

Company Number: 1452482
Charity Commission Number: 278837
Scottish Charity Number: SC041623

REACH VOLUNTEERING

(Limited by Guarantee)

Report and Financial Statements

31 December 2010

REACH VOLUNTEERING

(Limited by Guarantee)

Financial statements for the year ended 31 December 2010

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REACH VOLUNTEERING (Limited by Guarantee) Report of the Trustees

LEGAL AND ADMINISTRATIVE INFORMATION

Status	Company limited by guarantee. Registered in England and Wales. Registered charity
Company number	1452482
Charity Commission number	278837
Scottish charity number	SC041623
President	The Lord Janner of Braunstone, QC
Vice Presidents	Sir Nicholas Goodison The Baroness Howe of Idlicote, CBE Ian Anderson, OBE Judith Rich, OBE

Trustees / Directors

The following were members of the Council of Management during the year. All directors of the company are also trustees of the charity and there are no other trustees.

* Peter Sheppard, CB, CBE	(Chairman)	Resigned November 2010
* Lady (Kitty) Chisholm	(Acting Chair)	
* Frank Moxon	(Deputy Chair)	
* Bob Fee	(Treasurer)	
Elizabeth Burns, CMG OBE		
Nicky Field	co-opted August 2010	
Iain Herbertson	co-opted November 2010	
Steven Howlett	resigned April 2010	
Elizabeth Maher		
Jeffrey Ng		

*Members of the Finance & General Purposes Sub-Committee

During 2010 both Peter Sheppard and Steven Howlett resigned from the Council of Reach for personal reasons. The Council is highly appreciative of the time and energy both put into Reach whilst members of the Council.

Senior Management Team

Sarah King	Chief Executive Officer
Andrew Phillips	Head of Fundraising and Marketing
Michael Waterson	Director of Finance and Support Services

Company Secretary

Michael Waterson

Registered Office

89 Albert Embankment
London
SE1 7TP

REACH VOLUNTEERING (Limited by Guarantee)

Report of the Trustees

Auditor

Chantrey Vellacott DFK LLP
10-12 Russell Square House
Russell Square
London
WC1B 5LF

Bankers

Lloyds TSB Bank plc
Victoria House
Southampton Row
London
WC1B 5HR

Investment Managers

The COIF Charities Deposit Fund
St Alphage House
2 Fore Street
London
EC2Y 5AG

REACH VOLUNTEERING (Limited by Guarantee)

Report of the Trustees

The trustees, who are also directors of the charitable company, have pleasure in presenting their report and audited financial statements for the year ended 31 December 2010.

STRUCTURE, GOVERNANCE & MANAGEMENT

Governing Document

Reach (registered as Reach Volunteering) is a charitable company limited by guarantee.

Originally incorporated on 5th October 1979, the name was changed to Reach Volunteering by registration at Companies House on 10th September 2003. The company was registered as a charity on 6th November 1979. It was established under a Memorandum of Association, establishing the objects and powers of the charitable company, and is governed under its Articles of Association which were revised in June 2009.

In 2010 Reach completed its formal registration with the Office of the Scottish Regulator (OSCR) and was registered on 21st June 2010.

Appointment of Council Members (Trustees)

The directors of Reach are also charity trustees for the purposes of charity law and under the company's articles and are also known as 'members of the council'.

Under the requirements of its Memorandum and its Articles of Association members of the council are elected to serve a period of three years, renewable after the first and second period of three years.

Trustees are recruited to ensure that the Council contains the correct mix and balance of skills and experiences. Open recruitment practices are well established within the charity and have extended from use of the Reach register and national advertising to use of online media and other channels depending on the need. Skills requirements are identified through regular review of skills, experience and future needs of the organisation. Succession planning for trustees stepping down from office is incorporated into the process. All prospective trustees complete a formal application and selection process which is carried out by a selection committee comprising at least two trustees, the chief executive and, where appropriate, an external reviewer.

All members of the Reach Council give their time voluntarily and receive no benefits from the charity.

In 2010, the Council met four times and the Finance and General Purposes Committee, an appointed sub-committee of the Council, met five times. Additionally, all trustees were involved in other events or meetings at or on Reach's behalf in the year.

New trustees undergo an induction programme including a visit to the Reach office, meeting with key staff and representatives from the volunteer teams. An induction pack including key information relating to trustee duties and responsibilities, charity law, Reach's Memorandum and its Articles of Association and latest financial statements is provided, supplemented with information on the organisation's history, current strategy and annual plans. A regular programme to keep trustees updated with developments in the charity's services and activities has been established.

