY ACTION SHEFFIELD LIMITED

## NOTES TO THE ACCOUNTS - CONTINUED

FOR THE YEAR ENDED 31 MARCH 2016

<b>17. Debtors</b>	<b>2016</b>	<b>2015</b>
	£	£
Trade debtors	<b>116,967</b>	179,200
Prepayments	<b>20,696</b>	25,308
Grants receivable	-	74,923
Other debtors	-	1,102
	<b>137,663</b>	<b>280,533</b>
<b>18. Creditors: amounts falling due within one year</b>	<b>2016</b>	<b>2015</b>
	£	£
Amount held on behalf of other organisations and special projects (see note (a) below)	<b>8,914</b>	8,914
Bank loan	<b>50,860</b>	47,505
Contribution to pension scheme deficit	<b>15,152</b>	15,616
Accruals	<b>75,645</b>	68,314
Deferred income – Income received in advance	<b>93,845</b>	97,134
Tax and social security	<b>23,642</b>	21,570
	<b>268,058</b>	<b>259,053</b>
(a) Amounts held on behalf of other organisations and special projects:	<b>2016</b>	<b>2015</b>
	£	£
Help Yourself Directory	<b>8,914</b>	8,914
	<b>8,914</b>	<b>8,914</b>
<b>19. Creditors: amounts falling due after more than one year</b>	<b>2016</b>	<b>2015</b>
	£	£
Bank loan	<b>843,350</b>	894,208
Pension deficit contributions	<b>135,400</b>	115,259
	<b>978,750</b>	<b>1,009,467</b>
<b>Bank loan maturity analysis:</b>		
In less than one year	<b>50,860</b>	47,505
In more than one year, but not more than two years	<b>843,350</b>	894,208
	<b>894,210</b>	<b>941,713</b>

The bank loan is secured on freehold land and buildings of the company. The term of the loan currently runs to March 2018. It is intended to negotiate a further 10 years after this to repay the remainder of the loan. See note 27 for details of the pension deficit payments.

# VOLUNTARY ACTION SHEFFIELD LIMITED

## NOTES TO THE ACCOUNTS - CONTINUED

FOR THE YEAR ENDED 31 MARCH 2016

### 20. Restricted funds

	Balance at 01.04.15	Incoming resources £	Resources expended £	Transfers £	Balance at 31.03.16 £
<b>Core</b>					
Big Energy Saving Network	-	8,000	(8,000)	-	-
Thriving VCF Group	2,469	-	(2,511)	42	-
Talent Match	-	5,068	(5,068)	-	-
State of the Sector Survey funding	-	5,000	-	-	5,000
Apprenticeship Grant	-	420	(420)	-	-
	<u>2,469</u>	<u>18,488</u>	<u>(15,999)</u>	<u>42</u>	<u>5,000</u>
<b>Volunteer Centre</b>					
Volunteer Centre	-	55,140	(63,401)	8,261	-
Refugee & Asylum Seekers					
New Beginnings	3,153	51,151	(66,778)	15,514	3,000
Luncheon Clubs	4,764	45,202	(44,428)	-	5,538
Lunch Club Referral Service	917	25,000	(20,635)	-	5,282
	<u>8,834</u>	<u>176,493</u>	<u>(195,282)</u>	<u>23,775</u>	<u>13,820</u>
<b>Partnership and Engagement</b>					
Healthwatch	7,797	239,619	(247,416)	-	-
	<u>7,797</u>	<u>239,619</u>	<u>(247,416)</u>	<u>-</u>	<u>-</u>
<b>Professional Services</b>					
University of Sheffield	-	750	(750)	-	-
Small Group Services	329	21,000	(20,818)	-	511
	<u>329</u>	<u>21,750</u>	<u>(21,568)</u>	<u>-</u>	<u>511</u>
<b>Training and Development</b>					
Skills Enhancement Fund	-	3,885	(3,885)	-	-
Santander	-	6,500	(3,250)	-	3,250
Apprenticeship Grant	-	560	(560)	-	-
	<u>-</u>	<u>10,945</u>	<u>(7,695)</u>	<u>-</u>	<u>3,250</u>
<b>ICT Services</b>					
-Learning 2.0 gether – VAS	-	-	(444)	444	-
-Learning 2.0 gether – Partners	18,897	15,612	(35,340)	831	-
	<u>18,897</u>	<u>15,612</u>	<u>(35,784)</u>	<u>1,275</u>	<u>-</u>
<b>Total</b>	<u>38,326</u>	<u>482,907</u>	<u>(523,744)</u>	<u>25,092</u>	<u>22,581</u>

# VOLUNTARY ACTION SHEFFIELD LIMITED

## NOTES TO THE ACCOUNTS - CONTINUED

FOR THE YEAR ENDED 31 MARCH 2016

### 20. Restricted funds – continued

**Core** - Funding to support core running costs.

All of the other restricted funds relate to specific projects being undertaken by VAS. The projects are shown separately, but categorised into the main activities of VAS. Details of many of these projects are given in the Trustees' Report.

