



VOLUNTARYACTIONFUND
(ACompanyLimitedbyGuarantee)
REPORTandFINANCIALSTATEMENTS
Forthe yearended31March 2007

VOLUNTARY ACTION FUND
(A Company Limited by Guarantee)

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**VOLUNTARY ACTION FUND
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LEGAL AND ADMINISTRATIVE INFORMATION

Trustees/Directors

John Lithgow (Chairman, appointed 13 September 2006)
Susan Elsley (Chairman, retired 13 September 2006)
Nina Giles
John Hawthorn (Vice Chairman)
Pam Judson (appointed 13 September 2006)
John Knox
Lifang Lamb
Dorothy MacLauchlan (appointed 13 September 2006)
Stuart McGregor
David Milliken (appointed 13 September 2006)
Abigail Mordin (appointed 13 September 2006)
Helen Munro (appointed 13 September 2006)
Laurie Naumann
Jonathan Squire
Carol Downie (retired 13 September 2006)
Richard Loudon (retired 13 September 2006)

Company Secretary

Eleanor Logan

Auditors

Chiene + Tait
Chartered Accountants
& Registered Auditors
61 Dublin Street
EDINBURGH
EH3 6NL

Solicitors

Turcan Connell
Princes Exchange
1 Earl Grey Street
EDINBURGH EH3 9EE

Staff Team

Eleanor Logan, Chief Executive
Charles Chingwalu, Development Officer (until 8 January 2007)
Susan Connell, Office Manager
Irene Glasgow, Project Administrator
Susan Latto, Project Administrator
Patricia McKibben, Project Administrator
Alison Stevenson, Development Officer

Website

www.voluntaryactionfund.org.uk

Registered Address

Unit 14
Dunfermline Business Centre
Izatt Avenue
DUNFERMLINE
Fife
KY11 3BZ

Bankers

The Royal Bank of Scotland
52 - 54 East Port
DUNFERMLINE
KY12 7HB

Scottish Charity Number

SC035037

Company Number

SC261186

**VOLUNTARY ACTION FUND
(A Company Limited by Guarantee)**

TRUSTEES' REPORT

The Trustees submit their report together with the financial statements for the year ended 31 March 2007.

Structure Governance and Management

Constitution

The Voluntary Action Fund is a company limited by guarantee and a registered charity governed by its Memorandum and Articles of Association. The company was incorporated on 22 December 2003, and on 1 April 2004 the assets and liabilities of the Unemployed Voluntary Action Fund, a charitable trust ("the previous unincorporated entity"), were transferred to the Company by way of a deed of determination and advance.

Organisation

The Fund must have between 6 and 15 Members, who are also Trustees, and those who have served during the year and after the year end, are noted on page 1. Trustees are appointed for 3 years. Additional Trustees may be appointed by the Fund or by the Board of Trustees. The Trustees meet quarterly, but may also agree to meet for specific policy discussions. There is an internal audit group - the **Finance Staff and Property Committee** which meets at least bi-annually, and sub-groups of trustees who make recommendations on small grants to the Board. During the year a Research Advisory Group was also active in taking forward a programme of research and evaluation.

Appointment and Training of Trustees

To achieve transparency in the appointment of trustees a code of practice for their recruitment has been adopted. It outlines an open process for the advertising and selection of new trustees in line with the Voluntary Action Fund's equal opportunities policy. Due to retirements in this financial year and retirements planned in coming years a process of Trustee recruitment was undertaken to seek new Trustees with suitable skill and experience. Recruitment was taken openly to encourage a diversity of applicants. Adverts were placed in Third Force News, Third Sector, Big Issue, CHEX point snippets, SENSCOT bulletin, Memo (produced by BEMIS), Positive Action in Housing Bulletin, Quickmail e-bulletin and Rural Gateway Bulletin. The use of email networks across our extensive range of contacts was also utilised. 15 applications were received which were reviewed by a subgroup of Trustees who shortlisted 8 for interview. 7 attended interview and 6 were subsequently invited to be Trustees. All accepted and were voted onto the Board as of 13 September 2006. All new Trustees received an induction pack and an individually tailored induction session with the Chief Executive and/or other staff.

The Trustees bring a range of skills and experience which is of benefit to the organisation. This is summarised in a skills audit which all Trustees have contributed to. Trustees also complete a conflict of interests' form which details all other public and professional involvements which may impact on their role as Trustees and agree to abide by a Code of Practice.

Trustees did not identify any major training needs during the year. Informal training sessions on emerging issues such as the Charities and Trustee Investment (Scotland) Act 2005 took place during Board meetings. However, the Trustees did hold a Visioning Day with staff on 30 October 2006 from which a Strategic Development Plan was produced.

Decision Making

There are three active subgroups, with the main responsibilities of a. Research and b. Finance, Staff and Property and c. Go4Volunteering. A further subgroup around Policy did not meet in this financial year, and is no longer active.

The Voluntary Action Fund aims to ensure consistency, fairness and transparency in its grant making processes. To streamline the decision-making process, and thereby shorten the grant application procedure, protocols for delegating recommendations for one off small grants of £2,000 or less to groups of two or three Trustees have been approved. The Go4Volunteering Sub Committee was active in reviewing and recommending all grant decisions through this programme. All delegated decisions are brought subsequently to the full Board for approval, and all funding decisions in the main grants programmes are taken at Board meetings, which are quarterly unless required more frequently.

Financial Regulations, which detail the limits of staff authority in the day to day operation of the Voluntary Action Fund, have been approved by the Board of Trustees. These were updated and approved by the Finance Staff and Property Committee in October 2006.

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TRUSTEES' REPORT (Contd.)

Risk Management

The Trustees have examined the major strategic, business, and operational risks which might affect the organisation and confirm that systems have been reviewed and the necessary steps taken to lessen these risks. The Risk Assessment was reviewed by the Finance Staff and Property Committee in January 2007 and formally adopted by the Board of Trustees at the Board meeting in March 2007. The major risks identified are in the area of sustaining the funding base for the organisation, and the continuation of established grant programmes. With funding for the grant programmes and VAF being due for expiry in March 2008, this is a particular risk for VAF. These are addressed through the research programme providing an evidence base for outcomes and impact of VAF, considered and regular stakeholder management with core funders and decision makers. VAF is also seeking to build a strong reputation as an Investment Funder. Alternative sources of income in line with strategic objectives are continually being explored and pursued. A Strategic Development Plan to assist with this has been produced.

To support the risk assessment, all staff have received Fraud Awareness training and a Fraud Risk and Management Policy has been produced. This was reviewed by the Finance Staff and Property Committee in October 2006 and formally adopted by the Board of Trustees at the Board meeting in March 2007.

To support the Trustees in meeting their legal obligations as employers, in January 2007 VAF appointed Law at Work to undertake an audit of employment policies and practices across the organisation. Subsequently employment policies are in the process of being updated and a new staff hand book is being produced. Law at Work did not highlight any major issues of concern but have been retained to provide legal advice in relation to employment matters.

Objectives and Activities

The principal objective of Voluntary Action Fund is to assist project initiatives in the fields of social and community development and health to create social change through voluntary action as is encompassed in the VAF mission statement:

The Voluntary Action Fund believes in the capacity of all people to make a difference in their own lives and in the lives of others.

Through effective investment of grants, we will support voluntary organisations to promote equality by tackling barrier to participation and unlocking the energies and talents in Scotland's communities.

