

**Charity Registration No. 1114403**

**Company Registration No. 05695711 (England and Wales)**

**INSTITUTE FOR VOLUNTARY ACTION RESEARCH  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

# INSTITUTE FOR VOLUNTARY ACTION RESEARCH

## LEGAL AND ADMINISTRATIVE INFORMATION

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**Trustees**

Jane Hatfield (Chair)  
Richard Hopgood (Vice Chair)  
Timothy Jones (Treasurer)  
John Hailey  
Nicola Steuer  
Nathalie McDermott  
Sam Brier

**Company secretary** Ben Cairns

**Chief Executive** Ben Cairns

**Charity number** 1114403

**Company number** 05695711

**Registered office**

The Old School  
Exton Street  
London  
SE1 8UE

**Auditor**

Begbies  
9 Bonhill Street  
London  
EC2A 4DJ

**Bankers**

CAF Bank  
25 Kings Hill Avenue  
Kent  
ME19 4JQ

**Solicitors**

Bates Wells Braithwaite  
10 Queen Street Place  
London  
EC4R 1BE

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# INSTITUTE FOR VOLUNTARY ACTION RESEARCH

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# INSTITUTE FOR VOLUNTARY ACTION RESEARCH

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

### FOR THE YEAR ENDED 31 MARCH 2018

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The trustees present their report and financial statements for the year ended 31 March 2018.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's memorandum and articles of association the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

#### Objectives and activities

The Institute for Voluntary Action Research (IVAR) is an independent, charitable research institute. IVAR's charitable objects are to *'support the development and sustainability of charities and other voluntary, community and not-for-profit organisations through research, education and training'*.

Our main interest is voluntary action – activities, services, community development or campaigns that aim to improve the quality of life and opportunity of disadvantaged individuals, groups and communities. We work collaboratively; we concentrate on problem-solving; and we want our work to be relevant and practically useful to the voluntary and community sector, as well as funders, policy makers and other sectors.

Our research approach – collaborative, problem-solving and practically useful – is made possible by our team of staff, trustees and experienced freelance research associates all of whom have worked in and around the voluntary and community sector as volunteers, paid staff, leaders, trustees, teachers and researchers. Our team understands and cares about the distinctiveness and independence of voluntary and community sector organisations.

Our work starts in different ways: a funder calls us to discuss a problem; we develop a project in response to needs we hear about from community organisations; we receive commissions; and, occasionally, we submit tenders. We operate at a national, regional and local level; most of our work is funded by charitable trusts and foundations.

Throughout our work – literature reviews, interviews, benchmarking, surveys, focus groups, workshops, training – three things never change about what we offer:

1. Our work begins with a problem or challenge; this becomes our 'research question'. As part of trying to answer that question, we draw on earlier work – our own and others' – that can shed light and provide pointers to solutions.
2. We act as a critical friend, providing space for reflection and debate to help people find their own responses to the challenges they face.
3. We draw on findings from our work to deliver public benefit (in line with Charity Commission guidance), through actively communicating and sharing lessons and evidence to change practice, inform policy, develop theory and promote understanding of the voluntary and community sector.

Through working in this way, we aim to:

- Strengthen the ability of voluntary and community organisations to adapt and change while staying true to their missions
- Facilitate a shift to a more balanced power dynamic between funders and voluntary organisations, contributing to grantees feeling better and more appropriately supported by funders.

# INSTITUTE FOR VOLUNTARY ACTION RESEARCH

## TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2018

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### Priorities

IVAR is currently committed to two high level goals:

1. **To preserve the quality, integrity, relevance and independence of IVAR's offer** and to use the freedom of that independence to act as a 'critical friend'.
2. **To increase IVAR's reach and influence as an independent commentator and resource, sharing and promoting research findings and their implications for practice, funding and policy** around key matters of concern to voluntary, community and social enterprise (VCSE) organisations as well as independent and public funders by using multiple media and networks to disseminate and promote research findings and their implications for practice, funding and policy.

Based on current and planned work, it is likely that the Board will retain these goals for the period up to 2020, on the understanding that more specific and defined objectives will be agreed annually.

For 2018/19, these are likely to include:

#### **Priority 1: Extending reach so that more people can benefit from/feed into our work**

In January 2018, we launched a new area of our website (<https://www.ivar.org.uk/get-support/voluntary-and-community-organisations/>) specifically to act as an area where small and medium-sized voluntary organisations can find useful and usable insights quickly. This new digital support offer is a key development as we continue to work to make the results of our research increasingly accessible to the widest audience. Critical to success will be, alongside the range of content, a network of sharers (including independent funders, VCSE infrastructure bodies and public agencies) actively driving people to our site and our support resources. We recognise that it will take time to get this new development right – choosing content, selecting media, developing partnerships: all will require attention. So, over the course of 2018/19, we will be committed to a process of continuous review, adaptation and improvement in this area of our work. This will be supported by the ongoing commitment to generate and communicate insights into relevant aspects of organisational life for IVAR's key audiences (e.g. through proactive research and policy-facing work).

#### **Priority 2: Continuing to support progressive and responsive practice within the foundation sector.**

We have continued to work closely with, and through foundations, to help support the development of grant-making practices and behaviours that work well for small and medium-sized voluntary organisations. We are able to point to areas where we have been able to have an impact: the increasingly widespread adoption of core funding; the development and enhancement of funding plus; the adoption of proportionate approaches to 'sustainability'; the development of learning practices; a reality check around social investment – all of these areas have benefitted from careful, grounded research and commentary. As foundation funding continues to have disproportionate significance for the organisations that constitute our core beneficiary group, our presence in this area will continue to be a priority. Over the next 12 months, we will give particular attention to emerging themes of interest and importance, including: insights obtained by listening to and using feedback from grantees; innovation in grant-making for small organisations, building on lessons from recent emergency responses; and beneficiary involvement in grant-making.