Those restricted projects that are believed to need further narrative to explain what services they provide are detailed below.

<u>Project</u>	<u>Service</u>
<b>Healthwatch Sheffield</b>	Established 1 April 2013 as part of the Government health reforms, to strengthen the patient, service user and public voice in shaping health and social care services. Gives citizens and communities a stronger voice to influence and challenge how health and social care services are provided in their locality.
<b>Small Group Services</b>	Support for emerging and small groups with finding funding, planning, governance, charity registration and Articles of Association.
<b>Skills Enhancement Fund</b>	European funding (via Calderdale College) enabling VAS to deliver subsidised workforce training to support employers.
<b>Learning 2.0gether</b>	European start up trial programme for transfer of innovation between 18-25 unemployed who have social network IT expertise to teach those skills to the over 50's. In return, the young trainers will learn softer skills in time management, communication and training skills to give them better opportunities in the job market.

### 21. Transfers between funds

There were transfers totalling £25,092 between funds during the year. This represents unrestricted funds applied to restricted projects, in particular the Volunteer Centre.

### 22. Designated funds

The unrestricted funds of the Charity include the following designated funds which have been set aside out of unrestricted funds by the Board of Trustees for specific purposes:-

	Balance at 01.04.15 £	Transfers £	Utilised/ realised £	New Designations £	Balance at 31.03.16 £
Fixed assets and pension deficit	1,128,138	-	(38,296)	35,161	1,125,003
Provision for mortgage interest payments	9,000	-	(9,000)	-	-
	<u>1,137,138</u>	<u>-</u>	<u>(47,296)</u>	<u>35,161</u>	<u>1,125,003</u>

The fund for **Fixed assets and pension deficit** represents the net book value of the fixed assets (£2,169,763) less the amount outstanding on the mortgage relating to the building (£894,208) and the amount committed to eliminating the deficit on the pension fund (£150,552). See note 27 for more details of the pension deficit payments.

# VOLUNTARY ACTION SHEFFIELD LIMITED

## NOTES TO THE ACCOUNTS - CONTINUED

FOR THE YEAR ENDED 31 MARCH 2016

### 22. Designated funds - continued

*Provision for mortgage interest payments* are funds set aside to support mortgage interest payments in the future.

### 23. Analysis of accumulated funds balances between net assets as at 31 March 2016

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds £
Fixed assets	-	2,169,763	-	2,169,763
Current assets	343,122	-	95,650	438,772
Current liabilities	(128,979)	(66,010)	(73,069)	(268,058)
Creditors: amounts falling due in more than one year	-	(978,750)	-	(978,750)
	<u>214,143</u>	<u>1,125,003</u>	<u>22,581</u>	<u>1,361,727</u>

### 24. Statement of movement on unrestricted reserves

	General reserve £	Designated reserves £
Balance at 1 April 2015	262,691	1,137,138
Net movement in fund	(48,548)	(12,135)
<b>Balance at 31 March 2016</b>	<u>214,143</u>	<u>1,125,003</u>

### 25. Obligations under operating leases

At 31 March 2016, the total of future minimum lease payments under non-cancellable operating leases for each of the following periods are as follows:-

	2016 £	2015 £
not later than one year	2,540	2,540
later than one year and not later than five years	2,540	5,080
	<u>2,540</u>	<u>5,080</u>

These payments relate to two photocopiers at The Circle.

### 26. Commitments

As at the year end, VAS had capital commitments outstanding of £nil (2015: £nil).

# VOLUNTARY ACTION SHEFFIELD LIMITED

## NOTES TO THE ACCOUNTS - CONTINUED

FOR THE YEAR ENDED 31 MARCH 2016

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### 27. Pension liabilities

The company participates in the scheme, a multi-employer scheme which provides benefits to some 1,300 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2011. This valuation showed assets of £780m, liabilities of £928m and a deficit of £148m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

#### Deficit contributions

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From 1 April 2013 to 31 March 2023:	£13.9m per annum (payable monthly and increasing by 3% each on 1st April)
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VAS' share of these contributions were £14,976 per annum, increasing by 3% each year on 1<sup>st</sup> April.

