

Company Number 4146375

Kensington and Chelsea Social Council

Reports and Accounts
For the Year Ended
31st March 2011

KENSINGTON AND CHELSEA SOCIAL COUNCIL

Contents

Legal & Administrative Information	2
Directors' / Trustees' Report	3-11
Independent Auditor's Report	12-13
Statement of Financial Activities	14
Balance Sheet	15
Notes to the Financial Statements	16-22

KENSINGTON AND CHELSEA SOCIAL COUNCIL

Legal and Administrative Information

Directors / Trustees	Michael Bach Jonnie Beverley Tom Fitch Jennifer Ware Lorraine Gilbert Jamie Renton Raj Jogia Ingrid Jacobson-Pinter Amelia Mustapha Mounir Saidoune David John Hannam Suresh Gupta Filsan Ali Marie Tameze Fiona Ford Jane Lanyero	Resigned October 2010 Resigned October 2010 Appointed October 2010 Appointed October 2010 Appointed October 2010
Company Number	4146375	
Charity Number	1087457	
Registered Office	London Lighthouse 111-117 Lancaster Road London W11 1QT	
Independent Auditors	Noel & Co 4 Parliament Close Prestwood Great Missenden Buckinghamshire HP16 9DT	
Bankers	CAF Bank Ltd PO Box 289 West Malling Kent ME19 4TA HSBC plc 92 High Street Kensington London W8 4SH	
Solicitors	Russell Cooke 2 Putney Hill London SW15 6AB	

KENSINGTON AND CHELSEA SOCIAL COUNCIL

Directors' / Trustees' Report For the Year Ended 31st March 2011

The Trustees present their report and the financial statements for the year ended 31st March 2011.

Legal Status

Kensington and Chelsea Social Council is a registered charity and a company limited by guarantee.

Organisation of the Charity

Kensington and Chelsea Social Council is governed by a Board of Trustees. The responsibility for planning, service delivery and reporting is delegated to the Chief Executive and the staff team. The Chief Executive reports to the Board of Trustees.

Kensington and Chelsea Social Council is the Royal Borough of Kensington and Chelsea's Council for Voluntary Service (CVS). It supports voluntary and community organisations, through the provision of training, advice and information. It also facilitates voluntary and community participation in relevant forums, including the Community Empowerment Network, presenting the views of the sector to the Local Strategic Partnership and to statutory providers of services in the Borough.

Structure, Governance and Management

Kensington and Chelsea Social Council (KCSC) is a membership organisation. Full membership is open to all voluntary and community organisations working in the Borough and individual residents of Kensington and Chelsea. Statutory, private, and large grant-giving organisations operating in Kensington and Chelsea can be affiliate members with no voting rights.

Decision making on strategies, plans, budgets, staffing etc. is delegated to the Board of Trustees. The trustees receive regular reports and recommendations from the Chief Executive regarding the recruitment, supervision and appraisal of staff. The performance of the Chief Executive is appraised annually by trustees.

Trustees are elected annually at annual general meetings. At their first meeting they elect office bearers and subcommittee members. In situations where vacancies occur, Trustees can co-opt individuals who serve till the next AGM when they stand down together with elected members. A Trustee induction and training policy has been in place since the 2006 AGM.

As the local CVS, KCSC is a member of the National Association for Voluntary and Community Action (NAVCA). Membership of NAVCA requires KCSC to comply with criteria which include having a statement of values and performing the five functions of a CVS.

Being the local CVS also means that KCSC is expected to take lead roles in representing voluntary and community organisations and in implementing national initiatives such as "ChangeUp". KCSC is also a member of the London Regional and Central London CVS networks. As a member of the Central London CVS network, KCSC participates in sub-regional planning, consultations and project implementation.

Risk Management

The charity maintains a risk register. Trustees have considered the risks faced by KCSC and are developing systems for managing them. Risks and the associated management systems are reviewed annually.

Objectives and Activities

The objectives of KCSC are;

"to promote any charitable purpose for the benefit of the community in Greater London with particular reference to the Royal Borough of Kensington & Chelsea by the advancement of education, the protection of health, the protection of the environment and the relief of poverty, sickness and distress".

KCSC seeks to meet these objects by targeting frontline voluntary and community organisations through a programme of capacity building/support, information, developing new services, networking and representation.

