

Company no. 1658859

Charity no. 285543

Surrey  
Care Trust  
*changing lives*

**The Surrey Care Trust**  
**Report and Financial Statements**  
**31 March 2011**

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**sayer vincent**  
*consultants and auditors*

## **The Surrey Care Trust**

### **Report of the Trustees**

#### **For the year ended 31 March 2011**

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The Trustees present their report and the audited financial statements for the year ended 31 March 2011.

Reference and administrative information set out on page 16 forms part of this report. The financial statements comply with current statutory requirements, the Articles of Association (updated October 2010) and the Statement of Recommended Practice - Accounting and Reporting by Charities (issued in March 2005).

#### **Structure, governance & management**

The Surrey Care Trust is a registered charity and a company limited by guarantee. Its governing documents are its Trust Deed and Articles of Association.

The Members of the Trust comprise the President, the Trustees and individuals who bring a wide range of experience from the business, statutory and voluntary sectors. At the AGM Members are invited to accept the Trustees' Annual Report and Accounts and to formally elect Trustees and Officers. The liability of each member is limited to £1 by the Articles of Association.

The Articles of Association provide for a minimum of six Trustees and a maximum of twelve, (increased from a maximum of ten at the AGM in October). Each year one third of the Trustees is subject to retirement by rotation. There were two resignations and three new appointments during the year. Further Trustee recruitment took place in spring 2011 and at the AGM in October 2011 the Members will be asked to confirm the appointment of two new Trustees.

The Board continually keeps under review its membership and breadth of skills to ensure proper governance. Trustees are recruited through open advertisement and are interviewed by the Chairman and Vice Chairman, who then make a recommendation to the Board. Trustees are confirmed at the following AGM.

New Trustees follow an individually tailored induction programme including visits to programmes and meetings with the Chief Executive and other key staff. Ongoing training for Trustees is available to meet identified needs. All Trustees are encouraged to shadow programmes wherever possible and to develop links with particular programmes/centres reflecting their areas of interest/expertise.

The Board determines the strategic direction of the Trust, sets the annual budget and agrees performance targets. The Board met four times in 2010/11, receiving quarterly monitoring information against key budget and performance targets. The Board is supported by two committees, one focusing on Resources and one on Programme Quality and Performance, each meeting four times a year.

The day to day management of the Trust is delegated to the Chief Executive. The Chairman and Vice Chairman meet regularly with the Chief Executive and Deputy between scheduled Board and committee meetings and Trustees are notified by the Chairman of any significant developments or decisions taken.

The Programme Quality and Performance Committee reflects the Trust's commitment to delivering cost effective programmes of the highest quality tailored to the needs of our beneficiaries. This is demonstrated by the main strands of our quality framework, which are:

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- ISO9001: re-assessed July 2010
- Investors in People (IIP) recognition; successful re-assessment in September 2009
- The Matrix quality standard for information, advice and guidance services applicable to the Trust's FACE (Family and Community Education) programme
- Self Assessment Review and Development Planning in line with the Common Inspection Framework for post-16 non-higher education

These strands are closely interwoven and permeate the fabric of our work. They influence both the services we provide and the way in which we operate as an organisation, reflecting our on-going commitment to improving the quality of our delivery systems.

The Trust has continued to develop its risk management policy and procedure during the year, and implements an annual action plan to address significant risks. An in depth review of risk throughout the Trust is undertaken on a regular basis by the Programme Managers and other senior staff. The quantified assessment of risk, the risk management policy and action plans are agreed by the Board and monitored by the Resources Committee.

The most significant risks identified during the year were:

- vulnerability of programme delivery if suitable premises are not retained
- the impact of the recession on voluntary fundraising and significant under achievement of the voluntary fundraising target
- a change in Government policies leading to loss of funding, which could affect, for example, the Stanwell Sure Start Children's Centre

#### **Objectives and Activities**

The Surrey Care Trust's vision is to transform the life chances and aspirations of local people who are marginalised by disadvantage and lack of opportunity or who need a second chance. Our mission is to tackle disadvantage, social exclusion and hardship in local communities. We reach out to people to equip them with skills to improve their economic situation, to reduce their social isolation and to convince them that they have a valuable contribution to make to society.

In accordance with our charitable objectives, Surrey Care Trust focuses its work on, and draws its beneficiaries from, pockets of real poverty and deprivation which exist in this otherwise prosperous county. Through prevention and early intervention, our innovative learning, training and volunteering programmes raise people's skill levels, their self-confidence, self-reliance, qualifications and their prospects for employment and continuing education.

We review our objectives and activities each year, looking at what we have achieved and the outcomes of our work in the previous twelve months. The review looks at each programme, assessing the benefits brought to the groups of people we are set up to help. The review also helps us ensure our aim, objectives and activities remain focused on our stated purposes.