A full actuarial valuation for the scheme was carried out at 30 September 2014. This valuation showed assets of £793m, liabilities of £970m and a deficit of £177m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

#### Deficit contributions

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From 1 April 2016 to 30 September 2025:	£12,945,440 per annum (payable monthly and increasing by 3% each on 1st April)
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From 1 April 2016 to 30 September 2028:	£54,560 per annum (payable monthly and increasing by 3% each on 1st April)
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The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities. VAS' share of these revised contributions is £15,466 per annum, increasing by 3% each year on 1<sup>st</sup> April.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

VAS paid contributions at the rate of 9% and 6% during the accounting period. Members paid contributions at the rates between 0% and 11% during the accounting period.

As at the balance sheet date there were 33 (2015: 29) active members of the Plan employed by VAS. VAS continues to offer membership of the Plan to its employees.

# VOLUNTARY ACTION SHEFFIELD LIMITED

NOTES TO THE ACCOUNTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2016

## 27. Pension liabilities – continued

When an employer withdraws from a multi-employer defined benefit pension scheme which is in deficit, the employer is required by law to pay its share of the deficit, calculated on a statutory basis (known as the buy-out basis). The calculation basis that applies to the Growth Plan was amended due to a change in the definition of money purchase contained in the Pensions Act 2011 and therefore Series 3 liabilities have to be included in the calculation of an employer's debt on withdrawal.

VAS has been notified by the Pensions Trust of the estimated employer debt on withdrawal from the Plan based on the financial position of the Plan as at 30 September 2015. As of this date, the estimated employer debt for VAS was £280,933 (2014: £315,840). The decrease in the estimated debt liability is due to greater than expected investment returns, at a time of reduced government bonds yields, which increase liabilities in the scheme.

The present value of the deficit repayment provision and the rates of discount used are as follows:

	31 March 2016	31 March 2015	31 March 2014
Present value of provision (£)	150,552	130,875	137,234
Rate of discount (% per annum)	2.07	1.74	2.82

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

### Reconciliation of opening and closing provisions

	Period ending 31 March 2016 £	Period ending 31 March 2015 £
Provision at start of period	130,875	137,234
Unwinding of the discount factor/ impact of any change in assumptions	727	9,066
Deficit contributions paid	(15,888)	(15,425)
Amendments to contribution schedule – revised recovery plan	34,838	-
Provision at end of period	150,552	130,875

# VOLUNTARY ACTION SHEFFIELD LIMITED

## NOTES TO THE ACCOUNTS - CONTINUED

FOR THE YEAR ENDED 31 MARCH 2016

### 28. First-time adoption of SORP (FRS 102)

The charity has adopted the SORP (FRS 102) for the first time in the year ended 31 March 2016.

The effect of transition from SORP (2005) to SORP (FRS 102) is outlined below.

#### a) Changes in accounting policies

Consequential changes in accounting policies resulting from adoption of SORP (FRS 102) were as follows:

Payments agreed to reduce the Pension Scheme deficit have been included as a long term creditor in the balance sheet. See note 27 for more details of the payments.

#### b) Reconciliation of total charity funds

Adjustments to previously reported total charity funds at the date of transition to SORP (FRS 102) were as follows:

	£
Total charity funds at 1 April 2014 under SORP (2005)	1,611,268
Provision for pension deficit payments	(137,234)
Total charity funds at 1 April 2014 under SORP (FRS 102)	<u>1,474,034</u>

Adjustments to previously reported total charity funds at the end of the comparative period were as follows:

	£
Total charity funds at 31 March 2015 under SORP (2005)	1,569,030
Provision for pension deficit payments	(130,875)
Total charity funds at 31 March 2015 under SORP (FRS 102)	<u>1,438,155</u>

#### c) Reconciliation of comparative period net expenditure

Adjustments to previously reported net expenditure in the comparative period were as follows:

	£
Net expenditure for the period ended 31 March 2015 under SORP (2005)	42,238
Payments made to pension deficit	(15,425)
Changes to assumptions and rollback of discounted value on pension deficit	9,066
Net expenditure for the period ended 31 March 2015 under SORP (FRS 102)	<u>35,879</u>

