

Company number: 3503128

**LINCOLNSHIRE COMMUNITY
AND VOLUNTARY SERVICE
(A company limited by guarantee)**

CHARITY COMMISSION REGISTERED NO. 1069356

**FINANCIAL STATEMENTS
for the year ended
31ST MARCH 2016**



LINCOLNSHIRE COMMUNITY AND VOLUNTARY SERVICE

Company information

Company number: 3503128

Board of Trustees / Company Directors

The Venerable T. R. Barker (Chair: resigned 9 November 2015)
Canon S.D. Holdaway (elected Vice Chairman 15 July 2016)
M.A. Macdonald
M.E. Powley
G. Scorthorne (Vice Chairman, elected Chairman 9 November 2015)
S. Wheatley
L. Marsh
D. Scott
M.A. Thompson (Appointed 9 November 2015)

Company Secretary

D.G. Fannin

Registered office

The Len Medlock Voluntary Centre
St. George's Road
Boston
Lincs
PE21 8YB

Auditors

Moore Thompson
Bank House
Broad Street
Spalding
Lincs
PE11 1TB

Bankers

Unity Trust Bank Plc
Nine Brindleyplace
Birmingham
B1 2HB

LINCOLNSHIRE COMMUNITY AND VOLUNTARY SERVICE

Report of the Board of Trustees

for the year ended 31st March 2016

The Trustees (who are also directors of Lincolnshire Community and Voluntary Service for the purposes of company law) present their annual report together with the audited financial statements of Lincolnshire Community & Voluntary Service (the charity) for the year ended 31st March 2015.

The Trustees confirm that the Annual Report and financial statements comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued March 2005.

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 period. 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.

Structure, governance and management

Constitution

The charity is registered as a charitable company limited by guarantee (charity number 1069356, company number 3503128) and was set up by a Memorandum and Articles of Association on 3rd February 1998.

The company was formerly known as Boston District Council for Voluntary Service. An initial name change to South Lincolnshire Community and Voluntary Service was agreed by the membership at the Annual General Meeting held on 31st October 2006. A further name change to Lincolnshire Community and Voluntary Service was agreed by the membership at the Annual General Meeting held on 1st November 2011 after the charity changed its Memorandum and Articles at an Extraordinary General Meeting on 15th March 2011 to bring East Lindsey into its area of benefit.

Appointment of Trustees

Board of Trustees members are sought with charity experience and connections to local business so that they can bring valuable knowledge to help focus the Charity's activities. Prospective new LCVS Trustees are invited to attend a Board of Trustees meeting before they are asked to confirm their desire to be elected to the Board of Trustees. The appointment of new Trustees is confirmed by resolution of the membership at the next Annual General Meeting. All new Board of Trustees members are offered training, induction and any other support in order for them to undertake their duties.

LINCOLNSHIRE COMMUNITY AND VOLUNTARY SERVICE

Report of the Board of Trustees

for the year ended 31st March 2016

Organisational structure

The Chief Executive is the chief officer and principle decision maker in the organisation and Head of Paid Service. The Chief Executive is supported by a management team of senior officers representing the core areas of activity including community development, volunteering, health and wellbeing and central office functions. The organisational structure includes the core funded delivery teams, salaried project workers and volunteers. In April 2015, the senior management team was re-structured to strengthen the link between volunteering and small group support through the the 'LCVS Local brand', prepare for future eventualities and deliver high quality services within a balanced budget.

Day to day management of the charity is delegated to the Chief Executive by the charity trustees. The Chief Executive reports to and is accountable to the Chairman and Full Board of Trustees on operational and strategic decisions. The Board has standing Finance and Personnel sub-groups that provide additional oversight and direction on policy and use of resources and can establish task groups to scrutinise any other issues that arise, including investigatory and appeals panels.

Lincolnshire CVS is a member of the National Association for Voluntary and Community Action and manages the accredited Volunteer Centres operating within its area of benefit in accordance with NAVCA quality standards. The charity is a member of NCVO which aims to champion and strengthen volunteering and civil society organisations.

Lincolnshire CVS works closely with its sister organisation, Voluntary Centre Services (VCS), which covers the local government districts of West Lindsey, North Kesteven and Lincoln City to provide full county coverage of volunteering and community support. Lincolnshire CVS and VCS work together closely to deliver the core co-production service agreement with Lincolnshire County Council and collaborate regularly on projects which require mutually supportive working and countywide reach.

Lincolnshire CVS is a founder member of Involving Lincs, the consortium of voluntary and community infrastructure organisations in the county and the umbrella organisation for the sector in Lincolnshire. Lincolnshire CVS is a member of the Involving Lincs Steering Group which directs the consortium work programme and strategy, working within the principles of the Lincolnshire Compact.

Objectives and Activities

Policies and objectives

The principal objects of the charity are to promote any charitable purposes for the benefit of the community in the local government districts of Boston, South Holland, South Kesteven, East Lindsey, Lincolnshire and the neighbourhood and, in particular, the advancement of education, the protection of health and the relief of poverty, distress and sickness. The aim is to promote and organise co-operation in achievement of the above purposes and to that end to bring together representatives of the voluntary organisations and statutory authorities within its area of benefit.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit and have put in place policies to support its objects, promote equality and diversity and ensure that advice and information given is impartial, independent and confidential.