Organisational Structure

The Reach Council is responsible for setting and overseeing the strategy for the organisation. Day to day management of the charity and its business is delegated to the chief executive and a small staff team. The day to day services and support provided by the charity are delivered by a committed staff and volunteer team based mainly at the London office.

Related Parties

The charity has a wholly owned subsidiary, Reach Consulting Limited, which undertakes commercial activities and any profit generated is used to further Reach's charitable objectives.

REACH VOLUNTEERING (Limited by Guarantee)

Report of the Trustees

Risk Management

The Reach Council, working with the chief executive and senior management team, manage risks for the charity through a regularly updated Risk Register, which is reviewed regularly during the year and updated at least annually. The process includes an assessment of risks facing the charity and, where required, action to mitigate these risks and a regular review process to ensure that appropriate systems, procedures and controls are in place to manage these risks.

The council members have approved systems of internal controls that are designed to provide reasonable (although not absolute) assurance against material misstatement or loss.

A key element in the management of financial risk is the setting of a reserves policy which is reviewed regularly by the council. Perceived external risks to funding led to the development of a new strategic plan that is now actively addressing the need for diversification of our funding activities.

Objectives and Activities

Reach's vision is of a society where all voluntary organisations can easily access the skills and support they need to be successful.

This report looks at what Reach achieved and the outcomes of our work in 2010. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set and review our aims, objectives and activities each year.

Reach's principal object, as set out in its Memorandum of Association, is to support and assist in the development of voluntary and public organisations through the provision of training, the filling of skilled voluntary work vacancies and otherwise to encourage and assist people with professional or career skills to donate their time and the use of their skills to them.

In 2010 Reach focused specifically on where it could and should add the greatest value to a voluntary sector facing huge social and economic challenges. We also wanted to respond to the changing nature of the needs of those people volunteering through Reach. In 2010, the organisation fulfilled its objects in two main ways. We:

- supported and enabled frontline voluntary organisations to achieve their current goals by providing them with individuals who met an identified skills or expertise gap; and
- recruited skilled volunteers and encouraged them, whatever their background, age, gender or location, to share their skills and expertise where they can make a difference through challenging and rewarding placements with voluntary organisations that share their own volunteering goals.

Against this context, our priorities in 2010 were:

Our Service: our skilled volunteers can transform organisations and we focus relentlessly on helping organisations recognise the value of skilled volunteers and finding the right people to help them.

Our Sustainability: we continued to diversify our income profile to include earned income, grant funding, corporate donations and individual giving.

Our Market: we raised our profile with front line organisations and within the sector and continued to develop the skilled volunteering market.

Our Organisation: we continued to transform Reach, delivering a professional and consistent service to voluntary organisations and skilled volunteers.

REACH VOLUNTEERING (Limited by Guarantee)

Report of the Trustees

Review of 2010 Achievements and Performance

Our Services

In 2010 Reach built on the work begun in 2009 to restructure our services and make them more sustainable and more effective in supporting the needs of the voluntary sector. Overall 1,074 new roles were registered with Reach in 2010, over 1,450 new volunteers signed up with us to find an interesting opportunity using their skills and we signposted a further 1,400 volunteers to other volunteering agencies. Overall we supported 491 new placements, lower than the previous year. Registrations by organisations seeking skilled volunteers were also lower. Our research indicates that this was an unexpected impact of the recession. Voluntary organisations felt less able to engage and utilise volunteers, including skilled volunteers, at a time when they actually most needed that help.

As part of Reach's ongoing Service Improvement Initiative a new recruitment and placement system was introduced in April 2010. During its first three months of operations staff and volunteers were retrained and organisational capacity, as a result, was reduced. This Initiative is designed to enable Reach to respond to changes in the economic and social climate and assist Reach and its client organisations in addressing the challenges we all now face.

Our new TrusteeWorks service, launched in October 2009, completed its first full year with significant success and useful learning. While heavily subsidised through grant funding, the introduction of charges for our trustee recruitment service has created the necessary funding stream to move the service towards a sustainable footing.

