

**CO3 CHIEF OFFICERS THIRD SECTOR
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013**

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Company Registration number NI037439

REFERENCE AND ADMINISTRATIVE INFORMATION

DIRECTORS

John McMullan - Chairperson
Jenny Irvine – Vice Chairperson
Doug Smith – Treasurer
Kerry Anthony
Maeve Monaghan
Patrick Minne
Alan Hanna
Lauri McCusker
Maurice Kinkead

SECRETARY AND REGISTERED OFFICE

Majella McCloskey
34 Shaftesbury Square
Belfast
BT2 7BD

AUDITORS

Harbinson Mulholland
IBM House
4 Bruce Street
BELFAST
BT2 7JD

BANKERS

Danske Bank
Donegall Square West
Belfast
BT1 6JS

COMPANY REGISTRATION NUMBER

NI037439

CHARITY REGISTRATION NUMBER

XR24273

DIRECTORS' ANNUAL REPORT

The Directors present their report together with the audited financial statements for the year ended 31 March 2013.

Principle Activities and Results for the Year

The principal activity for CO3 Chief Officers 3rd Sector (CO3) is in the promotion of excellence in leadership for the voluntary and community sector in Northern Ireland. A net incoming resource for the year amounted to £19,464 (2012 incoming of £4,764) and is attributable to the principal activity.

Structure Governance and Management

CO3 is a company limited by guarantee and a registered charity. The organisation has an Executive Committee of no more than 12 members, all of whom must be drawn from the full membership of the Association. The Executive Committee members are all Directors of the Company.

Executive Committee Membership

The following individuals were members of the Executive Committee and Directors of CO3 for the period 1 April 2012 – 31 March 2013.

- Judith Hill (retired December 2012)
- Maurice Kinkead
- John McMullan
- Doug Smith
- Colum Conway (resigned May 2013)
- Anne O'Reilly (resigned September 2013)
- Jenny Irvine
- Maeve Monaghan
- Kerry Anthony
- Lauri McCusker

Honorary Officers

- Professor Dame Judith Hill served as Chair but retired from office and the Executive Committee on the 12 December 2012.
- Maurice Kinkead stepped down as Vice Chair on the 12 December 2012 but remained as a member of the Executive Committee.
- John McMullan, was appointed as Chair on the 12 December 2012
- Anne O'Reilly, was appointed as Vice Chair on 12 December 2012
- Doug Smith remained in post as Treasurer.

During 2012/2013 CO3's Executive Committee met six times to review progress and plan for the organisation. This included an extended Strategic Planning Day in September 2012. The Honorary Officers have also met on two occasions throughout the year. Professor Dame Judith Hill stood down from the Committee as she has served the maximum term as an Executive Committee Member. The association is very grateful for her contribution both as Chair, and as an Executive Committee member and for her knowledge and expertise in leadership and health.

Audit and Risk Committee

During this year, CO3's Finance, Audit and Risk Committee subgroup met three times in Oct 2012, Nov 2012 and March 2013 to provide scrutiny and support in audit and risk matters.

Risk Management

The Executive Committee has considered the major risks to which CO3 is exposed. Systems and procedures have been established to manage those risks. This register was reviewed by CO3's Audit and Risk Committee and Executive Committee in November 2012 and Feb 2013.

DIRECTORS' ANNUAL REPORT (CONT'D)

Staff

The Association employed five individuals during 2012/2013, led by Majella McCloskey, Chief Executive. This includes two full time posts, two part time posts and one temporary post supporting the organisation at key times. Gary Sloan, Programme Director at CO3, left in May 2012 and this post was not refilled due to funding changes. Staff have received regular supervision and annual appraisals and there have been regular team meetings. CO3 have also been able to avail of some volunteer support at busy times. We would like to thank Zoe Anderson and Gordon McDade for this invaluable support.