KENSINGTON AND CHELSEA SOCIAL COUNCIL

Directors' / Trustees' Report For the Year Ended 31st March 2011 (...continued)

In 2010/11 the trustees' overall aim was to 'develop a strong local sector voice to influence decision makers and encourage sector campaigning and lobbying to improve the quality of life of residents of Kensington and Chelsea' Some of the specific aims set by trustees and the activities undertaken to achieve them are summarised in the table below.

Specific aims	Some of the activities carried out
1. To increase the capacity of voluntary and community organisations (VCOs) supported by KCSC to deliver services.	<p>Governance has been strengthened through supporting organisations with advice on legal structures (BME Health Forum) and HR issues (Chelsea Theatre) and a seminar for trustees held on a weekend to maximise attendance.</p> <p>Individual organisations received support to develop Social Enterprise ideas; both through a formal training session and one to one support ensuring organisations are able to consider ways of diversifying funding. A Community Centre Conference brought together workers and representatives from several of the boroughs centres to discuss their work with local communities. This led to a number of recommendations that are being followed up by KCSC and the centres themselves.</p> <p>KCSC has acquired a quality assurance mark by adopting the NAVCA quality mark standard.</p>
2. To increase the benefits of partnership and networking between VCOs.	<p>KCSC has held regular meetings with its counterparts in Hammersmith and Fulham and Westminster to discuss closer working and the impact of the councils working closer together. It has continued to encourage partnerships to develop within the sector and has stimulated interest in joint bidding by establishing a 35 strong Health and Wellbeing Consortium.</p>
3. To improve VCOs access to relevant information	<p>The fortnightly ebulletin is currently going out to over 800 recipients carrying KCSC and sector news, details of upcoming events and training, details of new funding and approaching deadlines and health news. VCOs are also regularly contributing their own news via a Noticeboard section. A new and more interactive website is in development. (to be launched in June 2011).</p> <p>An information leaflet was produced in partnership with Advice Now offering information on sources of advice for housing benefit recipients affected by recent changes and distributed via churches and RBKC Housing as well as voluntary advice providers.</p>
4. To increase VCOs participation in consultations and decision making	<p>Information has been circulated to groups on ongoing borough consultations including Kensington Academy and Earls Court. Information and initial discussions were held at a Main VOF on tri-borough proposals with organisations encouraged to participate in the borough consultation. Forums have regular updates on what is relevant provided by the KCSC Policy Manager and engage in debate regularly, such as on changes to the implementation of child protection, protection of vulnerable adults, how services can be scoped, how residents views can be captured, what the strengths of the sector are and how we can be essential partners within the current changing environment.</p>

(continued...)

KENSINGTON AND CHELSEA SOCIAL COUNCIL

Directors' / Trustees' Report For the Year Ended 31st March 2011 (...continued)

Specific aims	Some of the activities carried out
5. To increase the availability of support to VCOs operating in the south of the Borough	<p>We have held funding surgeries and training sessions in the south of the Borough.</p> <p>Link magazine is posted to all organisations and additional copies are available at several points in the south.</p> <p>We have continued to support the Chelsea Community Development Network which operates on a quarterly basis; we have supported 2 groups to develop some joint work on Worlds End Estate. The CEO is a board member of Chelsea Theatre. Our regular tours of the sector include visits to groups in the south of the borough. We had an office in Earls Court which closed in March 2011 as funding ceased.</p>
6. To increase our internal capacity to deliver services to VCOs and represent their interests.	<p>We took on three new interns via the Future Jobs Fund. One post was shared with RBKC Community Engagement team and one was focussed on supporting the 4Minds Project. The third was supporting KCSC's policy work.</p> <p>We took on an additional role to provide support to organisations around the Personalisation agenda. Through this we developed a real and virtual school for social enterprise and held a competition in March 2011 which supported 15 groups to show what they could do to an assorted team of mentors who then were allocated on a pro bono basis to support the groups to continue to develop their projects.</p>
7. To increase the voice of the voluntary and community sector in RBKC	<p>We organised 4 open Voluntary Organisations Forum (VOF)/ Community Empowerment Network (CEN) and 16 sub-forum meetings in the Borough and at varying times. Many of the sub forum meetings were attended by councillors and officers who were able to inform and consult voluntary sector representatives on a range of issues. The work of the forums was reviewed by a team of peers in 2010-2011 and many of the improvements recommended were applied. This has included our networking more in order to develop a clearer idea of the needs of groups and for us to develop ways for groups to access good clear information as soon as they can.</p>
8. To improve access by voluntary groups to sources of local and national funding	<p>We ran generic funding surgeries in different parts of the Borough in addition to regular information on funding in the e-bulletins, Link and the website. We also organised and ran a well-attended Funding Link in partnership with Hammersmith CVS (CAVSA). This event brought together representatives of local and national funding organisations and people from the voluntary and community sector.</p>

(continued...)