We registered 305 new trustee recruitment requests in 2010. The TrusteeWorks service grew steadily through the year achieving a total of 264 registrations. Our Premium Service proved attractive with 41 roles registered. This has encouraged us to increase income targets for 2011 and revise our approach to supporting users of the Premium Service which currently enjoys customer satisfaction levels of over 90%. At least 65% of roles registered for the Premium Service were for the key roles of Treasurer or Chair and 90% of all registrations led to introductions to potential trustees.

Although the level of introductions has been high, several factors influenced conversion to confirmed placements. The lead time between registration and trustee placement can be at least 6 months and so there is a time lag such that roles registered during the second half of 2010 may not be filled until 2011. Reach may also be one of a number of sources that a given voluntary organisation uses to search for new trustees. An open recruitment practice is good practice and something Reach encourages. This means that, while we may provide candidates, who are shortlisted, our success may lie in a valued contribution to a diverse, high quality shortlist rather than supplying the winning candidate. During 2011 we will develop measures of success to better account for this outcome. The end of year review of TrusteeWorks confirmed that our support in providing skilled volunteers as trustees is seen as critical and of high value to the sector. It also highlighted that the TrusteeWorks offer needs to be very clear and we will invest more time in making our support visible and relevant at a local level in order to increase access to the service.

In 2010 we continued with two major projects.

- The **London Communities Project** funded by the City Bridge Trust completed its third and final year. Through this project Reach helped 433 small voluntary organisations and organisations working with minority groups in London to find skilled volunteers to help them achieve their goals. 104 of these received specific help in reviewing their strategy, completing a short term project or diagnosing and addressing specific challenges of survival, growth, improving effectiveness or exploring merger opportunities. We also worked with over 100 organisations helping them to find new trustees. Overall the project returned in excess of £6m in skills and support to the sector for a cost of just £128,000. In common with our experiences in 2010, the number of organisations seeking our help in year 3 (2010) was lower than expected and it was the London Communities Project that indicated the two prime challenges of capacity to take on volunteers and the need for us to be better connected at a local level. The work of the Project has been integrated into our day to day service offer so that voluntary groups in London with annual turnover under £250,000 can continue to access the support they need. The priority need identified is help to recruit good trustees and with support from the Tudor Trust we have secured a significant part of the funding required to ensure this work continues.

REACH VOLUNTEERING (Limited by Guarantee)

Report of the Trustees

The **Refugee and Migrant Programme** funded by Deutsche Bank has completed its second year. We are continuing to support people, particularly those with technical and financial skills, who have permission to live and work in the UK but are not necessarily able to secure work that reflects their level of skill and experience. Through appropriate volunteering assignments we aim to provide a stepping stone into paid employment, a mechanism that is becoming even more important and difficult in the current economic climate. In 2010 we helped 55 find placements through the programme.

In 2010 we have deepened our relationships with a number of charity clients who use our services regularly and who wanted to achieve significant benefits from the involvement of skilled volunteers and specialist support from Reach to enhance their service delivery. We are working with Elizabeth Finn Care to recruit specialist volunteers to enhance their support to individuals applying for grants through their Case Team, including a significant scaling up of volunteer support in Edinburgh.

The Welfare to Work challenges facing the UK have become greater as the impact of the recession continues to affect the jobs market and increase the number of people out of work. Reach has been working with the charity, Careers Development Group (CDG), piloting a new skilled volunteer initiative that aims to give those experiencing long term unemployment additional support as they seek, secure and retain employment. A successful pilot in summer 2010 led to a cross sector summit in October with broad support for the principle of the Expert Volunteer Initiative being secured.

Our partnership and collaborative working continued in 2010 with the development of new relationships particularly to draw in new communities of people interested in becoming trustees. We have established a relationship with the Institute of Chartered Accountants in England & Wales (ICAEW) to promote financial trusteeship and other relevant opportunities to its members which also aims to recognise that ICAEW members may not all wish to become treasurers and that many bring other skill sets as their career path and personal interests have developed over time. We have continued working in the North East with a consortia funded by Basis that is channelling additional support and resources in to the Newcastle Tyne and Wear area.

Our Sustainability

Between 2009 and 2010 Reach adopted a plan to create a major step change in its income portfolio creating greater diversity and establishing a more sustainable funding model.

A review of our services identified the critical need for our trustee recruitment offer to be sustained but confirmed that pure grant funding was no longer a sustainable model. A conscious decision to fund this work through a mix of charging, grant income and subsidy from other activities has enabled us to fund the majority of the TrusteeWorks service in 2010 almost fully from earned income, specific grants and allocation from project funding. Support from the Clothworkers' Company in autumn 2009 to underwrite the first 6 months running costs has been followed in autumn 2010 with a new three year relationship with the Tudor Trust which creates a strong basis for a sustainable TrusteeWorks service for the sector.