The Trustees considered how planned activities contributed to our aim and objectives. Progress against the agreed targets for the year 2010/11, which support the achievement of the strategic objectives, was reviewed by the Trustees on a regular basis.

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The Strategic Plan was updated following a Board Awayday in November 2010 to cover the period 2011/12 to 2013/14. It has seven over-arching objectives against which future performance will be measured:

- To provide learning and development opportunities that meet the identified needs of our beneficiaries and contribute to the strategic targets of key partners
- To ensure our long term sustainability as an independent charitable provider
- To develop ways of expanding services within the South East
- To ensure the quality of our services through a programme of continuous improvement
- To continue to refine and implement systems for measuring and reporting impact
- To ensure that paid staff and volunteers are adequately trained and supported to work effectively and to develop professionally within the Trust
- To develop and implement a programme of stakeholder engagement which includes our beneficiaries

A series of annual performance targets are set which contribute towards the strategic plan objectives. Performance against these targets is reviewed on a six monthly basis.

During the year, the Trust ran five major programmes (described more fully in the following sections):

- Crisis Grants
- FACE (Family and Community Education)
- STEPS (Social Training and Education Programmes in Surrey)
- Stanwell Sure Start Children's Centre
- Swingbridge Community Boats

Output targets are deliberately set to be challenging and while not all were achieved, explanations of programme performance are given in the detailed report that follows.

The Trust is a key member of the Surrey Youth Consortium, a joint venture of voluntary organisations, which aims to deliver co-ordinated, well-planned and high quality services to improve the lives of children, young people and their families in all areas of Surrey. The consortium is now formally constituted as a company limited by guarantee and a charity in its own right. It has received funding from the Wates Foundation to help develop its business strategy.

Changes to procurement practice in the public sector have resulted in increased competition from both the private sector and larger third sector organisations. Being part of the consortium will put the Trust in a stronger position to meet this challenge. The Trust will be part of the consortium bid for the Surrey County Council youth services tender to be released in autumn 2011.

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#### **Achievements and Performance**

##### **How our activities deliver public benefit**

All our charitable activities deliver public benefit in line with our charitable purposes by tackling disadvantage, social exclusion and hardship in local communities. We have referred to the Charity Commission's general guidance on public benefit when reviewing our aim and objectives and in planning our future activities, with a nominated Trustee taking the lead responsibility.

The focus of the Trust's work is on providing learning opportunities and support for young people who are struggling to progress in mainstream school and for adults who need a second chance to access education. The key purpose of our programmes is to give people the skills, confidence and broader horizons to become contributors to society, and wherever possible to gain employment, reducing the need for state support for themselves and their families.

Following a review of the social return on investment model, the Programmes, Quality and Performance Committee decided instead to adopt an outcome focused approach using the Outcome Star technique as a key measurement of effective performance. The Outcome Star provides a 'journey of change' for our beneficiaries to undertake, which links back to the overall outcome of our programme whether it be employment or continuing on in education. Some participants may come to us right at the start of their journey while others may be at a point along it. Either way this method offers us a far more efficient and useful way to measure impact compared with the methods currently used. We intend to implement this more outcome focused approach throughout the Trust, so progress can be tracked in a similar way for all programmes, as well as helping frontline staff achieve better outcomes for the beneficiaries.

Details of how individual programmes deliver public benefit are described in the following sections.

##### **Who used and benefited from our services?**

Our services are provided in the administrative county of Surrey and its margins and we worked with almost 2,400 individuals during the year. An emphasis only on numbers can be misleading as the benefit to an individual accessing our services can range from a short 'Preparation for Work' course under our FACE programme to two years at a STEPS learning centre. The deliberate focus throughout the range of our programmes is on one-to-one and small group work, tailored to meet the specific needs of our beneficiaries. Work with our target groups can only be successful if we establish and build personal relationships.

With the exception of a modest charge for summer boat trips, our services are provided free to our beneficiaries but funding and resource constraints limit the numbers we can help. Priority is given to those individuals whom we believe, on the basis of initial assessment and their case history, will derive the greatest benefit from our programmes.

The impact of our work extends beyond our direct beneficiaries. Many of our volunteers themselves value additional support and can gain significantly in terms of social skills and employability through, for example, their involvement on the Swingbridge Community Boats or volunteering at our Milford office. A number of our current staff and volunteers have initially been users of our services.

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We believe equal access to our services is vital to our success and that successful outcomes must be shared by all communities that use our services. We have an equal opportunities policy which clearly states that no participants will be placed at a disadvantage because of their age, gender, ethnicity, religious belief, disability or sexual orientation. The nature of our work demands that we actively pursue the principles behind the broad statement of equality. Our staff work closely with local community leaders and other agencies to identify the learning needs and specific barriers to learning that may exist in a community. For example, individuals are accepted on to programmes which specifically meet their needs even though they do not qualify for funding under existing contracts, perhaps because of age or level of qualification.