The Charity's objectives are set out in its Forward Strategy 2015-18. The core objectives are to:

- Develop and support grassroots involvement of volunteers and volunteer-led community organisations
- Develop and support our staff and trustees
- Deliver excellent core funded and project funded outcomes in accordance with service level agreements and contracts
- Increase income generation
- Promote LCVS as the preferred provider for volunteering and community services
- Further develop collaboration and consortium working
- Secure a reputation for adding value and trustworthiness
- Promote diversity, equality and inclusion

LINCOLNSHIRE COMMUNITY AND VOLUNTARY SERVICE

Report of the Board of Trustees

for the year ended 31st March 2016

Activities

Lincolnshire CVS provides essential advice, support and training to hundreds of local charities and community groups. The charity manages the Volunteer Centres in East Lindsey, Boston, South Holland and South Kesteven and, in the reporting period, the Health Trainer Service in Boston, South Holland and South Kesteven. LCVS provides a voice for the sector and makes a significant difference to individuals and local community groups by building confidence and capacity, promoting health and well being and securing vital funding, volunteers and other resources.

The focus of health improvement activity has seen a shift in the last year towards targeted interventions aimed at people who are vulnerable to dementia, Type 2 diabetes and other health issues where behaviour change and self-management is key to improved wellbeing. Our services increasingly reflect the importance of volunteering as a pathway to employment and improved health and wellbeing.

Achievements and performance

Review of Activities

2015-16 was a year of consolidation, transition and forward progress for Lincolnshire CVS. All core funding agreements were renewed at the same level as 2014-15. This enabled core service activity to continue at broadly unchanged service levels. This also provided a steady financial platform on which to consolidate changes in the senior management team and ongoing strengthening of internal systems of control.

The restructure of financial management and accounting practice at the charity continued with the support of Duncan & Toplis who provided external rigour and timely, professional support to the production of the charity's management accounts. Work has continued to make sure that systems of control and accountability are robust and provide clarity, simplicity and full reassurance to the Board of Trustees.

LCVS has continued to focus on its core activities and on creating the conditions for future collaborations and 'value added' work. The focus on LCVS's strengths and core purpose has been maintained. As a result, LCVS ended 2015-16 with a modest operating surplus and good prospects for new contracts in 2016-17.

Grant funding and other income from local government and public health commissioners provided a solid platform for our core services including volunteer brokerage, small group support and community development, the Health Trainer Service and training. All core commissioned targets were either fully met or delivered to the satisfaction of our commissioners. Good direction of travel and some excellent outcomes were delivered. The focus for performance was on strengthening accountability.

New projects included the Pre-diabetic programme in Boston, the LCC sponsored People's Partnership and the South Kesteven District Council Community Grant Scheme in addition to two dementia support projects and two two-year projects funded by the Boston Big Local fund to promote active lifestyles and one to improve civic pride and community cohesion in the Big Local area. LCC also funded LCVS to support Boston Community Transport community car scheme, which was at risk of closing, and help it to develop and grow again.

Additional funding was secured to deliver new projects on behalf of Anglian Water. Whilst these brought in relatively modest income through the year, they are helping to develop a broad base of experience and connections that are helping LCVS to position itself for future commissioning opportunities. Further success was delivered through our programme of Volunteer Card training which continued to receive excellent evaluation feedback and generate a small operating surplus.

The Trustees welcomed the receipt of a significant private donation from the Medlock Foundation to support the internal change management programme.

The fixed asset register was maintained with appropriate oversight and depreciation posted on a monthly basis. The depreciation policy is applied consistently and fixed assets are written off with a depreciation rate based on cost rather than on a reducing balance basis.

LINCOLNSHIRE COMMUNITY AND VOLUNTARY SERVICE

Report of the Board of Trustees

for the year ended 31st March 2016

Review of activities continued...

The main variance between actual and budgeted income is due to significantly better than expected performance on generating income through membership and DBS checking services and new projects.

The main positive variances between actual and budgeted expenditure are due to savings on premises costs and underspend on grants payable from restricted funds (which expenditure will be incurred in 2016-17). Negative variances include the higher than budgeted cost of externalising some training delivery and upgrading phones and ICT (to ensure more reliable and secure systems and improve safeguarding) plus the cost incurred delivering new projects (salary, travel and miscellaneous expenses) and higher than expected professional fees.

Further operational efficiencies and tight control of overheads, management and service delivery costs helped to minimise the overall impact of in-year budget pressures.

During the year LCVS relocated premises in Grantham to avoid a significant and unsustainable increase. Overall office accommodation costs remained broadly unchanged. There were no significant changes to our operations across the four local authority areas.

Overall LCVS reported a net surplus of £57,463 for the year which follows the net deficit of £38,813 2014-15. The reserves as at 31 March 2016 are £374,133 of which £63,104 are restricted. Current assets less current liabilities are £357,007 with the remainder of reserves of £17,126 being made up of fixed assets. The cash balance has decreased from £403,240 to £337,965. The available free reserves (General Fund excluding amounts reserved according to the LCVS reserves policy) increased resulting in a closing balance of £311,029.

Future activities

The charity has secured unchanged annual funding for its core activities in 2016-17 from Lincolnshire County Council and three of the four local authorities in the LCVS area of benefit. In addition, SKDC decided to continue the South Kesteven Community Grants Scheme and LCC funded the Peoples Partnership through 2016-17. LCVS is being funded to continue to manage these projects. This will enable LCVS to continue to provide its core community development and volunteering activities whilst developing new projects and securing new funding.

However, public spending cuts are starting to impact on core funding. East Lindsey District Council ceased funding community development and volunteer centre services as part of its wider cuts programme and Public Health Lincolnshire ceased funding the Health Trainer Service, as part of a swathe of de-commissioning of Health Improvement Services, and core support for V-card training and the Involving Lincs work programme.