The wider objects of the Voluntary Action Fund are set out in its Memorandum and Articles of Association. These wider objects are translated into specific objectives within the Voluntary Action Fund Strategic Development Plan 2007-2009. These specific objectives are as follows:

1. VAF will develop its capacity as an active and engaged investment funder, working across Scotland.

A range of funds will be developed, supporting small community based organisations through to emerging and developing areas of voluntary activity which tackle disadvantage and inequality.

2. VAF will drive forward investment funding as an approach, developing support methods appropriate to each fund.

Investment support packages will be developed for each funding programme, based around the needs of the organisations funded, the level of grant awarded and the aims of the funding programme. Investment support will be most intensive with multi year funded projects and proportionate to the size of funding awarded.

3. VAF will be a positive force for learning and change and a credible voice highlighting developments around social change and equalities.

VAF will support those funded to champion their cause and will seek to promote their learning.

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TRUSTEES' REPORT (Contd.)

Achievements and Performance

1. Achievement of Funding Programmes

The Voluntary Action Fund's main activities during the year to achieve these objectives have been the delivery of six separate grants programmes funded by the Scottish Executive which actively distributed funding. These were:

- Volunteering Scotland Grant Scheme
- Unemployed Voluntary Action Fund
- Go4Volunteering Grant Scheme
- Race Equality Integration and Community Support Fund
- Scottish Refugee Integration Fund
- Ethnic Minorities Grant Scheme

Of these funds, only Go4Volunteering and the Scottish Refugee Integration Fund were open for new applications and were hence subject to promotion and assessment. The other funds were closed to new applicants and the role of VAF was to "invest in management", monitor and capture their learning.

The day to day grant administration for 178 grants included regular monitoring, in proportion to the size of the grants awarded, and evaluation to secure evidence of their impact. This is demonstrated in terms of greater numbers of people volunteering across Scotland, of increased vocational and social skills especially benefiting people from disadvantaged and marginalized communities, of improved job readiness, increased access to mainstream services and greater participation in community life.

The **Unemployed Voluntary Action Fund (UVAF)**, **Volunteering Scotland Grant Scheme** and the **Go4Volunteering (Get Organised for Volunteering)** Grant Scheme all seek to establish models of good practice in working with volunteers in the organisations funded as well as reduce the barriers to volunteering and involvement in social change. All programmes have a strategic vision based on the Scottish Executive's Volunteering Strategy.

The **Unemployed Voluntary Action Fund (UVAF)** programme was launched in November 1981 with the first grants awarded on 9 June 1982. The last UVAF grants entered their final year of three year funding in April 2006 and no new grants were awarded. The funding provided by UVAF has been integral in creating opportunities for people to be involved in projects in their local communities to meet identified needs in the fields of health, social and community development, and to develop volunteering as a means of promoting inclusion and increasing job readiness. All main grant projects received investment support and guidance in managing, delivering and monitoring their project. The **Unemployed Voluntary Action Fund** funded no new projects but had existing commitments to 6 organisations (2006: 16) in the third years of their funding. Only 5 proceeded through their final year as one grant was withdrawn at the beginning of the financial year due to poor performance.

The **Volunteering Scotland Grants Scheme** supports projects which ensure that those previously excluded from or unaware of volunteering have the information, support, training and encouragement to participate as volunteers. 70% of volunteers recruited and supported by the funded project have to be from 'hard to reach groups' and all volunteering has to be contributing to a valid programme of work. 24, three year grants, were awarded in 2005, utilising all available funds for the programme until March 2008. All main grant projects received investment support and guidance in managing, delivering and monitoring their project.

This resulted in a total of 29 projects being supported across the two programmes. (2006 : 40 projects). Grants awarded across these two programmes totalled £708,650 (2006: £706,341).

During the funding year 848 (2006: 1,034) volunteers were involved, of whom 68% were not in paid work. The average volunteer's time commitment was 3.2 hours per week (2006: 4.2). There was an extremely low turn over of volunteers reported by the projects, indicating that volunteers are committed to being involved and are continuing to benefit from their involvement. Only 16% of volunteers involved across the two funds left during the year. Of those who left the reasons for leaving were analysed with the main reason for leaving was to take up employment with 49% of volunteers

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TRUSTEES' REPORT (Contd.)

recording this. The second most common reason was to enter education or training with 26% of volunteers recording this.

VsGS has an emphasis on reducing the barriers to volunteering through specifically targeting those who are 'hard to reach' in being involved in volunteering. Across the 24 projects, **554** volunteers came into this category, which represented **78%** of the volunteers involved and this broken down into the different groups of hard to reach volunteers.

Volunteers who are hard to reach have experience of being a single parent, living on a low income, being homeless, live with a mental health problem, live with a physical disability, are a carer, etc. Because of their particular life issue they are therefore excluded from participating in their community or in mainstream life.

A total of 9,891 (2006: 15,629) people benefited directly from services provided by volunteers. Of the people assisted, volunteers were involved in supporting families and individuals who were experiencing particular disadvantage in communities. In addition, projects also supported people with mental health problems, people with learning difficulties, ex-offenders, and families. Volunteers provided peer support, counselling, advocacy support, befriending, information services, recycling and administrative support across the communities assisted by the projects.

This level of activity was particularly admirable given that there was a reduction in the numbers of projects funded through the Unemployed Voluntary Action Fund and the Volunteering Scotland Grant Scheme 2005.

Also integral to building the capacity of the voluntary sector, **the GO4 Volunteering (Get Organised for Volunteering)** Scheme provides dedicated, one-off small grants to increase the capacity of small grassroots voluntary and community organisations to develop sustainable volunteering. Grants of up to £2,000 were available. This scheme had no closing date and applications were received and assessed on an on-going basis. Groups of applications were assessed by in-house staff, references sought and then reviewed by a sub-committee of Trustees who made the recommendation on funding. A short application form with clear and easy to follow guidance ensures that the funds are accessible to the target organisations.

The **Go4 Volunteering Programme** was extensively promoted and in order to stimulate applications from across Scotland staff gave presentations at Funding Fairs, workshops and with key networks. Information was published and circulated through voluntary sector networks, the Voluntary Action Fund website and through funding databases.

Over 2006/07 we received 116 applications with a grant value of £176,731 and from this we funded 81 (2006: 70) organisations/groups with a grant value of £95,511 (2006: £98,318). This demonstrates a 70% success rate for applications which is particularly high for a small grants programme. These projects enabled small community based organisations to become more effective and confident about involving volunteers and assisted volunteers in being more effective in carrying out their voluntary work. The funding achieved this through providing resources for training, professional support, consultations and publications.

Like UVAF the **Ethnic Minorities Grant Scheme** entered its final year in 2006 with no new grants awarded with the grants active being on-going commitments for the third year of project funding. The Ethnic Minorities Grant Scheme has been managed by VAF since 1989. Grants were made to voluntary organisations seeking to promote racial equality and reduce racial disadvantage by setting up projects which enable black and ethnic minority communities to access mainstream services. All main grant projects received investment support and guidance in managing, delivering and monitoring their project.

6 projects in their third year of development received funding totalling £140,622 (2006: £343,947). Projects addressed racial inequality and discrimination in the fields of education, employment, housing, and social care.

TRUSTEES' REPORT (Contd.)

The **Race Equality Integration and Community Support Fund** was established by the Scottish Executive Equality Unit in January 2006 with VAF taking an active role in promoting and assessing the Fund. The Fund is targeted at locally based projects designed to support cross community integration, helping organisations and communities in their efforts to bring people together, tackle racism and promote equality. 36 projects totalling £951,545 were awarded grants in May 2006. VAF were granted aid to provide investment support to these projects.