#### **Priority 3: Enhancing opportunities for local organisations and their users to influence health and social care**

In our Building Health Partnerships (BHP) programme, we have been working with multi stakeholder groups through a process of relationship building and joint action. The current focus has been on the NHS shift to 'self-care', within which there are genuine opportunities for us to facilitate meaningful and productive engagement between, and education of, people with lived experience and the panoply of voluntary organisations supporting and representing them. This work – with its potential for genuine co-production and tangible changes to both attitudes and delivery – is a vital part of our commitment to be of service and use to local organisations and their beneficiaries. Over 2018/19, we will prioritise the extension of this work into other areas of England, alongside a programme of communications aimed at informing and inspiring other cross-sector groups to work together more effectively.

# INSTITUTE FOR VOLUNTARY ACTION RESEARCH

## TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2018

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Our key audiences for direct work, as well as education events, publications and other communications activities are:

- Paid staff and trustees (or equivalent) of smaller, local social welfare VCSE organisations that are tackling poverty, injustice, inequality, etc.
- Senior staff and, where possible, trustees of trusts and foundations
- Senior decision-makers, practitioners and funders in public agencies
- Local, regional and national VCSE membership bodies
- Policy-makers and opinion formers with influence over VCSE organisations.

### Clients and Partners

Research clients and partners included: Access Foundation, ACRE, Action in Rural Sussex, Association of Charitable Foundations, Atlantic Philanthropies, Baring Foundation, Barrow Cadbury Trust, BBC Children in Need, Befriending Networks, Big Lottery Fund, Blagrave Trust, Bromley Trust, Building Change Trust, City Bridge Trust, Comic Relief, Commonweal Housing, Community Foundation NI, Cripplegate Foundation, CSEFA, Department for Communities and Local Government, Detention Action, Esmée Fairbairn Foundation, Federation of City Farms and Community Gardens, First Give, John Ellerman Foundation, Joseph Rowntree Charitable Trust, Joseph Rowntree Foundation, Lankelly Chase Foundation, Lloyds Bank Foundation for England and Wales, Lloyds Bank Foundation for Scotland, Local Trust, London Funders, Mercers' Company, Nationwide Foundation, NHS England, National Youth Social Action Fund (NYASF), Parents 1st, Oak Foundation, Paul Hamlyn Foundation, Pears Foundation, Power to Change, Premier League Charitable Foundation, Re-Solv, Robertson Trust, Rural Action Yorkshire, Saints Football Club, School for Social Entrepreneurs (Cornwall), Sheffield Hallam University, Social Enterprise UK, Sussex Community Foundation, Trust for London, The Tudor Trust, Virgin Money PLC, Wates FE Trust, Wates Foundation and Youth Music.

## ACHIEVEMENTS AND PERFORMANCE

### Progress

**Our two high level goals were translated into three distinct outcomes, progress towards which is set out below.**

**First key outcome: Extending reach so that more people can benefit from/feed into our work.**

### 1. Achievements

Key achievements include:

- Completion of a category review of research projects over 18 years – increasing our confidence to communicate 'themes' within our substantial body of work.
- Strong promotion and use of the new IVAR website that holds evidence, insights and practice examples in the body of the pages.
- Construction and promotion of a new microsite for leaders of small voluntary organisations with an initial focus on four areas of organisation and management: strategy; core funding; cross-sector working and mergers.
- The development of a 'network of sharers' to drive organisations towards our digital support offer.
- A research portfolio that prioritises our core constituency, including major projects on: The Value of Small; Empowered Communities; and Community Engagement in Health and Social Care.
- Consolidating a new internal process to embed communications opportunities at every stage of the research process.
- Building in a 'share and build' aspect of our work into more projects.

# INSTITUTE FOR VOLUNTARY ACTION RESEARCH

## TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2018

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### 2. Challenges and priorities

Achieving real breadth of access and coverage remains a challenge. Although our online analytics portray a picture of growth in terms of visits and followers, we recognise that still more needs to be done in this area. Current priorities include:

- Exploiting the connections we have in areas across the UK to build a more coherent and visible network of voluntary sector 'partners' through whom we can communicate and enter into dialogue about how to be more effective.
- Diversifying the range of sector relationships we hold, for example, with digital/tech organisations.
- Finding better and more compelling ways of describing IVAR's offer and value (e.g. through the use of animation).
- Continuing to carry out research and communications that can both support frontline practice and help to influence the operating environment for small and medium-sized voluntary organisations. Current and planned work includes: Aligned Reporting; Progressive Foundation Practice; Making Tech Imaginable and Useful for Small Organisations; Inspiring Advocacy.

**Second key outcome: To enhance IVAR's role as an independent commentator, opinion former and critical friend**

### 1. Achievements

Key achievements include:

**Policy relationships:** We have proactively developed relationships with umbrella bodies, including: Locality, Small Charities Coalition, UK Community Foundations (UKCF) and Association of Charitable Foundations (ACF) to ensure IVAR's work is both informed by and feeding into the current policy context.

**Place-based Collaborative funding in practice:** This work looked at how public and independent funders are working together and identified eight key elements of collaborative funding in place, an area of keen interest to both public and independent funders. We published five case studies and a summary report, which built on the place-based funding framework published in 2016. The research was featured in Civil Society Media, New Start magazine and Trust and Foundation News and shared in funder forums across the UK - <https://www.ivar.org.uk/our-research/place-based-funding/>

**Emergency Responses:** In response to three different emergencies in 2017, funders dispensed with 'business as usual' in order to provide urgent support to community organisations and services. *The possible, not the perfect: Learning from funder responses to emergencies* looked at what they did differently; what we can learn about responding effectively in an emergency; and what opportunities there may be for day-to-day grant-making practices - <https://www.ivar.org.uk/our-research/emergency-responses/>

**Value of small:** This research, conducted in a consortium with Sheffield Hallam University and the Open University, underpins the new strategy for Lloyds Bank Foundation for England and Wales. It shows that small charities have a distinctive impact that public bodies should find attractive, but how public bodies actually fund, commission and contract services and measure values favours larger providers - <https://www.ivar.org.uk/research-report/value-of-small/>

**Direct support to smaller voluntary organisations:** We published a microsite that extracts insights from our research for the leaders of small voluntary organisations – with the aim that they can find useful, usable insights in 90 seconds - <https://www.ivar.org.uk/get-support/voluntary-and-community-organisations/>

**The Future for Communities:** This work highlights the need for sustained investment in supporting community-level infrastructure – places to meet, organisations to bring people together and people to facilitate engagement - <http://localtrust.org.uk/our-work/empowered-communities/>

**Opportunities for aligned reporting:** We are working directly with a group of trusts and foundations and the organisations they fund to generate ideas about useful changes to reporting and to test those changes.