In response, LCVS services were re-structured to create a leaner operation and enable new ways of working. The new Healthy Living team was established and a small team of qualified Health Trainers was retained to ensure key skills and experience were not lost. The Healthy Living service provides options for new service development and future commissioning. The Trustees were pleased to support this with an allocation from Reserves during the start up phase. Overall the loss of core grant funding has resulted in three compulsory redundancies. Further compulsory redundancies were avoided through the combined effect of ongoing efficiencies, deleting vacant posts, voluntary redundancy arrangements and redeployment into posts in the new structure.

Although the loss of core funding has had an inevitable impact on staff capacity and service levels, particularly in East Lindsey, 'LCVS Local' core activities will continue across all four districts.

LINCOLNSHIRE COMMUNITY AND VOLUNTARY SERVICE

Report of the Board of Trustees

for the year ended 31st March 2016

Future activities continued...

In addition, funding has been secured for new projects including:

- The Anglian Water 'Keep it Clear' campaign to continue to promote responsible waste disposal in all four identified project areas.
- The Fat of the Land project which is being funded by Anglian Water to encourage recycling of kitchen waste into compost.
- The Lloyds Bank Foundation which will fund support for people recovering from drug and alcohol addiction who have progressed through Tier 3 support and will benefit from additional behaviour change support.
- The Big Lottery Funded Building Better Opportunities project to help economically inactive people in South Holland, Boston and East Lindsey into volunteering and off benefits.
- The NHS South Lincolnshire CCG COPD project in Spalding which will fund health improvement clinics in Spalding and hopefully provide a model for wider roll out.
- The Mental Health Promotion Fund 'Guiding Lights' volunteer mentoring project in Spalding.

The charity's plans for the future are closely linked with core funding and the commissioning decisions of local government and public health in Lincolnshire.

The charity will continue to focus on its core objectives as set out above. The charity will also continue to look for opportunities to increase income generation and diversify its activities within its charitable objects. The Trustees and Chief Executive will continue to develop collaboration and consortium working and promote LCVS as the preferred provider for volunteering, community development and health trainer related services.

Reserves and risk

Reserves Policy

The Board of Trustees has examined the charity's requirement for reserves in light of the main risks to the organisation. The Board of Trustees has confirmed the policy whereby the unrestricted funds not committed to or invested in tangible assets held by the charity should not be less than three months of the expenditure including provision for 'wind-down' and staff redundancy in the event of reduced funds. This is considered to be a prudent contingency against the charity's legal and contractual obligations.

The Board of Trustees has decided from time to time to use reserves for the furtherance of the charity's objects, including committing reserves to support service development activity, strengthen financial management and ICT systems and, most recently, to help start up the Healthy Living service which is all about the advancement of education, the protection of health and the relief of poverty, distress and sickness.

If core funding were to be withdrawn beyond 31 March 2017 by either Lincolnshire County Council or any of the local authority districts, the charity would review its activities and service levels and further outside funding / sponsorship would be required to enable it to deliver its core purpose. In the worst case scenario, alternative means of delivering its charitable objects would be considered before the situation arose where the three month contingency reserves had been utilised.

County and district council funding will be confirmed in early 2017, after the 2016 accounts have been signed off. As such the charity's going concern basis can only be judged on funding levels to 31 March 2017. In the meantime, LCVS has consistently demonstrated that it can bring in new funding in the form of collaborations, projects and commissions and generate income from its own activities. LCVS will continue to ensure plans are in place to do so and to operate as a going concern.

Despite the longer term concern the trustees are satisfied with the current financial headroom within which the charity is operating and are confident that the organisation will continue to adapt, grow and provide an invaluable community driven service for all areas of society within Lincolnshire for the foreseeable future.

LINCOLNSHIRE COMMUNITY AND VOLUNTARY SERVICE

Report of the Board of Trustees

for the year ended 31st March 2016

Risk exposure

The Board of Trustees consider the main risks facing the charity on a regular basis and the officers maintain a register of risks including financial risks. The Board uses insurance policies to cover possible losses, damage or other liabilities. The Board supports outsourcing of key professional services to ensure systems and policies are robust and properly maintained and risks are mitigated. The Trustees continuously review the income into the charity and seek to bring in new funding to maintain operating capacity whilst ensuring prudent management of existing resources. The Board of Trustees are satisfied that the policy adopted in respect of risk exposure is sufficient to mitigate the impact of all but the most severe circumstances.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that the Trustees are aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that the Trustees have taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

Exemption statement

The report of the Board of Trustees has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

BY ORDER OF THE BOARD

Graham Scorthorne

Director

Dated: **31 August 2016**

LINCOLNSHIRE COMMUNITY AND VOLUNTARY SERVICE

Report of the Independent Auditors to the Members

on the Accounts for the year ended 31st March 2016

We have audited the financial statements of Lincolnshire Community and Voluntary Service for the year ended 31 March 2016 which comprise of the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 and to the charitable company's trustees, as a body, in accordance with regulations made under Section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's members and trustees 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 the charitable company's members as a body and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement set out on page 2, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2016, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (applicable to smaller entities); and
- have been prepared in accordance with the requirements of the Companies act 2006 and the Charities Act 2011.