Over the year the 36 projects made good progress with over 9,600 people benefiting from the funding. The projects covered a wide range of issues facing people from minority ethnic communities and worked to support their integration and inclusion within mainstream society. The projects tackled this through a range of activities including research into the barriers present within mainstream services and how these need to be tackled, direct support to young people facing racism and intolerance, support for the disabled and their carers in accessing services, language support, conflict resolution, activities which promote integration within and between communities, support for gypsy travellers and importantly projects which support and highlight the needs of the growing communities of migrant workers living in Scotland. 255 volunteers were involved in supporting people and taking forward race equality. They did so through providing information and advice, one to one support, befriending, activities which support social integration, and language support. Volunteers were also involved in running the services either on management committees or through providing administrative backup.

The **Scottish Refugee Integration Fund** was established by the Scottish Executive and has been running for over four years. Funding through the Scottish Refugee Integration Fund (SRIF) has been strengthening support for refugees and asylum seekers and the communities in which they live in Scotland. VAF were approached in May 2006 to provide investment support to the 26 funded projects and to administer grant funding of £585,837. In addition to this, during January 2007 VAF have also been involved in the assessment process for the next round of applications – to be funded in the 2007/08 financial year.

Over the year the 24 projects recorded that over 9,500 people benefited from the funding – from asylum seekers, refugees through to the indigenous communities in Scotland. The services provided ranged from general advice through to specific legal support, the provision of information to support integration, support with language development and support for families, children and young people. Many of the projects funded provided a wrap around service for asylum seekers and/or refugees and the majority of the projects were based in Glasgow. 571 volunteers were involved in providing valuable support services including advice, one to one support and language support, family support services and information.

2. Investment Support to funded projects – achievements of the approach

The Voluntary Action Fund as UVAF was the first funding body in Scotland to provide dedicated support to funded organisations as part of the funding package. This has been widely recognised by other funders as being important in maximising the investment made through grant funding, supporting projects to be more effective and promoting a learning culture. Although other funders have increasingly been developing an investment funding approach, we have not encountered any other funding agency which provides such a dedicated support package which goes beyond the funding into stimulating learning.

The VAF approach includes:

- **Pre-grant support in preparing an application and project plan** – focussing the organisational thinking on delivery and intended outcomes ;
- **Post grant support to funded projects** – structured support on project delivery and outcome monitoring and reporting ;
- **Grant management support** – supporting with accessing payments, returning monitoring information etc;
- **Network/learning support** – encouraging sustainable, well networked organisations & encouraging individual and joint learning .

The Investment support package is individually tailored for each funding programme and within this the level of support provided or accessed by a funded organisation can vary depending on their capacity or indeed issues arising in the course of project delivery.

Investment support is structured to generate successful projects which have a high degree of impact as well as to provide a structure for capturing the learning.

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Across the UVAF and VsGS programmes of funding, VAF staff provided over **1290** hours support to the individual projects around Scotland. This ensures that public funds are well allocated and well managed at the same time as building a relationship with funded projects based on joint values and expectations. As a result, VAF are immediately alert to any challenges arising in the delivery of projects and able to guide and support funded organisations appropriately.

This support involved one to one meetings with project staff and their management committees – at least two such structured meetings are held each year. On top of this should issues arise, VAF staff undertook additional visits to provide a critical ear and guidance where required. Telephone and email support was also in place. In addition, three 'Network Day's were organised for the funded projects addressing issues around building sustainable networks, mainstreaming equalities and supporting volunteers with additional needs.

Across the REICS and SRIF programmes of funding, VAF staff provided **992** hours of investment support. Less hours per grant are provided to these funded projects due to the particular funding agreement in place. However, in addition to this three network sessions were also provided – one joint session entitled Agents for Equality, and two bespoke sessions for each grant programme network.

3. Generating and Sharing Learning – achievements

VAF is an active contributor to the Funders Forum, is a member of the Scottish Grant Making Trusts Group, a member of the UK Grants Committee of Comic Relief and have recently been appointed to the Advisory Board of Scottish Community Action Research Fund. VAF is also an active contributor to the Scottish Urban Regeneration Forum.

VAF network work closely with Volunteer Development Scotland, The Volunteer Centre Networks, Communities Scotland (Scottish Centre for Regeneration, Homepoint Grants Scheme, Community Learning & Development, Community Engagement team) BEMIS and CEMVO.

VAF also contributed to external events run by the Scottish Centre for Regeneration, Bambury Regeneration Centre, Federation City Farms, Third Sector Summit & Funders Forum Conference, OSCR consultations, Faith in Communities events, Scottish Mentoring Network ACOSVO peer support network, etc.

VAF has also been actively involved in the Rolling Review of Charitable Status being undertaken by Office of Scottish Charity Regulator (OSCR) as one of the 'pilot' organisations and through this have developed a highly positive working relationship with OSCR.

VAF held a major Symposium on 13 September 2006. Entitled "**Delivering Change**", it brought together over 120 key people including policymakers, voluntary sector organisations, funding bodies and volunteers to explore how dedicated funding support can make a difference to communities, to organisations and to individuals. The event showcased how relevant and important the VAF funding programmes had been in delivering change within communities, with the communities themselves telling their stories.

The Deputy Minister for Communities attended and gave a speech as did the Head of the Social Inclusion and Voluntary Issues Unit of the Scottish Executive.

In 2006 the Voluntary Action Fund conducted a **programme of research** to clarify and evidence the benefits of their unique investment approach to funding and supporting the voluntary sector in Scotland. Specifically this research looked into:

- The impact and value of the VAF funding programmes in delivering Government policy;
- The impact and value of the VAF approach to investment support; and
- The longer term impact (post grant) of the funding within organisations and communities.

The first aspect of the research was undertaken by an externally commissioned research team, but these second and third aspects were delivered 'in-house'. This in-house research involved training up a team of community researchers, recruited from the funded projects, who undertook the programme of peer research with the wider constituency of funded projects.

The research programme concluded in March 2007 and the three research reports have been produced with dissemination to take place from April 2007 onwards.

£28,788 was committed to the research programme with the funding being provided by the Scottish Executive and VAF.

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TRUSTEES' REPORT (Contd.)

Finally, in 2006 VAF began an **Outcome Monitoring Pilot** with the REICS funded projects. This pilot received grant support from the Big Lottery Fund and Scottish Executive Equality Unit. The aims of the pilot are to support funded projects in:

- Building their skills and capacity around identifying and measuring outcomes
- Building their skills and capacity to analyse and report on their outcomes

From this VAF are keen to demonstrate that outcome monitoring can work with limited investment within a funding programme. This work is still underway and will be completed in 2007.

Financial Review

The incoming resources are in the form of unrestricted and restricted funds.

The unrestricted funds are the General Funds which represent the free reserves of the Voluntary Action Fund. In previous years, the Unemployed Voluntary Action Fund operated as an unrestricted fund, being defined as a Designated Fund.

The restricted funds receive income from the Scottish Executive to undertake the administration of funding programmes and capacity building.

Total incoming resources in the year amounted to £2,742,630 (2006: £1,468,385). This included grant-in-aid of £170,915 (2006: £427,348) as unrestricted funds from the Scottish Executive for the Unemployed Voluntary Action Fund, and as restricted funds: grant-in-aid of £668,673 for the Volunteering Scotland Grant Scheme (2006: £385,252), grant-in-aid of £140,622 (2006: £500,000) for the Ethnic Minority Grant Scheme, grant aid of £125,772 for the Go4Volunteering Grant Scheme (2005: £125,000), grant aid of £585,837 for the Scottish Refugee Integration and Community Support Fund, and grant aid of £952,406 for the Race Equality Integration and Community Support Fund.