- **Crisis Grants**

Crisis Grants, the Trust's longest established programme, provides small financial grants to vulnerable individuals and families in severe need who are referred by professionals such as health visitors, teachers, social workers, careers advisers, probation staff and youth justice officers.

A major proportion of Crisis Grants is funded through corporate donations. Companies become members of the Crisis Grants Fund and ideally commit to support the programme for a minimum of three years.

The grant giving guidelines continue to be reviewed regularly, to ensure that grants are targeted at those individuals whose needs are not eligible for statutory funding and that any newly identified priorities are addressed.

The total amount awarded during the year was £23,812 (£16,149 in 2009/10) with the average grant remaining at £136. However, there was a significant increase in the number of grants awarded for school uniform and other children's clothing.

These grants, although for relatively small amounts, can make a great difference to someone in difficult circumstances. The monitoring and evaluation process for this programme is now well developed and includes feedback from beneficiaries and referring agencies. This shows that it is not only the money that has a beneficial impact but recipients are encouraged by the fact that someone has cared enough to help them in a practical way. Many grants benefit more than the direct recipient; for example a washing machine provided for a parent will benefit the whole family.

<b>Performance measures:</b>	<b>Actual 2009/10</b>	<b>Target 2010/11</b>	<b>Actual 2010/11</b>	<b>Target 2011/12</b>
Number of Crisis grants awarded	118	130	175	120
Number of beneficiaries (direct/indirect)	320 (118/202)	370 (130/240)	400 (175/225)	260 (120/140)
% of grant applications turned around within three working days	82%	85%	89%	85%

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- **FACE (Family and Community Education)**

The FACE programme is delivered across the county as well as in parts of Sussex, and, until December 2010, was delivered in North Hampshire through our partner MB Learning.

At the heart of the programme is the small team of development workers who actively encourage people in their communities to take up learning again. The target group includes low-skilled adults who are unemployed, ex-offenders and single parents. FACE aims to enable individuals to learn and develop, and so improve the life chances for themselves and their children. Courses are delivered free of charge in friendly, easily-accessible venues with childcare facilities provided where needed.

Funding was a composite of a range of contracts, the largest being a 3 year Skills Funding Agency (SFA) contract which ended in December 2010, and also included smaller contracts with VT Careers, NEScot and Surrey and Sussex Probation Trust. The FACE programme's overall targets for participation, accreditation and progression were all exceeded in 2010/11. All the targets on the SFA contract were achieved or exceeded except for progression to employment and remaining in employment after six months, reflecting the current economic climate. The lower targets for 2011/12 reflect the reduced contract funding secured to September 2011.

<b>Performance measures:</b>	<b>Actual 2009/10</b>	<b>Target 2010/11</b>	<b>Actual 2010/11</b>	<b>Target 2011/12</b>
Learners participating	247	220	283	135
Learners achieving accreditation	77	50	57	70
Learners progressing to further learning, voluntary or paid work	72	50	59	10

- **Stanwell Sure Start Children's Centre**

The Stanwell Sure Start Children's Centre is run in partnership with Surrey County Council, with the nursery education and day care elements provided by local schools and a private nursery. The Centre is a friendly meeting place for families and children up to the age of five from this disadvantaged area. We provide information, support, advice and activities ranging from 'stay and play' sessions to adult learning classes.

The programme moved out of its temporary accommodation on the Ashford Hospital site in July, and moved in to a new purpose built Children's Centre building in the heart of Stanwell in October 2010, closer to our key target area of the two most deprived wards in Stanwell. Inevitably, this move caused disruption of services over a three month period but the Centre is rapidly becoming well established and recognised in its new location.

In 2010/11 the focus was primarily on establishing the programme in the new Children's Centre premises and working towards an overall 'good' performance assessment. The focus on 2011/12 will be on expanding our beneficiary base, increasing the proportion of families from key target areas and developing the service we offer.

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Statistics in 2010/11 were produced by Surrey County Council's data management system and interpretation and manipulation of the data continues to improve. The output measures for 2009/10, recorded manually and on which the targets for 2010/11 were based, were significantly overstated with the definition used for a beneficiary now more tightly defined. This, combined with the three month gap during the summer when we were without a building, explains the apparent fall in achievement between years.

Although we faced a number of challenges during the year, with significant staff changes, relocation to a new building, and major changes to the criteria by which we were assessed, the families who have come regularly to a number of different sessions have gained knowledge, skills and strategies to enable them to deal with their lives more effectively.