Opinion on other matter prescribed by the Companies Act 2006

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

LINCOLNSHIRE COMMUNITY AND VOLUNTARY SERVICE

Report of the Independent Auditors to the Members

on the Accounts for the year ended 31st March 2016

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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

K. J. Maggs (Senior Statutory Auditor)
For and on behalf of Moore Thompson, Spalding
Chartered Accountants, Statutory Auditor
Date: **31 August 2016**

LINCOLNSHIRE COMMUNITY AND VOLUNTARY SERVICE

Statement of Financial Activity

for the year ended 31st March 2016

	Notes	Unrestricted funds £	2016 Restricted funds £	Total £	2015 Total £
Income from:					
Donations and grants receivable:					
Donations		15,000	-	15,000	30,000
Grants receivable	2	83,530	-	83,530	83,530
Investments:					
Interest receivable		2,006	-	2,006	2,918
 Incoming resources from charitable activities	 3	 <u>247,899</u>	 <u>460,862</u>	 <u>708,761</u>	 <u>636,051</u>
Total income		<u>348,435</u>	<u>460,862</u>	<u>809,297</u>	<u>752,499</u>
 Expenditure on:					
Charitable activities	5	<u>327,460</u>	<u>424,374</u>	<u>751,834</u>	<u>791,312</u>
Total expenditure		<u>327,460</u>	<u>424,374</u>	<u>751,834</u>	<u>791,312</u>
 Net income/expenditure		 20,975	 36,488	 57,463	 (38,813)
 Fund balances brought forward		 286,553	 30,117	 316,670	 355,483
Transfers between funds	18	3,501	(3,501)	-	-
 Fund balances carried forward	 18	 <u>311,029</u>	 <u>63,104</u>	 <u>374,133</u>	 <u>316,670</u>

LINCOLNSHIRE COMMUNITY AND VOLUNTARY SERVICE

Balance Sheet

for the year ended 31st March 2016

	Note	2016 £	£	2015 £	£
Fixed assets					
Tangible fixed assets	14		17,126		13,902
Current assets					
Debtors	15	59,292		50,818	
Cash at bank and in hand		<u>337,965</u>		<u>403,240</u>	
		<u>397,257</u>		<u>454,058</u>	
Creditors:					
Amounts falling due within one year	16	<u>40,250</u>		<u>151,290</u>	
Net current assets			<u>357,007</u>		<u>302,768</u>
Total assets less current liabilities			<u><u>374,133</u></u>		<u><u>316,670</u></u>
Income funds					
Unrestricted funds	17		311,029		286,553
Restricted funds	18		<u>63,104</u>		<u>30,117</u>
			<u><u>374,133</u></u>		<u><u>316,670</u></u>

The accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

These accounts were approved by the board on **31 August 2016**.

G. Scorthorne
Director

Canon S.D. Holdaway
Director

LINCOLNSHIRE COMMUNITY AND VOLUNTARY SERVICE

Notes to the Financial Statements

for the year ended 31st March 2016

1. Accounting policies

The accounts 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 for Smaller Entities published on 16 July 2014, the Financial Reporting Standard for Smaller Entities (FRSSE), and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

Incoming resources

All income is recognised in the statement of financial activities when the conditions for receipt have been met and there is reasonable assurance of receipt. Where a claim for repayment of income tax has or will be made, such income is grossed for the tax recoverable.

Grants are recognised in the statement of financial activities when the conditions for receipt have been met.

Investment income is accounted for in the period in which the charity is entitled to receipt.

Donations and all receipts from charitable activities are reported gross and are accounted for on a receivable basis.

Resources expended

Expenditure is included in the statement of financial activities on an accruals basis and has been allocated as detailed below:

Charitable activities include the costs of the activities defined by the charity's aims for the benefit of the persons sited in the charity objects. Costs of charitable activities includes the direct costs of the activities and depreciation on related assets. Where such assets relate to more than one functional cost category, they have been allocated on either an estimate time or floor space basis, as appropriate.

Costs directly attributable to a project have been allocated to that project. Other non-allocatable costs such as salaried employees and other fixed nature overheads have been reallocated on the basis of a management charge.

Governance costs include the costs which relate to the general running of the charity as opposed to the direct management function inherent in generating funds, service delivery and program or project work.

Operating Leases

Rental costs under operating leases are charged to the Statement of Financial Activities on a straight line basis over the term of the lease.

Depreciation

Depreciation is calculated to write down the cost, less estimated residual value, of all tangible fixed assets over their expected useful lives. The rates generally applicable are:

Equipment and fittings	25% reducing balance
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The carrying values of tangible fixed assets are reviewed for impairment annually by the trustees / directors without revaluing the assets. Where the aggregate value of those assets is less than the aggregate that they are stated in the charity's accounts, a provision will be made for any material impairment.

Fixed Assets

Fixed assets are included at cost, less accumulated depreciation.

Restricted funds

Restricted funds can only be used for the specific purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. Expenditure which complies with these criteria is identified to the fund.

LINCOLNSHIRE COMMUNITY AND VOLUNTARY SERVICE

Notes to the financial statements

for the year ended 31st March 2016

1. Accounting policies (continued)

Unrestricted funds

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

Contribution to pension funds

The company operates a defined contribution pension scheme for the benefit of the employees. The assets of the scheme are administered by trustees in a fund independent from those of the company.

The pension costs charged against profits represent the amount of the contributions payable to the scheme in respect of the accounting period.