Strategic Objectives

2013 saw the completion of the corporate plan for 2010-2013, and as such this is an opportunity to reflect on what CO3 has achieved over the last 3 years:

Corporate Plan 2010-2013

Strategic Aims		Achieved
<p>1. Position Third Sector Leaders Build the profile and connections of third sector leaders</p>	<ul style="list-style-type: none"> • Communicate with members to hear their views, opinions and issues. • Mature strategic engagement to government and political parties • Provide innovative leadership and management thinking 	<ul style="list-style-type: none"> • CO3 worked to build the profile and connections of third sector leaders, through improved communications using the press and social media. CO3 achieved particular media success around the CO3 Leadership Conference and Awards. CO3's Twitter Account now has over 700 followers. • CO3 has maintained effective channels of communication with members to ensure that there is space and opportunity to hear their views and opinions to identify issues of common strategic policy concern e.g.CO3 has been actively involved in supporting CO3 members to have a voice on the Transforming Your Care agenda • CO3 has provided a mature engagement with Government and political parties on a range of issues and has been able to provide intelligence on views and issues facing the third sector. E.g. CO3 has engaged regularly with VCU and DHSSPS, to ensure they are well informed about the key issues of common concern to third sector leaders. • CO3 has shared strategic information on issues in the sector and from partners to the sector, on innovative leadership and management thinking, challenging perspectives and ideas. E.g. CO3 brought leading thinkers Dr. John E Brothers (Author, adjunct professor and Senior Professor at Support Centre for Non Profit Managers, USA) and Rick Moyers (Vice President for Programs and Communications, Meyer Foundation, USA) to help shape opinion and ideas among its members.

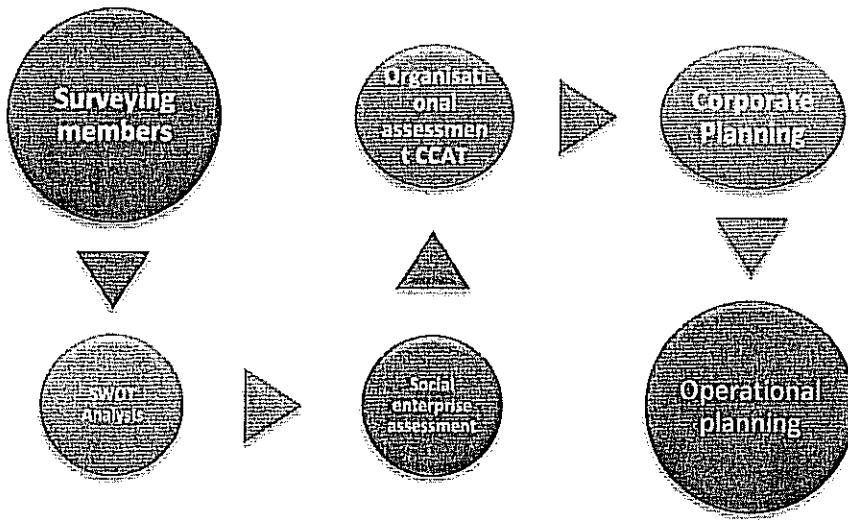
<p>2. Develop Leaders</p>	<ul style="list-style-type: none"> • Evidence based leadership development and executive mentoring • Build relationships between leaders across sectors. • Prepare for succession in third sector leadership • Support third sector leaders to improve governance standards 	<ul style="list-style-type: none"> • CO3 successfully ran its “Inspiring Leaders” programme over the last 3 years with 40 participants. The leadership programme was based on leadership research and training need analysis which informed the development of the programme and the topics addressed. <p>Participant feedback - <i>“Just fabulous – every CEO should take the time out and invest in this”</i></p> <p><i>“An inspiring group of leaders fabulously facilitated to motivate me”</i></p> <p><i>“I have enjoyed the opportunity to focus on issues that are current and should help me to be more efficient”.</i></p> <ul style="list-style-type: none"> • CO3 successfully delivered 3 executive mentoring programmes which connected a total of 35 third sector leaders with 35 leaders from all sectors in Northern Ireland. The 3 cohorts allowed skills to be shared, increase confidence of participants, as well as building networks. • CO3 continued to work with a wide range of partners from other sectors such as IOD, CEF and CEC at Queens to widen the network of decision makers and to strengthen the working relationships of third sector with key political and private sector decision makers and opinion formers. • CO3 delivered 3 Senior Management Team Networks with 44 participants to support senior managers who may move in to Chief Officer’s roles in the future. • CO3 continued to support third sector leaders to improve their governance standards through a series of governance events for both CEO and chairpersons e.g. CO3 ran a the Leading on Governance Programme with 10 members plus their respective chairs participating
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<p>3. Support and connect</p>	<ul style="list-style-type: none"> • Undertake ‘calls for help’ and share strategic information • Publish good practice guides. • Organise member networking events. • Evaluate our impact and outcomes • Undertake and publish leadership research • Provide crisis support services to members. 	<ul style="list-style-type: none"> • CO3 provided information on distinct and strategic issues of interest to third sector leaders. CO3 ran ‘calls for help’ to share information and good practice across the sector and produced a number of ‘good practice guides’ on strategic or relevant issues. E.g. The CO3 Guide to being a Chief Officer; and the CO3 Leadership Competency Framework “Excelling as Chief Officers – A Framework for Leadership Excellence in the Third Sector”© • In addition to training programmes, CO3 organised a range of lunch time networking events for members. • CO3 regularly consulted with members and ran evaluations after each training event. • CO3 published leadership research and identified further research opportunities. e.g. on the CO3 Mentoring Programme • CO3 delivered a counseling service through CareCall and a Legal support services through Rosemary Connolly Solicitors.
<p>4. Sustain a member- and quality-focused organisation.</p>	<ul style="list-style-type: none"> • Identify additional sources of funding and sponsorship • Grow investment in third sector leadership. • Develop CO3 Executive Committee and its representational spread. • Communicate the positive contribution of third sector leaders. • Develop the staff and increase quality and effectiveness. • Grow the membership and involvement in CO3 	<ul style="list-style-type: none"> • CO3 identified additional sources of funding and sponsorship to work towards a more financially independent, diverse and sustainable operation. E.g. Collaboration NI, Esme Fairbairne Henry Smith, Ecclesiastical • CO3 continued to develop the CO3 Executive Committee with a wide spread, including induction of new members, assessment of skills and representational spread and ensuring good governance. • The positive contribution of the third sector was communicated to wider civil society through effective messages and the use of professional PR support from MCE Public Relations. CO3 were also able to employ a Policy and Communications Officer from Jan – March 2012 which was highly beneficial. • CO3 has increased the number of members by segmenting its membership to include Full, Corporate and Associate Membership and has now begun a membership review project to see how this can further grow the membership. • CO3 has continued to develop the staff with Staff attending Personal Development Training were appropriate. E.g. The CEO attend the Interim CEO Management Programme led by John Brothers and The Finance and Admin Officer attend Sage Line 50 training

