



ARTHURANDERSEN

Springboard Southwark Trust

Financial statements 31 March 2000
together with directors' and auditors' reports

Registered charity number: 298650

Company number: 2121693



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Directors and officers

Directors

EAMF Hoodless CBE

W Garland

J Young

R Rendle (resigned 20 September 1999)

R Mortlock (appointed 22 September 1999)

Secretary

T Rocque

Parent company

CSV

237 Pentonville Road

London N1 9NJ

Registered office

727 Old Kent Road

London

SE15 1JL

Auditors

Binder Hamlyn

20 Old Bailey

London EC4M 7BH

Directors' report

For the year ended 31 March 2000

Financial statements

The directors present their report and financial statements for the year ended 31 March 2000.

Status

The company is limited by guarantee and does not have share capital. It is a registered charity.

Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which 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 those 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts;
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They 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.

Principal activity

The company offers a wide range of training provision, primarily for young people. It is funded by the Central Training and Enterprise Council.

The company is, and will continue to be, a training organisation which provides young people with the opportunity to develop and improve their skills.

The company is formally linked with CSV who oversee and provide support to the operation, and who create opportunities for people to play an active part in the life of the community.

Directors' report (continued)

For the year ended 31 March 2000

Review of operations

Training

Springboard Southwark provided training for 366 young people during the financial year 1999/2000. We also managed to encourage and assist 143 people to engage in volunteering activities during the same period. We operate a wide range of training provision, primarily for young people, with funds from AZTEC and Focus Training and Enterprise Councils, the Employment Service, the European Social Fund and from Sainsbury's Monument Trust

Springboard Southwark's training provision has remained focused primarily on work placements in health care, care support, Business Administration services including clerical and administration, Retail and Animal Care

Springboard Southwark is, and will continue to be, a training organisation which provides initiatives for young people and people with special needs to encourage them to develop and improve their skills and employability.

The Trust remains committed to NVQ training and continues to develop the expertise of staff in assessment work to TDLB standards. In addition the Trust has committed to having a considerable number of staff trained in Key Skills delivery and related expertise and this training commenced during the year.

Gateway

In addition to our routine training provisions, we are also running programmes for disaffected young people and adults under the Government's New Deal initiative. Within this Gateway project there are twenty provisions spanning from job search to drug counselling. Springboard Southwark has delivered a number of these intervention programmes such as careers guidance, personal effectiveness and CV compilation.

Millennium Volunteers

Millennium Volunteers, Action Southwark's Citizens' Service project funded by the DfEE, continued to build on its early success. The Volunteers programme continues to demonstrate how people of all ages can develop themselves and simultaneously benefit their local community.

This year 143 young people took up and proved equal to the millennium volunteers challenge and showed the positive impact that volunteering can have on improving the quality of life and services in Southwark.

Staffing

The increased number of contracts being handled by Springboard Southwark, now standing at 15, has brought in a number of new staff as well as a number of new opportunities. This local expansion has made it even more important than ever that our staff continue to remain well trained and flexible. The implementation of the Investors in People framework has helped us to meet this challenge. Continued staff training and development remains a high priority area for the company and all staff have regular access to training to help them develop their experience and contribute towards the company's business aims and objectives. The number of staff employed by the Trust has grown slightly during the year.

Directors' report (continued)

Financial activity

The income of the Trust grew during the year by around 24%. Additionally, the overall expenditure of the Trust also grew 20% and in total we experienced a deficit of £5,749 (1999: deficit £29,255). However the effect of this loss can be qualified when we take into account that we did not receive a fair amount of this year's income until well after the financial year's end.

Overall the Trust enjoyed a mixed financial year, and although there was some growth as we were successful in securing a number of new funding opportunities, such as two new bids under the Neighbourhood Social Funds and The European Social Fund. The fruits of these new developments will be felt later next year.

Contracts

Our policy has always been to place great emphasis on trainee need and individual levels of achievement which will eventually lead to our trainees achieving measurable improvements and/or a recognised vocational qualification. Training is provided in the following areas: Community Care, Child Care, Retail, Business Administration and Animal Care. All our training courses offer basic skills and personal effectiveness as an integral part of the programme.

Our Training at Springboard Southwark also focuses on regular student progress, measurable attainment and individual achievement. To that end in 1999/00 we were successful in transferring 40 youngsters into employment. We were also successful in achieving over 130 qualification outcomes ranging from qualifications at NVQ level one or two and Modern apprenticeships at level 3.

This year we successfully negotiated a renewed contract with both Focus and Aztec for the delivery of NVQ training in both Kingston and Southwark. We successfully extended that programme to include a full range of training in Life Skills which also included an outward bound week. With the experience of the first year of the contract behind us we are confident of achieving similar success in the future.