<b>Performance measures:</b>	<b>Actual 2009/10</b>	<b>Target 2010/11</b>	<b>Actual 2010/11</b>	<b>Target 2011/12</b>
Children's Centre beneficiaries (adult/child)	453/133	500/150	260/235	240/260
Children's Centre visits (adult/child)	3,315/2,505	3,500/2,500	1,630/1,705	1,750/1,720

#### ▪ **STEPS (Social Training and Education Programmes in Surrey)**

STEPS offers a flexible range of programmes which cater for the differing needs of particularly vulnerable or challenging young people between the ages of 13 and 25 and contribute to a reduction in the number of young people in Surrey who are NEET (Not in Education, Employment or Training). We provide complementary learning opportunities in partnership with schools, colleges and other providers which are distinct from those offered by formal education.

STEPS accounts for almost half of the Trust's total expenditure. It is funded from a wide range of sources including Surrey County Council (Connexions), the Spelthorne Schools Confederation and other participating schools, the Skills Funding Agency, grant making trusts and other donations.

#### • **STEPS Under 16s**

Young people in Years 10 and 11, who otherwise would not be in mainstream school, attended one of the Trust's three learning centres in Woking, Staines and Redhill. The Redhill Centre was closed in September 2010, as a result of changes in statutory funding priorities and to help secure the financial sustainability of the other two well-established centres. The Staines Learning Centre will increase its capacity to twenty young people in September 2011.

Programme delivery is for 25 hours per week over five days. Numeracy, literacy and IT skills are integral to the programme, as is the development of self-esteem, team work and interpersonal skills. Practical skills, such as healthy eating, budgeting and writing a CV, are also included in the curriculum. Young people work towards qualifications and awards, including those from ASDAN (Award Scheme Development and Accreditation Network), providing them with a stepping stone into work, training or further education in college.

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The numbers participating are higher than capacity as they are based on the financial, not the academic year, and so include more than one cohort of students. The outcomes for the Year 11 students who left in the summer were very positive, especially for the Staines and Woking centres. Both progression and accreditation measures relate to those young people who left the programme at the end of the summer term 2010. Performance in terms of occupancy/capacity is included for the first time.

Performance measures:	Actual 2009/10	Target 2010/11	Actual 2010/11	Target 2011/12
Numbers participating in programmes	69	70	56	70
% Year 11 students progressing to further learning/employment within six months	73%	80%	86%	80%
% gaining accreditation	88%	90%	85%	90%
% occupancy/capacity	-	95%	92%	95%

- **STEPS - School Inclusion**

School Inclusion programmes for young people at risk of exclusion, are delivered in our Staines Learning Centre, each course running for one day per week for eight weeks. The programme is tailored to suit different needs addressing issues such as lack of confidence and self-esteem, poor attendance or bullying at school. The students completing the course achieve an OCN (Open College Network) certificate in Group and Teamwork Communication Skills.

Performance measures:	Actual 2009/10	Target 2010/11	Actual 2010/11	Target 2011/12
Numbers participating in programmes	80	70	69	70
% students remaining in mainstream school at the start of the following academic year	90%	90%	100%	90%
% gaining accreditation	95%	95%	89%	95%

- **STEPS Ahead**

The STEPS Ahead programme is funded through a mainstream YPLA (Young People's Learning Agency) contract for Foundation Learning and works mainly with those aged 16-18 who are NEET. It is currently delivered in Redhill, at the YMCA's Hillbrook House, and in Woking at The Crescent, which is managed by Transform Housing and Support.

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Delivery on the programme has increased from three to four days a week with an extra day for one-to-one support and self directed study or work experience. The young people gain confidence and team work skills whilst working towards an accredited OCN qualification in the three strands of Foundation Learning; functional skills, personal and social development, and vocational learning. The programme is flexible and tailored to individual needs. Young people can join the programme at the beginning of any unit and may move on to employment or further learning at any time. Typically, a young person will spend twenty-two weeks on the programme.

<b>Performance measures:</b>	<b>Actual 2009/10</b>	<b>Target 2010/11</b>	<b>Actual 2010/11</b>	<b>Target 2011/12</b>
Numbers participating in programmes	57	60	54	60
% progressing to further learning/employment within six months	40%	50%	50%	60%
% gaining accreditation	49%	70%	85%	85%

• **STEPS – Connexions**

Funded by a contract through Surrey County Council, our team of personal advisors deliver intensive one-to-one and small group work with young people aged 16/17, supporting them through year 11/12 as they move from school to college or employment.

The number of individuals supported by our Connexions PAs was significantly lower than anticipated due to changes to the contract requirements during the year.

<b>Performance measures:</b>	<b>Actual 2009/10</b>	<b>Target 2010/11</b>	<b>Actual 2010/11</b>	<b>Target 2011/12</b>
Numbers supported by Connexions PAs	260	230	90	140
% still participating in education, training or employment	-	-	-	90%

• **STEPS – Mentoring and Counselling**

Our STEPS mentoring service, primarily funded by a significant grant from the ACT Foundation, continued to train volunteer mentors to provide ongoing support for young people leaving our STEPS under 16's and STEPS Ahead programmes.