KENSINGTON AND CHELSEA SOCIAL COUNCIL

Directors' / Trustees' Report For the Year Ended 31st March 2011 (...continued)

Specific aims	Some of the activities carried out
9. To improve and strengthen skills and knowledge within the sector through a training programme	<p>Children and Families workers were equipped with knowledge and appropriate skills through a special 4 part training programme developed and delivered in partnership with RBKC.</p> <p>Training in Community Leadership and Representation was designed to encourage new leaders within the sector and equipped attendees with the knowledge and confidence to stand as voluntary and community sector reps.</p> <p>Organisations were also supported to develop income generation ideas with some making plans to exhibit their ideas at the Social Enterprise Showcase.</p> <p>Groups had the opportunity to consider if consortium working could further the aims of their organisations at a Consortium Development workshop in March.</p> <p>We continue to work closely with K+C Focus (now known as Kensington and Chelsea Foundation) a community foundation we helped to set up in order to develop a stream of unrestricted funding from sponsors and businesses to support the sector. KCSC advised the committee until December 2010. The chair of KCSC is a Trustee on the board of Focus.</p>
10. Represent voluntary and community sector at local, regional and national forums	<p>We represented the sector at the Kensington and Chelsea Partnership meetings, taking part in all development sessions and on the Compact Implementation Group. We obtained sector views through VOF meetings, training and advice sessions and events. We took part in a review of VOFs. We held elections for seats on the Kensington and Chelsea Partnership and on the Borough Voluntary Organisations Advisory Group.</p>
11. To lead the process of drawing up the Local Infrastructure Plan	<p>Organisations were supported to participate in discussion around the Local Development Framework (LDF) and KCSC also made submission on behalf of the sector. KCSC trained 10 community planning champions and successfully obtained a number of changes of wording within the LDF that allow for a wider degree of community understanding as plans are implemented.</p> <p>We obtained some funding to do more in depth work with residents on an estate that was subject to change and worked with 35 residents to encourage them to engage in the process and help to design an improved environment.</p>

Public Benefit

In planning and reviewing the above activities the trustees have given careful consideration to the Charity Commission guideline on public benefit.

Kensington and Chelsea Social Council core services work to empower and support the voluntary and community groups to improve the quality of life in Kensington and Chelsea so that all citizens from the borough's vibrant and diverse communities can access services, influence decision making and feel that they belong to an inclusive society.

Our main role is to build the capacity of voluntary organisations, co-ordinate and represent the voluntary sector, assess needs provide training offer useful information and resources and inspire and develop community health initiatives for all voluntary and community groups in the Royal Borough of Kensington and Chelsea. All of our services are free to the groups other than a handful of training courses which we offer at a low rate.

KENSINGTON AND CHELSEA SOCIAL COUNCIL

Directors' / Trustees' Report For the Year Ended 31st March 2011 (...continued)

Related Parties

During the year, payments totalling £4,000, at arm's length, were made to St Mary Abbots Rehabilitation and Training Projects Limited (SMART) for Consultancy and support services. One of the Trustees is a Director and employee of SMART. At the year-end £2,150 was owed to SMART.

During the year, an employee of the charity was seconded to Chelsea Theatre for 6 months. The charity billed £2,350 to Chelsea Theatre for the secondment. Chelsea Theatre was one of the partners with the charity in the Mental Health CDW project.

PLAN FOR THE FUTURE PERIOD

Action Plan Summary 2011-12

This offers a brief overview of the activities, targets, and outcomes planned for the next year. The plan has been split into 5 parts.

Supporting Frontline Organisations

Support frontline organisations to ensure they are better prepared to meet the demands of a challenging economic environment. Inspire and support organisations to take advantage of existing and future opportunities that will strengthen the delivery of local services.

We will do this by:

1. Supporting good governance
2. Helping organisations understand outcomes and become outcome focused.
3. Building local partnerships and helping support them to bid for contracts.
4. Helping organisations understand how to generate income and support the growth of social enterprise.
5. Providing specialist hand holding support to small organisations to help them maintain services.
6. Strengthening local leadership, development work and leadership across neighbouring boroughs to inspire vision and cross borough working.
7. Inspiring civic engagement and action through the Big Society Agenda working with community centres and local organisations.