DIRECTORS' ANNUAL REPORT (CONT'D)

CO3 Executive Committee also began a process to develop the next Strategic Plan, guided by Dr. Roger Courtney. The process began with a comprehensive member survey which was developed to help gather member views on the range of current, as well as future services. The survey yielded significant information to help shape the new corporate plan. A review of CO3's potential for social enterprise was also undertaken and results were fed into the corporate planning process. CO3's CEO also undertook a SWOT analysis with the Board. All of this information fed into a corporate planning residential in September 2012. The draft corporate plan was considered by the Board at the November 2012 and February 2013 meetings. A small sub group of the Executive Committee supported the planning process. A staff workshop held in January 2013 was the basis for developing the operational plan.

CO3's Corporate Planning Process 2013-2016



Membership

CO3 has maintained its level of membership at 297 with 220 Full Members, 58 Associate Members and 19 Corporate Members. The CO3 Executive Committee has begun a process to review its membership structure and fees. A working group of Executive Committee members has been undertaking a scoping exercise and considering the range of benefits available to members. This will be rolled out in a consultation exercise in 2013.

Member Special Interest Groups

Health Special Interest Group

During this year, CO3's Health and Social Care Special Interest Group met frequently. CO3 members have engaged significantly in the Transforming Your Care agenda, providing a strategic perspective on the third sector's role in health and social care, including frequent engagement with leaders in the health and social care community. CO3 has been represented in the DHSSPS review of core and project funding; the Re-ablement Steering group; various NI Social Care Council working groups and is working to develop a member view of the reform of health and social care and the sector's role in health services in the future.