# INSTITUTE FOR VOLUNTARY ACTION RESEARCH

## TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2018

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### 2. Challenges and priorities:

- Articulating the impact of VCSE organisations in a way that commissioners can understand and relate to is a challenge, as we found in the Value of Small research and that we have experienced directly through working with NHS England. We will explore this further over the next two years of the Building Health Partnerships programme, funded by NHS England and Big Lottery Fund, which aims to facilitate relationships between commissioners and voluntary sector leaders.
- We will be developing a long-term dissemination strategy for *The Future for Communities* and *The Value of Small* to ensure that the key messages about the contribution of small voluntary and community groups and what communities need to become powerful are fed into relevant policy discussions.

**Third key outcome: To preserve the quality, integrity, relevance and independence of IVAR's offer**

### 1. Achievements

Key achievements include:

- Securing partnership funding for studies on place-based funding, social investment and helping to make tech imaginable and usable for small voluntary organisations. IVAR's Research Development Fund ensures we are able to respond to live issues that are relevant to our primary audiences and enables us to drive research design, presentation and dissemination.
- Developing closer partnerships with a range of learning organisations, and thinking creatively about how we respond to tenders.
- Updating our research processes and code of practice to reflect GDPR requirements.
- Revising the Job Descriptions for all staff to support the transition to a whole organisation approach to income generation, networking and communications. This will be accompanied by a 12 month organisational development plan to help staff develop the skills and confidence to play an active role in the development and communication of all aspects of IVAR's work. As well as helping reduce the risk of over-reliance on the Director, these changes are intended to support the organisation become more agile, connected and outward-facing, as well as embedding responsibility for quality across the whole team.

### 2. Challenges and priorities

- We have introduced new responsibilities for all staff to generate income and represent the organisation externally. There is a commitment from the Board to invest further in training over the coming year as people take on these new responsibilities. This will include a series of away days to reflect on how we work as a team.
- Over the next year, we will further develop our relationships with key voluntary sector infrastructure and membership organisations to offer training and support to a larger number of small charities.
- We will draw and build on the connections we have in areas across the UK to build a more coherent and visible network of voluntary sector 'partners' through whom we can communicate and enter into dialogue about how to be most relevant and useful.
- We will also preserve the integrity of our offer through developing the roles of project supervisors and IVAR research associates, who provide an essential advisory function across all of our work.



# INSTITUTE FOR VOLUNTARY ACTION RESEARCH

## TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2018

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### TRUSTEES REVIEW

#### Introduction

The Board has a responsibility to plan for the future impact, influence and financial stability of IVAR and, given this responsibility, it decided towards the end of 2017 to undertake a review of the organisation to carry out an assessment of whether IVAR is structured and resourced in the best way to maximise its impact. The review took place between January-March 2018 and involved the Board, staff, IVAR's freelance research associates and some external contributors to ensure that any implemented changes would take into account the views of all key stakeholders.

Given the scale of changes that the organisation has worked through over the past five years - most notably the gradual and then accelerated prioritisation of communications as an essential and integral part of IVAR's offer - this exercise was more than timely, presenting an opportunity to interrogate assumptions, challenge norms, and think creatively and imaginatively about if and how to do things differently.

#### Findings

The review highlighted the need and opportunity to strengthen and enhance the organisation's competencies in four areas:

1. **Developing an organisation-wide approach to ideas and income generation** (including tenders, but extending to proactive work across the whole organisation to generate ideas and income, including initiating partnership-funded projects and attracting commissions).
2. **Ensuring that there is a greater emphasis on 'external affairs'** and progress continues in the move from IVAR being an observer to a commentator.
3. **Building a more diverse organisation with expanded leadership** (for example, through better distribution of responsibilities for networking and relationship-building).
4. **Modernising internal systems** (including customer relationship management (CRM); file sharing and storage; arrangements for work planning, sharing and learning).

Organisational changes will begin to be implemented via the organisational development plan during the 2018-19 financial year, which trustees will oversee.

### FINANCIAL REVIEW

The results of the year's activity are set out in the attached financial statements. The income less total expenses of the Charity produced a net surplus for the year of £4,525 (2017: deficit £14). Total reserves at the year-end increased to £130,037 (2017: £125,513). The charity operates from rented premises and accordingly the total of reserves held in the form of fixed assets at the year-end stood at £4,337.

The Charity generates income from grants, and to a lesser and minor extent fees, charged for research and education projects and consultancy work respectively. The Charity is supported by key core funders who provide annual grants to support core expenditure as detailed in note 3 to the accounts.

Individual projects are funded by grants as disclosed in note 4 to the accounts, and may be undertaken by charity employees or external researchers. Projects are usually small in terms of the funding received. However, in the current year over 40% of the performance related grants covered one particular project for Atlantic Philanthropies.

The work undertaken by the Charity does not always coincide with the accounting year and accordingly income relating to projects which are part completed at the balance sheet date is deferred to the following year to match with the work required to complete the project.

The Incubation Evaluation of the Atlantic Institute at the Rhodes Trust is a multi-year project and of the funds received by the year end £93,642 was estimated to relate to deliverables still outstanding. Payments received for Building Health Partnerships in 2017/18 relate to work commencing in April 2018.