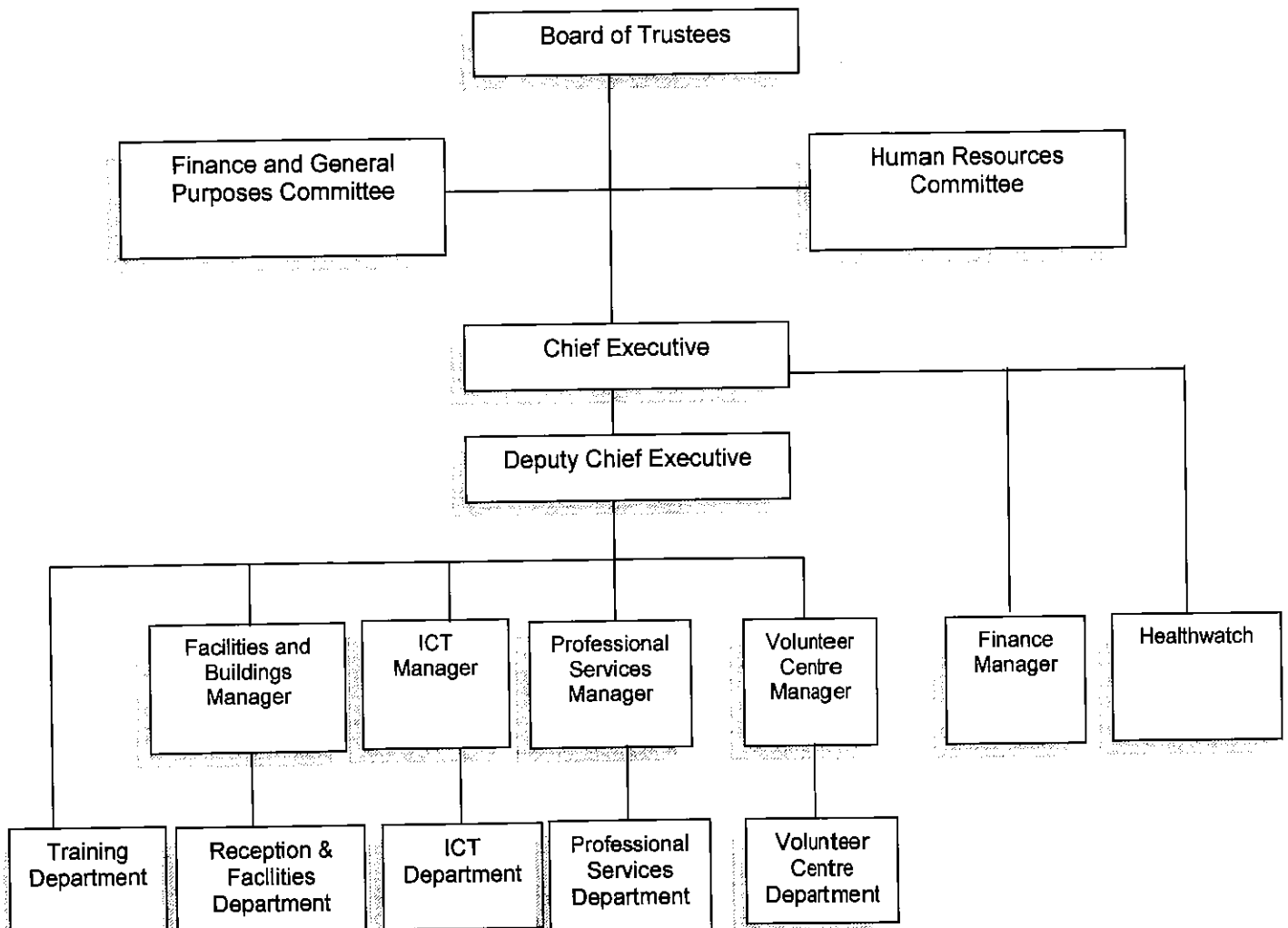


# VOLUNTARY ACTION SHEFFIELD LIMITED

TRUSTEES' ANNUAL REPORT & ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2016