We have also started to offer mentoring in schools for young people who have completed our School Inclusion programme.

Our Woking based STEPS counselling service for young people has been relaunched in spring 2011 under a new management structure and with additional charitable funding.

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Outcome measures are difficult to set for mentoring and counselling. Our work typically forms one part of a number of interventions accessed, and therefore we cannot claim credit for progression or accreditation achieved. Evaluation procedures for our mentoring service are being developed with additional targets set for 2011/12.

<b>Performance measures:</b>	<b>Actual 2009/10</b>	<b>Target 2010/11</b>	<b>Actual 2010/11</b>	<b>Target 2011/12</b>
Numbers accessing counselling/mentoring	34	70	34	80
% of young people referred matched with a mentor/counsellor within 4 weeks	-	-	-	80%

#### ▪ **Swingbridge Community Boats**

The Swingbridge Community Boats benefit both individuals and the environment, improving public access to and enhancing the public's experience and enjoyment of the waterways.

The main focus of the programme shifted for 2010/11 with new performance targets relating to skills training, accreditation and progression. These targets were carried out by engaging volunteers, offenders and young people, many from our STEPS programmes. Swingbridge continues to offer opportunities for volunteers needing additional support, including those recovering from substance misuse and those with mental health or other needs.

A particular highlight was the Community Boat Leadership programme (CBLP) where 15 challenging young people, some from our STEPS programmes, completed a five day training course supported by volunteer mentors.

<b>Performance measures:</b>	<b>Actual 2009/10</b>	<b>Target 2010/11</b>	<b>Actual 2010/11</b>	<b>Target 2011/12</b>
Individuals/groups taken on summer trips (Swingbridge1 only)	1600/210	1600/200	913/126	1200/200
Individuals undertaking skills training (offenders, volunteers, other beneficiaries)	-	200	219	250
Individuals gaining accreditation (offenders, volunteers, other beneficiaries)	-	120	63	90
Individuals achieving progression to further learning/employment	-	30	16	20

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#### **Fundraising**

Income from fundraising is essential to supplement incoming resources from charitable activities to enable the Trust to provide an enhanced service to its beneficiaries and to support the development of new initiatives.

£336k of voluntary income was raised (£319k in 2009/10), including £45k capital grant funding from Surrey County Council for future development of our Staines Learning Centre with a further £74k from fundraising events. The overall cost of generating funds was £151k and the fundraising ratio was 2.7:1, in line with the previous year.

The Trust's fundraising strategy recognises the importance of consolidating our supporter base and avoiding over reliance on any one funding stream. Financial targets are set and progress monitored on a regular basis for grant making trusts, corporates, individuals, community and fundraising events.

As well as the immediate tangible benefit from raising funds for the work of the Trust, events provide an invaluable way of maintaining contact with our current corporate and individual donors and reaching potential new supporters.

The Trust's website was completely redesigned in-house during the year to improve our public image and access to information by beneficiaries, supporters and the general public. Both website and social networking development is continuing and will be on-going.

#### **Staffing**

The number of staff at March 2011 was fifty-one (full-time equivalent of thirty-six staff during the year). Staff turnover at 16% was slightly lower than in 2009/10, remaining within our target of less than 20% pa. The main changes in staffing related to the closure of the Redhill Learning Centre and the appointment of five temporary staff funded through the Surrey Future Jobs Fund.

The Trust remains committed to training and developing all staff, whether full-time, part-time, sessional or volunteer.

A comprehensive Learning and Development Plan links training to strategic and operational objectives and provides the benchmark against which performance is assessed. However, changes in staffing, funding and the programmes themselves alter the shape of the plan as the year progresses.

All staff have regular reviews and an annual appraisal with their line manager at which individual personal objectives linked to programme targets are agreed and progress reviewed. Learning and development is discussed and evaluated in the context of its benefit to the individual's work, the overall programme delivery and the organisation as a whole.

All permanent staff undertook some training during the year, much of which was provided in-house or through partner organisations. Staff are encouraged to shadow different programmes to gain a greater understanding of the range of activities of the Trust and of the opportunities for more integrated working across programme boundaries.

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One highlight was the Awayday held in July for all staff and volunteers which focused on things to celebrate in the difficult times we face. This was a positive and lively day, which promoted a greater understanding of the work of the Trust.

