

**NORTHERN IRELAND COUNCIL FOR VOLUNTARY ACTION
(CHARITABLE COMPANY - INCORPORATED
UNDER GUARANTEE)**

**ANNUAL REPORT AND
CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
31 MARCH 2011**

GOLDBLATT McGUIGAN

Chartered Accountants & Statutory Auditor
Alfred House
19 Alfred Street
Belfast
BT2 8EQ

NORTHERN IRELAND COUNCIL FOR VOLUNTARY ACTION
(INCORPORATED UNDER GUARANTEE)

CONTENTS
For the year ended 31 March 2011

	Pages
General Information	1
Report of the Executive Committee	2 - 8
Report of the Independent Auditors	9 - 10
Consolidated Statement of Financial Activities	11
Consolidated Balance Sheet	12
Notes to the Financial Statements	13 - 29

NORTHERN IRELAND COUNCIL FOR VOLUNTARY ACTION
(INCORPORATED UNDER GUARANTEE)

GENERAL INFORMATION

Honorary Officers Details

President

Kenneth Branagh

Vice-President

Dr Jeremy Harbison

Secretary, Registered Office and Contact Details

Úna McKernan
61 Duncairn Gardens
Belfast
BT15 2GB
Tel: (028) 9087 7777
Fax: (028) 9087 7799
Minicom: (028) 9087 7776
e-mail: info@nicva.org
Websites: www.nicva.org
www.communityni.org
www.grant-tracker.org

Directors/Executive Committee

Bob Stronge (Chair)
Michael Briggs (Re-elected 19 November 2010)
Margaret Bauman (elected 19 November 2010)
Marie Cavanagh
Elizabeth Cuddy
Mary Field
Michael Hughes
Isobel Loughran (term of office ended 19 November 2010)
Eddie Magowan
Audrey Murray
Eileen Chan-Hu (elected 19 November 2010)
Paul Roberts
Ricky Rowledge (term of office ended 19 November 2010)
Margaret Ward (Re-elected 19 November 2010)

Registered Auditors

Goldblatt McGuigan
Alfred House
19 Alfred Street
Belfast
BT2 8EQ

Solicitors

Elliott Duffy Garrett
Royston House
34 Upper Queen Street
Belfast
BT1 6FD

**Recognised by HMRC as a charity
under Reference Number**

XN 47024

Company Number

NI001792

Bankers

First Trust Bank
35 University Road
Belfast
BT7 1ND

Chief Executive and Senior Staff

Chief Executive	- Seamus McAleavey
Deputy Chief Executive	- Úna McKernan
Head of Information Management	- Stephen Gray
Head of Organisational Development	- Sandra Bailie
Head of Public Affairs	- Lisa McElherron

NORTHERN IRELAND COUNCIL FOR VOLUNTARY ACTION
(INCORPORATED UNDER GUARANTEE)

REPORT OF THE EXECUTIVE COMMITTEE

The Executive Committee present their annual report and the audited consolidated financial statements of the charity and its subsidiary for the year ended 31 March 2011.

Principal activities

The principal activity of the Charity, being a voluntary sector development agency committed to social change, is the alleviation of disadvantage amongst communities, families and individuals through the provision of information, advice, training and development services to community and voluntary groups in Northern Ireland.

Reference and administrative details of the charity, committee members and advisers

The reference and administration details of the Charity are as outlined on Page 1.

Structure, Governance and Management

Governing Document

The Northern Ireland Council for Voluntary Action (NICVA) is a company limited by guarantee governed by its Memorandum and Articles of Association, dated 1 August 1944 and amended as at 5 September 2001 and 20 November 2009. At the AGM on 19 November 2010 NICVA Executive Committee proposed to pass a special resolution that article (73) of the Articles of Association of the Council be altered as follows:

To delete the existing article (73):

“Indemnity”

(73) Every member or auditor or officer of the Council shall be indemnified out of the assets of the Council against all losses or liabilities incurred by him/her in or about the execution and discharge of the duties of his/her office, except to the extent that such losses or liabilities shall be attributed to either:

(i) Fraud or other matters in respect of which such person concerned shall be convicted of a criminal offence;
or

(ii) Negligence; or

(iii) Actions knowingly beyond the scope of a specific authority or limit thereon on the part of such person”,

and to substitute with new article (73) reading as follows:

“Indemnity”

(73)

(a) The Council shall indemnify every director against any liability incurred in successfully defending legal proceedings in that capacity, or in connection with any application in which relief is granted by the Court from liability for negligence, default, or breach of duty or breach of trust in relation to the Council.

Appointment of Executive Committee

NICVA is governed by an Executive Committee elected by its member organisations on an annual basis through a postal ballot using the single transferable vote system. All NICVA members are invited to nominate to the committee which consists of 12 people elected for a three year period. Elected members, on completion of their three year term, may stand for re-election if they so wish. One third (or the number nearest one third) of the committee so elected must retire at each annual general meeting, those longest in office retiring first. The Executive Committee can co-opt up to four additional members to fill gaps in the Committee make up as they see fit. There were no co-options during the period 2010-2011.

**NORTHERN IRELAND COUNCIL FOR VOLUNTARY ACTION
(INCORPORATED UNDER GUARANTEE)**

REPORT OF THE EXECUTIVE COMMITTEE (Cont'd)

Committee Induction and Training

New Executive Committee members undergo induction training to brief them on roles and responsibilities and their legal obligations under charity and company law, the committee and the decision-making processes, the strategic and operational planning processes, the organisational structure and key organisational activities. Executive Committee members are provided with copies of the NICVA Governance Manual which includes the Memorandum and Articles of Association, role descriptions for Office Bearers and Committee members and Sub Committees, NICVA finance procedures and the NICVA Equal Opportunities Policy.

Organisational Structure

Final implementation of the new organisational structure took place early in the year with the appointment of three posts to support the Chief Executive and the Deputy Chief Executive. These are Head of Information Management, Head of Organisational Development, and Head of Public Affairs.

The Executive Committee ensures the good governance of the organisation by setting its strategic objectives and policy direction through NICVA's three year strategic plan and monitoring progress on this through the annual operational planning process. The Committee meets every six weeks and the Resources Sub-Committee which deals with the human and financial resources of the organisation meets on a quarterly basis. The Chief Executive, appointed by the Committee, manages the day to day operations of the organisation. To facilitate effective operations, the Chief Executive has delegated authority for operational matters including the application and monitoring of strategic and operational objectives.

Related Parties

NICVA is an independent organisation and therefore all operations are carried out in accordance with this. However, by the nature of the objects of the charity, NICVA works closely with the membership representing their interests to government bodies and funders as appropriate.

The charity's wholly owned subsidiary, Sector Matters Limited, was established by NICVA in November 2009 in response to a need identified in the voluntary and community sector, for cost-effective Human Resource, Finance and related outsourced support services. Through the delivery of its services, Sector Matters contributes to NICVA's strategic objective 'to support voluntary and community organisations to work effectively to meet the end needs of their users'. Sector Matters is Northern Ireland's first social enterprise providing quality business services to the voluntary and community sector and to small businesses. The outcomes of the work of Sector Matters during this year is noted below under strategic objective 1.