We continued to work with a number of funding partners including GlaxoSmithKline, City Bridge Trust, the John Ellerman Foundation, Rayne Foundation and the Dulverton Trust. Our work with Barclays came to an end in 2010 with a valuable one-off donation to fund our core work. New multi-year relationships with the 1961 Charitable Trust, Sir James Knott Trust and the significant new funding partnership with the Tudor Trust have contributed to our continued financial stability.

In line with our sustainability policy we have also accepted during the year a number of non-cash donations. For example, our IT hardware upgrade was funded through an in-kind donation from London Trinity College. Through the year we hosted external meetings and events through the kind donation of rooms from the Clothworkers' Company, RNLI, Ernst & Young, Beachcroft LLP, Edwin Coe LLP and others.

As the UK's skilled volunteering charity, Reach also continued to use volunteers extensively in our own operations, both those from our register and through other sources including Lambeth Volunteer Centre, LawWorks and other contacts. The in-kind value of these sources of giving is estimated to exceed £200,000

Further work in developing our grant income from trusts, foundations and corporate giving has established a strong, continuing level of committed income which exceeded £240,000 at the turn of 2009/2010 and is sustained at £190,000 going in to 2011.

REACH VOLUNTEERING (Limited by Guarantee)

Report of the Trustees

Our Market

Our goal in 2010 was to raise our profile with frontline organisations and within the wider third sector. We also wanted to continue to develop the skilled volunteering market and encourage new people to become involved.

We moved from a largely print based recruitment approach for volunteers to an online-led marketing approach. This was supported by targeting to specific communities such as securing more finance skills through the ICAEW relationship and further developing the relationships with our existing volunteers. The launch of our new online registration service for volunteers created an immediate new source of volunteers when the service went live in midsummer 2010 and has been sustained. Overall, Reach reduced its external marketing spend for volunteer recruitment by over 80% against 2009 budget while maintaining the level of new volunteers registering.

Our external marketing plan focused heavily on reaching voluntary organisations. We benefited from a Google Ads grant which helped drive new visitors to the Reach website to over 45,000 in 2010. As the year progressed it became clear that while organisations could see the value of a skilled volunteer and were visiting the Reach website they were not registering requests for support. Our research indicated that the need for support remained, particularly in trustee recruitment, so in the second half of the year greater emphasis was placed on attending events and talking direct with voluntary organisations about their needs and how Reach could help. Our team attended 60 events, led practical workshops and delivered 10 keynote speeches reaching over 500 organisations. We invested in hosting and supporting events outside London particularly as a partner in the inaugural Trustees' Week in October 2010. As a result Reach has raised its profile locally and across the sector and saw a steady rise in new volunteers and organisations registering with us through the last quarter of the year. Our work in getting closer to our voluntary organisation clients and volunteers has highlighted the need for greater local connections and visibility and this has been taken forward into 2011 – 2013 planning as a development and funding priority.

The review of TrusteeWorks at the end of the first full year of operations led to changes in our marketing and market positioning. In early 2011 we launched a refreshed offer to support voluntary organisations looking to recruit trustees that specifically focus on an area of greatest need – helping small to medium sized voluntary organisations fill the skills gaps on their boards. The review has also identified further governance support and services that organisations need and these will be put forward for consideration in our planning for 2012.

Our Organisation

We completed the final stages of our two year organisational transformation plan in 2010. We successfully upgraded all our hardware and IT software with significant thanks to Trinity College who donated most of our new hardware out of that surplus to requirements after their own upgrade. The new recruitment and placement system underpinning Reach's service delivery is very different and has led to a number of organisational changes affecting staff and volunteers. The level of professionalism and customer service that was maintained by everyone at Reach through this period was significant particularly at a time when they were also weathering the very challenging economic environment affecting the sector throughout the year.

At the end of 2010 a services improvement plan was established to implement the process enhancements and customer service opportunities that the new system offers. Further development of our online facilities for volunteers has also been implemented. The final systems transition, which will be completed with the launch of online registration and role management facilities for voluntary organisations, will take place in 2011.