Social Entrepreneurs Group

This group has held a number of useful meetings in the lead up to the formation of Social Enterprise NI which is run by a consortium of Social Enterprises and Social Entrepreneurs. The new membership organisation provides a space where the sector can collaborate, share knowledge, information and best practice to create real social change. CO3 is one of the Social Enterprise NI consortium partners.

DIRECTORS' ANNUAL REPORT (CONT'D)

Public Affairs

CO3 supports chief officers to come together to lobby on collective issues. As well as the work supported by its special interest groups, the association has engaged in wider influencing about the strategic direction of the sector's role in developing Northern Ireland and rebalancing the economy. Activities have included attending the Sinn Fein Ard Fheis and the DUP annual conference and meetings with key DSD personnel. CO3 has demonstrated an independent, constructive and effective voice for leaders on issues that have cross cutting impact.

Events and Member Engagements

In 2012/2013 CO3 ran 53 events with 703 participants. We provided bespoke tailored training to increase leadership and capacity building.

Leadership Development Activity

CO3 developed a new leadership programme for chief officers in Northern Ireland's third sector. The CO3 Senior Fellowship Programme aims to build on participants' existing leadership capability and further develop their knowledge, confidence and skills. The programme will also increase the social value leaders create in how they run their organisations and provide better services for beneficiaries. The programme, consist of four sessions over four days and includes master classes, peer consulting and experiential learning. A Leadership Network Alumni will also be created. The Senior Fellowship Programme makes reference to the CO3 Leadership Competency Framework ©. The first programme was attended by 10 leaders of 3rd sector organisations. The programme was supported by Lloyds TSB Foundation for Northern Ireland.

Bursary Places

Funding support from Lloyds TSB Foundation for NI, Creating Change programme supported some bursary places on the Senior Fellowship Programme which allowed participants in the programme they otherwise could not have taken part.

Mentoring

CO3 continues to run its very successful Executive Mentoring programme. Mentors have extensive executive experience from the private, public and third sectors. Since 2010 35 mentoring relationships have successfully completed the programme. The current programme began in November 2012 and there are currently 14 active mentoring relationships. A half year review is due to take place in June 2013.

Publications

CO3 is working to deepen its work on its leadership competency framework "Excelling as Chief Officers – A Framework for Leadership Excellence in the Third Sector"© which defines the skills needed to run a third sector organisation. This publication has been supported by Awards for All and Lloyds TSB Foundation NI. CO3 has plans to develop the use of the competency framework to support appraisal of the Chief Officer and Senior Management Team.

Strategic Alliances

CO3 continued to meet regularly with its Scottish and English counterparts ACOSVO and ACEVO and with the Institute of Management for Community and Voluntary sector (IMCV) in Dublin. CO3 also continues to work with Swedish counterparts Ideell Arena, hosting a visit of Swedish third sector leaders in May 2012. CO3 continues to explore work with the Chief Executive's Forum, the Institute of Directors, the Chief Executive Club at Queens and the Queens School of Management to jointly promote leadership.

Profile

CO3 continued to build its brand and profile; this year's PR Strategy focused on developing its profile using social media. CO3 now has over 700 followers on Twitter. CO3 has also begun a review of its website and has set up Linked In profiles.

DIRECTORS' ANNUAL REPORT (CONT'D)

Investor in People standard.

CO3 successfully retained its Investors in People status in May 2012

Funding

As with most of the sector, CO3 is facing a challenging funding environment.

- CO3 is one of the delivery partners providing generic support to the sector under the Regional Infrastructure Support Programme (RISP). The new partnership of CO3, CENI, RCN and led by NICVA began in October 2012 to deliver support for a period of 30 months. This has resulted in a significant drop in core funding to CO3 from the Department of Social Development in comparison to previous funding under RIP.
- CO3 is now in its final year of funding under the Creating Change Programme from Lloyds TSB Foundation for NI.
- CO3 continues work in a consortium with NICVA and Stellar Leadership to deliver the final year of the Collaboration NI project, which is funded by BCT.
- CO3 has obtained a small grant of £7000 to support its social enterprise work from Invest NI through its Social Entrepreneur Programme.

Financial Review

Principal Funding Sources

CO3 derived its income from 3 sources: grant income, self-generated income from membership fees and services, and sponsorship.