Risk Management

Financial risks are assessed by the organisation through the Resources Committee on a quarterly and annual basis. Core funding is provided by the Department for Social Development (DSD) which periodically conducts a risk assessment on all funded organisations. NICVA has retained its low risk status demonstrating that robust financial systems and controls are in place. NICVA continues to monitor all procedures associated with risk management.

Objectives, Activities, Achievements and Performance

NICVA has very comprehensive systems for monitoring, measuring and evaluating performance. NICVA integrates three approaches at all times; application of the WK Kellogg Foundation Logic Model; adoption of Investors in People (IIP); and adherence to the European Foundation for Quality Management Model (EFQM). The EFQM is a tool for self-assessment that allows an organisation to measure where it is on its path to excellence. During the year, NICVA submitted an application for assessment under this model and was successful in achieving a Mark of Excellence.

NORTHERN IRELAND COUNCIL FOR VOLUNTARY ACTION
(INCORPORATED UNDER GUARANTEE)

REPORT OF THE EXECUTIVE COMMITTEE (Cont'd)

Objectives, Activities, Achievements and Performance (Cont'd)

This report marks the completion of the second year of NICVA's Strategic Plan for 2009 – 2012. To illustrate the broad extent of activity during the year, the following table provides a full summary of events held which contribute to a number of the strategic objectives.

Summary NICVA Events October - December 2010		
Event Type	Number of Events	Number of Participants
Conference	8	849
Consultancy Training	52	565
Seminar	32	999
Training Course	45	661
Meeting	15	241
CLP Events	259	1,590
Reaching Communities Events	59	610
Vital Links Events	70	1,570
CollaborationNI	1	113
	541	7,198

NICVA's strategic plan for 2009-2012 lists three strategic themes and 10 strategic objectives. The following provides a brief overview of activity within each of the strategic objectives.

Theme 1 ***To support voluntary and community organisations to work effectively to meet the needs of their users.***

Strategic Objective 1

To explore and develop support services to assist voluntary and community organisations in a changing funding and political environment.

Summary

Sector Matters delivered over 250 days consultancy on HR, finance and planning including conducting recruitment exercises, reviewing staff terms and conditions of employment, managing strategic planning processes and undertaking book keeping for a range of organisations. Sector Matters is moving closer to achieving financial targets within its strategy.

Strategic Objective 2

To support organisations to adjust to the implementation of relevant legislation and regulation including the Charities Act.

Summary

NICVA runs a dedicated Charity law reform section on the website keeping the sector abreast of developments with the Charity Commission. NICVA staff participate in the Developing Governance group and in so doing a governance Health Check was produced linked to the Code of Good Governance. Seven joint road show events were held with the Charity Commission. Other legislative updates relate to changes in employment law including ending of default retirement age, changes to flexible working, maternity and paternity and draft code of practice on discipline and grievance.

NORTHERN IRELAND COUNCIL FOR VOLUNTARY ACTION
(INCORPORATED UNDER GUARANTEE)

REPORT OF THE EXECUTIVE COMMITTEE (Cont'd)

Objectives, Activities, Achievements and Performance (Cont'd)

Strategic Objective 3

To encourage consideration of collaboration and mergers to increase organisational effectiveness.

Summary

A major bid was developed and submitted to Building Change Trust in partnership with Stellar Leadership and CO3 to deliver a three year collaboration, merger, partnership support programme to the sector. The contract was awarded in December for circa £1m and the programme was launched in March.

Strategic Objective 4

To provide advice, information and training to assist organisations to operate more effectively.

Summary

NICVA undertakes a range of activities in support of this strategic objective through the use of websites, face to face meetings, training courses, seminars and regular email communication with members. 42 enews and 10 NICVA News were produced. NICVA continues to support the governance of the sector via over 170 governance consultations and the drafting of almost 100 governing documents. The training and seminar statistics are noted above in the summary table. During the year more accredited programmes were developed as demand for accreditation increased. NICVA continue the delivery of the development and support contract for the Big Lottery Fund supporting the needs of 65 Reaching Communities grant holders. Year two of the Community Leadership Programme delivered on behalf of the International Fund for Ireland was completed. Year three commenced with 44 groups.

The Will to Give campaign was also developed and launched.

Theme 2 ***To support voluntary and community organisations in using their experience to influence policy to effect social change.***

Strategic Objective 5

To assist voluntary and community organisations to develop skills and capacity to effectively engage in policy work.

Summary

The Vital Links project funded under Peace III delivered 35 training sessions with 272 participants eg Making Policy Work, Effective Lobbying and Campaigning. Vital Links produced 41 Assembly Monitors and increased subscribers to 272. NICVA continues to support the Policy Fora and facilitated 24 meetings with 380 participants. The NICVA Policy Manifesto was produced and launched at a Hustings event in NICVA. Research on "Volunteering in Organisations" was undertaken for Volunteer Now and will be used as part of the International Year of Volunteering and will inform the development of the volunteering strategy.

Strategic Objective 6

To strengthen the legitimacy of the voluntary and community sector to increase its influence in policy decisions.

Summary

NICVA initiated the "Smart Solutions in Tough Times" campaign, organising 12 pre-consultation meetings on the Comprehensive Spending Review (CSR) with all the government departments and holding several high level meetings with Ministers including DSD, DHSSPS and DFP. A briefing paper was subsequently prepared on the CSR and a response submitted. The salary survey research was completed and the report was produced and launched.

**NORTHERN IRELAND COUNCIL FOR VOLUNTARY ACTION
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REPORT OF THE EXECUTIVE COMMITTEE (Cont'd)

Objectives, Activities, Achievements and Performance (Cont'd)

Strategic Objective 7

To work to ensure the inclusion of the voluntary and community sector in governance structures to contribute the sectors' experience to decision making.

Summary

As the Local Government element of the Review of Public Administration has been suspended planned work could not proceed.

Theme 3 *To develop NICVA staff, systems and resources to ensure continuous improvement and development of NICVA services.*

Strategic Objective 8

To ensure the appropriate people, resources and systems are in place to support the internal and external demands of the organisation.

Summary

The AGM was held in November with four new members elected to the Committee. A total of 19 recruitment and induction exercises were undertaken to account for the introduction of new projects and staff, the restructuring of the organisation, maternity leave and staff turnover. NICVA continued to adhere to robust financial management and monitoring procedures including the production of Management Accounts on a quarterly basis and the completion of the annual audit completed in June. Some major work on upgrading ICT infrastructure and website performance was undertaken. As noted earlier an assessment undertaken under the EFQM Quality Awards took place and NICVA achieved a Mark of Excellence.

Strategic Objective 9

To generate a diverse income base for NICVA to ensure the delivery of appropriate services to stakeholders.

Summary

Grant applications were made to Atlantic Philanthropies; The Henry Smith Charity and the Esmee Fairbairn Foundation; and Loyds TSB. Contract bids were made to Building Change Trust and the Big Lottery Fund. Two grants were secured from Atlantic Philanthropies, and The Henry Smith Charity and the Esmee Fairbairn Foundation and NICVA was appointed as lead partner in the delivery of the Collaboration, mergers support programme on behalf of the Building Change Trust. NICVA also secured a new development and support contract from the Big Lottery Fund for the Reaching Out-Connecting Older People programme. Membership renewals resulted in retention of circa 1000 members.