Bank interest receivable amounted to £17,902 (2006: £5,702)

The total of project grants payable amounted to £2,363,104 (2006: £1,236,101). The grants are listed in the notes to the accounts. The total amount of £235,876 (2006: £198,205) was paid in support costs. The increase was due to an increase in activity and income as detailed above as well as a move of premises which took place in the financial year.

Details of the costs for each funding programme are given in pages 20 to 26.

The use of grant-in-aid for the Unemployed Voluntary Action Fund, Volunteering Scotland Grant Scheme, Ethnic Minorities Grant Scheme and Go4Volunteering Grant Scheme is regulated by standard conditions of grant from the Scottish Executive.

Reserves Policy

Unrestricted funds include the general funds arising from past operating results. It is the policy of the charity to build up general funds, which are the free reserves of the organisation, to cover staff and office costs for a period of three months.

Future Development of VAF funding programmes

2007 represents the 25th Anniversary of VAF as an organisation. There is a considerable track record of impact on which to build future funding. However, the emphasis on researching the impact of VAF funding and the value of the VAF approach which was carried out in 2006 also contributes to the evidence base for continued support for the work of VAF.

Discussions with the Scottish Executive and Ministers relating to the development of VAF and its funding have been ongoing in 2006 and shall continue during 2007.

VAF has produced a Strategic Development Plan covering the period 2007-2009. Development of this and the proposed areas of work is dependent on continued funding support from the Scottish Executive. The current funding agreements expire on 31 March 2008. As such a key concern of Trustees and staff during 2007 shall be to ensure that funding agreements are renewed in order that VAF is able to meet its objectives and continue to promote equality and inclusion across Scotland through voluntary action.

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TRUSTEES' REPORT (Contd.)

Trustees

The directors of the charitable company are its trustees for the purpose of charity law. As set out in the Articles of Association, the trustees (including the Chair of the trustees) are nominated by the Membership. This is done on an annual basis. The trustees of the charity at the date of signature of this report are listed on page 1.

Trustees' Responsibilities

The trustees are responsible for preparing the Trustees Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and the profit or loss for that period. In preparing these financial statements the trustees are required to:

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

The trustees confirm that:

- as far as they are aware, there is no relevant audit information of which the company's auditors are unaware, and
- each trustee has taken all the steps he ought to have taken as a trustee in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

A resolution to re-appoint Messrs Chiene + Tait as auditors will be proposed at the Annual General Meeting.

ELEANOR M. LOGAN
Company Secretary

2007



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF VOLUNTARY ACTION FUND

We have audited the financial statements of the Voluntary Action Fund for the year ended 31 March 2007 set out on pages 11 to 30. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the charitable company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The responsibilities of the trustees (who are also the directors of the Voluntary Action Fund, for the purpose of company law) for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985 and the Charities and Trustee Investment (Scotland) Act 2005 and the regulations thereunder. We also report to you whether, in our opinion, the information given in the Trustees' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the charity is not disclosed.

We read the Trustees' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

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

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

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charity's affairs as at 31 March 2007 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985 and the Charities and Trustee Investment (Scotland) Act 2005 and the regulations thereunder; and
- the information given in the Trustees' Report is consistent with the financial statements.

CHIENE+TAIT
Chartered Accountants and Registered Auditors
61 Dublin Street
Edinburgh EH3 6NL

2007

VOLUNTARY ACTION FUND
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(including Income and Expenditure Account)

For the year ended 31 March 2007

	Notes	Un- Restricted Funds £	Restricted Funds £	Total 2007 £	22 December 2003 to 31 March 2006 £
Incoming resources					
Incoming resources from generated funds					
Voluntary income					
Grant-in-aid	2	170,915	668,673	839,588	812,600
Grant-aid	2	-	1,804,637	1,804,637	625,000
Other grants	2	-	58,898	58,898	10,185
Investment Income – bank interest receivable		17,902	-	17,902	5,702
Incoming resources from charitable activities					
Grant assessments		-	-	-	12,593
Management Fees		5,000	1,000	6,000	2,300
Training Fees to offset subsistence		-	840	840	-
Other incoming resources		79	14,686	14,765	5
Total incoming resources		193,896	2,548,734	2,742,630	1,468,385
Resources Expended					
Costs of generating funds					
Charitable Activities					
Grantmaking - Grants payable	5	106,665	2,256,439	2,363,104	1,236,101
- Support costs	6	59,667	176,209	235,876	198,205
Governance costs	7	6,037	-	6,037	2,645
Total resources expended		172,369	2,437,750	2,610,119	1,440,322
Net incoming resources before transfers					
Gross transfers between funds	13	21,527 (18,805)	110,984 18,805	132,511 -	28,063 -
Net movement in funds		2,722	129,789	132,511	28,063
Total funds brought forward		55,597	36,154	91,751	63,688
Total funds carried forward	13	58,319	165,943	224,262	91,751

The statement of financial activities includes all gains and losses recognised in the year. All incoming resources and resources expended derive from continuing activities.

The notes on pages 13 to 30 form part of the financial statements.

VOLUNTARY ACTION FUND
(A Company Limited by Guarantee)

BALANCE SHEET

As at 31 March 2007

	Notes	£	2007 £	£	2006 £
Fixed assets					
Tangible assets	10		8,963		12,948
Current assets					
Debtors & Prepayments	11	1,085		1,209	
Cash at bank and in hand		216,842		80,025	
		-----		-----	
		217,927		81,234	
Creditors: amounts due within one year	12	2,628		2,431	
		-----		-----	
Net current assets			215,299		78,803
			-----		-----
Net assets			224,262		91,751
			=====		=====
Represented by:					
Unrestricted funds	13		58,319		55,597
Restricted funds	13		165,943		36,154
			-----		-----
			224,262		91,751
			=====		=====

The financial statements were approved by the Trustees on and signed on their behalf by:

.....
Trustee

The notes on pages 13 to 30 form part of these financial statements.

**VOLUNTARY ACTION FUND
(A Company Limited by Guarantee)**

NOTES to the FINANCIAL STATEMENTS

For the year ended 31 March 2007

1. Accounting policies

Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Companies Act 1985 and Accounting Standards, with the Statement of Recommended Practice 2005 – Accounting and Reporting by Charities and with the Memorandum and Articles of Association.

Incoming resources

Grant-in-aid, grant-aid, and grants received, including capital grants, are reflected in the Statement of Financial Activities when they are receivable. Where grantors specify that grants are for particular purposes, this income is included in incoming resources within restricted funds when receivable.

Resources expended and allocation of costs

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure. All costs have been directly attributed to one of the functional categories of resources expended in the Statement of Financial Activities.

Grants payable are conditional on funding being available. Once approved by Trustees such grants are recognised as expenditure when the conditions attached are fulfilled. Grants are generally paid as a condition of the funding, in the same year as the funding is received.

The majority of costs are directly attributed to specific activities. Certain shared costs are apportioned to activities on the basis of direct staff and other operating costs. Support costs include development, training and capacity building and are attributed, as are grants, to charitable expenditure. Project administration comprises the operation of the grant programmes and monitoring of projects, and promotion covers the publicity and costs of raising awareness of the funding generally and grant programmes specifically. Where costs cannot be attributed directly it is estimated that staff and other operating costs are attributable as follows, project administration 67%, project development and training costs 26% and promotion 7%.

Tangible fixed assets

Tangible fixed assets are capitalised at cost, plus any incidental costs of acquisition. Assets purchased with restricted funds are transferred to unrestricted funds when the project for which they are used has ended. No assets costing less than £1,000 are capitalised.