Health and Well-Being

Facilitating and developing opportunities for local VCOs to contribute to local plans to improve health and reduce health inequalities, thereby improving well-being and life chances for the residents of Kensington and Chelsea.

We will do this by:

1. Developing organisations' capacity to access commissioning opportunities and support project delivery and reporting compliance.
2. Developing the local sector's capacity to form partnerships and tender for public sector service-delivery contracts.

KENSINGTON AND CHELSEA SOCIAL COUNCIL

Directors' / Trustees' Report For the Year Ended 31st March 2011 (...continued)

3. Keeping the sector informed of environmental changes, such as the establishment of GP commissioning consortia and ensure that the local sector is involved in and able to influence commissioning.
4. Maintaining strong collaborative links with local health partners and networks such as NHSK&C, NHS delivery organisations, GPs, Local Involvement Network, BME Health Forum and those in neighbouring boroughs, sharing resources where appropriate.

Policy in Action

Working with the voluntary and community sector and local leaders to address the challenges and opportunities which arise from national, regional and local policy that impact on the sector.

We will do this by:

1. Working with the sector to identify issues and areas of good practice and carrying out action and research with relevant parties.
2. Stimulating the sector to debate on policy issues and identify actions, with particular emphasis on the Big Society agenda.
3. Conducting desk research to highlight important facts and figures on continuing areas of concern such as inequalities in health and poverty.
4. Continuing to build the knowledge of the sector through the delivery of training and learning seminars.

Campaigning and Lobbying

The Social Council will be a stimulator of local action, supporting the sector to come together to lobby and campaign on matters which promote equality and fairness.

We will do this by:

1. Being a part of the London Citizens movement and helping other local voluntary and community organisations to join.
2. Being a strategic voice and supporting the sector to be active campaigners within the planning process.
3. Working with local organisations to highlight child poverty in the borough and to lobby on actions identified and agreed.
4. Working in partnership to raise awareness of climate change.
5. Working with the sector to identify further areas of action.

KENSINGTON AND CHELSEA SOCIAL COUNCIL

Directors' / Trustees' Report For the Year Ended 31st March 2011 (...continued)

Representation and Voice

The Social Council will strengthen local representation particularly amongst BME and other equalities groups. We will ensure that the sector is able to communicate the needs of the local community and the local sector within decision making processes. We will advocate on behalf of the sector and ensure that information is fed back in a clear and understandable way.

We will do this by:

1. Providing training and support to new representatives.
2. Holding elections and supporting local representatives on the KCP and the BVOAG and other strategic boards/advisory groups.
3. Holding voluntary sector assemblies.
4. Running task and finish groups to deliver on identified actions.
5. Providing strong leadership within KCSC that can be a voice for the sector.

KENSINGTON AND CHELSEA SOCIAL COUNCIL

Directors' / Trustees' Report For the Year Ended 31st March 2011 (...continued)

Trustees

The trustees who have served since 1 April 2010 were:

Michael Bach
Jonnie Beverley
Tom Fitch
Jennifer Ware
Lorraine Gilbert
Jamie Renton
Raj Jogia
Ingrid Jacobson-Pinter
Amelia Mustapha
Mounir Saidoune
David John Hannam
Jane Lanyero *
Marie Tameze *
Fiona Ford *
Suresh Gupta 8
Filsan Ali 8

*Appointed October 2010

8 Resigned October 2010

Financial Review

The Statement of Financial Activities shows incoming resources for the year of £691,975 and expenditure of £715,870.

There was a net outflow of funds of £24,067 including £172 loss on revaluation of investments. At the end of the year restricted funds were £58,491, designated funds relating to contingent liabilities on a lease on a previous office were £108,450 and unrestricted funds were £101,656.

Our largest funders are the Royal Borough of Kensington and Chelsea, NHS Kensington and Chelsea and the Big Lottery Fund representing 94% of income. Funding is provided through a mix of grants, service level agreements and contracts.

We thank all our funders for making our work possible.

Trustees are confident that they can maintain a solvent organisation for the foreseeable future.

Investments

The Trustees considered its investments and decided to retain current investments. Total investments are £22,177 held in unit trusts administered by Schroders.

Reserves and Reserves Policy

The charity has a reserves policy. It is our intention to build up reserves to 3 months' running costs; this will provide cash flow, help us to manage fluctuations in funding and, if necessary, meet contingent liabilities.

As at 31 March 2011 KCSC unrestricted reserves (including designated reserves) totalled £210,106 and restricted reserves were £58,491.