2. Grants receivable

	Unrestricted funds	2016 Restricted funds	Total	2015 Total
	£	£	£	£
Local Authority	231,472	-	231,472	223,097
Institutional / Charitable grants	64,793	449,351	514,144	470,202
	<u>296,265</u>	<u>449,351</u>	<u>745,616</u>	<u>693,299</u>
Incoming resources from generated funds	83,530	-	83,530	83,530
Incoming resources from charitable activities	212,735	449,351	662,086	609,769
	296,265	449,351	745,616	693,299

3. Incoming resources from charitable activities

	Unrestricted funds	2016 Restricted funds	Total	2015 Total
	£	£	£	£
Grants receivable	212,735	449,351	662,086	609,769
Other management and service charges	-	3,801	3,801	2,511
Recharge of organisational purchases and other services	77	-	77	-
Training courses	4,648	792	5,440	5,251
Membership fees	5,201	-	5,201	1,444
DSB checks	14,652	(20)	14,632	13,442
Other	10,586	6,938	17,524	3,634
	<u>247,899</u>	<u>460,862</u>	<u>708,761</u>	<u>636,051</u>

LINCOLNSHIRE COMMUNITY AND VOLUNTARY SERVICE

Notes to the financial statements

for the year ended 31st March 2016

4. Analysis of income between activities

	Grants	2016 Activities	Total	2015 Total
	£	£	£	£
Choosing Health	237,571	6,081	243,652	248,199
Choosing Health - Pre Diabetic	14,880	2,040	16,920	-
Choosing Health - Active Living	2,500	-	2,500	-
People's Health Trust	-	-	-	5,000
Fit 4 Your Future	6,486	-	6,486	6,583
H&W - Volunteer Management Training	-	792	792	36,530
H&W - Employer Supported Volunteering	-	-	-	53,910
H&W - Volunteer Card	-	-	-	4,318
Len Pick Trust	-	-	-	434
AFCC	-	-	-	254
Mental Illness Promotion Fund	-	-	-	6,000
Environment Agency	3,500	-	3,500	3,500
Anglian Water	18,490	2,280	20,770	12,375
Anglian Water - Fat of the Land	3,122	-	3,122	-
Volunteering for Stronger Communities	-	-	-	12,500
Involving Lincs	10,000	-	10,000	10,000
People's Partnership	90,750	-	90,750	12,000
Mental Health Promotion Fund	5,833	-	5,833	4,167
Boston Big Local - Events	10,000	-	10,000	-
Boston Big Local - HWB 'Keep Active' project	2,750	-	2,750	-
Boston Community Transport	19,447	118	19,565	-
DSN - Arts and Dementia	3,737	-	3,737	-
DSN - Keep Healthy Keep Active	4,250	-	4,250	-
South Kesteven Community Grants Scheme	16,035	200	16,235	-
	<u>449,351</u>	<u>11,511</u>	<u>460,862</u>	<u>415,770</u>

LINCOLNSHIRE COMMUNITY AND VOLUNTARY SERVICE

Notes to the financial statements

for the year ended 31st March 2016

5. Charitable activities

		Unrestricted funds	2016 Restricted funds	Total	2015 Total
		£	£	£	£
Human resources					
Staff costs	Note 11	259,090	266,507	525,597	549,168
Training costs		4,912	1,500	6,412	30,143
Staff expenses		10,477	10,075	20,552	17,625
Volunteers' expenses		2,102	-	2,102	3,211
Facilities					
Rent and room hire		27,684	9,706	37,390	42,196
Communications and software costs		6,739	3,151	9,890	7,323
Office costs and organisational		17,731	125	17,856	27,134
Insurance		3,056	-	3,056	4,274
Maintenance and cleaning costs		4,121	5	4,126	4,172
Miscellaneous		694	4,381	5,075	350
Professional fees and advisory					
Legal and professional fees		37,550	3,000	40,550	56,460
Activities					
Publicity and information		2,005	22	2,027	266
DSB checks		9,412	-	9,412	8,138
Grants payable	Note 7	-	55,544	55,544	30,881
Governance costs					
Audit remuneration		5,400	-	5,400	5,400
Trustees and Annual General meetings		385	-	385	440
Finance					
Bank charges		51	-	51	29
Capital costs					
Depreciation		4,485	269	4,754	3,668
Loss on disposal of fixed assets		1,655	-	1,655	434
		397,549	354,285	751,834	791,312
Reallocation of costs		(70,089)	70,089	-	-
		<u>327,460</u>	<u>424,374</u>	<u>751,834</u>	<u>791,312</u>

Costs directly attributable to a project have been analysed to that project. Other costs which cannot be allocated such as salaried employees and other fixed nature overheads have been reallocated on the basis of a management charge.

LINCOLNSHIRE COMMUNITY AND VOLUNTARY SERVICE

Notes to the financial statements

for the year ended 31st March 2016

6. Analysis of expenditure between activities

	Staff costs, facilities and professional fees	Activities	Finance and capital	Reallocation of costs	Total
	£	£	£	£	£
Choosing Health	197,743	16	269	42,779	240,807
Choosing Health - Pre Diabetic	14,267	-	-	2,714	16,981
Choosing Health - Active Living	1,053	363	-	-	1,416
Fit 4 Your Future	5,965	-	-	700	6,665
H&W - Volunteer Management Training	2,856	-	-	232	3,088
H&W - Employer Supported Volunteering	7,673	-	-	1,760	9,433
Len Pick Trust	67	-	-	-	67
AFCC	-	-	-	-	-
Mental Illness Promotion Fund	760	-	-	219	979
Environment Agency	151	-	-	3,349	3,500
Anglian Water	13,036	5	-	7,729	20,770
Anglian Water - Fat of the Land	1,627	-	-	1,495	3,122
Involving Lincs	188	8,370	-	-	8,558
People's Partnership	20,452	37,814	-	4,336	62,602
Mental Health Promotion Fund	2,093	-	-	463	2,556
Boston Big Local - Events	-	8,998	-	1,000	9,998
Boston Big Local - HWB 'Keep Active'	2,313	-	-	470	2,783
Boston Community Transport	18,900	-	-	910	19,810
DSN - Arts and Dementia	39	-	-	-	39
DSN - Keep Healthy Keep Active	2,750	-	-	582	3,332
South Kesteven Community Grants Scheme	6,517	-	-	1,351	7,868
	<u>298,450</u>	<u>55,566</u>	<u>269</u>	<u>70,089</u>	<u>424,374</u>