# **INSTITUTE FOR VOLUNTARY ACTION RESEARCH**

## **TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2018**

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### **Reserves policy**

The Board of Trustees maintains a reserves policy to protect the organisation and the sustainability and independence of its charitable programme by providing time to adjust to changing financial circumstances. This limits the risk of disruption to the programme in the event of a downturn in some of IVAR's various sources of income, or an unexpected need for additional expenditure. The policy also provides parameters for future strategic plans, and contributes towards decision-making.

IVAR's reserves policy establishes a target range of core reserves between three and six months' budgeted core expenditure for the level of general reserves. This is based on a risk assessment of the probability and likely impact on IVAR's charitable programme that might be caused by a decline in income, an inability to meet financial obligations, or an inability to reduce expenditure in the immediate short-term. The policy ensures a balance between spending the maximum amount of income raised as soon as possible after receipt, while maintaining a level of reserves to ensure uninterrupted operation. The core reserves policy and the target range are reviewed annually to reassess the risks and reflect changes in IVAR's income, financial obligations and expenditure.

This policy would equate to a target for 'free' reserves – unrestricted reserves not matched by fixed assets or other designations – of between approximately £125,000 and £298,000 at 31 March 2018, while the 'free' reserves held at that date were £125,700 (2017: £117,117).

Alongside the establishment of core reserves, the Board of Trustees is also committed to reinvesting surplus funds into the active pursuit of its charitable objectives and organisational mission. To this end, the reserves policy also allows funds to be set aside for a Research Development Fund, to provide a small working fund to support activities that may require specific investment (e.g. work with smaller, less well-resourced organisations; supplementary work to disseminate research findings; exploratory work in new areas).

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Governing Document**

The Institute for Voluntary Action Research (IVAR) is a charitable company limited by guarantee, and was formally registered on 2nd February 2006 and as a charity on 30th May 2006. IVAR is governed by its Memorandum and Articles of Association as amended by a special resolution on 3rd February 2011. In the event of winding up, members' liabilities are limited to £1 each.

The Trustees are responsible for the management of the Charity, which they delegate to the Chief Executive on a day-to-day basis. IVAR's Board of Trustees comprises eight senior practitioners, scholars and funders from the VCSE sector, universities and business. The board meets four times a year or more often if required. It currently has two sub-committees: Finance and Remuneration Committee and a Personnel and Recruitment Committee. Ben Cairns has served as Chief Executive of the Charity since his appointment on 1st July 2006.

### **Risks**

The Trustees confirm that the major risks to which the Charity is exposed have been reviewed, and systems and procedures have been established to manage those risks.

A risk register is maintained and reviewed regularly, including action points to address any significant concerns.

The principal current risks being addressed through the Charity's strategic priorities and outcomes are staff having the necessary skills and being able to develop them, capacity for the Director to develop the Charity and maintaining the network of contacts and relationships.

# INSTITUTE FOR VOLUNTARY ACTION RESEARCH

## TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2018

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### Appointments to the Board

Trustees are recruited via informal networks of the Board, the Director and the VCSE organisations and charitable trusts and foundations that we work with. Appointments are made with regard to the skills and experience that the Board believes are needed to provide a good balance for governance purposes. Where necessary we use more targeted recruitment searches.

Trustees are inducted by the Board Chair, and are provided with IVAR's annual report and a copy of the Charity Commission guidance, *The essential trustee: what you need to know, what you need to do*. New trustees also receive minutes of recent Board meetings, recent IVAR reports, meet IVAR staff and, where appropriate, attend events organised by IVAR.

### Arrangements for setting the pay and remuneration of key management personnel

The Board has a Finance and Remuneration Committee, which reviews the pay of key management personnel on an annual basis. Where appropriate, the Committee will establish benchmarks on the basis of available data from partner or related Charities.

### Fundraising

IVAR fully complies with The Charities (Protection and Social Investment) Act 2016. We do not fundraise from the general public, nor do we employ fundraisers or use fundraising agents.

### General Data Protection Regulation (GDPR)

This new data protection regulation became law on 25 May 2018 and, as part of the preparation for compliance, in 2016/17: a Data Protection Lead was assigned; staff were trained; privacy and other policies were revamped; IVAR's code of practice was revised; changes were made to research practice and re-consent for IVAR's mailing list was undertaken where required. Further work is being undertaken in the 2018/19 financial year and policies and procedures will be reviewed on an annual basis.

### Public benefit statement

The Trustees confirm that they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers and duties. The public benefit of the Charity's activities in supporting voluntary sector and community organisations is outlined under 'Objectives and Activities' and 'Achievements and Performance' above.

### Auditor

In accordance with the company's articles, a resolution proposing that Begbies be reappointed as auditor of the company will be put at a General Meeting.

### Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.

.....  
**Jane Hatfield (Chair)**  
Trustee  
Dated: .....

# **INSTITUTE FOR VOLUNTARY ACTION RESEARCH**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

***FOR THE YEAR ENDED 31 MARCH 2018***

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The trustees, who are also the directors of Institute For Voluntary Action Research for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the trustees are required to:

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

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

# INSTITUTE FOR VOLUNTARY ACTION RESEARCH

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF INSTITUTE FOR VOLUNTARY ACTION RESEARCH

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#### Opinion

We have audited the financial statements of Institute For Voluntary Action Research (the 'charity') for the year ended 31 March 2018 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2018 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the trustees' Report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

# INSTITUTE FOR VOLUNTARY ACTION RESEARCH

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF INSTITUTE FOR VOLUNTARY ACTION RESEARCH

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#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

#### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the 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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Katherine Dee FCA (Senior Statutory Auditor)**  
**for and on behalf of Begbies**  
**Chartered Accountants**  
**Statutory Auditor**

.....