We will continue to invest in additional resources, particularly in terms of placing volunteers at the heart of our work. For example, we have been fortunate in securing two secondees from BT for the first half of 2011 which will help ensure that our systems, people, service and process changes are fully established so that we are best placed to support the voluntary sector as it continues to respond to huge political, social and economic challenges.

REACH VOLUNTEERING (Limited by Guarantee)

Report of the Trustees

PLANS FOR FUTURE PERIODS

Some four months into 2011 the scale of the significant, ongoing economic and social changes taking place since 2008 is evident. We are undertaking research into the skills needs of the sector and will be adapting our services to better meet them. This new climate is also creating opportunities for effective and valuable skilled volunteering interventions and Reach will be taking positive action to ensure that it can provide the required support to the sector.

We will continue to focus our work in the four areas established in the 2010 – 2012 plan:

Our Service: we will deliver a stable and reliable service growing the supply of skilled volunteers and the range of skills they offer to support charities in 2011.

Our Sustainability: we will refresh our income generation strategy to take greater advantage of earned income potential, grant funding, investment income, corporate and individual giving. Where appropriate will encourage a broader approach to ensuring our own sustainability and increase the support we offer other voluntary sector organisations.

Our Market: we will invest in closer relationships with local communities to optimise benefits for both our volunteers and the voluntary organisations we serve. We will continue to better our understanding of the needs of the sector and of our volunteers and improve our support and services to meet those needs.

Our Organisation: we will continue to invest in our core resources (people, knowledge, financial, technological, process and physical) enabling us to deliver on our promises during the next three years.

In addition we will be completing a mid-point review and updating of Reach's five year strategy particularly in light of the significant changes in the sector and the economic climate.

FINANCIAL REVIEW

For the year ended 31st December 2010 Reach recorded a net outflow of resources of £30,541 (2009: inflow of £5,782) resulting in net assets of £190,499 (2009: £221,040). This outflow in part reflects the continuing transformation of Reach and also the introduction of a depreciation charge of £19,925, in 2010, for the core recruitment and placement operating system underpinning Reach's service delivery. This is a core building block in the development of Reach and its strategy. Significant work has been undertaken in the last 18 months to further build relationships with charitable trusts and this has led to a further increase in income from this source to £198,600 in 2010. The cost of generating funds has increased reflecting the first full year cost of an additional resource in this area.

Reach continued to receive generous support from GlaxoSmithKline for the 10th year in succession. 2010 represented the final year of financial support from Barclays Bank. Reach is very grateful for this significant and sustained support from both organisations and also from many of our other partners. Unrestricted income from charitable activities increased to £45,901 representing the full year income from TrusteeWorks, the charged for service that provides Board members to charitable and voluntary organisations.

Reach's trading subsidiary continued to provide services to a variety of organisations. The profit before gift aid of Reach Consulting Limited for the year amounted to £26,380 (2009 £57,247) reflecting a lower level of activity with commercial organisations.

Reserves

This trustees feel it prudent and proper that in line with the charity's reserves policy its reserves will be built up to a sufficient level, to provide for a minimum of six months of operating expenditure. Currently this remains an aspirational target since the level of unrestricted reserves equates to some 2½ months of operating expenditure. This policy will be kept under continual review to ensure the target for unrestricted reserves is set at an appropriate level.

REACH VOLUNTEERING (Limited by Guarantee)

Report of the Trustees

STATEMENT OF TRUSTEE RESPONSIBILITIES

The trustees (who are also directors of Reach Volunteering for the purposes of company law) are responsible for preparing the Report of the trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

The trustees 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, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and the charitable company's constitution. 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees 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.

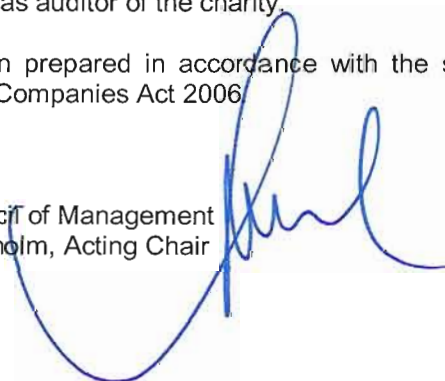
The trustees are responsible for the maintenance and integrity of the corporate and financial information included on charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislations in other jurisdictions.

Auditor

A resolution will be proposed at the forthcoming Annual General Meeting that Chantrey Vellacott DFK LLP be re-appointed as auditor of the charity.