Depreciation

Depreciation is provided on fixed assets at rates calculated to write off the cost or valuation over their expected useful lives as follows:

- Computers software and equipment - straightline, over 3 years.
- Office equipment - straightline, over 5 years.

Funds

Unrestricted general funds are the funds which can be used in accordance with the charitable objects at the discretion of the trustees. Restricted funds are the funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. Designated funds are the funds set aside by the trustees out of the unrestricted general funds for specific future purposes and projects. Any overspend in restricted funds is met by a transfer from the unrestricted fund.

Further details of the designated and restricted funds are provided in note 13.

VOLUNTARY ACTION FUND
(A Company Limited by Guarantee)

NOTES to the FINANCIAL STATEMENTS (Contd.)

For the year ended 31 March 2007

1. Accounting policies (contd)

Pensions

The company pays defined contributions into a group personal pension scheme for its employees. The pension costs for the year are included within outgoing resources in the year in which they are incurred.

2. Voluntary income

Grant-in-Aid, Grant -Aid, and Other Grants consist of the following:

	Un- Restricted Funds	Restricted Funds	Total Funds 2007	Total Funds 2006
	£	£	£	£
Grant-in-Aid received from:				
Scottish Executive Development Department for UVA Grant Programme	170,915	-	170,915	427,348
Volunteering Scotland Grant Scheme	-	668,673	668,673	385,252
	-----	-----	-----	-----
	170,915	668,673	839,588	812,600
Grant-Aid received from:				
Scottish Executive Development Department for Ethnic Minorities Grant Scheme	-	140,622	140,622	500,000
Go4 Volunteering	-	125,772	125,722	125,000
REICSF and SRIF	-	1,538,243	1,538,243	-
	-----	-----	-----	-----
	-	1,804,637	1,804,637	625,000
Other Grants				
Scottish Executive Development Department for Support costs for administration of REICSF and SRIF	-	58,898	58,898	-
Unspent grant's repayable last year now permitted to retain for research	-	-	-	10,185
	-----	-----	-----	-----
Total Voluntary Income	170,915	2,532,208	2,703,123	1,447,785
	=====	=====	=====	=====

3. Net incoming resources

This is stated after charging:
Auditor's remuneration

2007
£

2,527

=====

2006
£

2,431

=====

4. Cost of generating funds

Staff costs

**Unrestricted
Funds**
£

-

=====

**Restricted
Funds**
£

5,102

=====

**Total
2007**
£

5,102

=====

**Total
2006**
£

3,371

=====

VOLUNTARY ACTION FUND
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

For the year ended 31 March 2007

5. Grantmaking – Grants payable to Institutional grants

	2007	2006
	£	£
Unrestricted		
Unemployed Voluntary Action Fund		
Year two (UVAF)	-	124,005
Year three (UVAF)	106,665	232,315
Additional Payments – UVAF	-	441
Supplementary grants	-	319
	-----	-----
	106,665	357,080
Grants cancelled and returned	-	(22,373)
	-----	-----
	106,665	334,707
	-----	-----
Restricted		
Volunteering Scotland Grant Scheme		
Year one (VsGS)	226,221	348,585
Year two (VsGS)	375,764	-
Additional Payments – VsGS	-	23,809
	-----	-----
	601,985	372,394
	-----	-----
Ethnic Minorities Grant Scheme		
Year two	-	137,624
Year three	140,622	216,725
Capacity building grants	-	92,035
	-----	-----
	140,622	446,384
Grants cancelled and returned	(3,904)	(15,702)
	-----	-----
	136,718	430,682
	-----	-----
Go4 Volunteering (2005: Valuing Volunteers)		
Round one – grants less than £ 2,000 (2005: £5 00)	34,128	99,013
Round two – grants less than £ 2,000 (2005: £5 00)	61,383	-
	-----	-----
	95,511	99,013
Grants cancelled and returned	(80)	(695)
	-----	-----
	95,431	98,318
	-----	-----
Race Equality, Integration and Community Support Fund		
Year one	849,703	-
	-----	-----
Scottish Refugee Integration Fund		
Year one	572,602	-
	-----	-----
Total grants payable	2,363,104	1,236,101
	=====	=====

An analysis of all grants awarded and paid during 2007 from the funds above are shown in notes 15, 16, 17, 18 and 19. Amounts authorised in principle but unpaid at 31 March 2007 are disclosed in note 22. The amounts have not been provided for in the financial statements in accordance with SORP 2005 requirements due to the ultimate discretion to avoid the expenditure being retained by the charity. The Go4 Volunteering grants were all of £ 2,000 or less, and are not disclosed, but a full list of grants is available from the Voluntary Action Fund.

VOLUNTARY ACTION FUND
(A Company Limited by Guarantee)

NOTES to the FINANCIAL STATEMENTS (Contd.)

For the year ended 31 March 2007

6. Grantmaking – Support Costs

	Un- Restricted Funds	Restricted Funds	Total 2007	Total 2006
Management & Administration				
Staff costs	12,697	75,880	88,577	103,577
Insurance	584	2,490	3,074	1,705
Staff Travel and Subsistence	506	2,445	2,951	3,411
Conferences, Training and Consultancy	114	2,079	2,193	1,223
Trustees' Expenses	718	382	1,100	599
Rent & Occupancy Costs	6,213	6,903	13,116	11,910
Office Supplies and Services	2,594	4,102	6,696	6,127
Computer/Technical Support	2,531	3,617	6,148	4,880
Depreciation	1,578	6,141	7,719	6,474
Auditors Remuneration	491	1,778	2,269	2,454
Management Fee	-	6,000	6,000	2,300
Office move	10,323	-	10,323	-
Bank Charges	15	-	15	-
Support Costs				
Professional Fees	3,670	16,053	19,723	1,096
Staff Costs	6,247	31,427	37,674	32,807
Staff Travel and Subsistence	196	949	1,145	1,313
Project Training/Consultancy	236	1,614	1,850	2,395
Events/External Training	3,095	3,447	6,542	-
Office Services & Supplies	1,007	1,589	2,596	1,787
Promotion costs				
Staff Costs	1,682	8,461	10,143	10,266
Staff Travel and Subsistence	53	254	307	354
Marketing, Printing and Website	4,846	171	5,017	2,931
Office Services and Supplies	271	427	698	596
	-----	-----	-----	-----
	59,667	176,209	235,876	198,205
	=====	=====	=====	=====

7. Governance Costs

Staff costs	3,401	-	3,401	1,686
Trustees' Recruitment	2,232	-	2,232	599
Auditors Remuneration	374	-	374	330
Professional Fees	30	-	30	30
	-----	-----	-----	-----
	6,037	-	6,037	2,645
	=====	=====	=====	=====

8. Staff costs

Salaries	21,318	106,388	127,705	128,207
Employers' National Insurance Costs	1,857	9,749	11,606	12,125
Pension costs	853	4,732	5,586	6,605
	-----	-----	-----	-----
	24,028	120,869	144,897	146,937
Recruitment fees	-	-	-	4,770
	-----	-----	-----	-----
	24,028	120,869	144,897	151,707
	=====	=====	=====	=====

VOLUNTARY ACTION FUND
(A Company Limited by Guarantee)

NOTES to the FINANCIAL STATEMENTS (Contd.)