KENSINGTON AND CHELSEA SOCIAL COUNCIL

Directors' / Trustees' Report For the Year Ended 31st March 2011 (...continued)

Trustees' Responsibilities

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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departure disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue its operations.

The Trustees are responsible for keeping proper accounting record, which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of Information to Auditors

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditors

The auditors, Noel & Co have expressed their willingness to accept reappointment. A resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

The report was approved by the Trustees on 13th October 2011

On behalf of the Board


.....
Trustee

KENSINGTON AND CHELSEA SOCIAL COUNCIL

Independent Auditor's Report to the Members of Kensington And Chelsea Social Council for the year ended 31st March 2011

We have audited the financial statements of Kensington & Chelsea Social Council for the year ended 31st March 2011 which comprise 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 United Kingdom Generally Accepted Accounting Practice.

This report is made solely to the charity's trustees, as a body, in accordance with Section 43 of the Charities Act 1993 and regulations made under section 44 of that Act. Our audit work has been undertaken so that we might state to the charity's 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 charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

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

The trustees have elected for the financial statements to be audited in accordance with the Charities Act 1993 rather than the Companies Act 2006. Accordingly we have been appointed as auditor under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that Act.

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.

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

KENSINGTON AND CHELSEA SOCIAL COUNCIL

Independent Auditor's Report to the Members of Kensington And Chelsea Social Council for the year ended 31st March 2011 (...continued)

Opinion on 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 31st March 2011, 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 1993 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Noel & Co.

Noel & Co - Statutory Auditor

Chartered Accountants
Registered Auditors
4 Parliament Close
Prestwood
Great Missenden
Buckinghamshire
HP16 9DT

20th October 2011

Noel & Co is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

KENSINGTON AND CHELSEA SOCIAL COUNCIL

STATEMENT OF FINANCIAL ACTIVITIES (including a summarised Income and Expenditure account) For the Year Ended 31st March 2011

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2011 £	Total 2010 £
Incoming Resources					
<i>Incoming Resources from Generated Funds</i>	2				
Voluntary Income		1,198	-	1,198	1,339
Activities to Generate Funds		29,351	-	29,351	15,290
<i>Incoming Resources from Charitable Activities</i>					
Grants and Contracts	3	241,108	420,318	661,426	668,060
Total Incoming Resources		<u>271,657</u>	<u>420,318</u>	<u>691,975</u>	<u>684,689</u>
Charitable Expenditure					
Charitable Activities		254,470	426,945	681,415	665,105
Governance Costs		34,455	-	34,455	38,050
Total Charitable Expenditure		<u>288,925</u>	<u>426,945</u>	<u>715,870</u>	<u>703,155</u>
Total Resources Expended	4	<u>288,925</u>	<u>426,945</u>	<u>715,870</u>	<u>703,155</u>
Net Outgoing Resources for the year before Transfers	5	(17,268)	(6,627)	(23,895)	(18,466)
Transfers between Funds		18,075	(18,075)	-	-
Net Incoming / (Outgoing) Resources		<u>807</u>	<u>(24,702)</u>	<u>(23,895)</u>	<u>(18,466)</u>
Other Recognised Gains and Losses					
Gain / (Loss) on Investment Assets		(172)	-	(172)	5,899
Net Movement in Funds	12	<u>635</u>	<u>(24,702)</u>	<u>(24,067)</u>	<u>(12,567)</u>
Balances at 1st April 2010		209,471	83,193	292,664	305,231
Balances at 31st March 2011	12	<u>210,106</u>	<u>58,491</u>	<u>268,597</u>	<u>292,664</u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 12 to the financial statements.

KENSINGTON AND CHELSEA SOCIAL COUNCIL

BALANCE SHEET As at 31st March 2011

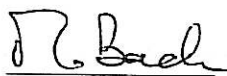
	Notes	2011		2010
		£	£	£
Fixed Assets				
Tangible Fixed Assets	8		440	3,777
Investments	9		<u>22,177</u>	<u>22,349</u>
			22,617	26,126
Debtors	10	32,304		55,802
Cash at Bank		<u>254,466</u>		<u>258,581</u>
		286,770		314,383
Creditors (amounts falling due within one year)	11	<u>(40,790)</u>		<u>(47,845)</u>
Net Current Assets / (Liabilities)			245,980	266,538
Total Net Assets			<u>268,597</u>	<u>292,664</u>
Funds				
Restricted Funds			58,491	83,193
Unrestricted Funds				
Designated Funds			108,450	108,450
General Funds			101,656	101,021
Total Funds	12		<u>268,597</u>	<u>292,664</u>

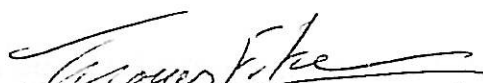
The directors are satisfied that the company was entitled to exemption from audit under section 477 of the Companies Act 2006 and that members have not required an audit in accordance with section 476. However an audit is required in accordance with section 43 of the Charities Act 1993.