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

By order of the Council of Management
Lady Catherine Chisholm, Acting Chair



Dated: 19/5/11

REACH VOLUNTEERING

(Limited by Guarantee)

Independent auditor's report to the members and trustees of Reach Volunteering for the year ended 31 December 2010

We have audited the financial statements of Reach Volunteering for the year ended 31 December 2010 which comprise the Consolidated Statement of Financial Activities, the group's and charitable company's Balance Sheets and the related notes. The financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charitable company's trustees and members, as a body, in accordance with chapter 3 of section 16 of the Companies Act 2006 and to the charitable company's trustees and members as a body, in accordance with section 44(1)(C) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's trustees and 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 charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' Responsibilities set out on page 9, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

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 charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements.

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 December 2010 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 Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

REACH VOLUNTEERING

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Independent auditor's report to the members and trustees of Reach Volunteering for the year ended 31 December 2010

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 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the charitable company has not kept proper and adequate accounting records 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 trustees' 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 Report of the trustees.



SALLY JAYNE BONNER (Senior Statutory Auditor)
for and on behalf of CHANTREY VELLACOTT DFK LLP
Chartered Accountants and Statutory Auditor
LONDON

Chantrey Vellacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Date:

19/5/11

REACH VOLUNTEERING

(Limited by Guarantee)

Consolidated statement of financial activities (incorporating an income and expenditure account) for the year ended 31 December 2010

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2010 £	Total Funds 2009 £
Incoming resources					
Incoming resources from generated funds					
Voluntary income	2	272,582	98,596	371,178	348,604
Activities for generating funds	3	26,380	-	26,380	57,247
Other Income		-	-	-	9,255
Investment income		160	-	160	989
Incoming resources from charitable activities	4	45,901	55,935	101,836	95,587
Total incoming resources		345,023	154,531	499,554	511,682
Resources expended					
Cost of generating funds	5	16,225	59,482	75,707	69,317
Charitable activities	6	295,566	138,880	434,446	420,897
Governance costs	7	19,941	-	19,941	15,686
Total resources expended		331,732	198,362	530,094	505,900
Net incoming/(outgoing) resources before transfers		13,291	(43,831)	(30,540)	5,782
Transfers between funds	15	33,103	(33,103)	-	-
Net movement in funds, being net income/(expenditure) for the year		46,394	(76,934)	(30,540)	5,782
Total funds brought forward		62,082	158,958	221,040	215,258
Total funds carried forward		108,476	82,024	190,500	221,040

The statement of financial activities includes all gains and losses recognised in the year. All amounts relate to continuing activities. The notes on pages 14 to 19 form part of these financial statements.

REACH VOLUNTEERING
(Limited by Guarantee)

Balance sheet as at 31 December 2010

	Notes	Group		Charity	
		2010 £	2009 £	2010 £	2009 £
Fixed assets					
Computer Software	9	59,590	37,996	59,590	37,996
Investments	3	-	-	1	1
		59,590	37,996	59,591	37,997
Current assets					
Debtors	10	12,764	21,899	29,320	56,580
Short term deposits		62,938	22,778	62,938	22,778
Cash at bank and in hand		81,028	155,111	64,471	120,429
		156,730	199,788	156,729	199,787
Creditors: amounts falling due within one year	11	25,821	16,744	25,821	16,744
Net current assets		130,909	183,044	130,908	183,043
Net assets	14	190,499	221,040	190,499	221,040
Income funds:					
Restricted funds		82,024	158,958	82,024	158,958
Unrestricted funds:		10,000	10,000	10,000	10,000
Designated		10,000	10,000	10,000	10,000
General		98,476	52,082	98,476	52,082
	15	190,500	221,040	190,500	221,040

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

Approved by the Council of Management, and authorised for issue, on 19th May 2011 and signed on its behalf by:

Lady Catherine Chisholm
Acting Chair

Bob Fee
Treasurer

The notes on pages 14 to 19 form part of these financial statements.

Company number: 1452482

REACH VOLUNTEERING

(Limited by Guarantee)

Notes to the financial statements for the year ended 31 December 2010

1. Accounting policies

Basis of accounting

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards and the Statement of Recommended Practice on Accounting and Reporting by Charities issued by the Charity Commission in March 2005 (SORP 2005) and the Companies Act 2006.