For the year ended 31 March 2007

8. Staff costs (Contd)

	Un- Restricted Funds	Restricted Funds	Total 2007
	£	£	£
Allocated thus:			
Cost of generating funds	5,102	-	5,102
Charitable expenditure	20,627	115,767	136,394
Governance costs	3,401	-	3,401
	-----	-----	-----
	29,130	115,767	144,897
	=====	=====	=====

The average weekly number of employees during the period was 7 (2006: 7), of whom three worked full-time, one for 28 hours per week, and three for 21 hours per week.

No individual employees earned £ 60,000 or more during the period. None of the trustees were remunerated for their duties as trustees during the period. Out of pocket expenses totalling £1,100 (2006: £1,023) were reimbursed during the period in respect of eleven trustees.

9. Taxation

Voluntary Action Fund is a registered charity and as a consequence no liability to corporation tax arises.

10. Tangible assets	Computer Equipment	Office Equipment	Total
	£	£	£
Cost			
At 1 April 2006	36,717	1,911	38,628
Additions	3,734	-	3,734
	-----	-----	-----
At 31 March 2007	40,451	1,911	42,362
	-----	-----	-----
Accumulated depreciation			
At 1 April 2006	23,769	1,911	25,680
Charge for period	7,719	-	7,719
	-----	-----	-----
At 31 March 2007	31,488	1,911	33,399
	-----	-----	-----
Net book value			
At 31 March 2007	8,963	-	8,963
	=====	=====	=====
At 31 March 2006	12,948	-	12,948
	=====	=====	=====

VOLUNTARY ACTION FUND
(A Company Limited by Guarantee)

NOTES to the FINANCIAL STATEMENTS (Contd.)

For the year ended 31 March 2007

11. Debtors	2007	2006
	£	£
Interest receivable	450	525
Prepayments	635	684
	-----	-----
	1,085	1,209
	=====	=====

12. Creditors: amounts falling due within one year	2007	2006
	£	£
Accruals	2,628	2,431
	=====	=====

13. Funds

	Notes	Balance at 1 April 2006	Incoming Resources	Outgoing Resources	Transfers	Balance at 31 March 2007
		£	£	£	£	£
Unrestricted Funds						
General Fund		48,053	2,167	-	8,099	58,319
Designated Funds (VAF)	15	7,544	191,729	172,369	(26,904)	-
		-----	-----	-----	-----	-----
		55,597	193,896	172,369	(18,805)	58,319
		-----	-----	-----	-----	-----
Restricted Funds						
Ethnic Minorities Grant Scheme	16	-	140,623	136,718	(3,905)	-
Go4Volunteering	17	-	125,772	120,580	18,805	23,997
Short Term Infrastructure Fund		12,281	-	6,141	-	6,140
Race Equality, Integration & Community Support Fund / Scottish Refugee Integration Fund	18	-	1,602,909	1,486,202	-	116,707
Volunteering Scotland Grant Scheme	19	-	669,513	663,740	-	5,773
Research Fund	20	23,873	1,000	23,438	3,905	5,340
Outcome Monitoring	21	-	8,917	931	-	7,986
		-----	-----	-----	-----	-----
		36,154	2,548,734	2,437,750	18,805	165,943
		-----	-----	-----	-----	-----
		91,751	2,742,630	2,610,119	-	224,262
		=====	=====	=====	=====	=====

**VOLUNTARY ACTION FUND
(A Company Limited by Guarantee)**

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

For the year ended 31 March 2007

13. Funds (Contd.)

The Unrestricted funds are :

The **General fund** which represents the free reserves of the Voluntary Action Fund and may be used for any of the charitable objects at the discretion of the Trustees.

The **Designated fund** which receives income for grant-making programmes, in particular grant-in-aid from the Scottish Executive for the Unemployed Voluntary Action Fund grant programme.

The Restricted funds are :

The **Ethnic Minorities Grant Scheme** for which the Voluntary Action Fund receives grant-aid from the Scottish Executive. The voluntary Action Fund undertakes the administration of the funding programme and capacity building, but makes recommendations to the Scottish Executive on grants awarded.

Go4Volunteering receives funding from the Scottish Executive. This scheme is designed to help small voluntary organisations and community groups that rely on volunteers. The programme also fits with the Volunteering Strategy by helping small organisations to become more effective and confident about working with volunteers.

The **Short Term Infrastructure Fund** of the Scottish Executive provides grant-aid for new IT equipment and support.

The **Race Equality, Integration and Community Support Fund** receives grant-aid funding from the Scottish Executive. It is intended to develop work on race equality, to encourage community integration, to enable greater engagement with mainstream services and to tackle racism.

The **Volunteering Scotland Grant Scheme** fund receives grant-aid funding from the Scottish Executive. It provides grants and practical support to voluntary organisations in Scotland, which are recognised as charitable, to enable them to develop high quality volunteering opportunities.

The **Research Fund** consists of unspent funding from the Unemployed Voluntary Action Fund grant programme in 2004/2005 and the Ethnic Minorities Grant Scheme in 2005/2006 which the Scottish Executive have permitted VAF to retain in order to fund research into the impact of its work in the sector and other aspects of volunteering.

14. Analysis of net assets between funds

	Tangible Fixed Assets	Current Assets	Current Liabilities	Total
	£	£	£	£
Unrestricted funds	2,823	58,124	(2,628)	58,319
Restricted funds	6,140	159,803	-	165,943
	-----	-----	-----	-----
	8,963	217,927	(2,628)	224,262
	=====	=====	=====	=====

VOLUNTARY ACTION FUND
(A Company Limited by Guarantee)
NOTES TO THE FINANCIAL STATEMENTS (Contd.)

For the year ended 31 March 2007

Designated Funds

15. Unemployed Voluntary Action Fund

	£	£
<i>Incoming Resources</i>		
Grant-in-Aid – Development Department Budget Scottish Executive	170,915	
Bank Interest Attributable	15,735	
Management & Administration Fees	5,000	
Other Income	79	
		191,729
<i>Resources Expended</i>		
Grant Making		
Grants Payable		106,665
Grant Making Support Costs		
<u>Project Administration</u>		
Trustees Expenses	718	
Staff Costs	12,697	
Staff Travel and Subsistence	506	
Staff Conferences and Training	114	
Insurance	584	
Rent and Occupancy Costs	6,213	
Office Supplies and Services	2,594	
Depreciation	1,578	
Computer/Technical Support	2,531	
Auditors' Remuneration	491	
Office Move	10,322	
Bank Charges	15	
<u>Support Costs</u>		38,363
Professional Fees	3,670	
Staff Costs	6,247	
Staff Travel and Subsistence	196	
Project Training/Consultancy	236	
Events/External Training	3,095	
Office Services and Supplies	1,008	
<u>Promotion</u>		14,452
Staff Costs	1,682	
Staff Travel and Subsistence	53	
Marketing, Printing and Website	4,846	
Office Services and Supplies	271	
Governance Costs		6,852
Staff Costs	3,401	
Trustees' Expenses	2,232	
Auditor's Remuneration	374	
Professional Fees	30	
		<u>6,037</u>
		172,369
		19,360

VOLUNTARY ACTION FUND
(A Company Limited by Guarantee)
NOTES TO THE FINANCIAL STATEMENTS (Contd.)