The directors acknowledge their responsibilities for:

1. ensuring that the company keeps accounting records which comply with section 386; and
2. preparing accounts which give a true and fair view of the state of affairs of the charitable company as at the end of the financial year and of its profit and loss for the financial year in accordance with the requirements of section 396 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the charitable company.

The Financial Statements were approved by the board of Kensington & Chelsea Social Council on 13th October 2011 and signed on its behalf by:


Michael Bach


Tom Fitch (Treasurer)

The annexed Notes form part of these Financial Statements.

KENSINGTON AND CHELSEA SOCIAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31st March 2011

1 Accounting Policies

Accounting Convention

- 1.2 The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards. They follow the recommendations in the Statement of Recommended Practice, Accounting and Reporting by Charities (issued in March 2005) and the Companies Act 2006.
- 1.2 Voluntary income is received by way of donations and gifts and is included in full in the statement of financial activities when received, or receivable whichever is earlier.
- 1.3 Grants, including the grants relating to the purchase of fixed assets, are credited to the statement of financial activities when received or receivable which ever is earlier, unless they relate to a specific future period, in which case they are deferred.
- 1.4 Income under contracts to deliver services is recognised in the financial statement as the entitlement to income is earned through performance of the contract.
- 1.5 Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of management and administrative costs.
- 1.6 Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.
- 1.7 Governance costs of the charity relate to the costs of running the charitable company such as the costs of meetings, audit and statutory compliance.
- 1.8 Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT which cannot be recovered.
- 1.9 Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on an estimated basis according to staff time attributable to each activity.
- 1.10 Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life over a straight line basis. The depreciation rates in use are as follows:
- Office furniture and equipment: 20% per annum
- Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities.
- 1.11 All leases of equipment are operating leases, and rental costs are recognised on a straight line basis over the lease term. No assets are held under hire purchase agreements.
- 1.12 Investments are valued at market value.
- 1.13 The charitable company agrees to contribute to personal pension schemes operated by some members of staff. The pension cost charge represents contributions payable by the charitable company to the individual schemes. The charitable company has no liability under the schemes other than for the payment of those contributions. The charitable company also offers employees a Stakeholder Pension Scheme to which they can make contributions.

KENSINGTON AND CHELSEA SOCIAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31st March 2011

2	Voluntary Income	2011	2010
		£	£
	Investment Income	1,198	1,339
	Other Grants and Donations	29,116	12,268
	Training Fees	235	3,022
		<u>30,549</u>	<u>16,629</u>
3	Incoming Resources from Charitable Activities	2011	2010
		£	£
	<i>Restricted Funds - Directly-managed Projects</i>		
	Big Lottery Fund	109,591	96,104
	Change Up	19,000	19,000
	Kensington & Chelsea NHS		
	Primary Care Trust	213,235	228,982
	KCP (RBKC) Forum	42,000	42,000
	Future Jobs Fund	19,158	-
	KCETO	11,334	-
	City Bridge Trust	-	35,000
	Royal Borough of Kensington & Chelsea	-	21,953
		<u>414,318</u>	<u>443,039</u>
	<i>Restricted Funds - Client Projects</i>		
	1958 Remembered	6,000	20,115
	Community Foundation		
	Project	-	15,000
		<u>6,000</u>	<u>35,115</u>
	<i>Total Restricted Funds</i>	<u>420,318</u>	<u>478,154</u>
	<i>Unrestricted Funds</i>		
	Royal Borough of Kensington & Chelsea	155,000	117,500
	Kensington & Chelsea NHS Primary Care Trust	72,406	72,406
	Our Future Fund	13,702	-
		<u>241,108</u>	<u>189,906</u>
	Total Grants and Contracts	<u>661,426</u>	<u>668,060</u>

KENSINGTON AND CHELSEA SOCIAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31st March 2011

4 Total Resources Expended	2011 £	2010 £
<i>Charitable Activities - Direct Project Costs</i>		
Staff Costs	390,086	336,765
Consultants	28,047	82,185
Management Fees	108,881	71,405
Seminars & Events	24,748	35,711
Legal Fees	17,908	6,000
Publications	13,793	10,820
Projects	146	14,177
Group Training	12,136	11,952
	<u>595,745</u>	<u>569,015</u>

Management Fees totalling £96,134 were payable to partner organisations in respect of their contributions to the Mental Health Community Development Worker project in accordance with the agreed funding arrangement.