Future developments

The Trust has had a year of mixed fortunes on a number of fronts and now faces the challenge of developing and sustaining qualitative improvement of the Trust. The number of staff employed by the Trust has grown slightly during the year.

The management, staff training and financial systems must be developed to underpin the delivery side of the work of Springboard Southwark. A number of development measures in these areas are planned. The Trust is involved in planning for the establishment of the Learning Skills Council and will seek to play an active role with this new body.

The Trust aims to remain a premier provider of services for people, and particularly young people, in Southwark into the early years of the 21st century and beyond and will continue to market its services vigorously with this aim in mind.

Directors' report (continued)

Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution proposing that Binder Hamlyn be reappointed as auditors of the company will be put to the Annual General Meeting.

This report was approved by the Board on 31 August 2000.

A handwritten signature in black ink, appearing to be 'Terry Rocque', written over a horizontal line.

Terry Rocque
Secretary

Auditors' report

To the members of Springboard Southwark Trust

We have audited the financial statements on pages 7 to 14 which have been prepared under the historical cost convention on the basis of the accounting policies set out on page 9.

Respective responsibilities of directors and auditors

As described on page 2, the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

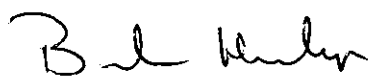
Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements and of whether the accounting policies are appropriate to the circumstances of the company, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the company's state of affairs at 31 March 2000 and of its deficit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Binder Hamlyn
Chartered Accountants and Registered Auditors

31 August 2000

Statement of financial activities

(incorporating the income and expenditure account)

For the year ended 31 March 2000

| | Notes | Unrestricted 2000 £ | Restricted 2000 £ | Total 2000 £ | Total 1999 £ |
|--------------------------------------|-------|---------------------------|-------------------------|--------------------|--------------------|
| Operating and grant income | 2 | 789,058 | 147,976 | 937,034 | 755,294 |
| Interest receivable | | 155 | - | 155 | 380 |
| Total incoming resources | | 789,213 | 147,976 | 937,189 | 755,674 |
| Resources used | | | | | |
| Direct charitable expenditure | | 698,753 | 89,643 | 788,396 | 695,518 |
| Other expenditure | | | | | |
| Management and administration | | 108,001 | 41,316 | 149,317 | 86,682 |
| Fundraising and publicity | | 3,237 | 1,988 | 5,225 | 2,729 |
| Total resources expended | 3,4 | 809,991 | 132,947 | 942,938 | 784,929 |
| Net movement in funds | 10 | (20,778) | 15,029 | (5,749) | (29,255) |
| Fund balances brought forward | 10 | 243,843 | 13,163 | 257,006 | 286,261 |
| Fund balances carried forward | 10 | 223,065 | 28,192 | 251,257 | 257,006 |

The results for the year shown above all derive from continuing activities.

The accompanying notes are an integral part of this Statement of Financial Activities.

There were no recognised gains or losses other than recorded above.

Balance sheet

31 March 2000

| | Notes | 2000 £ | 1999 £ |
|---|-------|-----------------|-----------------|
| Tangible fixed assets | 7 | <u>151,903</u> | <u>151,487</u> |
| Current assets | | | |
| Debtors | 8 | 190,834 | 108,351 |
| Cash at bank and in hand | | <u>-</u> | <u>48,776</u> |
| | | 190,834 | 157,127 |
| Creditors: amounts falling due within one year | 9 | <u>(91,480)</u> | <u>(51,608)</u> |
| Net current assets | | <u>99,354</u> | <u>105,519</u> |
| Total assets less current liabilities | | <u>251,257</u> | <u>257,006</u> |
| Total net assets | | <u>251,257</u> | <u>257,006</u> |
| Represented by: | | | |
| Restricted fund | 10 | 28,192 | 13,163 |
| Capital fund | 10 | 62,500 | 62,500 |
| Designated fund | 10 | 55,226 | 59,518 |
| General fund | 10 | <u>105,339</u> | <u>121,825</u> |
| | | <u>251,257</u> | <u>257,006</u> |

The financial statements on pages 7 to 14 were approved by the Board on 31 August 2000.

The accompanying notes are an integral part of this Balance Sheet.


William Garland
 Director

Notes to the financial statements

31 March 2000

1 Accounting policies

a) *Accounting convention*

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice - Accounting by Charities, using the following principal accounting policies.

b) *Income and expenditure*

Income represents amounts receivable during the year for training provided.