Strategic Objective 10

To promote the work of NICVA.

Summary Outputs

The implementation of the new organisational structure takes a more coordinated approach by combining information and communications teams. NICVA engaged widely with the media on all areas of its work with focused attention on the Smart Solutions campaign. NICVA staff contributed to 48 formal boards, committees and working groups to represent NICVA and the sector ensuring that NICVA and the sector is well represented on a wide range of influential bodies.

NORTHERN IRELAND COUNCIL FOR VOLUNTARY ACTION
(INCORPORATED UNDER GUARANTEE)

REPORT OF THE EXECUTIVE COMMITTEE (Cont'd)

Objectives, Activities, Achievements and Performance (Cont'd)

Financial Review

The results are set out in detail on pages 11 to 29. The group returned net incoming resources for the year of £12,461 (2010 – £69,797), of which there was incoming resources of £6,146 unrestricted and £6,315 restricted. There was a net increase in funds of £12,461 (2010 – £69,797) after other recognised gains and losses.

The unrestricted funds are considered to be essential to provide sufficient funds to cover any unforeseen costs which may arise and fulfil the legal obligations of the charity in the event that current levels of income are not maintained.

Investment Policy

The Resources Sub-Committee has considered the most appropriate policy for investing funds and decided that a mixture of bank deposit accounts and holding an investment portfolio with Barclays Wealth were best placed to meet its requirements to generate income and provide capital growth in the context of the economic climate during the year. The investment policy is reviewed quarterly by the Committee.

Reserves Policy

The reserves policy has been designed in order to recognise NICVA's requirements for reserves in light of the main risks to the organisation. It has established a policy whereby the unrestricted funds not committed should equate to 12 months total resources expended. The aim is to provide sufficient funds to cover any unforeseen costs which may arise, recognise the volatile grant environment as well as allowing for the payment of any liabilities which would arise should the company cease to operate. Any call upon the use of reserves will be at the approval of the Executive Committee which will examine the rationale for doing so and agree an amount where appropriate.

At 31 March 2011, the level of "free reserves", excluding fixed assets and designated funds were £817,663 (2010 - £1,229,888).

Plans for Future Periods

NICVA was awarded a contract in October 2010 for the delivery of a collaboration, mergers and partnership support programme on behalf of the Building Change Trust, supported by the Big Lottery Fund. This programme was launched in March 2011, and will deliver a range of interventions including training, facilitation, study visits, coaching and mentoring over a three year period to the voluntary and community sector in support of all aspects of collaborative working.

Funds held as Custodian Trustee on behalf of others

NICVA administers the Cheques for Charity scheme whereby they receive, claim gift aid and hold monies on behalf of donors and disburse according to their instructions. Details of these restricted funds are included within Notes 23, 24 and 25 to the accounts.

NORTHERN IRELAND COUNCIL FOR VOLUNTARY ACTION
(INCORPORATED UNDER GUARANTEE)

REPORT OF THE EXECUTIVE COMMITTEE (Cont'd)

Responsibilities of the Directors

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

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

Statement of disclosure of information to auditor

In so far as the directors, who held office at the date of approval of the financial statements, are aware:

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

Registered office:
61 Duncairn Gardens
Belfast
BT15 2GB

By order of the Executive Committee

ÚNA McKERNAN
Secretary

Approved by the directors on 7 October 2011

Accepted as a charity by HM Revenue & Customs
under Reference No: XN 47024

Registered in Northern Ireland
No. NI001792

NORTHERN IRELAND COUNCIL FOR VOLUNTARY ACTION
(INCORPORATED UNDER GUARANTEE)

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS
OF NORTHERN IRELAND COUNCIL FOR VOLUNTARY ACTION

We have audited the financial statements of Northern Ireland Council for Voluntary Action for the year ended 31 March 2011 on pages 11 to 29 which have been prepared on the basis of the accounting policies set out on pages 13 to 15.

The report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the 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 8, 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 the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the Financial Statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by 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 charitable company's affairs as at 31 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

NORTHERN IRELAND COUNCIL FOR VOLUNTARY ACTION
(INCORPORATED UNDER GUARANTEE)

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS
OF NORTHERN IRELAND COUNCIL FOR VOLUNTARY ACTION (Cont'd)

Opinion on other matters prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Directors' Annual Report.

Alfred House
19 Alfred Street
Belfast
BT2 8EQ

10 October 2011

MR. JACKIE SMITH FCA
(Senior Statutory Auditor)
For and on behalf of
GOLDBLATT McGUIGAN
Chartered Accountants
& Statutory Auditor

NORTHERN IRELAND COUNCIL FOR VOLUNTARY ACTION
(INCORPORATED UNDER GUARANTEE)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
For the year ended 31 March 2011

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Incoming resources					
Incoming resources from generated funds:					
<i>Voluntary income:</i>					
Donations and grants	4	624,393	175,898	800,291	878,422
<i>Activities for generating funds:</i>					
Commercial trading operations	5	75,828	-	75,828	-
Investment income	6	32,570	5,735	38,305	36,504
Incoming resources from charitable activities:					
	7				
Grants received		-	132,216	132,216	61,966
Other income		1,241,780	3,600	1,245,380	1,175,235
Contributions to administration		43,140	-	43,140	40,361
Total incoming resources		<u>2,017,711</u>	<u>317,449</u>	<u>2,335,160</u>	<u>2,192,488</u>
Resources expended					
Costs of generating funds					
Commercial trading operations	5	113,690	-	113,690	-
Costs of generating voluntary income	8	18,658	188	18,846	33,823
Charitable activities	9	1,864,489	310,441	2,174,930	2,082,685
Governance costs	10	15,233	-	15,233	5,091
Total resources expended		<u>2,012,070</u>	<u>310,629</u>	<u>2,322,699</u>	<u>2,121,599</u>
Net incoming resources before transfers		5,641	6,820	12,461	70,889
Transfer between funds	22 & 23	<u>505</u>	<u>(505)</u>	<u>-</u>	<u>-</u>
Net incoming resources before other recognised gains and losses		6,146	6,315	12,461	70,889
Other recognised losses		<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,092)</u>
Net incoming resources/ net income for the year	11	6,146	6,315	12,461	69,797
Reconciliation of funds					
Total funds brought forward		<u>2,069,224</u>	<u>1,341,004</u>	<u>3,410,228</u>	<u>3,340,431</u>
Total funds carried forward	22 & 23	<u>2,075,370</u>	<u>1,347,319</u>	<u>3,422,689</u>	<u>3,410,228</u>

The Statement of Financial Activities includes all gains and losses recognised in the year.

All of the above amounts relate to continuing activities.

The above Statement of Financial Activities includes all information as required to be disclosed by the Companies Act 2006.