9 Bonhill Street  
London  
EC2A 4DJ

# INSTITUTE FOR VOLUNTARY ACTION RESEARCH

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 31 MARCH 2018**

|   | Notes | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>2018<br>£    | Total<br>2017<br>£    |
|---|-------|----------------------------|--------------------------|-----------------------|-----------------------|
| <b><u>Income from:</u></b>  |       |                            |                          |                       |                       |
| Core grants   | 3     | 213,000                    | -                        | 213,000               | 188,000               |
| Charitable activities   | 4     | 354,763                    | 244,347                  | 599,110               | 558,206               |
| <b>Total income</b>   |       | <u>567,763</u>             | <u>244,347</u>           | <u>812,110</u>        | <u>746,206</u>        |
| <b><u>Expenditure on:</u></b>   |       |                            |                          |                       |                       |
| Raising funds   | 5     | 10,587                     | -                        | 10,587                | 6,306                 |
| Charitable activities   | 6     | 552,651                    | 244,347                  | 796,998               | 739,914               |
| <b>Total resources expended</b>   |       | <u>563,238</u>             | <u>244,347</u>           | <u>807,585</u>        | <u>746,220</u>        |
| <b>Net income/(expenditure) for the year/<br/>Net movement in funds</b> |       | 4,525                      | -                        | 4,525                 | (14)                  |
| Fund balances at 1 April 2017   |       | <u>125,512</u>             | <u>-</u>                 | <u>125,512</u>        | <u>125,527</u>        |
| <b>Fund balances at 31 March 2018</b>                                   |       | <u><u>130,037</u></u>      | <u><u>-</u></u>          | <u><u>130,037</u></u> | <u><u>125,513</u></u> |

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# INSTITUTE FOR VOLUNTARY ACTION RESEARCH

## BALANCE SHEET

AS AT 31 MARCH 2018

|   | Notes | 2018<br>£        | £              | 2017<br>£        | £              |
|---|-------|------------------|----------------|------------------|----------------|
| <b>Fixed assets</b>                                   |       |                  |                |                  |                |
| Tangible assets                                       | 9     |                  | 4,337          |                  | 3,731          |
| <b>Current assets</b>                                 |       |                  |                |                  |                |
| Debtors   | 10    | 105,154          |                | 145,789          |                |
| Cash at bank and in hand                              |       | 263,455          |                | 144,291          |                |
|   |       | <u>368,609</u>   |                | <u>290,080</u>   |                |
| <b>Creditors: amounts falling due within one year</b> | 11    | <u>(242,909)</u> |                | <u>(168,298)</u> |                |
| Net current assets                                    |       |                  | 125,700        |                  | 121,782        |
| <b>Total assets less current liabilities</b>          |       |                  | <u>130,037</u> |                  | <u>125,513</u> |
| <b>Income funds</b>                                   |       |                  |                |                  |                |
| <u>Unrestricted funds</u>                             |       |                  |                |                  |                |
| Designated funds                                      | 15    | 4,337            |                | 8,396            |                |
| General unrestricted funds                            |       | <u>125,700</u>   |                | <u>117,117</u>   |                |
|   |       |                  | 130,037        |                  | 125,513        |
|   |       |                  | <u>130,037</u> |                  | <u>125,513</u> |

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The accounts were approved by the Trustees on .....

.....  
Jane Hatfield (Chair)  
Trustee

Company Registration No. 05695711



# INSTITUTE FOR VOLUNTARY ACTION RESEARCH

## STATEMENT OF CASH FLOWS

**FOR THE YEAR ENDED 31 MARCH 2018**

|   | Notes | 2018<br>£ | £       | 2017<br>£ | £       |
|---|-------|-----------|---------|-----------|---------|
| <b>Cash flows from operating activities</b>                 |       |           |         |           |         |
| Cash generated from/(absorbed by) operations                | 20    |           | 124,262 |           | (2,440) |
| <b>Investing activities</b>                                 |       |           |         |           |         |
| Purchase of tangible fixed assets                           |       | (5,099)   |         | (790)     |         |
| <b>Net cash used in investing activities</b>                |       |           | (5,099) |           | (790)   |
| <b>Net increase/(decrease) in cash and cash equivalents</b> |       |           | 119,163 |           | (3,230) |
| Cash and cash equivalents at beginning of year              |       |           | 144,291 |           | 147,522 |
| <b>Cash and cash equivalents at end of year</b>             |       |           | 263,455 |           | 144,291 |
| <b>Relating to:</b>   |       |           |         |           |         |
| Bank balances and short term deposits                       |       |           | 263,455 |           | 144,291 |

# INSTITUTE FOR VOLUNTARY ACTION RESEARCH

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 MARCH 2018**

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### **1 Accounting policies**

#### **Charity information**

Institute For Voluntary Action Research is a private company limited by guarantee incorporated in England and Wales. The registered office is The Old School, Exton Street, London, SE1 8UE.

#### **1.1 Accounting convention**

The accounts have been prepared in accordance with the charity's memorandum and articles of association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### **1.2 Going concern**

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### **1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

#### **1.4 Incoming resources**

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Grants are recognised in line with the charities entitlement to the grant. Grants which are received for specific time periods are allocated to those time periods. And any sums to which the charity is not yet entitled, but have already received are deferred and not recognised in the year.

Income relating to commissioned projects is recognised in line with the performance of that project. Where income is received in advance of work having been performed the income is deferred.

# INSTITUTE FOR VOLUNTARY ACTION RESEARCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2018**

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### **1 Accounting policies**

**(Continued)**

#### **1.5 Resources expended**

All expenditure is accounted for on an accruals basis.

Expenses incurred in undertaking activities for the fulfilment of the charity's objects are shown as direct charitable expenditure. The charity operates one type of charitable activity - charitable research projects.

Fundraising costs are the costs of application and reporting on the charity's income.

Support and governance costs, which cannot be directly attributed to particular activities, have been apportioned proportionately to estimated overheads used and allocated to charitable activities and fundraising cost.