Costs are allocated where appropriate to direct charitable expenditure, fundraising and publicity and management and administration, ensuring that management and administration costs relate to the management of the company's assets, organisational administration and compliance with constitutional and statutory requirements.

c) *Depreciation of fixed assets*

Depreciation is provided to write off the cost, less estimated residual values, of all fixed assets over their expected useful lives. It is calculated at the following rates on a straight line basis:

| | |
|---|-------------------|
| Computer equipment | - 33.3% per annum |
| Audio visual equipment | - 33.3% per annum |
| Office furniture, fixtures and fittings | - 33.3% per annum |

The directors are of the opinion that the residual value of the freehold property is not materially different from the book value. No depreciation has been charged, in accordance with Financial Reporting Standard 15 "Tangible fixed assets", on the basis that it would be immaterial. As a result the freehold property is subjected to impairment reviews at the end of each reporting period performed in accordance with Financial Reporting Standard 11 "Impairment of fixed assets and goodwill." The directors have considered the value of the freehold property in the accounts and, by reference to open market values, are of the opinion that no impairment has occurred.

d) *Cash flow*

The company is exempt from the requirements of FRS 1 to include a cash flow statement as part of its financial statements because the company is a wholly owned subsidiary of CSV.

e) *Capital grants*

Grants received in relation to fixed assets are credited to a capital fund and will be maintained throughout the ownership of the asset.

Notes to the financial statements (continued)

2 Operating and grant income

| | 2000 £ | 1999 £ |
|----------------------------------|----------------|----------------|
| Training and Enterprise Council | 710,355 | 625,330 |
| New Deal | 66,314 | 35,651 |
| NSF (Neighbourhood Support Fund) | 6,308 | 8,825 |
| Donations: | | |
| - DFEE | 58,333 | 37,500 |
| - Monument Trust | 73,793 | 19,500 |
| - European Social Fund | 9,542 | 21,550 |
| Placement income | 11,306 | 4,938 |
| Sundry income | 1,083 | 2,000 |
| | <u>937,034</u> | <u>755,294</u> |

3 Total resources expended

| | 2000 £ | 1999 £ |
|------------------------|----------------|----------------|
| These include: | | |
| Depreciation | 1,700 | 5,475 |
| Auditors' remuneration | 2,620 | 2,210 |
| Bank interest payable | 258 | 576 |
| Staff costs: | | |
| Wages and salaries | 441,229 | 316,152 |
| Social security costs | 39,828 | 31,709 |
| | <u>481,057</u> | <u>347,861</u> |

The average weekly number of employees during the year was 27 (1999: 19).

Notes to the financial statements (continued)

4 Analysis of total resources expended

| | Salary cost £ | Other costs £ | Total cost £ |
|-------------------------------|---------------------|---------------------|--------------------|
| Direct charitable | | | |
| Support costs | 77,628 | 29,387 | 107,015 |
| Other direct charitable | 295,428 | 385,953 | 681,381 |
| | <u>373,056</u> | <u>415,340</u> | <u>788,396</u> |
| Management and administration | 108,001 | 41,316 | 149,317 |
| Fundraising and publicity | - | 5,225 | 5,225 |
| | <u>481,057</u> | <u>461,881</u> | <u>942,938</u> |

Other costs include trainee allowances of £276,968 (1999: £273,818).

5 Directors' emoluments

No director received any remuneration from the company (1999: £Nil).

6 Taxation

No taxation has been provided in the financial statements because, as a registered charity, the income is exempt in accordance with Section 505 of the Income and Corporation Taxes Act 1988.

Notes to the financial statements (continued)

7 Tangible fixed assets

| | Freehold property £ | Audio visual equipment £ | Computer equipment £ | Office furniture, fixtures and fittings £ | Total £ |
|-----------------------|---------------------------|--------------------------------|----------------------------|---|----------------|
| Cost | | | | | |
| 1 April 1999 | 148,547 | 4,529 | 21,933 | 18,475 | 193,484 |
| Additions | 2,116 | - | - | - | 2,116 |
| Disposals | - | - | - | - | - |
| 31 March 2000 | 150,663 | 4,529 | 21,933 | 18,475 | 195,600 |
| Depreciation | | | | | |
| 1 April 1999 | - | 4,529 | 18,993 | 18,475 | 41,997 |
| Charge for year | - | - | 1,700 | - | 1,700 |
| Disposals | - | - | - | - | - |
| 31 March 2000 | - | 4,529 | 20,693 | 18,475 | 43,697 |
| Net book value | | | | | |
| 31 March 2000 | 150,663 | - | 1,240 | - | 151,903 |
| 31 March 1999 | 148,547 | - | 2,940 | - | 151,487 |

8 Debtors

| | 2000 £ | 1999 £ |
|---|----------------|----------------|
| Owed from Parent Undertaking | 52,750 | 6,000 |
| Training and Enterprise Council debtor: | | |
| - Focus | 64,394 | 54,206 |
| - AZTEC | 19,111 | 21,866 |
| New Deal | 20,875 | 9,328 |
| Other debtors | 17,323 | 4,677 |
| Prepayments | 16,381 | 12,274 |
| | 190,834 | 108,351 |