NORTHERN IRELAND COUNCIL FOR VOLUNTARY ACTION
(INCORPORATED UNDER GUARANTEE)

CONSOLIDATED BALANCE SHEET
At 31 March 2011

	Notes	Group 2011 £	Group 2010 £	Charity 2011 £	Charity 2010 £
Fixed assets					
Tangible assets	14	1,676,160	1,712,175	1,675,735	1,712,175
Investments	15	<u>626,367</u>	<u>198,830</u>	<u>626,368</u>	<u>198,830</u>
		<u>2,302,527</u>	<u>1,911,005</u>	<u>2,302,103</u>	<u>1,911,005</u>
Current assets					
Debtors	16	737,334	667,671	785,406	667,671
Cash on short term deposit		785,726	844,833	785,726	844,833
Cash at bank		210,869	200,378	200,378	200,378
Cash in hand		<u>130</u>	<u>33</u>	<u>100</u>	<u>33</u>
		1,734,059	1,712,915	1,771,610	1,712,915
Creditors: amounts falling due within one year	17	<u>(601,516)</u>	<u>(196,877)</u>	<u>(600,781)</u>	<u>(196,877)</u>
Net current assets		<u>1,132,543</u>	<u>1,516,038</u>	<u>1,170,829</u>	<u>1,516,038</u>
Total assets less current liabilities		3,435,070	3,427,043	3,472,932	3,427,043
Creditors: amounts falling due after more than one year	18	<u>(12,381)</u>	<u>(16,815)</u>	<u>(12,381)</u>	<u>(16,815)</u>
Net assets		<u>3,422,689</u>	<u>3,410,228</u>	<u>3,460,551</u>	<u>3,410,228</u>
Funds					
General funds	22	1,873,038	1,862,659	1,910,900	1,862,659
Designated funds	22	202,332	206,565	202,332	206,565
Restricted funds	23	<u>1,347,319</u>	<u>1,341,004</u>	<u>1,347,319</u>	<u>1,341,004</u>
Total funds		<u>3,422,689</u>	<u>3,410,228</u>	<u>3,460,551</u>	<u>3,410,228</u>

The financial statements on pages 11 to 29 were approved and authorised for issue by the Executive Committee on 7 October 2011 and were signed on its behalf by:

BOB STRONGE
DIRECTOR AND CHAIR

Company Registration Number – NI001792

NORTHERN IRELAND COUNCIL FOR VOLUNTARY ACTION
(INCORPORATED UNDER GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2011

1. NATURE OF COUNCIL

Northern Ireland Council for Voluntary Action (The Council) is an incorporated company limited by guarantee with charitable status.

2. PRINCIPAL ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom including the Statement of Recommended Practice on 'Accounting and Reporting by Charities (2005)'. A summary of the more important accounting policies, which have been applied consistently, is set out below.

Basis of accounting

The financial statements are prepared in accordance with the historical cost convention.

Cash Flow Statement

The directors have taken advantage of the exemption in Financial Reporting Standard No.1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is small.

Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.
- Investment income is included when receivable.
- Incoming resources from charitable trading activity are accounted for when earned.
- Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

Resources Expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

- Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

NORTHERN IRELAND COUNCIL FOR VOLUNTARY ACTION
(INCORPORATED UNDER GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
For the year ended 31 March 2011

2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

Resources Expended (Cont'd)

- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.
- All costs are allocated between the expenditure categories of the Statement of Financial Activity on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis e.g. floor areas, per capita or estimated usage.

Tangible fixed assets

The cost of fixed assets is their purchase cost, together with any incidental costs of acquisition.

Depreciation is calculated to write off the cost of tangible fixed assets less estimated residual value over the expected useful economic lives of the assets concerned. The annual rates and bases used for this purpose are:

Long leasehold buildings	-	2% per annum straight line
Office furniture and equipment	-	15% per annum reducing balance
Computer equipment	-	33% per annum straight line
Motor vehicles	-	25% per annum reducing balance

Land is not depreciated.

Investments

Investments held as fixed assets are stated at market value.

Realised and unrealised gains or losses on investments are taken directly to the fund in which the investments are held and both are reflected in the Statement of Financial Activities.

Taxation

As a charity, the Council is not liable to either Income Tax or Corporation Tax.

Pension costs

The Council contributes to a multi-employer defined benefit pension scheme, NICPS. In accordance with Financial Reporting Standard No 17 Retirement Benefits, the pension scheme has been accounted for in these financial statements as if it were a defined contribution scheme, on the grounds that the Council is unable to identify its share of assets and liabilities in the scheme on a consistent and reasonable basis. Contributions have therefore been accounted for by charging costs as payments accrue.

Finance leases and hire purchase contracts

Fixed assets acquired under finance leases and hire purchase contracts are capitalised at their fair value and depreciated over the asset's estimated useful economic lives. Finance charges included in the rentals are allocated over the term of each contract so as to produce a constant rate of charge on the remaining capital balance outstanding. Operating leases of other assets are accounted for by charging rentals as payments accrue.

NORTHERN IRELAND COUNCIL FOR VOLUNTARY ACTION
(INCORPORATED UNDER GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
For the year ended 31 March 2011

2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

Fund accounting

The Council has various types of funds for which it is responsible and which require separate disclosure. These are as follows:

(i) Restricted funds

Income receivable which is earmarked by the donor for specific purposes. Such purposes are within the overall aims of the organisation.

(ii) Designated funds

The Council may at its discretion set aside unrestricted funds for specific purposes which would otherwise form part of the general reserve of the Council.

(iii) Unrestricted/General funds

Funds which are expendable at the discretion of the Council in furtherance of the general objectives of the charity. In addition funds may be held in order to finance capital investment and working capital.

3. FINANCIAL PERFORMANCE OF THE CHARITY

The consolidated statement of financial activities includes the results of the charity's wholly owned subsidiary, Sector Matters Limited, which provides business services to the voluntary and community sector and to small businesses.

The summary financial performance of the charity alone is:

	2011	2010
	£	£
Incoming resources	<u>2,259,332</u>	<u>2,192,488</u>
Resources expenditure		
Cost of generating voluntary income	18,846	33,823
Charitable activities	2,174,930	2,082,685
Governance costs	<u>15,233</u>	<u>5,091</u>
	<u>2,209,009</u>	<u>2,121,599</u>
Net incoming resources	50,323	70,889
Gains/(losses) on investment	<u>-</u>	<u>(1,092)</u>
Surplus for the year	50,323	69,797
Total funds brought forward	3,410,228	3,340,431
Total funds carried forward	<u>3,460,551</u>	<u>3,410,228</u>
Represented by:		
General funds	1,910,900	1,862,659
Designated funds	202,332	206,565
Restricted funds	<u>1,347,319</u>	<u>1,341,004</u>
	<u>3,460,551</u>	<u>3,410,228</u>

NORTHERN IRELAND COUNCIL FOR VOLUNTARY ACTION
(INCORPORATED UNDER GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
For the year ended 31 March 2011

4. INCOMING RESOURCES FROM VOLUNTARY INCOME

	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Donations and grants				
Donations	1,725	-	1,725	2,539
Department for Social Development				
- Core activities	622,506	-	622,506	650,683
Charities Aid Foundation	33	-	33	17,575
Bouncebackability	129	-	129	-
Cheques for Charity (note 25)	-	175,898	175,898	207,625
	<u>624,393</u>	<u>175,898</u>	<u>800,291</u>	<u>878,422</u>

5. INCOMING RESOURCES FROM ACTIVITIES FOR GENERATING FUNDS

The wholly owned trading subsidiary, Sector Matters Limited is incorporated in Northern Ireland. The company was incorporated on 5 November 2009 and commenced trading in January 2010. NICVA owns the entire share capital of one share of £1. A summary of the trading results is shown below.