Grant Income

The level of funding from the Department for Social Development has significantly reduced this year by 22% to £73,429 compared to the £94,445 in the previous year. The figure of £73,429 included a figure of £8,800 for IT and website investment so this funding will drop significantly again in 2013/2014.

Self-Generated Income

CO3 membership and events income for this year is up by 16.6% to £54,213 from £46,494 in the previous period.

Sponsorship

CO3 works toward getting sponsorship for key events such as the CO3 Conference and Awards. The CO3 conference is a biennial event so the income showing this year was residual from the previous year.

CO3 managed a study visit for a party of Swedes from Ideell Arena which generated income and sales of the CO3 good practice guides.

This year CO3 has been further investigating social enterprise opportunities as a means to increase non restricted funding. CO3 has developed a Business Plan for its social enterprise project and has secured investment and business support from the Invest NI Social Entrepreneur Programme. CO3 has also been successful in securing other work as lead delivery agent for the XChange Programme and, as one of the delivery partners of Collaboration NI, CO3 is in discussion with the BCT to extend the delivery in to 2014.

DIRECTORS' ANNUAL REPORT (CONT'D)

Reserves Policy

CO3 Finance, Audit and Risk Committee and Executive have considered the reserves required by the association to meet its liabilities and any unforeseen and extraordinary costs. CO3 has sought the advice of its auditors in setting this policy. CO3 continues to aim to achieve a reserve consisting of

- a) 6 month of its operational costs
 - b) One-off redundancy, legal and winding up costs, using a ratio of 5% of our total annual income,
- At this point, the total required to provide an adequate reserve amounts to £120,000. CO3's actual level of unrestricted reserve is at £ 73,746 and we aim to achieve the total reserve of £120,000 by 31 March 2016.

Organisation Reserve	Six months' Salaries and operational cost	£100,000
Redundancy Costs & legal issues etc.	One off costs	£20,000
	Total	£120,000.00 to be achieved by 2016

Plans for the Future

The year 2013/2014 will see CO3 transition as an organisation, with a more diverse funding stream and a broader range of products and services. As well as starting to deliver on its CO3 Corporate Plan 2013-2016, we will lay the ground work to develop a new CO3 Membership Offering and Membership Structure for 2014/2015. The organisation will be focused on meeting the needs of members in the very challenging financial circumstances and will seek to deliver training and other services to help members lead in difficult times. As part of this we hope to extend the range and quality of service for members and as such we do expect to continue to grow the range of ways in which funding comes into the organisation. The Executive Committee will continue to refresh its membership and as part of this process plans to do a skills analysis. We are confident about our future and excited about the plans we are shaping, to further strengthen third sector leadership.

Statement of Directors' Responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with the United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DIRECTORS' ANNUAL REPORT (CONT'D)

Disclosure of Information to Auditors

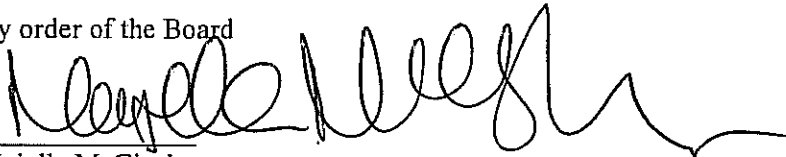
To the knowledge and belief of the directors, there is no relevant information that the company's auditors are not aware of and the directors have taken all the steps necessary to ensure the directors are aware of any relevant information and to establish that the company's auditors are aware of the information.

Tax Status

Under sections 485 and 486 of the Income and Corporation Taxes Act 2010, CO3 Chief Officers Third Sector is entitled to charity tax exemption.

This report has been prepared in accordance with the Statement of Recommended Practice ('Accounting and Reporting by Charities') and the special provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

By order of the Board



Majella McCloskey

Secretary

Date 21 November 2013

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CO3 CHIEF OFFICERS THIRD SECTOR

We have audited the financial statements of CO3 Chief Officers Third Sector for the year ended 31 March 2013 which comprise the Statement of Financial Activities (including Income and Expenditure Account), the Balance Sheet and the related notes on pages 15 to 20. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities under the historical cost convention, and the accounting policies set out therein are also in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities'.