The charity is not registered for VAT and expenditure categories include their irrecoverable VAT elements.

#### **1.6 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

|                        |                   |
|------------------------|-------------------|
| Leasehold improvements | 4 years           |
| Furniture & equipment  | 50% straight line |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

#### **1.7 Impairment of fixed assets**

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### **1.8 Cash and cash equivalents**

Cash and cash equivalents include cash in hand and deposits held at call with banks.

#### **1.9 Financial instruments**

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method. Financial assets classified as receivable within one year are not amortised.

# INSTITUTE FOR VOLUNTARY ACTION RESEARCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2018**

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### **1 Accounting policies**

**(Continued)**

#### ***Basic financial liabilities***

Basic financial liabilities, including creditors are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less.

#### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

#### **1.10 Employee benefits**

Where material the cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

#### **1.11 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

### **2 Critical accounting estimates and judgements**

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The key area of estimation in the current and previous year is the deferral of project income where income is received in advance of the work performed. The deferral is calculated with reference to the estimated percentage of the project performed at the balance sheet date with reference to key project stages and deliverables.

# INSTITUTE FOR VOLUNTARY ACTION RESEARCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

### 3 Core grants

|                            | 2018    | 2017    |
|----------------------------|---------|---------|
|                            | £       | £       |
| Donations and gifts        | 213,000 | 188,000 |
| <b>Donations and gifts</b> |         |         |
| Esmee Fairbairn Foundation | 65,000  | 65,000  |
| Lankelly Chase Foundation  | 43,000  | 43,000  |
| Porticus                   | 25,000  | 25,000  |
| Tudor Trust                | 55,000  | 55,000  |
| Pears Foundation           | 25,000  | -       |
|                            | 213,000 | 188,000 |

Grants received in both the current and comparative period are unrestricted income.

### 4 Charitable activities

|                         | 2018    | 2017    |
|-------------------------|---------|---------|
|                         | £       | £       |
| Consultancy             | 9,142   | 9,428   |
| Grant project funders   | 589,968 | 548,778 |
|                         | 599,110 | 558,206 |
| <b>Analysis by fund</b> |         |         |
| Unrestricted funds      | 354,763 | 372,450 |
| Restricted funds        | 244,347 | 106,600 |
|                         | 599,110 | 479,050 |

# INSTITUTE FOR VOLUNTARY ACTION RESEARCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2018

| 4 Charitable activities                                     | (Continued)    |                |
|---|----------------|----------------|
|   | 2018<br>£      | 2017<br>£      |
| <b>Grant project funders above £5,000- funding received</b> |                |                |
| Social Enterprise UK  | 121,995        | 56,105         |
| Lankelly Chase Foundation                                   | -              | 5,000          |
| Nationwide Foundation                                       | -              | 4,750          |
| Local Trust   | 33,158         | 24,250         |
| Parents 1st   | -              | 12,367         |
| Lloyds Banking Group Foundation                             | 12,500         | 11,125         |
| Barrow Cadbury Trust  | -              | 8,000          |
| Access Foundation   | -              | 10,500         |
| Building Change Trust                                       | 5,050          | 18,972         |
| Virgin Money PLC  | 12,000         | -              |
| BBC Children in Need  | 11,599         | 38,098         |
| The Acre Network  | -              | 12,000         |
| Premier League Charity Fund                                 | 16,000         | -              |
| London Funders  | 31,500         | -              |
| Commonweal Housing  | 8,500          | 14,000         |
| Association of Charitable Foundations                       | -              | 9,690          |
| Detention Action  | 5,000          | -              |
| Big Lottery fund  | -              | 10,000         |
| Paul Hamlyn Foundation                                      | -              | 15,000         |
| Sheffield Hallam University                                 | 20,265         | -              |
| Joseph Rowntree Charitable Trust                            | -              | 13,000         |
| Oak Foundation  | 31,108         | -              |
| Comic Relief  | 5,000          | 15,000         |
| Atlantic Philanthropies                                     | 227,417        | 224,857        |
| Sussex Community Foundation                                 | -              | 5,000          |
| Pears Foundation  | 19,375         | 10,000         |
| Rural Action Yorkshire                                      | -              | 8,725          |
| Wates FE Trust  | 12,460         | 7,440          |
| Federation of City Farms and Community Gardens              | -              | 8,875          |
| NHS England   | -              | 5,100          |
| Power to Change   | 36,536         | 37,000         |
| City Bridge Trust   | -              | 10,000         |
| Re-Solv   | -              | 7,934          |
| The Robertson Trust   | -              | 5,500          |
| National Youth Social Action Fund                           | 10,000         | -              |
| First Give  | 8,800          | -              |
| Trust for London  | 5,000          | -              |
| Grant project funders below £5,000                          | 13,083         | 32,960         |
| Less net movements on deferred and income due               | (56,378)       | (92,470)       |
|   | <u>589,968</u> | <u>548,778</u> |

# INSTITUTE FOR VOLUNTARY ACTION RESEARCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2018**

### 5 Raising funds

|                                  | 2018   | 2017  |
|----------------------------------|--------|-------|
|                                  | £      | £     |
| <u>Fundraising and publicity</u> |        |       |
| Staff costs                      | 8,948  | 4,314 |
| Support costs                    | 1,591  | 1,945 |
|                                  | <hr/>  | <hr/> |
| Fundraising and publicity        | 10,539 | 6,259 |
|                                  | <hr/>  | <hr/> |
| Governance costs                 | 48     | 47    |
|                                  | <hr/>  | <hr/> |
|                                  | 10,587 | 6,306 |
|                                  | <hr/>  | <hr/> |