#### **Volunteers**

Volunteers play a vital role, enhancing the quality of our delivery, working independently or alongside our paid staff. They contributed 11,100 hours in 2010/11, a small increase on the previous year. Volunteers are involved in activities such as mentoring, crewing or undertaking environmental work on the Swingbridge boats, working alongside challenging young people on our STEPS programmes, helping with fundraising events, and providing administrative support. A number of paid staff also volunteer in their own time, for example as mentors or to help with fundraising events.

Volunteers are offered opportunities to train and develop within the Trust. Several former volunteers are now working as permanent members of staff. The Trust is proud to be able to offer opportunities to a number of volunteers who need additional support and who might otherwise not have the opportunity to volunteer, including ex-offenders and individuals with mental health or social problems.

#### **Financial review**

Income for the year exceeded expenditure by £15,959 (2009/10: £1,915), with a small increase in unrestricted reserves and an increase of £15,833 in restricted reserves. These restricted reserves represent funds to be used for the specific purposes laid down by the donor.

The Trust's income of £1,563,082 showed an increase for the year of 5% on 2009/10. £336k (2009/10: £319k) was received in voluntary income with a further £74k (2009/10: £54k) from fundraising events. £1,151k was received for the delivery of charitable services, a 3.7% increase in its income due mainly to the continued development of the Stanwell Sure Start Children's Centre.

Expenditure for the year was £1,547k (2009/10: £1,482k). The 4.4% increase in expenditure is in line with a similar increase in the previous year with budgetary control remaining effective.

There was a net cash increase in the year of £41k. Short term deposits increased by £61k and cash decreased by £20k as a further step towards maximising interest income from restricted reserves not immediately required. The Trustees keep the Trust's investment of charitable funds under review and consider the issue of ethical investment. Currently, the Trust has no investments other than cash.

There was a substantial increase (£110k) in the amount due to creditors of £240k (2009/10: £130k) due mainly to deferred income received for the academic year 2011/12 prior to March 2011. There was an increase in debtors to £132k (2009/10: £40k); the increase reflecting two payments due received early in the following financial year.

At the end of the year, the Trust remains in a strong financial position and with sufficient working capital to take forward its plans for 2011/12.

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#### **Reserves policy**

The Trustees have examined the Trust's need for unrestricted funds in the context of: planned activities during 2011/12, quantifiable financial risks to the Trust, and the context of the current difficult economic climate, which will undoubtedly continue to make fundraising more challenging.

The unrestricted funds are needed to:

- Meet the fixed and working capital requirements of the Trust
- Allow for the development of new initiatives
- Provide additional resources which enhance the quality of our delivery
- Provide against any significant drop in short term funding

Based on these criteria, the level of required reserves has been agreed within the range of £213k and £294k. Total unrestricted reserves at 31 March 2011 were £255k (2010: £255k).

This level of reserves will allow the Trust to move forward with confidence as the Trust enters another challenging year.

#### **Plans for Future Periods**

As part of our on-going development, in 2011/12 we plan to:

- Expand our Staines Learning Centre to 20 places from September 2011
- Pilot two short STEPS Moving On programmes in the Old Dean area of Surrey Heath
- Continue to develop various aspects of our mentoring programme, especially our work with offenders leaving High Down prison, which is delivered in partnership with Surrey and Sussex Probation Trust
- Develop the South East Skills and Education Consortium with Surrey Care Trust as the lead partner to bid for regional or sub-regional contracts for adult learning
- Together with our partners in the Surrey Youth Consortium, actively bid to secure future contracts

The Trust recognises that there remain significant unmet needs in Surrey within its target beneficiary groups and areas of activity. Reductions in the level of public expenditure, while likely to have a negative impact on the overall funding available, may be offset by the Government's stated intention to increase the role of the voluntary sector in service delivery in the context of the Big Society. Whilst we will ensure that the Trust's charitable mission is not compromised, we welcome any new opportunities that may result from these changes.

With these and other developments, the Trustees believe that we will be able to meet our strategic objectives and continue to transform the life chances and aspirations of local people who are marginalised by disadvantage and lack of opportunity or who need a second chance.

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#### **Statement of responsibilities of the Trustees**

The Trustees (who are also directors of The Surrey Care Trust) for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

In preparing these financial statements, the Trustees are required to:

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

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

In so far as the Trustees are aware:

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

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

Members of the charity guarantee to contribute an amount not exceeding £1 each to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2011 was 20 (2010 - 20). The Trustees are members of the charity but this entitles them only to voting rights. The Trustees have no beneficial interest in the charity.

**The Surrey Care Trust**

**Report of the Trustees**

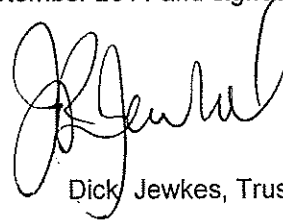
**For the year ended 31 March 2011**

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**Auditors**

Sayer Vincent were re-appointed as the charitable company's auditors during the year and have expressed their willingness to continue in that capacity.