The summary financial performance of the subsidiary alone is:

	2011 £	2010 £
Turnover	69,905	-
Administrative expenses	(113,690)	-
Other operating income	<u>(5,923)</u>	-
Loss for the financial period	<u>(37,862)</u>	<u>-</u>

The assets and liabilities of the subsidiary were:

Fixed assets	425	-
Current assets	19,532	-
Current liabilities	<u>(57,818)</u>	-
Total net assets	<u>(37,861)</u>	<u>-</u>
Total net assets	<u>(37,861)</u>	<u>-</u>

6. INVESTMENT INCOME

	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Investment income				
Bank interest	3,038	5,735	8,773	36,504
Barclays investments	<u>29,532</u>	-	<u>29,532</u>	-
	<u>32,570</u>	<u>5,735</u>	<u>38,305</u>	<u>36,504</u>

NORTHERN IRELAND COUNCIL FOR VOLUNTARY ACTION
(INCORPORATED UNDER GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
For the year ended 31 March 2011

7. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Grants received				
Peace III	-	121,685	121,685	54,779
Department for Social Development	-	7,861	7,861	-
Centre for Economic Empowerment	-	2,670	2,670	-
Europe Direct	-	-	-	(813)
Lloyds TSB	-	-	-	8,000
	<u>-</u>	<u>132,216</u>	<u>132,216</u>	<u>61,966</u>
Other Income				
Big Lottery Fund	187,681	-	187,681	133,280
Collaboration NI – BCT Income	43,884	-	43,884	-
Training	90,314	-	90,314	116,485
Membership subscriptions	84,575	-	84,575	78,369
Sale of publications	8,839	-	8,839	3,439
Resource services	139,464	-	139,464	159,701
Room hire	51,169	-	51,169	60,044
IFI Community Leadership Program	605,239	-	605,239	536,070
Sponsorship	3,000	-	3,000	1,000
Will to give	-	3,600	3,600	900
Earned research income	27,615	-	27,615	85,845
Sundry Income	-	-	-	102
	<u>1,241,780</u>	<u>3,600</u>	<u>1,245,380</u>	<u>1,175,235</u>
Contributions for Administration				
Charities Aid Foundation (via NCVO)	36,365	-	36,365	32,613
Cheques for Charity	6,775	-	6,775	7,748
	<u>43,140</u>	<u>-</u>	<u>43,140</u>	<u>40,361</u>

NORTHERN IRELAND COUNCIL FOR VOLUNTARY ACTION
(INCORPORATED UNDER GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
For the year ended 31 March 2011

8. COSTS OF GENERATING VOLUNTARY INCOME

	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Promotional expenditure	<u>18,658</u>	<u>188</u>	<u>18,846</u>	<u>33,823</u>

9. CHARITABLE ACTIVITY EXPENDITURE

Charitable activities

Salary and training	929,020	83,761	1,012,781	999,069
Pension debt	48,819	-	48,819	48,819
Recruitment	7,370	900	8,270	8,018
Travel and subsistence	14,196	1,505	15,701	22,197
Reference books and publications	4,266	-	4,266	3,971
Research costs	16,744	-	16,744	268
Consultancy	29,025	7,861	36,886	18,012
Training course expenses	295,597	9,433	305,030	254,745
Seminars and conferences	71,568	1,059	72,627	58,769
Printing and stationery	32,676	4,913	37,589	41,190
Telephone and postage	36,058	1,850	37,908	45,014
Cheques for Charity (note 25)	-	149,839	149,839	209,587
Affiliation fees	5,935	-	5,935	3,737
Depreciation	19,628	1,415	21,043	10,917
Evaluations	<u>60,794</u>	<u>-</u>	<u>60,794</u>	<u>36,397</u>
	<u>1,571,696</u>	<u>262,536</u>	<u>1,834,232</u>	<u>1,760,709</u>

Support costs

Salaries and training	172,560	16,595	189,155	176,306
Rent, insurance and service charges	27,244	1,709	28,953	28,907
Cleaning, heat and light	28,107	1,677	29,784	30,836
Repairs and maintenance	17,169	-	17,169	12,420
Equipment rental	5,729	-	5,729	4,889
Printing and stationery	1,720	259	1,979	2,168
Telephone and postage	1,898	97	1,995	2,369
General expenses	4,353	-	4,353	6,189
Bank charges	838	-	838	762
Depreciation	25,602	27,568	53,170	52,946
Bad debts provision	1,196	-	1,196	1,651
Hire purchase interest	1,326	-	1,326	835
Profit on disposal of fixed assets	<u>5,051</u>	<u>-</u>	<u>5,051</u>	<u>1,698</u>
	<u>292,793</u>	<u>47,905</u>	<u>340,698</u>	<u>321,976</u>

Total Charitable Activities	<u>1,864,489</u>	<u>310,441</u>	<u>2,174,930</u>	<u>2,082,685</u>
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10. GOVERNANCE COSTS

Legal fees	10,611	-	10,611	408
Auditor's remuneration	<u>4,622</u>	<u>-</u>	<u>4,622</u>	<u>4,683</u>
	<u>15,233</u>	<u>-</u>	<u>15,233</u>	<u>5,091</u>

NORTHERN IRELAND COUNCIL FOR VOLUNTARY ACTION
(INCORPORATED UNDER GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
For the year ended 31 March 2011

11. NET INCOMING RESOURCES

Net incoming resources is after charging:

	2011	2010
	£	£
Depreciation - owned assets	68,784	62,272
- trading subsidiary	147	-
- assets held under hire purchase contracts	5,429	1,591
Auditor's remuneration		
- audit of charity	4,622	4,683
- audit of subsidiary	1,000	-
Hire purchase interest	1,326	835
Operating lease – equipment	<u>5,729</u>	<u>4,889</u>

12. DIRECTORS' EMOLUMENTS

The directors received no emoluments during the year. There was no reimbursement of expenses to directors during the year.

13. EMPLOYEE INFORMATION

The average weekly number of persons employed by the Group during the year was 40 (2010 - 37) and by the Charity during the year was 38 (2010 - 37).

	2011	2010
	£	£
Staff costs (Group):		
Wages and salaries	1,120,712	1,025,211
Social security costs	111,634	99,206
Pension costs	<u>86,707</u>	<u>86,010</u>
	1,319,053	1,210,427
Training allowance	<u>18,435</u>	<u>13,767</u>
	<u>1,337,488</u>	<u>1,224,194</u>
Staff costs (Charity):		
Wages and salaries	1,045,634	1,025,211
Social security costs	103,627	99,206
Other pension costs	<u>83,059</u>	<u>86,010</u>
	1,232,320	1,210,427
Training allowance	<u>18,435</u>	<u>13,767</u>
	<u>1,250,755</u>	<u>1,224,194</u>

One employee earned between £80,000 and £90,000.