For the year ended 31 March 2007

Restricted Funds

16. Ethnic Minorities Grant Scheme

		£		£
<i>Incoming Resources</i>				
Grant-in-Aid – Development Department Budget Scottish Executive		140,623		140,623
<i>Resources Expended</i>				
Grant Making				
Grants Payable				140,623
Returned Grants				(3,905)
Grant Making Support Costs				
<u>Project Administration</u>				
Trustees Expenses		-		
Staff Costs		-		
Staff Travel and Subsistence		-		
Staff Conferences and Training		-		
Insurance		-		
Rent and Occupancy Costs		-		
Office Supplies and Services		-		
Depreciation		-		
Computer/Technical Support		-		
Auditors' Remuneration		-		
Office Move		-		
Bank Charges		-		
<u>Support Costs</u>				
Professional Fees		-		
Staff Costs		-		
Staff Travel and Subsistence		-		
Project Training/Consultancy		-		
Events/External Training		-		
Office Services and Supplies		-		
<u>Promotion</u>				
Staff Costs		-		
Staff Travel and Subsistence		-		
Marketing, Printing and Website		-		
Office Services and Supplies		-		
			1	36,718
				3,905

VOLUNTARY ACTION FUND
(A Company Limited by Guarantee)
NOTES TO THE FINANCIAL STATEMENTS (Contd.)

For the year ended 31 March 2007

Restricted Funds

17. Go4Volunteering

		£	£
<i>Incoming Resources</i>			
Grant-in-Aid – Development Department Budget Scottish Executive			125,772
<i>Resources Expended</i>			
Grant Making			
Grants Payable – Round 1		34,128	
Grants Payable – Round 2		61,383	95,511
Returned Grants			(80)
Grant Making Support Costs			
Grant Making Support Costs			
<u>Project Administration</u>			
Trustees Expenses		-	
Staff Costs		13,606	
Staff Travel and Subsistence		-	
Staff Conferences and Training		-	
Insurance		246	
Rent and Occupancy Costs		970	
Office Supplies and Services		1,059	
Depreciation		-	
Computer/Technical Support		477	
Auditors' Remuneration		439	17,797
Management Fee		1,000	
<u>Support Costs</u>			
Professional Fees		65	
Staff Costs		5,280	
Staff Travel and Subsistence		-	
Project Training/Consultancy		-	
Events/External Training		-	5,756
Office Services and Supplies		411	
<u>Promotion</u>			
Staff Costs		1,422	
Staff Travel and Subsistence		-	
Marketing, Printing and Website		64	<u>1,596</u>
Office Services and Supplies		110	
			120,580
			5,192

VOLUNTARY ACTION FUND
(A Company Limited by Guarantee)
NOTES TO THE FINANCIAL STATEMENTS (Contd.)

For the year ended 31 March 2007

Restricted Funds

18. Race Equality, Integration and Community Support Fund / Scottish Refugee Integration Fund

		£	£
<i>Incoming Resources</i>			
Grant Aid – Development Department Budget Scottish Executive Race Equality, Integration and Community Support Fund Scottish Refugee Integration Fund Support Costs for administration of scheme Other income		952,406 585,837 58,898 5,768	1,602,909
<i>Resources Expended</i>			
Grant Making			
Grants Payable – REICSF Grants Payable – SRIF		849,703 572,602	1,422,305
Grant Making Support Costs			
<u>Project Administration</u>			
Trustees Expenses Staff Costs Staff Travel and Subsistence Staff Conferences and Training Insurance Rent and Occupancy Costs Office Supplies and Services Depreciation Computer/Technical Support Auditors' Remuneration Management Fee Bank Charges		143 31,541 755 396 553 3,123 1,446 - 703 685 5,000 -	44,345
<u>Support Costs</u>			
Professional Fees Staff Costs Staff Travel and Subsistence Project Training/Consultancy Events/External Training Office Services and Supplies		60 12,240 293 366 2,451 560	15,970
<u>Promotion</u>			
Staff Costs Staff Travel and Subsistence Marketing, Printing and Website Office Services and Supplies		3,295 79 57 151	<u>3,582</u>
			1,486,202
			116,707

VOLUNTARY ACTION FUND
(A Company Limited by Guarantee)
NOTES to the FINANCIAL STATEMENTS (Contd.)

For the year ended 31 March 2007

Restricted Funds

19. Volunteering Scotland Grant Scheme

		£	£
<i>Incoming Resources</i>			
Grant-Aid – Scottish Executive Training Course Income		668,673 840	669,513
<i>Resources Expended</i>			
Generating Funds			
Staff costs			5,102
Grant Making			
Grants Payable –Year1		226,221	
Grants Payable –Year2		375,764	601,985
Grant Making Support Costs			
<u>Project Administration</u>			
Trustees Expenses		231	
Staff Costs		26,866	
Staff Travel and Subsistence		1,182	
Staff Conferences and Training		1,148	
Insurance		1,691	
Rent and Occupancy Costs		2,810	
Office Supplies and Services		1,342	
Depreciation		-	
Computer/Technical Support		2,396	
Auditors' Remuneration		654	38,320
<u>Support Costs</u>			
Professional Fees		115	
Staff Costs		12,406	
Staff Travel and Subsistence		459	
Project Training/Consultancy		1,197	
Events/External Training		-	
Office Services and Supplies		520	14,697
<u>Promotion</u>			
Staff Costs		3,340	
Staff Travel and Subsistence		122	
Marketing, Printing and Website		34	
Office Services and Supplies		140	<u>3,636</u>
			663,740
			<u>5,773</u>

VOLUNTARY ACTION FUND
(A Company Limited by Guarantee)
NOTES TO THE FINANCIAL STATEMENTS (Contd.)

For the year ended 31 March 2007

Restricted Funds

20. Research

		£	£
<i>Incoming Resources</i>			
Management and admin fees			1,000
<i>Resources Expended</i>			
Grant Making Support Costs			
<u>Project Administration</u>			
Trustees Expenses		8	
Staff Costs		3,867	
Staff Travel and Subsistence		506	
Staff Conferences and Training		535	
Insurance		-	
Rent and Occupancy Costs		-	
Office Supplies and Services		255	
Depreciation		-	
Computer/Technical Support		41	
Auditors' Remuneration		-	5,212
<u>Support Costs</u>			
Professional Fees		15,813	
Staff Costs		1,501	
Staff Travel and Subsistence		196	
Project Training/Consultancy		51	
Events/External Training		68	
Office Services and Supplies		98	17,727
<u>Promotion</u>			
Staff Costs		404	
Staff Travel and Subsistence		53	
Marketing, Printing and Website		16	
Office Services and Supplies		26	<u>499</u>
			23,438
			<u>(22,438)</u>

VOLUNTARY ACTION FUND
(A Company Limited by Guarantee)
NOTES TO THE FINANCIAL STATEMENTS (Contd.)

For the year ended 31 March 2007

Restricted Funds

21. Outcome Monitoring

		£	£
<i>Incoming Resources</i>			
Other income			8,917
<i>Resources Expended</i>			
Grant Making Support Costs			
<u>Project Administration</u>			
Staff Travel and Subsistence		2	2
<u>Support Costs</u>			
Staff Travel and Subsistence		1	
Events/External Training		928	929
<u>Promotion</u>			
Staff Costs		-	
Staff Travel and Subsistence		-	
Marketing, Printing and Website		-	
Office Services and Supplies		-	-
			931
			7,986

**VOLUNTARY ACTION FUND
(A Company Limited by Guarantee)**

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

For the year ended 31 March 2007

22. Grants payable

<u>Unemployed Voluntary Action Fund</u>	Approved to 31.3.07	Paid to 31.3.07
Glasgow Braendam Link	18,291	18,291
Home-Start Glasgow North West	19,153	19,153
The Bike Station, Edinburgh	20,634	20,634
Volunteer Centre Dundee – Lend -A-Hand	22,413	22,413
YMCA Glasgow – ‘Y’ work with Refugees	26,174	26,174
TOTAL	----- 106,665 -----	----- 106,665 -----

