

**INSTITUTE FOR VOLUNTARY
ACTION RESEARCH**

**(Company limited by guarantee no. 05695711
registered charity no. 1114403)**

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2011

INSTITUTE FOR VOLUNTARY ACTION RESEARCH

(Company limited by guarantee no. 05695711, registered charity no. 1114403)

REPORT AND FINANCIAL STATEMENTS

For the year ended 31 March 2011

CONTENTS

	Page
Legal and administrative information	1
Trustees' report	2
Auditors' report	7
Statement of financial activities	9
Balance sheet	10
Notes to the financial statements	11

INSTITUTE FOR VOLUNTARY ACTION RESEARCH

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS

For the year ended 31 March 2011

Trustees	Julian Ashby	Chair
	Timothy Jones	Treasurer
	Jane Hatfield	Vice chair
	Dipali Chandra	(appointed 25 November 2010)
	Terry Connor	
	Arvinda Gohil	(appointed 25 November 2010)
	John Hailey	(appointed 25 November 2010)
	Alison Harker	
	Prof. Jennifer Harrow	
	Dr. Nicholas Plant	(resigned 25 November 2010)
Company Secretary	Ben Cairns	
Director/Chief Executive	Ben Cairns	
Company reg. no.	05695711	
Charity reg. no.	1114403	
Registered office	2nd Floor Egmont House 26-31 Tavistock Square London WC1H 9UT	
Auditors	MacIntyre Hudson LLP Friendly House 52 - 58 Tabernacle Street London EC2A 4NJ	
Bankers	CAF Bank 25 Kings Hill Avenue Kent ME19 4JQ	
Solicitors	Barker Gooch Swalles 37 The Green London N21 1HT	

TRUSTEES' REPORT

For the year ended 31 March 2011

The Trustees, who act as directors of the Charity for the purposes of the Companies Act, and trustees for charity law purposes, submit their annual report and the financial statements of Institute for Voluntary Action Research for the year ended 31 March 2011. The Trustees confirm that the annual report and financial statements of the Charity comply with current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities (revised 2005)'.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Institute for Voluntary Action Research (IVAR) was formally registered as a company limited by guarantee (05695711) on 2nd February 2006 and as a charity (1114403) on 30th May 2006. The Charity is governed by its Memorandum and Articles of Association as amended by special resolution on 3rd February 2011.

The Trustees are responsible for the management of the Charity, which they delegate to the Director on a day-to-day basis. IVAR's Board of Trustees comprises seven senior Voluntary and Community Sector (VCS) practitioners, scholars and funders. 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 the Director of the Charity since his appointment on 1 July 2006. In line with the Charity's commitment to academic rigour and excellence, Professor Margaret Harris continues to serve as Academic Adviser.

Risk review

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.

MISSION, VALUES AND PRINCIPLES

During the year, the Board of Trustees reviewed and renewed IVAR's mission:

Mission

IVAR's foremost commitment is to supporting the development and sustainability of voluntary sector¹ organisations through research, education and training. IVAR is founded on a belief that these bodies have distinctive organisational features and also need to be understood in the context of their policy environment.

IVAR's work has a dual purpose: improving practice and contributing to shaping the policy environment for voluntary sector organisations. We aim to achieve this through:

- A commitment to and application of action research, working collaboratively with practitioners and policy makers on organisational problem-solving, learning and change
- A team of people who share deeply held beliefs about the importance and value of voluntary action and civil society, as well as an ideological commitment to the independence of the voluntary sector
- The practice of building, refining and exchanging knowledge for practice, policy and theory development
- The highest standard of academic excellence and ethical rigour in all our work.

Values and Principles

- We are a team of people – trustees, staff and associates – who share a commitment to the sustainability and independence of the voluntary sector, and a belief in the value and importance of collegiate and collaborative working
- We are sensitive to the special organisational features of the voluntary sector and its policy environment
- We are focused on organisational problem-solving, learning and change
- Our approach is collaborative, working with voluntary sector practitioners and other key stakeholders to build practical solutions to real problems
- Our research is based on action research principles; it is informed by theory and grounded in systematic and critical analysis
- Our interventions are enabling and empowering, helping organisations to mobilise their own resources and manage their own situations.