<i>Charitable Activities - Support Costs</i>		
Accountancy	4,663	6,588
Rent Payable	47,574	44,420
Staff Support / Recruitment	-	2,526
Training & Travel	883	3,959
Communications / Telephone	13,764	13,643
Miscellaneous	1,161	3,618
Publications, Promotions, Marketing, & Subscriptions	5,565	2,582
Depreciation	3,337	3,180
Bank Charges	283	121
Repairs & Maintenance	1,115	532
Insurance	2,089	2,097
Stationery, Postage, Office Supplies	5,237	12,825
	<u>85,669</u>	<u>96,091</u>
<i>Total Charitable Activities</i>	<u>681,415</u>	<u>665,106</u>

Management Fees have been levied on Charitable Activities as a contribution towards the organisation's overheads and other running costs.

	2011 £	2010 £
<i>Charitable Activities - Governance Costs</i>		
Staff Costs	29,300	28,408
Audit Fee - Current Year	3,600	3,525
Audit Fee - Prior Year	-	2,038
Sub-committee & AGM Meetings	1,086	3,452
Depreciation	-	158
Insurance	469	469
	<u>34,445</u>	<u>38,050</u>
Trustees' indemnity insurance included above amounted to £469 (2010:£469).		
Total Resources Expended	<u>715,870</u>	<u>703,156</u>

KENSINGTON AND CHELSEA SOCIAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31st March 2011

5 Net Outgoing Resources for the Year

	2011 £	2010 £
The deficit for the year is stated after charging:		
Depreciation	3,337	3,338
Operating Leases Payable	44,420	44,420
Auditor's Remuneration	3,600	3,525
	<u>51,357</u>	<u>51,283</u>

6 Staff Costs

	2011 £	2010 £
Salaries	367,286	319,610
Social Security	36,750	32,753
Pensions	15,350	12,810
	<u>419,386</u>	<u>365,173</u>

The pension charge represents the monthly premiums paid to schemes whose assets are managed by a third party.

No employee earned over £60,000 in the year.

No trustee received remuneration or expenses in the year.

7 Operating Lease Commitments

At 31st March 2011 the company had annual commitments under non-cancellable operating leases as follows:

	Land and Buildings	
Expiry date:	2011 £	2010 £
Between one and two years	<u>34,220</u>	<u>17,710</u>

8 Tangible Fixed Assets

Costs	2011 £	2010 £
Balance at 1 st April 2010	42,426	42,426
Additions	-	-
Balance at 31 st March 2011	<u>42,426</u>	<u>42,426</u>
Depreciation		
Balance at 1 st April 2010	38,649	35,311
Charge for the year	3,337	3,338
Balance at 31 st March 2011	<u>41,986</u>	<u>38,649</u>
Net Book Value at 31 st March 2011	<u>440</u>	<u>3,777</u>

KENSINGTON AND CHELSEA SOCIAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31st March 2011

9	Investments	2011 £	2010 £
	Balance at 1 st April 2010	22,349	16,450
	Unrealised (Loss) / Gain on investment	<u>(172)</u>	<u>5,899</u>
	Balance at 31 st March 2011	<u>22,177</u>	<u>22,349</u>

The investment consists of 8,629.13 units in the Charity Equity Fund (Income) as valued on 31st March 2011.

10	Debtors	2011 £	2010 £
	Grant Debtors	10,000	42,656
	Other Debtors	9,919	2,355
	Prepayments	<u>12,385</u>	<u>10,791</u>
		<u>32,304</u>	<u>55,802</u>

11	Creditors	2011 £	2010 £
	Accruals & Other Creditors	15,790	22,845
	Deferred Income	<u>25,000</u>	<u>25,000</u>
		<u>40,790</u>	<u>47,845</u>
	Deferred Income		
	Balance at 1 st April 2010	25,000	28,750
	Received in year	25,000	25,000
	Transferred to Statement of Financial Activities	<u>(25,000)</u>	<u>(28,750)</u>
	Balance at 31 st March 2011	<u>25,000</u>	<u>25,000</u>