These accounts consolidate the results of Reach Volunteering and its wholly owned subsidiary, Reach Consulting Limited, on a line by line basis. The results of the subsidiary undertaking are unaudited. No separate Statement of Financial Activities or Income and Expenditure Account has been presented for the charity as permitted by section 230 of the Companies Act 2006 and paragraph 397 of SORP 2005. The charity had total incoming resources in the year of £499,554 (2009: £511,682) and total resources expended of £530,094 (2009: £505,900), giving net expenditure for the year of £30,541 (2009: net surplus £5,782).

The group has not prepared a cash flow statement on the grounds of its small size.

Tangible fixed assets

Tangible fixed assets costing more than £1,000 are capitalised and included at cost. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost over their expected useful lives as follows:

Fixtures & fittings	20% straight-line basis
IT and office equipment	33 1/3 % straight-line basis

Incoming resources

Donations and similar income are included in the Statement of Financial Activities when they are receivable except when the donors specify that they relate to future accounting periods, when they are deferred until the relevant accounting period. Gifts in kind donated to the charity are included at valuation where this can be quantified. Other grants are recognised on a receivable basis.

Grants related to expenditure on tangible fixed assets are brought into the Statement of Financial Activities in full in the year of receipt.

Fund accounting

General funds are unrestricted funds, which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds that are to be used in accordance with specific restrictions imposed by donors. The aim and use of each restricted fund is set out in the notes to the financial statements.

Resources expended

All expenditure is accounted for on an accruals basis and includes VAT where not recoverable. Where expenditure does not fall clearly into one category, it is apportioned based on the percentage of staff time spent on different activities.

Cost of generating funds represent costs incurred in encouraging people and organisations to contribute financially to the charity's work.

Governance costs comprise costs incurred in connection with the governance of the charity and compliance with constitutional and statutory requirements.

Pensions

The charity is a member of The Pensions Trust, which operates a defined contribution scheme. Pension costs charged to the Statement of Financial Activities represent the contribution payable by the charity in the year.

Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

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Notes to the financial statements for the year ended 31 December 2010

2 Voluntary income

	Unrestricted Funds £	Restricted Funds £	Total 2010 £	Total 2009 £
Donations from charitable trusts	158,600	40,000	198,600	165,118
Corporate donations	110,137	58,596	168,733	173,323
Other income	3,845	-	3,845	10,163
	272,582	98,596	371,178	348,604

3 Activities for generating funds

The charity's investment represents 100% of the issued ordinary share capital of the charity's subsidiary company, Reach Consulting Ltd, which raises funding through its trading activities. Reach Consulting Ltd's unaudited results are as follows:

	2010 £	2009 £
Trading income	29,000	57,865
Expenditure	2,620	618
Net profit - gift aid to parent undertaking	26,380	57,247
Net assets	1	1

4 Incoming resources from charitable activities

	Unrestricted Funds £	Restricted Funds £	Total 2010 £	Total 2009 £
City Bridge Trust	-	42,000	42,000	41,000
Big Lottery Fund	-	-	-	32,936
BASIS North East	-	13,935	13,935	7,051
TrusteeWorks	45,901	-	45,901	4,600
	45,901	55,935	101,836	95,587

5 Cost of generating funds

	Unrestricted Funds £	Restricted Funds £	Total 2010 £	Total 2009 £
Direct staff costs	16,225	50,312	66,537	61,187
Print and other resources	-	7,313	7,313	5,988
Support costs	-	1,857	1,857	2,142
	16,225	59,482	75,707	69,317

REACH VOLUNTEERING

(Limited by Guarantee)

Notes to the financial statements for the year ended 31 December 2010

6 Charitable activities

	Unrestricted Funds	Restricted Funds	Total 2010	Total 2009
	£	£	£	£
Placement of volunteers				
Direct staff	173,358	97,221	270,579	271,125
Support staff	378	6,218	6,596	5,021
Advertising and literature	-	24,427	24,427	19,559
Other direct expenses	66,358	10,999	77,357	80,485
Support costs	55,472	15	55,487	44,708
	295,566	138,880	434,446	420,897

7 Governance costs

	Unrestricted Funds	Restricted Funds	Total 2010	Total 2009
	£	£	£	£
Trustees' meetings	2,737	-	2,737	2,611
Legal & professional fees	10,637	-	10,637	7,269
Audit fees	6,567	-	6,567	5,806
	19,941	-	19,941	15,686

8 Staff costs

	2010	2009
	£	£
Wages and salaries	288,564	278,375
Social security costs	29,290	29,637
Redundancy Costs	6,441	9,443
Pension contributions	12,822	14,857
	337,117	332,312

	2010	2009
Average number of employees of the group	9	7.3

No employee earned remuneration amounting to more than £60,000 in either year.