¹ IVAR uses the 'voluntary sector' as a broad term to cover organisations which may variously describe themselves as belonging to the 'community sector', the 'voluntary and community sector', the 'third sector', the 'nonprofit sector' and so on.

TRUSTEES' REPORT

For the year ended 31 March 2011

HOW WE WORK

Action research

Action research has the potential to generate practical responses to challenges of organisation and management which are owned and understood by practitioners. Such a collaborative research process can also help practitioners to build their confidence and grow their problem-solving capacity and in this way, it can strengthen organisations and enhance their contribution to civil society.

The five key principles of our approach to action research are²:

- i) A focus on the 'real world'. Our action research starts with a practical issue or problem and aims to produce knowledge which is practically useful and usable.
- ii) Collaboration between ourselves, as researchers, and 'problem owners', who may be voluntary sector organisations or public agencies.
- iii) Not being prescriptive or judgemental: the agenda, viewpoints and perceptions of research participants are paramount throughout.
- iv) Intervention with a view to achieving change. Our action research is geared towards practical change, both to respond to the starting problem and to equip practitioners with the skills to improve their organisations and communities, as well as to shape the public policy environment.
- v) Knowledge building and knowledge exchange. By working collaboratively with practitioners, we can help to build and exchange knowledge. Often there is a cyclical learning process: building knowledge and understanding by continuously 'testing' it against practical experience and applying it to real world situations before further modification and refinement.

Knowledge exchange

There are two key dimensions to our 'knowledge exchange and transfer' work. First, we share, test and refine our research findings with practitioners in order to ensure their practical relevance and usefulness. Second, we disseminate our findings, in multiple formats, to four distinct audiences: voluntary sector practitioners, academics and other researchers, policy makers and funders. We sometimes refer to this element in the cycle of learning as 'capacity building'.

We are committed to at least five activities which fall under the broad heading of 'knowledge exchange and transfer':

- Academic and practitioner conference papers and presentations
- Articles in academic journals
- Publication of research reports in formats accessible to a range of audiences
- Joint seminar series with Birkbeck College
- Workshops and programmes of skills development for practitioners.

Academic and ethical rigour

IVAR is committed to aiming for the highest standard of academic excellence and ethical rigour in all its work. There are five key elements to supporting this aim:

- i) IVAR has deliberately chosen to be physically located within an academic institution with which it shares complementary interests and experience.
- ii) IVAR's Board comprises people with direct experience, expertise and interest in the relationship between theory and practice. Furthermore, there is a strong match between IVAR's 'academic' values and the values and interests of staff and associates.
- iii) The perceived benefit to client organisations of using theory in practically focused action research and knowledge exchange work. We do not treat problems in a vacuum; rather we consider their policy context as well as earlier, related research which might assist the problem-solving process.
- iv) IVAR's Academic Adviser supports and advises staff, associates and board members, in particular:
 - To mentor and advise about voluntary sector specialist matters and on social science theories, methodologies, teaching, training, writing and ethical research practice.
 - To offer an academic perspective on activities and strategic development.
 - To support IVAR as a learning organisation by facilitating reflection on and synthesis of project findings.
- v) The adoption and implementation of a Code of Practice and other related research guidelines.

²Adapted from: Cairns, B., Harris, M. and Carroll, M. (2006) 'Action Research: Professional Researchers in the Community' in Handbook on Community Movements and Local Organizations edited by R. Cnaan and C. Milofsky, Kluwer Books / Plenum Press

TRUSTEES' REPORT

For the year ended 31 March 2011

ACHIEVEMENTS AND PERFORMANCE

IVAR's research is problem-led. To that extent, IVAR is open to working across the full spectrum of organisation and management challenges experienced by voluntary sector practitioners. In practice, there are particular topics and issues which IVAR has become better suited to working on – areas in which it has developed some expertise; areas which correspond more closely with its values; areas which lend themselves to action research. During its fifth year of operation IVAR worked on projects in five broad topic areas:

- Collaborative working and mergers
- Cross-sector partnership working and commissioning
- Community ownership and management of assets
- Impact assessment
- Strategic review.