KENSINGTON AND CHELSEA SOCIAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31st March 2011

12 Movement on Funds	Balance at 1 st April 2010	Incoming Resources	Outgoing Resources	Transfer from / (to) Unrestrict ed Funds	Balance at 31 st March 2011
	£	£	£	£	£
<i>Restricted Directly-managed Projects</i>					
Big Lottery Fund	-	99,591	99,591	-	-
Change Up	-	19,000	19,000	-	-
Kensington & Chelsea NHS Primary Care Trust					
Sexual Health Providers' Forum	3,568	11,235	8,321	-	6,482
Mental Health CDW (4Minds)	34,033	202,000	202,984	-	33,049
Earls Court Development Strategy	567		567	-	-
Commissioning Project (see Note 13)	37,069		18,994	(18,075)	-
Royal Borough of Kensington & Chelsea Community Voices	-	10,000	-	-	10,000
Future Jobs Fund	4,093	19,158	23,251	-	-
KCETO	3,863	11,334	6,237	-	8,960
KCP (RBKC) Forum	-	42,000	42,000	-	-
	<u>83,193</u>	<u>414,318</u>	<u>420,945</u>	<u>(18,075)</u>	<u>58,491</u>
<i>Restricted Client Projects</i>					
1958 Remembered	-	6,000	6,000	-	-
<i>Total Restricted Funds</i>	<u>83,193</u>	<u>420,318</u>	<u>426,945</u>	<u>(18,075)</u>	<u>58,491</u>
<i>Unrestricted Funds</i>					
General Funds	<u>209,471</u>	<u>271,485</u>	<u>288,925</u>	<u>18,075</u>	<u>210,106</u>
<i>Total Funds</i>	<u>292,664</u>	<u>691,803</u>	<u>715,870</u>	<u>-</u>	<u>268,597</u>

Big Lottery Fund: to enhance the policy and information development of the organisation.

Change Up: to encourage strategic partnership working between local infrastructure bodies.

Kensington & Chelsea NHS Primary Care Trust: grants to be spent on advisory and support programmes.

Royal Borough of Kensington & Chelsea: grants to be spent on development, networking, and intern-
placement projects with local organisations.

1958 Remembered: an independent charitable fund to develop and deliver arts-based activity projects.

KENSINGTON AND CHELSEA SOCIAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31st March 2011

13 Analysis of Movement in Funds	Unrestricted Funds	Designated Funds	Restricted Funds	Total
	£	£	£	£
Balance at 1 st April 2010	101,021	108,450	83,193	292,664
Movement in Funds	635	-	(24,702)	(24,067)
Balance at 31 st March 2011	101,656	108,450	58,491	268,597

The Trustees have agreed to maintain the Designated Contractual Liability Fund (see Note 14 as they consider it reflects a contingent liability on a lease of the organisation's previous office and the recession making rental voids more likely).

Included in the movement in Restricted Funds (above) is a transfer of £18,075 to General Funds representing the unrestricted balance remaining upon the conclusion of the Commissioning Project (see Note 12).

14 Designated Funds	Contractual Liability Fund	Equipment & Maintenance Fund	Premises Fund	Total
	£	£	£	£
Balance at 1 st April 2010	98,000	10,450	-	108,450
Transfer from Undesignated Funds	-	-	-	-
Transfer between Premises and Contractual Liability Funds	-	-	-	-
Balance at 31 st March 2011	98,000	10,450	-	108,450

15 Analysis of Net Assets Between Funds	Restricted Funds	Unrestricted Funds	Total
	£	£	£
Fixed Assets		440	440
Investments		22,177	22,177
Current Assets	58,491	228,279	286,770
Creditors: amounts falling due within one year		(40,790)	(40,790)
Net assets at 31st March 2011	58,491	210,106	268,597

16 Related Parties

During the year, payments totalling £4,000, at arm's length, were made to St Mary Abbots Rehabilitation and Training Projects Limited (SMART) for Consultancy and support services. One of the Trustees is a Director and employee of SMART. At the year-end £2,150 was owed to SMART.

During the year, an employee of the charity was seconded to Chelsea Theatre for 6 months. The charity billed £2,350 to Chelsea Theatre for the secondment. Chelsea Theatre was one of the partners with the charity in the Mental Health CDW project.

During the year, KCSC took lead responsibility for a partnership project called 4MINDS. KCSC accepted a management fee and redistributed funds for project delivery to partner agencies, Chelsea Theatre, Dalgarno Neighbourhood Trust and MyGeneration.