7. Analysis of grants payable

	Unrestricted funds	2016 Restricted funds	Total	2015 Total
	£	£	£	£
Fit 4 Your Future	-	-	-	2,250
Involving Lincs	-	8,370	8,370	9,250
Core Fund Voluntary Centre Services	-	-	-	6,281
H&W Volunteer Management Training	-	-	-	3,000
H&W Employer Supported Volunteering	-	-	-	7,350
People's Partnership	-	37,813	37,813	2,750
Choosing Health	-	363	363	-
Boston Big Local - Events	-	8,998	8,998	-
	<u>-</u>	<u>55,544</u>	<u>55,544</u>	<u>30,881</u>

LINCOLNSHIRE COMMUNITY AND VOLUNTARY SERVICE

Notes to the financial statements

for the year ended 31st March 2016

8. Board of Trustees remuneration

No member of the board of trustees received any remuneration either directly or indirectly.

9. Board of Trustees expenses

During the year trustees received reimbursement of expenses totalling £385 (2015 - £440).

10. Board of Trustees indemnity insurance

During the year, insurance was purchased to indemnify the Board of Trustees against default on their part amounting to a cost of £899 (2015 - £294).

11. Employee emoluments

	2016	2015
	Total	Total
	£	£
Wages and salaries	472,286	500,453
Social security costs	31,312	32,168
Pension costs	21,999	16,547
	<u>525,597</u>	<u>549,168</u>
Average number of employees	<u>33</u>	<u>30</u>

There were no employees earning £50,000 or more during the year, or the comparative year.

12. Auditors remuneration

	2016	2015
	Total	Total
	£	£
Amounts payable to the auditors in respect of audit services	<u>5,400</u>	<u>5,400</u>

13. Pensions - Defined Contribution Scheme

The company operates a defined contribution pension scheme for the benefit of the employees. The assets of the scheme are administered in a fund independent from those of the company.

A total of £21,999 (2015 - £16,547) was contributed to the scheme during the year.

LINCOLNSHIRE COMMUNITY AND VOLUNTARY SERVICE

Notes to the financial statements

for the year ended 31st March 2016

14. Tangible fixed assets

	Equipment and fittings
	£
Cost	
At 1st April 2015	111,603
Additions	9,633
Disposals	(36,236)
At 31st March 2016	<u>85,000</u>
Depreciation	
At 1st April 2015	97,701
Charge for the year	4,754
Disposals	(34,581)
At 31st March 2016	<u>67,874</u>
Net book value	
At 31st March 2016	<u>17,126</u>
At 31st March 2015	<u>13,902</u>

15. Debtors

	2016 Total	2015 Total
	£	£
Trade debtors	47,973	36,841
Prepayments and accrued income	11,319	13,977
	<u>59,292</u>	<u>50,818</u>

16. Creditors: Amounts falling due within one year

	2016 Total	2015 Total
	£	£
Trade creditors	3,188	15,261
Other taxes and social security	8,118	9,826
Other creditors	3,058	6,166
Accruals and deferred income	25,887	120,037
	<u>40,250</u>	<u>151,290</u>

17. Unrestricted funds

	At 1st April 2015	Incoming resources	Outgoing resources	Transfers	At 31st March 2016
	£	£	£	£	£
General Fund	286,553	348,435	(327,460)	3,502	311,030
	<u>286,553</u>	<u>348,435</u>	<u>(327,460)</u>	<u>3,501</u>	<u>311,030</u>

LINCOLNSHIRE COMMUNITY AND VOLUNTARY SERVICE

Notes to the financial statements

for the year ended 31st March 2016

18. Restricted funds

	At 1st April 2015	Incoming resources	Outgoing resources	Net transfers	At 31st March 2016
	£	£	£	£	£
Choosing Health	6,429	243,652	(240,807)	-	9,274
Choosing Health - Pre Diabetic	-	16,920	(16,981)	61 *	-
Choosing Health - Active Living	-	2,500	(1,416)	-	1,084
Disability Forum	73	-	-	(73)	-
Fit 4 Your Future	-	6,486	(6,665)	179 *	-
H&W - Volunteer Management Training	2,271	792	(3,088)	25 *	-
H&W - Employer Supported Volunteering	8,723	-	(9,433)	710 *	-
H&W - Volunteer Card	691	-	-	(691)	-
Len Pick Trust	642	-	(67)	-	575
AFCC	-	-	-	-	-
Mental Illness Promotion Fund	933	-	(979)	46 *	-
Environment Agency	-	3,500	(3,500)	-	-
Anglian Water	-	20,770	(20,770)	-	-
Anglian Water - Fat of the Land	-	3,122	(3,122)	-	-
Volunteering for Stronger Communities	4,002	-	-	(4,002)	-
Involving Lincs	-	10,000	(8,558)	-	1,442
People's Partnership	4,611	90,750	(62,602)	-	32,759
Mental Health Promotion Fund	1,710	5,833	(2,556)	-	4,987
Jubilee Voluntary Arts	32	-	-	(32)	-
Boston Big Local - Events	-	10,000	(9,998)	(2)	-
Boston Big Local - HWB 'Keep Active' project	-	2,750	(2,783)	33 *	-
Boston Community Transport	-	19,565	(19,810)	245 *	-
DSN - Arts and Dementia	-	3,737	(39)	-	3,698
DSN - Keep Healthy Keep Active	-	4,250	(3,332)	-	918
South Kesteven Community Grants Scheme	-	16,235	(7,868)	-	8,367
	<u>30,117</u>	<u>460,862</u>	<u>(424,374)</u>	<u>(3,501)</u>	<u>63,104</u>

* There were small net overspends on these highlighted restricted funds during the year which has been financed by the General Unrestricted Fund.