Approved by the Trustees on 5 September 2011 and signed on their behalf by



Dick Jewkes, Trustee and Chairman

**Independent auditors' report**

**To the members of**

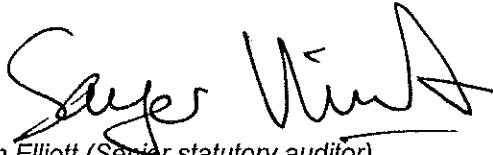
**The Surrey Care Trust**

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**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 the information and explanations we require for our audit.



*Helen Elliott (Senior statutory auditor)*

*5 September 2011*

*for and on behalf of Sayer Vincent, Statutory Auditors  
8 Angel Gate, City Road, LONDON EC1V 2SJ*

The Surrey Care Trust

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2011

	Note	Restricted £	Unrestricted £	2011 Total £	2010 Total £
<b>Incoming resources</b>					
<i>Incoming resources from generated funds</i>					
Voluntary income	2	179,965	155,864	335,829	319,245
Activities for generating funds:					
Fundraising events	3	15,442	58,613	74,055	54,450
Investment income		-	2,452	2,452	1,052
<i>Incoming resources from charitable activities</i>					
Development		4,229	1,500	5,729	10,620
Family And Community Education (FACE)		-	200,273	200,273	203,808
Social Training and Education (STEPS)		83,791	501,505	585,296	633,762
Stanwell Sure Start Children's Centre		313,631	1,249	314,880	232,263
Swingbridge Community Boats		4,000	40,568	44,568	28,790
<b>Total incoming resources</b>		<b>601,058</b>	<b>962,024</b>	<b>1,563,082</b>	<b>1,483,990</b>
<b>Resources expended</b>					
<i>Costs of generating funds:</i>					
Costs of generating voluntary income		-	120,825	120,825	125,601
Fundraising events		2,158	27,678	29,836	17,617
		2,158	148,503	150,661	143,218
<i>Charitable activities</i>					
Crisis Grants		28,280	-	28,280	20,576
Development		4,229	23,220	27,449	62,809
Family And Community Education (FACE)		5,900	166,784	172,684	186,451
Social Training and Education (STEPS)		168,626	570,652	739,278	727,516
Stanwell Sure Start Children's Centre		314,311	532	314,843	232,263
Swingbridge Community Boats		61,721	23,245	84,966	84,167
<i>Governance costs</i>		-	28,962	28,962	25,075
<b>Total resources expended</b>	4	<b>585,225</b>	<b>961,898</b>	<b>1,547,123</b>	<b>1,482,075</b>
<b>Net incoming resources and net movement in funds</b>	5	<b>15,833</b>	<b>126</b>	<b>15,959</b>	<b>1,915</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		184,618	255,239	439,857	437,942
<b>Total funds carried forward</b>		<b>200,451</b>	<b>255,365</b>	<b>455,816</b>	<b>439,857</b>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 14 to the financial statements.


## The Surrey Care Trust

### Balance sheet

As at 31 March 2011

	Note	£	2011 £	2010 £
<b>Fixed assets</b>				
Tangible fixed assets	8		<u>22,776</u>	<u>30,032</u>
<b>Current assets</b>				
Debtors	9	131,835		40,095
Short term deposits	10	201,629		140,731
Cash at bank and in hand	11	<u>339,452</u>		<u>359,229</u>
		<b>672,916</b>		<b>540,055</b>
<b>Liabilities</b>				
Creditors: amounts due within one year	12	<u>239,876</u>		<u>130,230</u>
<b>Net current assets</b>			<u>433,040</u>	<u>409,825</u>
<b>Net assets</b>	13		<u>455,816</u>	<u>439,857</u>
<b>Funds</b>	14			
Restricted funds				
In surplus			200,451	184,618
Unrestricted funds				
General funds			<u>255,365</u>	<u>255,239</u>
<b>Total charity funds</b>			<u>455,816</u>	<u>439,857</u>

Approved by the Trustees on 5 September 2011 and signed on their behalf by

  
Andrew Young BA FCA, Trustee and Treasurer

## The Surrey Care Trust

### Notes to the financial statements

For the year ended 31 March 2011

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#### 1. Accounting policies

a) The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards and the Companies Act 2006. They follow the recommendations in the Statement of Recommended Practice, Accounting and Reporting by Charities.

b) Voluntary income received by way of donations is included in full in the Statement of Financial Activities when receivable. Volunteer time is not included in the financial statements.

Gifts in kind represent assets donated for use by the charity, predominantly premises, and are recognised when receivable. Gifts in kind are valued at an estimate of the price the charity would otherwise have paid.