This report is made solely to the company's members, as a body, in accordance with sections 495 and 496 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities statement set out on page 2, the directors 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 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 trust's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2013 and of its incoming resources and resources expended in the period 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

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CO3 CHIEF OFFICERS THIRD SECTOR (CONTINUED)

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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Jane O'Rourke

J O'Rourke FCA (Senior Statutory Auditor)
For and on behalf of Harbinson Mulholland,
Chartered Accountants and Statutory Auditors
IBM House
4 Bruce Street
Belfast
BT2 7JD

Date *4 December 2013*

STATEMENT OF FINANCIAL ACTIVITIES
 FOR THE YEAR ENDED 31 MARCH 2013 (INCORPORATING THE INCOME AND
 EXPENDITURE ACCOUNT)

	<u>Notes</u>	Unrestricted funds £	Restricted funds £	<u>2013</u> Total funds £	<u>2012</u> Total funds £
INCOMING RESOURCES					
Incoming resources from generated funds					
<i>Activities for generating funds:</i>					
Membership income		37,455	-	37,455	28,155
Income from events		16,758	-	16,758	18,339
Sponsorship		808	-	808	900
Conference income		1,948	-	1,948	44,145
Miscellaneous income		4,500	-	4,500	771
<i>Investment income:</i>		48	-	48	-
Incoming resources from charitable activities					
Grants receivable	2	<u>51,146</u>	<u>98,229</u>	<u>149,375</u>	<u>167,275</u>
TOTAL INCOMING RESOURCES		<u>112,663</u>	<u>98,229</u>	<u>210,892</u>	<u>259,585</u>
RESOURCES EXPENDED					
Costs of generating funds		-	-	-	42,727
Charitable activities	3,4	102,505	82,827	185,332	205,438
Governance costs	5	<u>5,096</u>	<u>1,000</u>	<u>6,096</u>	<u>6,656</u>
TOTAL RESOURCES EXPENDED		<u>107,601</u>	<u>83,827</u>	<u>191,428</u>	<u>254,821</u>
NET INCOMING RESOURCES FOR YEAR		<u>5,062</u>	<u>14,402</u>	<u>19,464</u>	<u>4,764</u>
Transfers					
Gross transfers between funds		<u>7,402</u>	<u>(7,402)</u>	-	-
Net movement in funds		12,464	7,000	19,464	-
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>61,282</u>	-	<u>61,282</u>	<u>56,518</u>
TOTAL FUNDS CARRIED FORWARD		<u>73,746</u>	<u>7,000</u>	<u>80,746</u>	<u>61,282</u>

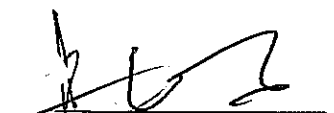
The notes on pages 15 to 20 form part of these accounts.

BALANCE SHEET – 31 MARCH 2013

	<u>Notes</u>	<u>2013</u> £	<u>2012</u> £
FIXED ASSETS	8	7,577	2,434
CURRENT ASSETS			
Stock of reference material		600	600
Debtors	9	51,667	44,761
Cash at bank		<u>52,146</u>	<u>31,241</u>
		104,413	76,602
CREDITORS: amounts falling due within one year	10	<u>31,244</u>	<u>17,754</u>
NET CURRENT ASSETS		<u>73,169</u>	<u>58,848</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>80,746</u>	<u>61,282</u>
FUNDS			
Restricted funds	12	7,000	-
Unrestricted funds	12	<u>73,746</u>	<u>61,282</u>
		<u>80,746</u>	<u>61,282</u>

These accounts have been prepared in accordance with the provisions available to companies subject to the small companies regime within Part 15 of the Companies Act 2006, the Financial Reporting Standard for Smaller Entities (effective April 2008) and the Statement of Recommended Practice (SORP) ('Accounting and Reporting by Charities') 2005.

Approved by the board of directors on 21 November 2013 and signed on its behalf.


 John McMullan (Chair)


 Doug Smith (Treasurer)

Registered in Northern Ireland number NI037439

The notes on pages 15 to 20 form part of these accounts

NOTES TO THE ACCOUNTS – 31 MARCH 2013

1 ACCOUNTING POLICIES

(a) Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities and the Statement of Recommended Practice 'Accounting and Reporting by Charities'.