<u>Volunteering Scotland Grant Scheme</u>	Approved to 31.3.07	Paid to 31.3.07
Bambury Regeneration Centre	24,823	24,823
Calman Trust Ltd	37,936	37,936
Community Links	33,617	33,617
Dundee Independent Advocacy Support	35,314	35,314
East Camp Trust	13,250	13,250
Ethnic Enable	34,129	34,129
First Hand	24,306	24,306
Furniture Recycling Project Angus	21,149	21,149
Grampian Opportunities	39,844	39,844
Home from Home (Scotland) Limited	22,252	22,252
Home-Start Angus	18,488	18,488
Jeely Piece Club	20,875	20,875
LGBT Centre for Health & Wellbeing	26,578	26,578
Link Living Limited	37,862	37,862
Lochaber Community Care Forum	23,952	23,952
Multi Ethnic Aberdeen Limited (MeAL)	28,028	28,028
North Lanarkshire Disability Forum	23,035	23,035
Princess Royal Trust – East Ayrshire Carers	23,149	23,149
Royston Youth Action	31,984	31,984
Spruce Carpets Ltd	24,791	24,791
Street League Scotl and	37,700	37,700
You Are Not Alone Family Support Services	18,923	18,923
TOTAL	----- 601,985 -----	----- 601,985 -----

The **Go4Volunteering Grants** were all of £2,000 or less, and are not disclosed, but a full list of grants is available from the Voluntary Action Fund.

**VOLUNTARY ACTION FUND
(A Company Limited by Guarantee)**

NOTES to the FINANCIAL STATEMENTS (Contd.)

For the year ended 31 March 2007

22. Grants payable (contd.)

<u>Ethnic Minorities Grant Scheme</u>	Approved to 31.3.07	Paid to 31.3.07
Black Community Development Project, Edinburgh	27,344	27,344
Central Scotland Racial Equality Council, Clackmannan	27,045	27,045
Centre for Human Ecology, Edinburgh	23,777	23,777
Chinese Community Development Partnership, Glasgow	21,828	21,828
Roshni, Glasgow	18,398	18,398
Scottish Council for Minorities	22,230	22,230
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TOTAL	140,622	140,622
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<u>Race Equality Integration & Community Support Fund</u>	Approved to 31.3.07	Paid to 31.3.07
Amina – The Muslim Women’s Resource Centre, Glasgow	26,608	26,608
Catholic Church Hall Hawick Users Group	1,415	1,415
CEMVO – Council of Ethnic Minority Voluntary Organisations	49,974	49,974
Central Scotland Racial Equality Council	25,000	19,626
Contact Point in East Dunbartonshire	14,065	14,065
Crossroads Youth and Community Association	23,036	23,036
Disabled & Carers Information Centre Association	19,870	19,870
Duncholgan Playgroup	11,082	11,082
Dundee International Women’s Centre	29,511	29,511
Dumfries and Galloway Citizens Advice Service	23,585	23,585
Edinburgh & Lothian’s Racial Equality Council	32,514	32,514
Eildon Housing	40,861	40,861
Ethnic Minorities Law Centre	50,000	25,000
Glasgow Ansar	42,540	42,540
Glasgow ESOL Forum	32,000	32,000
Gorbals Initiative	22,033	22,033
Grampian Racial Equality Council	7,900	7,900
Hidden Garden	10,000	10,000
LINKnet Mentoring Limited	41,998	41,998
Lochaber Citizens Advice Bureau	16,959	12,720
Midlothian Voluntary Action	785	785
MECOPP – Minority Ethnic Carers of Older People Project	50,000	25,000
Multi Cultural Family Base	34,562	34,562
Pan African Arts	39,800	30,200
PATH (Scotland)	33,200	24,900
Planning Aid for Scotland	43,796	32,847
Project Ability	6,376	6,376
REACH Community Health Project	49,942	35,700
Save the Children	48,100	48,100
Sikh Sanjog	18,849	18,849
Travellers Education & Information Project (North East)	39,008	39,008
Youth Counselling Services Agency – Ayrshire Based	10,000	10,000
Youth Counselling Services Agency – Glasgow Based	36,175	36,175
YWCA Roundabout Centre	9,712	9,712
West of Scotland Racial Equality Council	5,000	5,000
Workers’ Educational Association	6,150	6,150
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TOTAL	952,406	849,702
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**VOLUNTARY ACTION FUND
(A Company Limited by Guarantee)**

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

For the year ended 31 March 2007

22. Grants payable (contd.)

Scottish Refugee Integration Fund

	Approved to 31.3.07	Paid to 31.3.07
Bridges Programme	36,000	36,000
British Red Cross	49,132	49,132
BTCV Scotland	20,000	20,000
Castle Milk Community Forum	15,000	15,000
Community Groups Supporting Asylum Seekers	20,000	20,000
Community Responses Co-ordinating Group	15,000	15,000
CSV – Community Service Volunteers	21,194	21,194
Drumchapel Citizens Advice Bureau	2,083	2,083
Easterhouse Citizens Advice Bureau	32,640	32,640
Ethnic Minorities Law Centre	22,500	22,500
Gorbals Initiative – Peer Advocacy Project	50,293	50,293
Gorbals Initiative – Database Project	10,000	10,000
Integrating Toryglen Community	20,000	20,000
Karibu	10,000	10,000
Legal Services Agency	17,743	17,743
Linkes – Junior Integration Project	14,725	14,725
Linkes – Integration Project	22,103	22,103
Maryhill Citizens Advice Bureau	34,000	34,000
Maryhill Integration Network	25,000	25,000
North Glasgow College	27,463	13,730
Refugee Survival Trust	6,000	6,000
Rosemount Lifelong Learning	20,000	20,000
Save the Children	10,000	10,000
Scottish Sports Futures	25,960	25,960
Strathclyde Police – Operation Reclaim	50,000	50,000
Umoja	9,000	9,500
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TOTAL	585,836	572,603
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Commitments

The Trustees have also approved in principle, grants which are subject to the recipient fulfilling certain conditions. The amounts authorised but not accrued as expenditure at 31 March 2007 are as follows:

	2007 £	2006 £
Commitments at 1 April 2006	1,600,272	985,254
New grants approved	2,566,456	1,703,900
Charged in the Statement of Financial Activities	(2,359,120)	(1,056,107)
Grants cancelled or returned	(3,984)	(32,775)
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Commitments at 31 March 2007	<u>1,803,624</u>	<u>1,600,272</u>

**VOLUNTARY ACTION FUND
(A Company Limited by Guarantee)**

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

For the year ended 31 March 2007

Commitments (continued)

The following represents the forward grant commitments (subject to conditions being met) within the Volunteering Scotland Grant Scheme, Unemployed Voluntary Action Fund and the Ethnic Minorities Grant Scheme. The Voluntary Action Fund has corresponding commitments of funding support from the Scottish Executive to enable these forward commitments to be honoured.

Commitments at 31 March 2007

Due within one year	1,803,624	870,986
Due between one and two years	-	729,286
	<u>1,803,624</u>	<u>1,600,272</u>

23. Going Concern

The company depends on grant funding from outside sources to finance its activities and has committed funding until March 2008. The Scottish Executive (the company's principal funder) is currently undertaking a review of its funding of public bodies. Agreement to future funding is contingent on the outcome of this review which is due in November 2007. The Board have fully considered the going concern position of the company at the date of approving the financial statements. Through discussions to date the Board are unaware of any developments or factors which would indicate that future funding will not be forthcoming. As a consequence the Board have prepared the financial statements on the going concern basis.