Its research clients and partners included: the British Association of Settlements and Social Action Centres (bassac), the Development Trusts Association (DTA), Community Matters, Local Government Improvement and Development (LGiD), the Tudor Trust, Lankelly Chase, the Community Development Foundation (CDF), the Joseph Rowntree Foundation (JRF) and the Mental Health Foundation.

IVAR continued to develop its partnership with Birkbeck, University of London and to benefit from co-location with Birkbeck. The fourth IVAR / Birkbeck Seminar Series, a programme of five seminars around the theme of New thinking about the third sector, was attended by more than 85 people.

FINANCIAL REVIEW

The results of the year's activity are set out in the attached financial statements. The Charity incurred net outgoing resources for the year of £80,000 (2010 outgoing resources: £37,900). Total reserves at the year-end decreased to £150,800 (2010: £225,800).

Reserves policy

The Board of Trustees has established 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 four and six months' 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 the minimum 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 - of between £127,000 and £191,000 at 31 March 2011, whilst the 'free' reserves held at that date were £144,900.

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 for funds to be set aside for a Research Development Fund, to provide a small working fund to support activities which may require specific investment (eg. work with smaller, less well-resourced organisations; supplementary work to disseminate research findings; exploratory work in new areas).

INSTITUTE FOR VOLUNTARY ACTION RESEARCH

TRUSTEES' REPORT

For the year ended 31 March 2011

PLANS FOR FUTURE PERIODS

In developing IVAR's strategy for 2011-12, the Trustees recognised the need to be flexible through the year. We will review the success and relevance of the strategy at each Board meeting rather than make the normal assumption that it runs for a year. The strategy will be guided by three overarching commitments:

- The organisation will strive to hold its nerve in the face of funding and market uncertainty; this will mean holding true to the organisation's mission and core values, in particular its commitment to being relevant and useful
- The organisation will also work to hold its ground as a problem-led and problem-solving research institute, using its knowledge, approach and skills to support voluntary organisations through a period of great difficulty and uncertainty
- The organisation will seek to make maximum use of all the resources and skills at its disposal and, without taking unnecessary risks, will consider further growth alongside consolidation.

The three key strategic objectives for the period April 2011 to March 2012 are:

- i) To improve the coherence, visibility, availability and practical usefulness of IVAR's core offer, including action in relation to:
 - strengthening and promoting IVAR's primary product as problem-solving research
- ii) To extend IVAR's network of funders, partners, clients and commissioners, including action in relation to:
 - building and strengthening the network of partners and funders in trusts and foundations
 - opening up new markets for research and dissemination projects.
- iii) To ensure the safe, smooth and responsible running of the organisation, including action in relation to:
 - improving systems for financial management and reporting
 - strengthening the academic and strategic relationship with Birkbeck
 - securing savings to core costs of at least 20% over the 2011/12 financial year.

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 support of voluntary sector and community organisations is outlined under 'Objectives and Activities' and 'Achievements and Performance' above.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also the directors of Institute for Voluntary Action Research for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company and charity law applicable to charities in England/Wales requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the Charity and of the surplus or deficit of the Charity for that period. In preparing those financial statements 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,
- prepare the financial statements on the going concern basis (unless it is inappropriate to presume that the Charity will continue in operation).

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

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

INSTITUTE FOR VOLUNTARY ACTION RESEARCH

TRUSTEES' REPORT

For the year ended 31 March 2011

STATEMENT OF DISCLOSURE OF INFORMATION TO AUDITORS

We, as the Trustees of the Charity who held office at the date of approval of these financial statements as set out on page 1 each confirm, so far as we are aware, that:

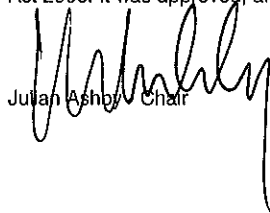
- there is no relevant audit information of which the Charity's auditors are unaware; and
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

AUDITORS

The auditors, Gotham Erskine LLP have indicated their willingness to accept re-appointment under Section 485 of the Companies Act 2006.