No emoluments were paid to any trustee during the year (2009: £nil). Expenses of £637 was reimbursed to 1 trustee (2009: £1,000 to 3 trustees).

REACH VOLUNTEERING

(Limited by Guarantee)

Notes to the financial statements for the year ended 31 December 2010

9 Fixed Assets – Group and charity

Cost of Valuation

£

Computer Equipment and Software

At 1 January 2010	37,996
Additions in the year	41,519
At 31 December 2010	79,515
Depreciation	
At 1 January 2010	-
Charge for the year	19,925
At 31 December 2010	19,925
Net Book Value	
At 31 December 2010	59,590
At 31 December 2009	37,996

10 Debtors

	Group		Charity	
	2010	2009	2010	2009
	£	£	£	£
Other debtors and prepayments	12,764	21,899	13,795	23,314
Due from subsidiary undertaking	-	-	15,525	33,266
	12,764	21,899	29,320	56,580

11 Creditors - amounts falling due within one year

	Group		Charity	
	2010	2009	2010	2009
	£	£	£	£
Other creditors and Accruals	15,283	6,133	15,283	6,133
Taxation and social security costs	10,538	10,611	10,538	10,611
	25,821	16,744	25,821	16,744

12 Financial commitments

The charity has an annual commitment of £41,608 (2009: £55,616 annual commitment) in respect of its lease on the offices, expiring in March 2015.

The charity has an annual commitment of £1,236 for office equipment expiring in March 2014.

REACH VOLUNTEERING

(Limited by Guarantee)

Notes to the financial statements for the year ended 31 December 2010

13 Company limited by guarantee

The liability of the company's members is limited by guarantee. Each of the members undertakes to contribute an amount not exceeding £10 in the event of a winding up. The number of members at 31 December 2010 was 8 (2009: 8).

14 Analysis of group net assets between funds

	Tangible Fixed Assets £	Net Current Assets £	Net Assets 2010 £
Restricted funds	-	82,024	82,024
Unrestricted funds			
Dilapidation fund - designated	-	10,000	10,000
General fund	59,590	38,886	98,476
	59,590	130,910	190,500

15 Unrestricted funds - Group and charity

	General Fund £	Designated dilapidation fund £	Total 2010 £
At 1 January 2010	52,082	10,000	62,082
Net incoming resources before transfers	13,291	-	13,291
Transfers	33,103	-	33,103
At 31 December 2010	98,476	10,000	108,476

The purpose of the designated fund is to cover the cost of repairing any dilapidations to the charity's offices at the end of the lease in 2015.

16 Restricted funds - Group and charity

	Restricted funds b/fwd 01/01/2010 £	Incoming resources £	Outgoing resources £	Transfers £	Restricted funds c/fwd 31/12/2010 £
Placement of Volunteer					
Corporate and Trust Funds	138,387	98,596	(121,857)	(33,103)	82,023
Specific projects:					
Capacity Builders	10,000	-	(10,000)	-	-
BASIS North East	1,121	13,935	(15,055)	-	1
City Bridge Trust	9,450	42,000	(51,450)	-	-
	158,958	154,531	198,362	(33,103)	82,024

Corporate and Trust restricted income includes £49,596 received from Deutsche Bank in December 2010 to support the Migrant and Refugee programme, £40,000 from the John Ellerman Foundation to support the Director of Services role and £9,000 from GSK for the 2011 Annual Review and Marketing Activity.

Capacity Builders (UK) provided funds to Reach under its Modernisation Fund to help voluntary organisations adjust to the impact of the recession.

Reach is in a partnership with six other organisations that are jointly in receipt of a BASIS 2 grant from the Big Lottery Fund. Reach's part of the project is to recruit and encourage skilled individuals of all ages and backgrounds to offer their time and expertise to voluntary organisations in the North East.

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Notes to the financial statements for the year ended 31 December 2010

City Bridge Trust supports Reach's London Communities Project which targets community and BME organisations and support them in identifying their volunteering needs and then securing appropriately skilled volunteers.

The transfer of £33,103 from restricted funds to unrestricted funds was part of the fixed asset investment in the new placement and recruitment software installed during 2010.