Retirement benefits are accruing to one higher paid employee under a defined benefit scheme. Employer contributions of £3,525 were made during the year, in relation to this employee.

NORTHERN IRELAND COUNCIL FOR VOLUNTARY ACTION
(INCORPORATED UNDER GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
For the year ended 31 March 2011

14. TANGIBLE FIXED ASSETS

<u>Group</u>					
	Land and buildings £	Office furniture & equipment £	Computer equipment £	Motor vehicles £	Total £
Cost:					
At 1 April 2010	1,937,410	214,455	527,605	25,450	2,704,920
Additions	-	7,746	35,651	-	43,397
Disposals	-	(31,648)	(391,356)	-	(423,004)
At 31 March 2011	<u>1,937,410</u>	<u>190,553</u>	<u>171,899</u>	<u>25,450</u>	<u>2,325,312</u>
Depreciation:					
At 1 April 2010	353,906	150,023	487,225	1,591	992,745
Charge for the year	37,407	10,370	21,154	5,429	74,360
Eliminated on disposal	-	(26,597)	(391,356)	-	(417,953)
At 31 March 2011	<u>391,313</u>	<u>133,796</u>	<u>117,023</u>	<u>7,020</u>	<u>649,152</u>
Net book value:					
At 31 March 2011	<u>1,546,097</u>	<u>56,757</u>	<u>54,876</u>	<u>18,430</u>	<u>1,676,160</u>
At 31 March 2010	<u>1,583,504</u>	<u>64,432</u>	<u>40,380</u>	<u>23,859</u>	<u>1,712,175</u>
Charity					
	Land and buildings £	Office furniture & equipment £	Computer equipment £	Motor vehicles £	Total £
Cost:					
At 1 April 2010	1,937,410	214,455	527,605	25,450	2,704,920
Additions	-	7,508	35,317	-	42,824
Disposals	-	(31,648)	(391,356)	-	(423,004)
At 31 March 2011	<u>1,937,410</u>	<u>190,315</u>	<u>171,565</u>	<u>25,450</u>	<u>2,324,740</u>
Depreciation:					
At 1 April 2010	353,906	150,023	487,225	1,591	992,745
Charge for the year	37,407	10,334	21,043	5,429	74,213
Eliminated on disposal	-	(26,597)	(391,356)	-	(417,953)
At 31 March 2011	<u>391,313</u>	<u>133,760</u>	<u>116,912</u>	<u>7,020</u>	<u>649,005</u>
Net book value:					
At 31 March 2011	<u>1,546,097</u>	<u>56,554</u>	<u>54,653</u>	<u>18,430</u>	<u>1,675,735</u>
At 31 March 2010	<u>1,583,504</u>	<u>64,432</u>	<u>40,380</u>	<u>23,859</u>	<u>1,712,175</u>

The balance sheet value of fixed assets includes £18,430 (2010 - £23,859) in respect of assets held under hire purchase contracts. The depreciation charged during the year in respect of these assets was £5,429 (2010 - £1,591).

Included in land and buildings is land costing £67,051 (2010 - £67,051) which is not depreciated.

NORTHERN IRELAND COUNCIL FOR VOLUNTARY ACTION
(INCORPORATED UNDER GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
For the year ended 31 March 2011

15. FIXED ASSET INVESTMENTS	2011 £	2010 £
<u>Listed Investments (Group and Charity)</u>		
Market Value at 1 April 2010	198,830	-
Additions at cost	400,000	199,922
Net gain/(loss) on revaluation	<u>27,537</u>	<u>(1,092)</u>
	<u>626,367</u>	<u>198,830</u>
The listed investments include the following:		
Barclays Wealth Global Beta Portfolio 2 Class A Dis	99,984	99,090
Barclays Wealth 6 year Protected World BSKT	99,937	99,740
Three year gilt warrant	<u>426,667</u>	<u>-</u>
<u>Investment in subsidiary (Charity)</u>		
The charity holds one share of £1 in its wholly owned trading subsidiary company, Sector Matters Limited which is incorporated in Northern Ireland. The activities and results of this company are summarised in Note 5.		
16. DEBTORS	2011 £	2010 £
<u>Group</u>		
Other debtors	284,922	234,047
Prepayments and accrued income	<u>452,412</u>	<u>433,624</u>
	<u>737,334</u>	<u>667,671</u>
<u>Charity</u>		
Amounts due from group undertakings	45,000	-
Other debtors	287,994	234,047
Prepayments and accrued income	<u>452,412</u>	<u>433,624</u>
	<u>785,406</u>	<u>667,671</u>

NORTHERN IRELAND COUNCIL FOR VOLUNTARY ACTION
(INCORPORATED UNDER GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
For the year ended 31 March 2011

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011	2010
	£	£
<u>Group</u>		
Hire purchase creditor (note 19)	4,433	4,433
Sundry creditors and accruals	385,355	163,520
Conduit funding payable	182,440	-
PAYE/NIC liability	<u>29,288</u>	<u>28,924</u>
	<u>601,516</u>	<u>196,877</u>

Charity

Hire purchase creditor (note 19)	4,433	4,433
Sundry creditors and accruals	384,620	163,520
Conduit funding payable	182,440	-
PAYE/NIC liability	<u>29,288</u>	<u>28,924</u>
	<u>600,781</u>	<u>196,877</u>

18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2011	2010
	£	£
<u>Group and Charity</u>		
Hire purchase creditor (note 19)	<u>12,381</u>	<u>16,815</u>

19. BORROWINGS

Group and Charity

Hire purchase agreements		
Due within one year	4,433	4,433
Due in 1-2 years	4,433	4,433
Due in 2-5 years	<u>7,948</u>	<u>12,382</u>
	<u>16,814</u>	<u>21,248</u>

Hire purchase liabilities are secured on the assets to which they relate.

NORTHERN IRELAND COUNCIL FOR VOLUNTARY ACTION
(INCORPORATED UNDER GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
For the year ended 31 March 2011

20. PENSION AND SIMILAR OBLIGATIONS

The Council participates in The Pensions Trust Northern Ireland Charities Pension Scheme (the Scheme). The Scheme is a multi-employer defined benefit scheme. The Scheme is funded and was not contracted out of the state scheme up until its closure to further accrual on 31 March 2009.

There is currently no intention to wind-up the Scheme and it continues in paid-up form.

The Pension Trust commissions an actuarial valuation of the Scheme every 3 years. The main purpose of the valuation is to determine the financial position of the Scheme in order to determine the level of future contributions required so that the Scheme can meet its pension obligations as they fall due.

The actuarial valuation assesses whether the Scheme's assets at the valuation date are likely to be sufficient to pay the pension benefits accrued by members as at the valuation date. Asset values are calculated by reference to market levels. Accrued pension benefits are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.

During the year Northern Ireland Council for Voluntary Action paid contributions of £48,819 to cover the deficit payments and Scheme management costs.