The transfers from the Disability Forum, Volunteering for Stronger Communities and Jubilee Voluntary Arts funds to the General Unrestricted Fund are due to these funding sources ending during 2016. The fund providers have since been contacted and their consent obtained for the balance remaining on the fund to be transferred to the General Unrestricted Fund.

The transfer from the Health and Wellbeing Volunteer Card fund to the General Unrestricted Fund is due to the fund no longer being restricted in nature and it was agreed with the fund provider that the balance brought forward on the fund be transferred to the General Unrestricted Fund. The charity are still receiving income from the fund, but this is all now shown within General Unrestricted Fund income.

The funds are constituted as follows:

	2016			2015
	Unrestricted	Restricted	Total	Total
	£	£	£	£
Fixed assets	16,340	786	17,126	13,902
Debtors	17,466	41,826	59,292	50,818
Cash at bank and in hand	299,260	38,705	337,965	403,240
Creditors: Amounts falling due within one year	(22,037)	(18,213)	(40,250)	(151,290)
	<u>311,029</u>	<u>63,104</u>	<u>374,133</u>	<u>316,670</u>

LINCOLNSHIRE COMMUNITY AND VOLUNTARY SERVICE

Notes to the financial statements

for the year ended 31st March 2016

18. Restricted funds (continued)

	Fixed assets	Debtors	Cash at bank and in hand	Creditors	Total
	£	£	£	£	£
Choosing Health	786	1,333	7,155	-	9,274
Choosing Health - Pre Diabetic	-	91	(91)	-	-
Choosing Health - Active Living	-	-	1,084	-	1,084
Disability Forum	-	-	-	-	-
Fit 4 Your Future	-	-	-	-	-
H&W - Employer Supported Volunteering	-	-	-	-	-
H&W - Volunteer Card	-	-	-	-	-
H&W - Volunteer Management Training	-	792	(792)	-	-
Jubilee Voluntary Arts	-	-	-	-	-
AFCC	-	-	-	-	-
Mental Illness Promotion Fund	-	-	-	-	-
Environment Agency	-	-	-	-	-
Anglian Water	-	7,260	(2,695)	(4,565)	-
Anglian Water - Fat of the Land	-	7,493	(3,122)	(4,371)	-
Volunteering for Stronger Communities	-	-	-	-	-
Involving Lincs	-	1,073	369	-	1,442
People's Partnership	-	-	34,009	(1,250)	32,759
Mental Health Promotion Fund	-	-	4,987	-	4,987
The Len Pick Trust	-	-	575	-	575
Active Living	-	-	-	-	-
Boston Big Local - Events	-	500	(500)	-	-
Boston Big Local - HWB 'Keep Active' project	-	1,833	(1,833)	-	-
Boston Community Transport	-	5,246	(5,246)	-	-
DSN - Arts and Dementia	-	3,737	3,698	(3,737)	3,698
DSN - Keep Healthy Keep Active	-	4,250	918	(4,250)	918
South Kesteven Community Grants Scheme	-	8,218	189	(40)	8,367
	<u>786</u>	<u>41,826</u>	<u>38,705</u>	<u>(18,213)</u>	<u>63,104</u>

The restricted funds are defined as follows:

Choosing Health is grant support for delivering the Lincolnshire County Council Health Improvement Programme which aims to tackle health inequalities by helping people to choose healthier lifestyles and sustain this through appropriate behavioural changes. Choosing Health funds delivery of the Health Trainer Service in South Kesteven, South Holland and Boston, including the Bourne Health Champions.

The **Disability Forum** fund is held by Lincolnshire CVS to support the activity and development of the Disability Forum. In the event of a deficit this is to be met by unrestricted funds.

Fit 4 Your Future is a Big Lottery funded project to help improve the financial confidence and money management skills of social housing tenants. The accountable body is Mayflower Housing Association. Lincolnshire CVS is commissioned to provide Evaluator and Critical friend support to the project team.

The **H&W Employer Supported Volunteering** project is funded by the Lincolnshire Health and Wellbeing Board as a three year pilot to develop employer engagement in social action and supported employee volunteering.

The **H&W Volunteer Card** is a modular training programme funded by Lincolnshire County Council. The accountable body is Children's Links. The aim is to enhance the confidence, knowledge and skills of volunteers and build capacity within the voluntary and community sector. This is no longer a restricted fund.

LINCOLNSHIRE COMMUNITY AND VOLUNTARY SERVICE

Notes to the financial statements

for the year ended 31st March 2016

18. Restricted funds (continued)

The **H&W Volunteer Management Training** project is funded by the Lincolnshire Health and Wellbeing Board as a three year pilot to develop and deliver a range of accredited and non-accredited training. The aim was to raise skills levels and build capacity within the voluntary and community sector.

Jubilee Voluntary Arts was a project for community arts activity in Boston and was funded by Boston Borough Council.