### 6 Charitable activities

|   | 2018    | 2017    |
|---|---------|---------|
|   | £       | £       |
| Staff costs   | 317,022 | 298,322 |
| Research associate fees                                   | 195,841 | 162,043 |
| Academic advice and consultancy                           | 1,941   | 769     |
| Other direct costs including publications and conferences | 120,020 | 81,571  |
|   | <hr/>   | <hr/>   |
|   | 634,824 | 542,705 |
|   | <hr/>   | <hr/>   |
| Share of support costs (see note 7)                       | 157,460 | 192,522 |
| Share of governance costs (see note 7)                    | 4,714   | 4,687   |
|   | <hr/>   | <hr/>   |
|   | 796,998 | 739,914 |
|   | <hr/>   | <hr/>   |
| <b>Analysis by fund</b>                                   |         |         |
| Unrestricted funds  | 552,651 |         |
| Restricted funds  | 244,347 |         |
|   | <hr/>   |         |
|   | 796,998 |         |
|   | <hr/>   |         |
| <b>For the year ended 31 March 2017</b>                   |         |         |
| Unrestricted funds  |         | 467,793 |
| Restricted funds  |         | 272,121 |
|   |         | <hr/>   |
|   |         | 739,914 |
|   |         | <hr/>   |

# INSTITUTE FOR VOLUNTARY ACTION RESEARCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2018**

### 7 Support costs

|   | Support costs  | Governance costs | 2018           | 2017           |
|---|----------------|------------------|----------------|----------------|
|   | £              | £                | £              | £              |
| Staff costs   | 44,384         | -                | 44,384         | 48,119         |
| Depreciation  | 4,492          | -                | 4,492          | 6,073          |
| Rent, insurance and service charges                                     | 41,006         | -                | 41,006         | 33,894         |
| Equipment rental  | 2,994          | -                | 2,994          | 2,994          |
| Payroll administration and recruitment                                  | 549            | -                | 549            | 3,388          |
| IT costs and website  | 18,842         | -                | 18,842         | 41,402         |
| Bookkeeping and accountancy fees  | 16,625         | -                | 16,625         | 18,978         |
| Printing, postage stationery and telephone                              | 13,315         | -                | 13,315         | 11,952         |
| Publishing materials, events, marketing, subscriptions and publications | 6,509          | -                | 6,509          | 15,829         |
| Travel and subsistence (non project)                                    | 6,387          | -                | 6,387          | 9,041          |
| Sundry  | 3,948          | -                | 3,948          | 2,797          |
| Audit fees  | -              | 4,080            | 4,080          | 4,080          |
| Trustee expenses  | -              | 175              | 175            | 156            |
| Trustees insurance  | -              | 507              | 507            | 498            |
|   | <u>159,051</u> | <u>4,762</u>     | <u>163,813</u> | <u>199,201</u> |
| Analysed between  |                |                  |                |                |
| Fundraising   | 1,591          | 48               | 1,639          | 1,945          |
| Charitable activities   | 157,460        | 4,714            | 162,174        | 197,209        |
|   | <u>159,051</u> | <u>4,762</u>     | <u>163,813</u> | <u>199,201</u> |

Support and governance cost have been allocated across fundraising and the charitable activities using a ratio of based on estimated overhead resources used.

Governance costs includes payments to the auditors of £4,080 including VAT (2017- £4,080) for audit fees.



# INSTITUTE FOR VOLUNTARY ACTION RESEARCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

### 8 Employees

#### Number of employees

The average monthly number of employees during the year was:

|  | 2018<br>Number | 2017<br>Number |
|--|----------------|----------------|
| Generating funds   | 0.1            | 0.1            |
| Research projects and other direct charitable activities | 7.5            | 6.8            |
| Support and administration                               | 1.0            | 1.1            |
|  | <u>8.6</u>     | <u>8.0</u>     |

#### Employment costs

|                       | 2018<br>£      | 2017<br>£      |
|-----------------------|----------------|----------------|
| Wages and salaries    | 328,119        | 309,266        |
| Social security costs | 32,622         | 31,535         |
| Other pension costs   | 9,613          | 9,954          |
|                       | <u>370,354</u> | <u>350,755</u> |

The number of employees whose annual remuneration was £60,000 or more were:

|                 | 2018<br>Number | 2017<br>Number |
|-----------------|----------------|----------------|
| £70,000-£80,000 | <u>1</u>       | <u>1</u>       |

# INSTITUTE FOR VOLUNTARY ACTION RESEARCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

### 9 Tangible fixed assets

|                                    | Leasehold<br>improvements<br>£ | Furniture &<br>equipment<br>£ | Total<br>£ |
|------------------------------------|--------------------------------|-------------------------------|------------|
| <b>Cost</b>                        |                                |                               |            |
| At 1 April 2017                    | 8,382                          | 12,452                        | 20,834     |
| Additions                          | -                              | 5,099                         | 5,099      |
| Disposals                          | -                              | (4,156)                       | (4,156)    |
| At 31 March 2018                   | 8,382                          | 13,395                        | 21,777     |
| <b>Depreciation and impairment</b> |                                |                               |            |
| At 1 April 2017                    | 6,287                          | 10,816                        | 17,103     |
| Depreciation charged in the year   | 2,095                          | 2,398                         | 4,493      |
| Eliminated in respect of disposals | -                              | (4,156)                       | (4,156)    |
| At 31 March 2018                   | 8,382                          | 9,058                         | 17,440     |
| <b>Carrying amount</b>             |                                |                               |            |
| At 31 March 2018                   | -                              | 4,337                         | 4,337      |
| At 31 March 2017                   | 2,095                          | 1,636                         | 3,731      |

### 10 Debtors

|   | 2018<br>£ | 2017<br>£ |
|---|-----------|-----------|
| <b>Amounts falling due within one year:</b> |           |           |
| Trade debtors                               | 96,951    | 131,699   |
| Amounts due from project funders            | -         | 4,000     |
| Other debtors                               | 6,781     | 6,880     |
| Prepayments and accrued income              | 1,422     | 3,210     |
|   | 105,154   | 145,789   |