(b) Incoming resources

Income is recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty. Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Grants, including capital grants, from the government and other agencies have been included as income from activities in furtherance of the charity's objects where these amount to a contract for services, but included as donations where the money is given in response to an appeal or with greater freedom of use, for example, government block grants.

Donated facilities are included at the value to the charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

(c) Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis, exclusive of any VAT which can be recovered.

Certain expenditure is directly attributable to specific activities and has been included in those cost categories. Certain other costs, which are attributable to more than one activity, are apportioned across cost categories on the basis of an estimate of the proportion of time spent on those activities.

(d) Tangible Fixed assets

At each balance sheet date, the carrying amounts of tangible assets are reviewed to determine whether there is an indication that those assets have suffered an impairment loss. Where the carrying value exceeds the estimated recoverable amount (being the greater of fair value less costs to sell and value-in-use), an impairment loss is recognised by writing down the assets cash-generating units to their recoverable amount. An impairment loss is recognised immediately in the profit and loss. Any reversal of a previous impairment loss is similarly recognised immediately in the profit and loss.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the full cost or valuation less estimated residual value of each asset over its estimated useful life. The principal rates in use are:

Fixtures, fittings and equipment	-	3 years Straight Line
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NOTES TO THE ACCOUNTS – 31 MARCH 2013 (CONTINUED)

1 ACCOUNTING POLICIES (CONT'D)

(e) Fund accounting

Funds held by the charity are either:

- Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the directors.
- Restricted funds – these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when the funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

(f) Pension Scheme

Contributions to defined contribution pension arrangements are charged as outgoing resources as they fall due.

2 GRANTS RECEIVABLE

	<u>2013</u>	<u>2012</u>
	£	£
<i>Incoming resources from charitable activities</i>		
Big Lottery Fund	-	3,280
Building Change Trust – Collaboration NI	31,146	17,050
Building Change Trust – Exploring Change	2,800	22,500
DSD - VCU - Leadership in Disadvantaged Areas Programme	40,643	94,445
DSD - VCU - Regional Infrastructure Programme (RIP)	8,800	-
DSD - VCU - Regional Infrastructure Support Programme (RISP)	23,986	-
Esme Fairbairne Henry Smith	20,000	15,000
Invest NI – Social Entrepreneur Programme	7,000	-
Lloyds TSB Foundation for NI	<u>15,000</u>	<u>15,000</u>
	<u>149,375</u>	<u>167,275</u>

3 BREAKDOWN OF COSTS OF CHARITABLE ACTIVITIES

	Activities Undertaken Directly £	Support Costs £	Total £
Member development & events	108,089	5,077	113,166
Member support services	37,163	1,746	38,909
Administration	-	<u>33,257</u>	<u>33,257</u>
	<u>145,252</u>	<u>40,080</u>	<u>185,332</u>

NOTES TO THE ACCOUNTS – 31 MARCH 2013 (CONTINUED)

4 SUPPORT COSTS	2013	2012
	£	£
Rent	11,047	10,037
Insurance	647	687
Telephone	2,658	4,386
Bank charges	285	259
Computer costs	823	338
Sundry costs	1,414	920
Legal and professional	1,617	2,206
Postage, printing and stationery	1,218	7,681
AGM and committee	-	2,050
Membership development	5,077	-
Membership support	1,746	-
Staff costs	10,766	-
Associate membership fees	523	-
Loss on disposal of fixed assets	1,100	-
Depreciation	<u>1,159</u>	<u>608</u>
	<u>40,080</u>	<u>29,172</u>
5 GOVERNANCE COSTS	2013	2012
	£	£
Audit fee	4,054	2,400
Board and AGM costs	<u>2,042</u>	<u>4,256</u>
	<u>6,096</u>	<u>6,656</u>
6 STAFF COSTS	2013	2012
	£	£
Wages and salaries	87,874	103,769
Employers NIC	8,768	10,263
Pension contributions	<u>6,907</u>	<u>5,521</u>
Total staff costs	<u>103,549</u>	<u>119,553</u>

The average number of employees including directors during the year was 13. (2012: 15)

No employee received remuneration totalling more than £60,000 in the year.