## APPENDIX A – ORGANISATIONAL STRUCTURE 2015/16



# VOLUNTARY ACTION SHEFFIELD LIMITED

## TRUSTEES' ANNUAL REPORT & ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2016

### APPENDIX B – STAFF & VOLUNTEERS 2015/16

#### Staff (including new starts and leavers)

Rakesh Adinarayanan Pandiya	Bank Support Staff (The Circle)
Julie Beechill	Cleaner
Gill Bell	Reception and Administration Worker
Jill Bentley	Cleaner
Sirinda Bhandal	ICT Manager
Maximillian Bloomfield	Bank Support Staff (The Circle)
Matthew Broughton	Reception and Administration Worker
Carron Charlesworth	Training Administration and Marketing Officer
Laura Cook	Healthwatch Support Worker
Vicky Cooper	Healthwatch Information and Evidence Co-ordinator
Stephanie Davidson	Bank Support Staff (The Circle)
Maddy Desforges	Business Growth Manager
Liz Dingle	Finance Manager
Alishaan Ditta	Community Accountancy Apprentice
Sophia Fara	Payroll Assistant
Pauline Flint	Healthwatch Administration Assistant
Maria Flude	Lunch Clubs Development Worker
Kate Follon	Senior Community Accountant
Eva Glendinning	Bank Support Staff (The Circle)
Sarah Grindrod	Marketing & Communications Officer
Paul Harvey	Volunteer Centre Manager
Christine Healey	Training Support Officer
Susan Herrick	Lunch Clubs Development Officer
Phillip Howarth	Reception & Administration Worker
Gisele Infield Solar	Bank Support Staff (The Circle)
Sue James	Deputy Chief Executive
Justine Jansone	Business Administrator (apprentice)
Colin Jenkinson	Bank Support Staff (The Circle)
Mike Lazenby	ICT Apprentice
Judith Lennox	ICT Officer
Keith Levy	Small Groups Advisor
Moses Lutakome	Volunteer Co-ordinator(New Beginnings)
Roosbeh Mahmid	Volunteering Co-ordinator
Allson McCrave	Payroll Manager/PA to CEO
Carrie McKenzie	Healthwatch Policy and Engagement Co-ordinator
Sayad Mirreh	Cleaning & Facilities Supervisor
Omer Mohammedalamin	Bank Support Staff (The Circle)

**VOLUNTARY ACTION SHEFFIELD LIMITED**  
**TRUSTEES' ANNUAL REPORT & ACCOUNTS**  
*FOR THE YEAR ENDED 31 MARCH 2016*

Naeid Shazia Nabi	Healthwatch Engagement Worker
Jasmine Nelson	Bank Support Staff (The Circle)
Hannah Norrls	Training Administrator
Hardeep Pabla	Healthwatch Engagement Worker
Janet Paske	Marketing & Communications Worker
Myrtle Pritchard	Healthwatch Administrator
Damian Sackett	Reception and Administration Worker
Elizabeth Searle	VC Administrator
Jonathan Stray	Reception and Facilities Administrator
Bev Webb	Healthwatch Communications Officer
Rachael West	Building & Facilities Manager
Sue White	Chief Executive
Bernard Wilson	ICT Technician
Marge Wiltshire	Professional Services Manager/ HR Advisor
Patrick Wood	Lunch Clubs Referral Service
Adam Wragg	Facilities/Administration
Trevor Wright	Morning Cleaner
Tinsay Weldegiorgis	Morning Cleaner
<b>Volunteers</b>	
<b>Lunch Clubs Support Service</b>	
Heather Hughes	
<b>New Beginnings Project</b>	
Charlotte Carter	
Mariama Dibba	
Anltha Grimes	
Ngale Mkumba	
Abdulbaset Ahmad B Mohamed	
Hawa Mshana	
Mohamed Altayeb Musaad Mustafa	
Mehwish Noreen	
Suha Yass	

# **VOLUNTARY ACTION SHEFFIELD LIMITED**

## **TRUSTEES' ANNUAL REPORT & ACCOUNTS**

*FOR THE YEAR ENDED 31 MARCH 2016*

<b>Volunteer Centre Ambassadors</b>	
Najma Amjed	Lynne Hinchliff
Irene Ibanda	Natalie Jackson
Catherine Kenny	Richard Knighton
John McWilliam	Sean Morgan
Maggie O'Neill	Jonathan Stray
Joe Toner	
<b>Healthwatch</b>	
Helen Rowe	Arbaz Kapaldi
Tony Blackburn	Natasha Wilson
Hazel Blackburn	Penny Lewis
Laura Cook	Nicolas Bennett
Susan Kirkman	Tim Hanstock
Phillippa Hedley Takhar	Jian Jiana
Nighat Khan	Ryan Stuchbury
Jasmine Warwick	Annabel Wood
Maggie Campbell	Rebecca Batley
Eleni Chambers	Sana Javed
Alice Riddell	Summa Ahmed
Tony Clarke	James Armstrong
Pam Enderby	Liam Whiteman
Lucy Evans	Amethyst Saynor
Hamza Ismail	Hansa Javed
Jean Critchlow	Lee Harker
Linda Gregory	Chris Sterry
Stacey Hanson	Mike Smith
Mohammed Al Riadh	Trisha Wangari
Martin Barrett	