The **Mental Illness Prevention Fund (MIPF)** enabled Lincolnshire CVS to set up a Volunteer Mentor Service in specifically targeted areas. Volunteer mentoring is about supporting people who have mental health issues into volunteering. The MIPF was administered by the Lincolnshire Managed Care Network for Mental Health and is funded by the Lincolnshire Partnership Foundation NHS Trust.

The **Environment Agency** commissioned Lincolnshire CVS to help it achieve its aim to have more communities in Boston developing resilience plans, increase the number of volunteers signed up to support the EA and support learning that can be applied in other high risk areas.

Anglian Water has commissioned Lincolnshire CVS to use its community networks to support the 'Keep it Clear' campaign in Spalding, Boston, Skegness and Grantham. The aim of the project is reduce the number of customers experiencing sewer flooding and reducing pollution incidents as a result of blocked pipes.

Volunteering for Stronger Communities is a Big Lottery funded project. The aim was to work in partnership with the Children's Centres in South Kesteven to develop volunteering as a pathway to employment for parents volunteering at the Children's Centres and enable their staff to better manage the volunteers.

The **Involving Lincs** consortium provides a forum for the voluntary and community sector in Lincolnshire in order create a stronger, more cohesive and more resilient third sector and facilitate involvement in strategic developments. LCC provides grant funding to support this work and contribute to the core costs of its lead bodies. Lincolnshire CVS is the accountable body for the grant.

The **People's Partnership** is being developed as a primary forum for communities of interest and their representative organisations in Lincolnshire to engage with LCC. The aim is facilitate the development of stronger consultation, policy development and commissioning processes and ensure the voluntary and community sector (Carers, Children and Young People, Learning Disability, Mental Health, Older People, Physical Disability and Sensory Impairment) has a strong stakeholder voice. The People's Partnership is funded by LCC. Lincolnshire CVS is the accountable body for the funding and is lead agency for the development of the People's Partnership.

The **Mental Health Promotion Fund (MHPF)** is an extension of the MIPF funded Volunteer Mentor Service. The purpose is to develop a volunteer mentoring programme and provide support to people aged 18 to 64 in Boston and Grantham who would like to volunteer but need extra support to take the first steps.

The **Len Pick Trust** is funding community development local outreach surgeries in Bourne, South Kesteven. The grant aid covers the cost of room hire and Lincolnshire CVS staff travel costs. In the event of a deficit this is to be met by unrestricted funds. In the event of an unused surplus, this should be returned to the donor.

The **Active Living** project will commence in April 2015. The project will deliver Energy Action workshops for older people in the districts covered by the charity. In the event of a deficit this is to be met by unrestricted funds. In the event of an unused surplus, this should be returned to the donor.

South Kesteven Community Grants Scheme was commissioned by SKDC to LCVS to develop, administer and promote its Community Grant Scheme and provide advise local groups on the application process.

Choosing Health Pre-Diabetes project is a pilot Diabetes Education Programme funded by South Lincs CCG as part of its commitment to support patients who are at risk of developing Type-2 diabetes with education to better understand and self-manage their conditions. Delivered by the Health Trainer team through six week programmes of education and taster sessions in South Kesteven and South Holland.

LINCOLNSHIRE COMMUNITY AND VOLUNTARY SERVICE

Notes to the financial statements

for the year ended 31st March 2016

18. Restricted funds (continued)

Boston Big Local - Events was commissioned by BBL to LCVS to supporting delivery of theme 3 of the Big Lottery funded programme, aiming to build community spirit through funding small and large events in the BBL area. LCVS was contracted to set up scheme criteria, advise groups on the process and administer the funds allocated.

Boston Big Local HT - HWB 'Keep Active' project was commissioned by BBL LCVS Health Trainers to improve health and wellbeing in the BBL area through engaging older residents in a summer fitness and wellbeing programme including music, sports and cultural activity.

Fat of The Land project - Anglian Water commissioned LCVS to develop and deliver this innovative project which aims to recycle food waste to make compost and work with schools and community organisations to grow food, herbs and flowers. The project is being delivered in East Lindsey, Boston and South Holland.

Dementia Support Network - Arts and Dementia was commissioned Lincolnshire Partnership NHS Foundation Trust to LCVS Health Trainer service to deliver this project in the South West CCG area . The project engages dementia sufferers and their carers in an innovative programme of activities which are arts based and agreed with the participants, as part of better understanding the value of self-care and social prescribing models of patient support. The project was commissioned through the Dementia Support Network.

Dementia Support Network - Keep Healthy Keep Active was commissioned by Lincolnshire Partnership NHS Foundation Trust to the LCVS Health Trainer service to deliver this project in South Holland and South Kesteven. The project engages dementia sufferers and their carers in an innovative programme of activities which will help the participants stay active and healthy, as part of better understanding the value of self-care and social prescribing models of patient support. The project aimed to promote understanding of how to nurture dementia friendly communities and businesses in rural areas. The project was commissioned through the Dementia Support Network.

Boston Community Transport is a LCC grant fund for LCVS to provide managerial support to BCT to prevent it from closing. The grant has enabled the vital community car scheme to grow in Boston and the surrounding catchment, recruit new volunteer drivers and trustees and strengthen its governance, financial management and information management systems.

19. Controlling party

The charity is controlled by the Board of Trustees and no individuals can or do exert control.

20. Operating Leases

At 31st March 2016, the charity had annual commitments under non-cancellable operating leases as set out below:-

	2016	2015
	Total	Total
Operating leases which expire:		
Under 1 year	7,111	10,606
Between 2 and 5 years	9,582	5,510
Over 5 years	-	-
	<u>16,693</u>	<u>16,116</u>