### 11 Creditors: amounts falling due within one year

|                                    | Notes | 2018<br>£ | 2017<br>£ |
|------------------------------------|-------|-----------|-----------|
| Other taxation and social security |       | 10,271    | 9,800     |
| Deferred income                    | 12    | 180,417   | 124,039   |
| Trade creditors                    |       | 37,423    | 27,905    |
| Other creditors                    |       | 500       | -         |
| Accruals                           |       | 14,298    | 6,554     |
|                                    |       | 242,909   | 168,298   |

# INSTITUTE FOR VOLUNTARY ACTION RESEARCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

### 12 Deferred income

|  | 2018<br>£      | 2017<br>£      |
|--|----------------|----------------|
| Arising from performance related grants and projects | 180,417        | 124,039        |
|  | <u>180,417</u> | <u>124,039</u> |
|  | 2018<br>£      | 2017<br>£      |
| Balance as at 1 April 17                             | 124,039        | 27,569         |
| Released in year                                     | (119,039)      | (22,569)       |
| Deferred in year                                     | 175,417        | 119,039        |
|  | <u>175,417</u> | <u>119,039</u> |
| Balance as at 31 March 18                            | <u>180,417</u> | <u>124,039</u> |

During the year IVAR received £nil (2017: £7,023) from statutory sources. All requirements attaching to the payments had been met at the year end.

### 13 Retirement benefit schemes

#### Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund for each employee.

The charge to profit or loss in respect of defined contribution schemes was £9,613 (2017 - £9,954).



# INSTITUTE FOR VOLUNTARY ACTION RESEARCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2018

#### 15 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

|                           | Balance at 1<br>April 2017<br>£ | Movement in funds<br>Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Balance at 31<br>March 2018<br>£ |
|---------------------------|---------------------------------|---|----------------------------|----------------------------------|
| Research Development Fund | 4,665                           | -   | (4,665)                    | -                                |
| Fixed Asset Fund          | 3,731                           | 5,099   | (4,493)                    | 4,337                            |
|                           | <u>8,396</u>                    | <u>5,099</u>                                    | <u>(9,158)</u>             | <u>4,337</u>                     |
|                           | <u><u>8,396</u></u>             | <u><u>5,099</u></u>                             | <u><u>(9,158)</u></u>      | <u><u>4,337</u></u>              |
|                           | Balance at 1<br>April 2016<br>£ | Incoming<br>resources<br>£                      | Resources<br>expended<br>£ | Balance at 31<br>March 2017<br>£ |
| Research Development Fund | 9,665                           | -   | (5,000)                    | 4,665                            |
| Fixed Asset Fund          | 9,014                           | 790   | (6,073)                    | 3,731                            |
|                           | <u>18,679</u>                   | <u>790</u>                                      | <u>(11,073)</u>            | <u>8,396</u>                     |
|                           | <u><u>18,679</u></u>            | <u><u>790</u></u>                               | <u><u>(11,073)</u></u>     | <u><u>8,396</u></u>              |

#### Research Development Funds

The Trustees had set aside £25,000 to enable IVAR to provide a small working fund to support activities which may require specific investment (e.g. work with smaller, less well-resourced organisations; supplementary work to disseminate research findings; exploratory work in new areas).

#### Fixed Asset Fund

The fixed assets are considered to be not easily realisable and accordingly are not represented in the general reserve. The balance carried forward is equal to the year-end net book value of fixed assets.

#### 16 Analysis of net assets between funds

|  | Designated<br>Fund<br>£ | Restricted<br>Fund<br>£ | Total<br>£            |
|--|-------------------------|-------------------------|-----------------------|
| Fund balances at 31 March 2018 are represented by: |                         |                         |                       |
| Tangible assets                                    | 4,337                   | -                       | 4,337                 |
| Current assets/(liabilities)                       | 125,700                 | -                       | 125,700               |
|  | <u>130,037</u>          | <u>-</u>                | <u>130,037</u>        |
|  | <u><u>130,037</u></u>   | <u><u>-</u></u>         | <u><u>130,037</u></u> |

# INSTITUTE FOR VOLUNTARY ACTION RESEARCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2018

#### 17 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

|                 | 2018<br>£ | 2017<br>£ |
|-----------------|-----------|-----------|
| Within one year | 6,219     | 5,926     |

The charity operates from rented premises which can be vacated with two months notice at any time.

#### 18 Trustees and Related party transactions

##### Remuneration of key management personnel

The remuneration of key management personnel is as follows.

|  | 2018<br>£ | 2017<br>£ |
|--|-----------|-----------|
| Aggregate compensation including employer's pension and national insurance contributions | 89,480    | 86,380    |

During the year at trustee, Richard Hopgood, received fees and expenses of £6,880 (2017: £5,048), Sam Brier £907 (2017: £3,950) and John Hailey £nil (2017: £5,399) as research associates. IVAR has authority to make payments to trustees for consultancy work contained in its governing document. The payments have been made in accordance with the trustees remuneration policy and approved by the trustees.

Two trustees received reimbursement of travel expenses amounting to £144 (2017: 1 trustee : £156).

#### 19 Limited by guarantee status

The charitable company's legal structure is that of a company limited by guarantee. In the event of the company winding-up each member is liable to contribute to any deficit to a maximum of £1 per member.

| 20 Cash generated from operations                    | 2018<br>£      | 2017<br>£      |
|--|----------------|----------------|
| Surplus/(deficit) for the year                       | 4,525          | (14)           |
| Adjustments for:                                     |                |                |
| Depreciation and impairment of tangible fixed assets | 4,492          | 6,073          |
| Movements in working capital:                        |                |                |
| Decrease/(increase) in debtors                       | 40,635         | (94,863)       |
| Increase/(decrease) in creditors                     | 18,233         | (10,106)       |
| Increase in deferred income                          | 56,378         | 96,470         |
| <b>Cash generated from/(absorbed by) operations</b>  | <b>124,263</b> | <b>(2,440)</b> |