SMALL COMPANY SPECIAL PROVISIONS

The report of the Trustees has been prepared taking advantage of the small companies exemption of section 415 A of the Companies Act 2006. It was approved, and authorised for issue, by the Trustees on 5 July 2011 and signed on its behalf by:



Julian Ashby - Chair



Timothy Jones - Treasurer

Independent auditors' report to the Members of Institute for Voluntary Action Research (registered company no. 05695711)

We have audited the financial statements of Institute for Voluntary Action Research for the year ended 31 March 2011 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the requirements of the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 its Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and auditors

As explained more fully in the Responsibilities Statement of the Trustees, the Trustees (who are also the directors of Institute for Voluntary Action Research 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.

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 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.

In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2011, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to smaller entities; and
- have been properly prepared in accordance with the Companies Act 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.

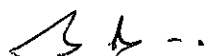
/Continued ...

**Independent auditors' report to
Institute for Voluntary Action Research
(Continued)**

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all of 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.



John Ball (Senior Statutory Auditor)

For and on behalf of:

MacIntyre Hudson LLP

Chartered Accountants & Registered Auditors

Friendly House

52 - 58 Tabernacle Street

London EC2A 4NJ

Date: 5 October 2011

INSTITUTE FOR VOLUNTARY ACTION RESEARCH

STATEMENT OF FINANCIAL ACTIVITIES

(Incorporating Income and Expenditure Account & Statement of Total Realised Gains and Losses)
For the year ended 31 March 2011

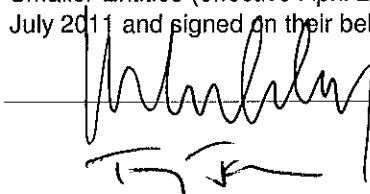
	Note	Unrestricted Funds 2011 £	Restricted Funds 2011 £	Total Funds 2011 £	Total Funds 2010 £
INCOMING RESOURCES					
Incoming resources from generated funds:					
Voluntary income	2	70,925	-	70,925	13,750
Bank interest receivable		151	-	151	290
Incoming resources from charitable activities	3	604,730	73,950	678,680	743,371
TOTAL INCOMING RESOURCES		675,806	73,950	749,756	757,411
RESOURCES EXPENDED					
Costs of generating voluntary income	5	7,289	-	7,289	7,938
Charitable activities:					
Research project costs	4	729,104	78,863	807,967	765,853
Governance costs	6	14,464	-	14,464	15,640
Other resources expended		-	-	-	5,830
TOTAL RESOURCES EXPENDED	7	750,857	78,863	829,720	795,261
Net income/(expenditure) before transfer		(75,051)	(4,913)	(79,964)	(37,850)
TOTAL FUNDS AT 1 APRIL 2010		225,828	19,697	245,525	283,375
TOTAL FUNDS AT 31 MARCH 2011		£ 150,777	£ 14,784	£ 165,561	£ 245,525

The annexed notes form part of these financial statements

BALANCE SHEET
As at 31 March 2011

	Notes	£	2011 £	£	2010 £
FIXED ASSETS					
Tangible assets	11		5,926		9,826
CURRENT ASSETS					
Debtors	12	143,062		212,286	
Cash at bank and in hand		95,003		78,830	
		<u>238,065</u>		<u>291,116</u>	
CREDITORS: amounts falling due within one year	13	(78,430)		(55,417)	
NET CURRENT ASSETS			159,635		235,699
NET ASSETS			<u>£ 165,561</u>		<u>£ 245,525</u>
FUNDS					
Restricted funds	14		14,784		19,697
Unrestricted funds:					
Designated funds	14	65,926		69,826	
General fund	14	<u>84,851</u>		<u>156,002</u>	
			150,777		225,828
			<u>£ 165,561</u>		<u>£ 245,525</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008). They were approved, and authorised for issue, by the directors on 5 July 2011 and signed on their behalf by:-



JULIAN ASHBY, Chair



TIMOTHY JONES, Treasurer

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

1. ACCOUNTING POLICIES

a) *Basis of preparation of financial statements*

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" published in 2005, applicable accounting standards and the Financial Reporting Standard for Smaller Entities (effective April 2008).