It is not possible in the normal course of events to identify the share of underlying assets and liabilities belonging to individual participating employers. The scheme is a multi employer scheme, where the assets are co-mingled for investment purposes, and benefits are paid out of total scheme assets. Accordingly, due to the nature of the Plan, the accounting charge for the period under Financial Reporting Standard No 17 Retirement Benefits, represents the employer contribution payable.

The last formal actuarial valuation of the Scheme was performed as at 30 September 2007 by a professionally qualified actuary using the "projected unit credit" method. The market value of the Scheme's assets at the valuation date was £11.5 million. The valuation revealed a shortfall of assets compared to liabilities of £2.3 million.

The main financial assumptions underlying the valuation as at 30 September 2007 were as follows:

	% Per Annum
Investment return (before retirement)	7.0
Investment return (after retirement)	5.3
Rate of salary increases	4.4
Rate of pension increases	2.9
Rate of price inflation	<u>2.9</u>

Following consideration of the results of the actuarial valuation it was agreed that, with effect from 1 April 2009, employers would contribute a fixed annual payment to meet the deficit contributions and scheme management costs. Northern Ireland Council for Voluntary Action's annual contribution will be £48,819 per annum.

NORTHERN IRELAND COUNCIL FOR VOLUNTARY ACTION
(INCORPORATED UNDER GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
For the year ended 31 March 2011

20. PENSION AND SIMILAR OBLIGATIONS (Cont'd)

If the valuation assumptions are borne out in practice this pattern of contributions should be sufficient to eliminate the past service deficit, on an ongoing funding basis, by 31 July 2018.

The scheme actuary has prepared an Actuarial Report that provides an approximate update on the funding position of the scheme as at 30 September 2009. Such a report is required by legislation for years in which a full actuarial valuation is not carried out. The funding update revealed a decrease in the assets of the scheme to £11.4 million and indicated an increase in the shortfall of assets compared to liabilities to approximately £8.4 million, equivalent to past service funding level of 58%.

The next formal valuation of the scheme is due as at 30 September 2010. The results of this valuation will be reported to employers when it is completed.

Following a change in legislation in September 2005 there is a potential debt on the employer that could be levied by the Trustee of the Scheme. The debt is due in the event of the employer ceasing to participate in the Scheme or the Scheme winding up.

The debt for the Scheme as a whole is calculated by comparing the liabilities for the Scheme (calculated on a buyout basis i.e. the cost of securing benefits by purchasing annuity policies from an insurer, plus an allowance for expenses) with the assets of the Scheme. If the liabilities exceed assets there is a buyout debt.

The leaving employer's share of the buyout debt is the proportion of the Scheme's liability attributable to employment with the leaving employer compared to the total amount of the Scheme's liabilities (relating to employment with all the currently participating employers). The leaving employer's debt therefore includes a share of any 'orphan' liabilities in respect of previously participating employers. The amount of the debt therefore depends on many factors including total Scheme liabilities, Scheme investment performance, the liabilities in respect of current and former employees of the employer, financial conditions at the time of the cessation event and the insurance buy-out market. The amounts of debt can therefore be volatile over time.

The Council has been notified by The Pensions Trust of the estimated employer debt on withdrawal from the Northern Ireland Charities Pension Scheme based on the financial position of the Scheme as at 30 September 2010. As of this date the estimated employer debt for the Council was £2,437,000.

NICVA believes that as a responsible employer it should provide the opportunity of a pension scheme for all staff, but must balance this against ensuring that the cost of providing such a scheme does not put a strain on its future viability. Following the closure of the Final Salary Scheme the NICVA Executive Committee confirmed the selection of the Pensions Trust as the provider of the Flexible Retirement Plan (defined contribution scheme) at a contribution rate of 5% per employee. Staff are required to make a minimum payment of 5% to this scheme on joining.

NORTHERN IRELAND COUNCIL FOR VOLUNTARY ACTION
(INCORPORATED UNDER GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
For the year ended 31 March 2011

21. LIABILITY OF MEMBERS

The Council is a company incorporated under guarantee and does not have share capital. The liability of each member is limited to an amount not exceeding fifty pence.

22. ANALYSIS OF UNRESTRICTED FUNDS

Group

	Premises reserve £	Total designated fund £	Accumulated General fund £	Total Unrestricted funds £
Income	-	-	2,017,711	2,017,711
Net investment gains	-	-	-	-
Expenditure	(4,233)	(4,233)	(2,007,837)	(2,012,070)
Transfer between funds	<u>-</u>	<u>-</u>	<u>505</u>	<u>505</u>
Transfer from statement of financial activities	(4,233)	(4,233)	10,379	6,146
Opening value of funds	<u>206,565</u>	<u>206,565</u>	<u>1,862,659</u>	<u>2,069,224</u>
Closing value of funds	<u>202,332</u>	<u>202,332</u>	<u>1,873,038</u>	<u>2,075,370</u>

ANALYSIS OF FUND BALANCES BETWEEN THE NET ASSETS

Fixed assets	167,209	167,209	1,055,375	1,222,584
Liquid resources	35,123	35,123	617,397	652,520
Debtors	-	-	666,163	666,163
Liabilities	<u>-</u>	<u>-</u>	<u>(465,897)</u>	<u>(465,897)</u>
Closing value of funds	<u>202,332</u>	<u>202,332</u>	<u>1,873,038</u>	<u>2,075,370</u>

See note 24 for explanatory notes to the reserves.

Transfer to restricted funds:

The transfer between restricted and unrestricted funds is made up of the following:-

- (i) £505 represents an asset purchased using restricted funding from Atlantic Philanthropies, whereby the restriction has now passed and the asset has been transferred to unrestricted reserves.

NORTHERN IRELAND COUNCIL FOR VOLUNTARY ACTION
(INCORPORATED UNDER GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
For the year ended 31 March 2011

22. ANALYSIS OF UNRESTRICTED FUNDS

Charity

	Premises reserve £	Total designated fund £	Accumulated General fund £	Total Unrestricted funds £
Income	-	-	1,941,883	1,941,883
Net investment gains	-	-	-	-
Expenditure	(4,233)	(4,233)	(1,894,147)	(1,898,380)
Transfer between funds	<u>-</u>	<u>-</u>	<u>505</u>	<u>505</u>
Transfer from statement of financial activities	(4,233)	(4,233)	48,241	44,008
Opening value of funds	<u>206,565</u>	<u>206,565</u>	<u>1,862,659</u>	<u>2,069,224</u>
Closing value of funds	<u><u>202,332</u></u>	<u><u>202,332</u></u>	<u><u>1,910,900</u></u>	<u><u>2,113,232</u></u>

ANALYSIS OF FUND BALANCES BETWEEN THE NET ASSETS

Fixed assets	167,209	167,209	1,054,951	1,222,160
Liquid resources	35,123	35,123	606,876	641,999
Debtors	-	-	714,235	714,235
Liabilities	<u>-</u>	<u>-</u>	<u>(465,162)</u>	<u>(465,162)</u>
Closing value of funds	<u><u>202,332</u></u>	<u><u>202,332</u></u>	<u><u>1,910,900</u></u>	<u><u>2,113,232</u></u>

See note 24 for explanatory notes to the reserves.