7 TRUSTEES' REMUNERATION AND EXPENSES

The trustees, nor any person connected with them, have not received nor waived any emoluments or expenses during the year.

NOTES TO THE ACCOUNTS – 31 MARCH 2013 (CONTINUED)

8 FIXED ASSETS

	Fixtures, Fittings and Equipment
	£
Cost	
At 1 April 2012	6,856
Additions	7,402
Disposals	<u>(3,378)</u>
At 31 March 2013	<u>10,880</u>
Accumulated Depreciation	
At 31 March 2012	4,422
Charge for year	1,159
Disposals	<u>(2,278)</u>
At 31 March 2013	<u>3,303</u>
Net Book Value	
At 31 March 2013	<u>7,577</u>
At 31 March 2012	<u>2,434</u>

9 DEBTORS

	<u>2013</u>	<u>2012</u>
	£	£
Trade debtors	13,622	-
Prepayments and accrued income	<u>38,045</u>	<u>44,761</u>
	<u>51,667</u>	<u>44,761</u>

10 CREDITORS: amounts falling due within one year

	<u>2013</u>	<u>2012</u>
	£	£
Trade creditors	12,341	7,489
Other creditors & accruals	12,567	5,265
Tax and social security	2,311	-
Deferred income	<u>4,025</u>	<u>5,000</u>
	<u>31,244</u>	<u>17,754</u>

NOTES TO THE ACCOUNTS – 31 MARCH 2013 (CONTINUED)

11 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets £	Net current assets £	Total £
Restricted funds	-	7,000	7,000
Unrestricted funds	<u>7,577</u>	<u>66,169</u>	<u>73,746</u>
	<u>7,577</u>	<u>73,169</u>	<u>80,746</u>

12 STATEMENT OF FUNDS

	Balance at 1 April 2012 £	Movement in resources		Transfers between Funds £	Balance 31 March 2013 £
		Incoming £	Outgoing £		
Unrestricted					
General fund	<u>61,282</u>	<u>112,663</u>	<u>(107,601)</u>	<u>(175)</u>	<u>66,169</u>
Designated fund					
Office equipment	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,577</u>	<u>7,577</u>
Total unrestricted funds	<u>61,282</u>	<u>112,663</u>	<u>(107,601)</u>	<u>7,402</u>	<u>73,746</u>
Restricted Funds					
Building Change Trust – Exploring Change	-	2,800	(2,800)	-	-
Invest NI	-	7,000	-	-	7,000
Lloyds TSB Foundation for NI	-	15,000	(15,000)	-	-
Regional Infrastructure Support Programme	-	23,986	(23,986)	-	-
Voluntary and Community Unit	-	40,643	(40,643)	-	-
Voluntary and Community Unit - IT	<u>-</u>	<u>8,800</u>	<u>(1,398)</u>	<u>(7,402)</u>	<u>-</u>
Total restricted funds	<u>-</u>	<u>98,229</u>	<u>(83,827)</u>	<u>(7,402)</u>	<u>7,000</u>
Total funds	<u>61,282</u>	<u>210,892</u>	<u>(191,428)</u>	<u>-</u>	<u>80,746</u>

The unrestricted funds of the charity represent free reserves available to the charity. The designated fund represents the separate identification of funds applied to the purchase of office equipment and will be reduced as the equipment is depreciated.

The restricted funds represent grants received by the charity for specific purposes as laid out in the terms of the grant, and the application of those funds for those purposes. At 31 March the one balance of £7,000 represents funds received for delivery of the Social Entrepreneurship Programme.

Restricted funding of £8,800 was received for IT systems purchases in the year. As the assets themselves are not restricted the directors have transferred £7,402 (equivalent to the net book value of the assets) to a designated fund at the year end. A further £175 has been designated from unrestricted reserves to represent unrestricted assets already held.

NOTES TO THE ACCOUNTS – 31 MARCH 2013 (CONTINUED)

13 PENSION COMMITMENTS

Defined Contribution Scheme

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £6,907 (2012: £5,521).

There were no amounts due to the pension fund at the year end.

14 CASH FLOW STATEMENT

The company is exempt from the requirements of Financial Reporting Standard 1 to include a cash flow statement, being a small company as defined within Part 15 of the Companies Act 2006.