The effects of events relating to the year ended 31 March 2011 which occurred before the date of approval of the financial statements by the Trustees has been included in the financial statements to the extent required to show a true and fair view of the state of affairs at 31 March 2011 and the results for the year ended on that date.

b) *Company status*

Institute for Voluntary Action Research is a company limited by guarantee. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

c) *Fund accounting*

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objects 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 which are to be used in accordance with specific restrictions imposed by donors which have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

d) *Incoming resources*

All incoming resources are included in the Statement of Financial Activities (SoFA) when the Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

e) *Resources expended*

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Support costs, which cannot be directly attributed to particular activities, have been apportioned proportionately to the direct staff costs allocated to the activities. Governance costs include the costs of servicing Trustees' meetings, audit and strategic planning. Cost of generating funds consists of an allocation of staff time and associated support costs in the raising of voluntary income.

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

f) *Tangible fixed assets and depreciation*

Depreciation is charged on the following basis:

Office equipment	-	25% straight line
------------------	---	-------------------

Tangible fixed assets are capitalised where the purchase price exceeds £500.

g) *Pensions*

The Charity operates a defined contribution pension scheme. Contributions are charged to the SoFA as they become payable in accordance with the rules of the scheme.

INSTITUTE FOR VOLUNTARY ACTION RESEARCH

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

2. VOLUNTARY INCOME

	Unrestricted Funds 2011 £	Restricted Funds 2011 £	Total Funds 2011 £	Total Funds 2010 £
Core funding (see below)	70,000	-	70,000	13,750
Other donations	925	-	925	-
	<u>£ 70,925</u>	<u>£ Nil</u>	<u>£ 70,925</u>	<u>£ 13,750</u>

	Unrestricted Funds 2011 £	Restricted Funds 2011 £	Total Funds 2011 £	Total Funds 2010 £
Core funding:				
Esmee Fairbairn Foundation	20,000	-	20,000	8,750
Tudor Trust	30,000	-	30,000	-
Lankelly Chase Foundation	20,000	-	20,000	5,000
	<u>£ 70,000</u>	<u>£ Nil</u>	<u>£ 70,000</u>	<u>£ 13,750</u>

3. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted Funds 2011 £	Restricted Funds 2011 £	Total Funds 2011 £	Total Funds 2010 £
Total research income & other consultancy	<u>£604,730</u>	<u>£73,950</u>	<u>£678,680</u>	<u>£743,371</u>

Income comes from a variety of different contracts, including commissioned work, tendered work and work initiated by IVAR.

INSTITUTE FOR VOLUNTARY ACTION RESEARCH

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

4. RESEARCH PROJECT COSTS

	Unrestricted Funds 2011 £	Restricted Funds 2011 £	Total Funds 2011 £	Total Funds 2010 £
Research associate fees	203,299	26,013	229,312	215,177
Academic advice and consultancy	12,727	-	12,727	50,801
Research development costs	118,790	9,270	128,060	134,195
Allocation of salary costs	216,908	43,290	260,198	217,822
Allocation of support costs	177,380	290	177,670	147,858
	<u>£ 729,104</u>	<u>£ 78,863</u>	<u>£ 807,967</u>	<u>£ 765,853</u>

5. COST OF GENERATING FUNDS

	Unrestricted Funds 2011 £	Restricted Funds 2011 £	Total Funds 2011 £	Total Funds 2010 £
Allocation of salary costs	4,332	-	4,332	4,045
Allocation of support costs	2,957	-	2,957	3,893
	<u>£ 7,289</u>	<u>£ Nil</u>	<u>£ 7,289</u>	<u>£ 7,938</u>

6. GOVERNANCE COSTS

	Unrestricted Funds 2011 £	Restricted Funds 2011 £	Total Funds 2011 £	Total Funds 2010 £
Audit fees payable to auditors	6,960	-	6,960	7,050
Trustees' expenses	215	-	215	652
Allocation of salary costs	4,332	-	4,332	4,045
Allocation of support costs	2,957	-	2,957	3,893
	<u>£ 14,464</u>	<u>£ Nil</u>	<u>£ 14,464</u>	<u>£ 15,640</u>