Transfer to restricted funds:

The transfer between restricted and unrestricted funds is made up of the following:-

- (i) £505 represents an asset purchased using restricted funding from Atlantic Philanthropies, whereby the restriction has now passed and the asset has been transferred to unrestricted reserves.

NORTHERN IRELAND COUNCIL FOR VOLUNTARY ACTION
(INCORPORATED UNDER GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
For the year ended 31 March 2011

23. (i) RESERVES / RECONCILIATION AND ANALYSIS OF MOVEMENTS ON THE FUNDS
RESTRICTED FUNDS (Cont'd)

	Atlantic Philanthropies (Property) £	Belfast Regeneration Office (Property) £	Big Lottery (Property) £	DSD Capital Grants £	DSD Sundry Grants £	CFC Client Funds £	Atlantic Philanthropies £	Henry Smith £	Peace III Vital Links £	Will to Give £	Total Restricted Funds £
Income	-	-	-	-	7,861	181,633	-	2,670	121,685	3,600	317,449
Expenditure	(9,200)	(6,850)	(10,560)	(844)	(7,861)	(149,839)	(89)	(2,670)	(120,486)	(2,230)	(310,629)
Transfer (to)/from Unrestricted Funds	-	-	-	-	-	-	(505)	-	-	-	(505)
Transfer from Statement of Financial Activities	(9,200)	(6,850)	(10,560)	(844)	-	31,794	(594)	-	1,199	1,370	6,315
Opening value of funds	372,600	277,397	427,680	26,800	-	233,312	594	-	1,721	900	1,341,004
Closing value of funds	363,400	270,547	417,120	25,956	-	265,106	-	-	2,920	2,270	1,347,319

(ii) ANALYSIS OF FUND BALANCES BETWEEN THE NET ASSETS

	Atlantic Philanthropies (Property) £	Belfast Regeneration Office (Property) £	Big Lottery (Property) £	DSD Sundry Grants £	DSD Sundry Grants £	CFC Client Funds £	Atlantic Philanthropies £	Henry Smith £	Peace III Vital Links £	Will to Give £	Total Restricted Funds £
Fixed assets	363,400	270,547	417,120	25,956	-	-	-	-	2,920	-	1,079,943
Current assets											
- Liquid	-	-	-	-	-	255,872	-	-	(52,343)	2,270	205,799
- Debtors	-	-	-	-	-	9,234	-	-	52,343	-	61,577
Current liabilities	-	-	-	-	-	-	-	-	-	-	-
Closing value of funds	363,400	270,547	417,120	25,956	-	265,106	-	-	2,920	2,270	1,347,319

NORTHERN IRELAND COUNCIL FOR VOLUNTARY ACTION
(INCORPORATED UNDER GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
For the year ended 31 March 2011

24. EXPLANATORY NOTES TO NICVA RESERVE FUNDS

(i) Unrestricted funds (note 22)

(a) Premises Reserve

This is a designated fund NICVA established to facilitate the construction and maintenance of their premises at Duncairn Gardens, Belfast.

The purpose of the fund is to ensure resources are retained for the upkeep of the conference facilities and offices to include general repair work, building maintenance and decorating, as and when required.

(b) Accumulated General Fund

This fund is the result of NICVA's strategic objective to establish reserves which would allow NICVA to operate for 12 months without other sources of income.

(ii) Restricted funds (note 23)

(a) Atlantic Philanthropies

A restricted donation to assist with the cost of building NICVA's regional community resource centre at Duncairn Gardens, Belfast.

(b) Belfast Regeneration Office – Making Belfast Work

A restricted grant to assist with the cost of building NICVA's regional community resource centre at Duncairn Gardens, Belfast.

(c) Big Lottery - Property

A restricted grant to assist with the cost of building NICVA's regional community resource centre at Duncairn Gardens, Belfast.

(d) DSD – Sundry Grants

The fund accounts for year end additional grants from Department for Social Development for specific projects.

(e) CFC Client Funds

This fund receives, claims gift aid and holds monies on behalf of donors and NICVA disburses the monies according to the donors instructions.

(f) Atlantic Philanthropies - Information Technology Grant

To develop and upgrade the NICVA website and ICT infrastructure to assist NICVA's membership and the wider sector in the development of their own ICT capabilities and improving accessibility to relevant and timely information.

NORTHERN IRELAND COUNCIL FOR VOLUNTARY ACTION
(INCORPORATED UNDER GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
For the year ended 31 March 2011

24. EXPLANATORY NOTES TO NICVA RESERVE FUNDS (Cont'd)

(ii) Restricted funds (note 23) (Cont'd)

(g) Peace III - Vital Links

The Vital Links project is part-financed by the European Union's European Regional Development Fund through the EU Programme for Peace and Reconciliation (PEACE III) managed by the Special EU Programmes Body. Funded for three years, the aim of the Vital Links project is to increase the interaction and understanding of the key institutions, the voluntary and community sector and foster and promote positive engagement. Vital Links will deliver a programme of free training, seminars, conferences and publications.

(h) Will to Give

The Will to Give campaign is a collaborative project facilitated by NICVA to promote legacy fundraising in the voluntary and community sector. The aim of the campaign is to increase the giving of gifts to charity from wills. The funds are received from members of the campaign and used in pursuit of the Will to Give campaign objectives.

(i) Centre for Economic Empowerment funded by Northern Ireland Development Fund (The Henry Smith Charity and the Esmee Fairbairn Foundation)

NICVA received a grant under the Northern Ireland Development Fund to establish the Centre for Economic Empowerment. The Development Fund is managed by The Henry Smith Charity and the Esmee Fairbairn Foundation.

The Centre for Economic Empowerment is a think tank, observatory and skills development project. It aims to influence resource allocation and the formation of budgets at government level, to monitor trends in economic development/policy and assess their impacts on poverty, deprivation, equality and creating a shared future and to increase the skills and knowledge of economic policy and budgeting in the community/voluntary sector.

25. CHEQUES FOR CHARITY - CLIENT FUNDS

NICVA administers the Cheques for Charity scheme, whereby they receive, claim gift aid and hold monies on behalf of donors and disburse according to their instructions. During the year NICVA received £181,633 (2010 - £207,625) of Cheques for Charity donations, with £149,839 (2010 - £209,587) being dispersed to charitable organisations as instructed by the donors.

26. CONTINGENCIES

A portion of grants received may become repayable if the Council fails to comply with the terms of the letter of offer.

The Council has been notified by The Pensions Trust of the estimated employer debt on withdrawal from the Northern Ireland Charities Pension Scheme based on the financial position of the Scheme as at 30 September 2010. As of this date the estimated employer debt for the Council was £2,437,000.

An employer debt would only fall due in the event of The Council ceasing to participate in the pension scheme or the scheme winding up at a time when it is not fully funded on a buy-out basis. As neither of these scenarios are likely to occur in the near future this debt has not been provided for in these financial statements, however, the directors consider it appropriate to disclose same as a contingent liability.