Notes to the financial statements (continued)

9 Creditors: amounts falling due within one year

| | 2000 £ | 1999 £ |
|-------------------------------------|---------------|---------------|
| Bank overdraft | 8,529 | - |
| Taxation and social security | 25,071 | 9,488 |
| Amounts owed to parent undertaking | 27,899 | 13,260 |
| Amounts owed to fellow subsidiaries | 2,143 | 2,742 |
| Other creditors | 15,810 | 13,805 |
| Accruals and deferred income | 12,028 | 12,313 |
| | <u>91,480</u> | <u>51,608</u> |

10 Funds

| | Balance at 1 April 1999 £ | Net Movement in funds £ | Balance at 31 March 2000 £ |
|-----------------------|------------------------------------|----------------------------------|-------------------------------------|
| Restricted fund (i) | 13,163 | 15,029 | 28,192 |
| Capital fund (ii) | 62,500 | - | 62,500 |
| Designated fund (iii) | 59,518 | (4,292) | 55,226 |
| General fund | 121,825 | (16,486) | 105,339 |
| | <u>257,006</u> | <u>(5,749)</u> | <u>251,257</u> |

- (i) The restricted fund represents income which is only available for use on particular projects.
- (ii) The capital fund represents capital grants received in relation to fixed assets.
- (iii) The designated fund represents unrestricted funds set aside by the directors to cover redundancy payments in the event of funding being withdrawn.

Notes to the financial statements (continued)

11 Financial Commitment

a) Operating Lease

Annual commitments on property and equipment under non-cancellable operating leases are as follows:

| | 2000 £ | 1999 £ |
|--------------------------------------|--------------|--------------|
| Leases which expire within 2-5 years | | |
| - Equipment | <u>3,525</u> | <u>2,814</u> |

12 Parent undertaking

At 31 March 2000 the ultimate parent undertaking was CSV, a company incorporated in England.

CSV is the parent undertaking of the largest and smallest group of which Springboard Southwark Trust is a member and for which group financial statements are drawn up. Copies of those financial statements are available from CSV finance division, 237 Pentonville Road, London, N1 9NJ.

As a subsidiary undertaking of CSV, the company has taken advantage of the exemption in FRS 8 "Related party disclosures" not to disclose transactions with other members of the group headed by CSV.

Detailed income and expenditure account

For the year ended 31 March 2000

| | 2000 £ | 1999 £ |
|--|----------------|----------------|
| Income | | |
| Neighbourhood Support Fund | 6,308 | 8,825 |
| Training and Enterprise Council income | 710,355 | 625,330 |
| Placement income | 11,306 | 4,938 |
| Bank interest receivable | 155 | 380 |
| Sundry income | 1,083 | 2,000 |
| Trusts and foundations | 132,126 | 57,000 |
| New Deal | 66,314 | 35,651 |
| European Social Fund | 9,542 | 21,550 |
| Total income | <u>937,189</u> | <u>755,674</u> |

This statement does not form part of the audited financial statements and is for the information of the directors only.

Detailed income and expenditure account (continued)

| | 2000 £ | 1999 £ |
|--|----------------|-----------------|
| Expenditure | | |
| Salaries and wages | 481,057 | 347,861 |
| Recruitment costs | 3,805 | 5,526 |
| Trainee allowances | 276,968 | 273,818 |
| Rent and rates | 31,519 | 37,350 |
| Heat, light and power | 6,025 | 5,815 |
| Cleaning | 2,134 | 2,064 |
| Material and tools | 2,319 | 2,254 |
| Telephone | 10,921 | 8,150 |
| Travel and subsistence | 7,690 | 5,459 |
| Training costs | 10,726 | 7,618 |
| Insurance | 4,717 | 6,421 |
| Audit fee | 2,620 | 2,210 |
| Bank charges | 5,036 | 3,974 |
| Postage and stationery | 16,892 | 14,948 |
| Repairs and maintenance | 6,982 | 3,886 |
| Advertising | 5,226 | 2,729 |
| Office expenses | 6,519 | 6,562 |
| Depreciation | 1,700 | 5,475 |
| Staff training | 7,914 | 947 |
| Irrecoverable VAT | 14,387 | 9,790 |
| Bank interest payable | 258 | 576 |
| Professional services | 205 | - |
| Action Southwark - Volunteers expenses | 1,030 | 1,727 |
| Equipment costs | 16,882 | 12,505 |
| New Deal expenses | 3,593 | 2,264 |
| CSV – Support services | 15,000 | 15,000 |
| Disability Project Allowances | 508 | - |
| School Excluders Allowances | 305 | - |
| Total expenditure | 942,938 | 784,929 |
| Excess of expenditure over income | (5,749) | (29,255) |

This statement does not form part of the audited financial statements and is for the information of the directors only.