INSTITUTE FOR VOLUNTARY ACTION RESEARCH

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

7. RESOURCES EXPENDED

	Staff costs £	Activities under-taken directly £	Support costs £	Total 2011 £	Total 2010 £
Charitable expenditure:					
Research project costs	260,198	370,099	177,670	807,967	765,853
Costs of generating funds	4,332	-	2,957	7,289	7,938
Governance costs	4,332	7,175	2,957	14,464	15,640
Other resources expended	-	-	-	-	5,830
Support costs	112,666	70,918	(183,584)	-	-
	<u>£ 381,528</u>	<u>£ 448,192</u>	<u>£ Nil</u>	<u>£ 829,720</u>	<u>£ 795,261</u>
Resources expended include:				2011 £	2010 £
Auditors' remuneration:					
Statutory audit				6,960	7,050
Depreciation				<u>3,900</u>	<u>4,387</u>

Details of Staff costs are given in Note 9.

Details of Costs of Generating Funds, Governance costs and Support costs are given respectively in Notes 5, 6 and 8.

Support costs are allocated to other activities on the basis of estimated allocation of staff costs.

8. SUPPORT COSTS

	2011 £	2010 £
Staff costs	112,666	96,170
Rent and service charges	8,667	2,851
Insurance	1,402	1,582
Telephone and fax	7,035	6,672
IT costs	473	7,193
Website	2,669	8,850
Book-keeping & accountancy fees	17,412	2,600
Printing, postage and stationery	3,918	4,905
Publicity materials and marketing	14,141	9,039
Subscriptions and publications	1,749	2,933
Travel and subsistence (non-project)	5,258	7,333
Bank charges	103	145
Sundry expenses	1,706	984
Depreciation	3,900	4,387
	<u>£ 183,584</u>	<u>£ 155,644</u>

Book-keeping and accountancy fees have increased due to the contracting out of work previously carried out in-house.

INSTITUTE FOR VOLUNTARY ACTION RESEARCH

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

9. STAFF NUMBERS AND COSTS

	2011 £	2010 £
Salaries	298,273	247,787
Social security costs	33,757	27,997
Pension costs	11,455	9,389
Staff training and conferences	7,840	6,822
Travel and subsistence	24,381	27,667
Temporary staff, recruitment & other staff expenses	5,822	2,420
	<u>£ 381,528</u>	<u>£ 322,082</u>

IVAR makes contributions for its employees to a defined contribution scheme operated by The Pensions Trust. The contributions made in the year are detailed above.

The number of employees whose emoluments (excluding employer pension costs) amounted to over £60,000 in the year was as follows:

	2011 No.	2010 No.
£60,000 - £70,000	-	1
£70,000 - £80,000	<u>1</u>	<u>-</u>

Contributions of £11,455 (2009: £9,389) have been paid into a defined contribution pension scheme on behalf of five employees.

The emoluments paid to the Director were £77,881 (2010: £69,888).

The number of employees, calculated as full time equivalents and analysed on a functional basis, was as follows:

	2011 No.	2010 No.
Costs of generating funds	0.1	0.1
Research project costs	6.4	5.7
Governance costs	0.1	0.3
	<u>6.6</u>	<u>6.1</u>

10. TRUSTEES AND RELATED PARTY TRANSACTION

During the year, Alison Harker, a Trustee received fees and expenses of £10,920 (2010 - £NIL) as a research associate. Advice was sought from the Charity Commission prior to the expenditure being incurred, and clearance was received. In addition, one Trustee received the reimbursement of travel expenses amounting to £215 (2010 - £652).

INSTITUTE FOR VOLUNTARY ACTION RESEARCH

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

11. TANGIBLE FIXED ASSETS - Office equipment

	£
Cost	
At 1 April 2010 and 31 March 2011	<u>17,548</u>
Depreciation	
At 1 April 2010	7,722
Charge for the year	<u>3,900</u>
At 31 March 2011	<u>11,622</u>
Net book value	
At 31 March 2010	£ 9,826
At 31 March 2011	<u>£ 5,926</u>

12. DEBTORS

	2011 £	2010 £
Due within one year		
Grants and fees receivables	143,607	208,506
Other debtors	-	3,780
	<u>£ 143,062</u>	<u>£ 212,286</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011 £	2010 £
Deferred grant income	16,160	19,350
Pension contributions payable	1,040	1,412
Social security and other taxes	6,674	9,211
Other creditors	210	9,500
Accruals and other creditors	54,346	15,944
	<u>£ 78,430</u>	<u>£ 55,417</u>
Deferred income	£	£
Balance at 1 April 2010	19,350	13,750
Amount released to incoming resources	(19,350)	(13,750)
Amount deferred in the year	16,160	19,350
Balance at 31 March 2011	<u>£ 16,160</u>	<u>£ 19,350</u>

INSTITUTE FOR VOLUNTARY ACTION RESEARCH

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2011

14. STATEMENT OF FUNDS

	Brought Forward £	Incoming Resources £	Resources Expended £	Transfers £	Carried Forward £
DESIGNATED FUNDS					
Research Development Fund	60,000	-	-		60,000
Fixed Assets Fund	9,826	-	-	(3,900)	5,926
	<u>£ 69,826</u>	<u>£ Nil</u>	<u>£ Nil</u>	<u>£ (3,900)</u>	<u>£ 65,926</u>
RESTRICTED FUNDS	£	£	£	£	£
High Engagement Project	-	19,000	(19,000)	-	-
NSS Collaboration (Bassac)	-	54,950	(54,950)	-	-
Bridge-building project	19,697	-	(4,913)	-	14,784
	<u>£ 19,697</u>	<u>£ 73,950</u>	<u>£ (78,863)</u>	<u>£ Nil</u>	<u>£ 14,784</u>
SUMMARY OF FUNDS	£	£	£	£	£
Designated Funds	69,826	-	-	(3,900)	65,926
General Funds	156,002	675,806	(750,857)	3,900	84,851
	<u>225,828</u>	<u>675,806</u>	<u>(750,857)</u>	<u>-</u>	<u>150,777</u>
Restricted Funds	19,697	73,950	(78,863)	-	14,784
	<u>£ 245,525</u>	<u>£ 749,756</u>	<u>£ (829,720)</u>	<u>£ Nil</u>	<u>£ 165,561</u>

Designated Funds

Research Development Fund: The Trustees have set aside £60,000 to enable IVAR to provide a small working fund to support activities which may require specific investment (eg. work with smaller, less well-resourced organisations; supplementary work to disseminate research findings; exploratory work in new areas).

Fixed Assets Fund: In accordance with SORP 2005, the fixed assets of an organisation are considered to be not easily realisable and therefore should not be represented by the general reserve. The balance carried forward is equal to the year-end net book value of fixed assets.

Restricted Funds

High engagement project: The Charity received a grant from the Barrow Cadbury Trust as part of the funding for a joint project with the Diana, Princess of Wales Memorial Fund and the City Parochial Foundation, for the funding of a research project into High Engagement Funding.

Collaboration benefits programme: The Charity received a grant from *bassac* for two projects based on strategic development and collaboration. The amount shown as income in 2010-11 relates to the income for the final year of one project and the second year, out of three, for the other.

Bridge-building project: The Charity received funds from *The Third Sector Trust* for a major study of grassroots-level bridge-building across faith and ethnic group boundaries, conducted primarily by Professor Margaret Harris, who is also IVAR's Academic Adviser. The study is ongoing and the balance carried forward is to be expended in future years.

INSTITUTE FOR VOLUNTARY ACTION RESEARCH

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2011

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds		Restricted Funds	Total Funds
	Designated Funds	General Funds	Funds	Funds
	£	£	£	£
Tangible fixed assets	5,926	-	-	5,926
Net current assets	60,000	84,851	14,784	159,635
	<u>£ 65,926</u>	<u>£ 84,851</u>	<u>£ 14,784</u>	<u>£ 165,561</u>

16. PENSION COMMITMENTS

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in a fund administered by The Pensions Trust. The pension cost charge represents contributions payable by the Charity to the fund and is reported in note 9. The contributions outstanding at the year end are reflected in note 13.