Income from sponsorship, sale of goods or services is the amount derived from ordinary activities and has been included net of VAT where applicable.

c) Revenue grants are credited to the Statement of Financial Activities when received or receivable, whichever is earlier. Where unconditional entitlement to grants receivable is dependent upon fulfilment of conditions within the charity's control, the incoming resources are recognised when there is sufficient evidence that conditions will be met. Where there is uncertainty as to whether the charity can meet such conditions the incoming resource is deferred.

Contract income is recognised in the Statement of Financial Activities as it is earned.

d) Grants for the purchase of fixed assets are credited to restricted incoming resources when receivable. Depreciation of fixed assets purchased with such grants is charged against the restricted fund. Where a fixed asset is donated to the Trust for its own use, it is treated in a similar way to a restricted grant.

e) Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund together with a fair allocation of support costs.

f) Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

g) Costs of generating funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.

h) Grants payable are charged to the Statement of Financial Activities in the year in which the offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

i) Resources expended are recognised in the period in which they are incurred on an accruals basis. Resources expended include attributable VAT which cannot be recovered.

Resources expended are allocated to the particular activity where the cost relates directly to that activity, including directly attributable administrative costs. Other costs of overall direction and administration specific to each activity are apportioned, based on the proportion of staff costs incurred in each activity to the whole.

## The Surrey Care Trust

### Notes to the financial statements

#### For the year ended 31 March 2011

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##### 1. Accounting policies (continued)

Support costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff costs, of the amount attributable to each activity:

	2011	2010
Fundraising	9%	10%
Crisis Grants	1%	1%
Development	2%	5%
FACE	10%	25%
STEPS	52%	53%
Stanwell Sure Start Children's Centre	20%	
Swingbridge Community Boats	5%	5%
Governance costs	1%	1%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

- j) Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The expected useful lives are as follows:

Swingbridge Community Boats	10 years
Motor vehicles	5 years
Computer and other equipment	3 years

Items of equipment are capitalised where the purchase price exceeds £500. However, where specific programme funding is provided for the acquisition of fixed assets these costs are only capitalised if their individual cost is in excess of £2,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

- k) Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the Statement of Financial Activities on a straight line basis over the lease duration.
- l) The Trust offers the Pensions Trust cash purchase scheme to permanent staff employed by the Trust since April 2006, once they have been confirmed in post following their probationary period. This scheme had 15 members as at 31 March 2011.

Three employees who joined the Trust prior to 1 April 2006 were eligible to join the Surrey County Council Pension Scheme and remain members of this scheme. The assets of the Scheme are held and managed separately from those of the Trust. Pension costs charged to the Statement of Financial Activities represent the contributions paid by the Trust for the year.

## The Surrey Care Trust

### Notes to the financial statements

For the year ended 31 March 2011

#### 2. Voluntary income

	Restricted £	Unrestricted £	2011 Total £	2010 Total £
Corporate donations	32,552	7,908	40,460	45,325
Individual and community donations	8,524	62,578	71,102	84,277
Gifts in kind	10,000	-	10,000	10,000
Grants	83,889	12,910	96,799	107,175
Surrey County Council Grant - revenue	-	72,468	72,468	72,468
Surrey County Council Grant - capital	45,000	-	45,000	-
Total	<u>179,965</u>	<u>155,864</u>	<u>335,829</u>	<u>319,245</u>

#### 3. Fundraising events

	Restricted £	Unrestricted £	2011 Total £	2010 Total £
Duck Race	-	1,846	1,846	2,400
Firewalking	-	4,455	4,455	6,275
Golf Day	-	4,305	4,305	8,318
House of Commons dinner	-	16,296	16,296	-
Lunches	-	2,589	2,589	5,174
Loseley Concert	-	2,518	2,518	4,369
Marathons and runs	-	7,108	7,108	10,162
STEPS across Surrey Sponsored Walk	15,442	-	15,442	12,725
Winter Ball (joint event)	-	11,678	11,678	-
Other events	-	7,818	7,818	5,027
Total	<u>15,442</u>	<u>58,613</u>	<u>74,055</u>	<u>54,450</u>

The Surrey Care Trust

Notes to the financial statements

For the year ended 31 March 2011

4. Total resources expended	Costs of generating funds			Charitable activities					2011 Total	2010 Total			
	Fundraising	Fundraising events	Crisis Grants	Development	FACE	STEPS	Stanwell Children's Centre	Swingbridge			Governance Costs	Support Costs	
	£	£	£	£	£	£	£	£	£	£	£		
Staff costs ( Note 6)	95,813	-	3,631	21,123	104,914	552,226	212,209	53,507	14,554	67,475	1,125,452	1,061,740	
Grants made	-	-	23,812	-	-	-	-	-	-	-	23,812	16,149	
Programme education and training costs	-	-	-	-	38,935	59,441	46,750	12,227	-	-	-	157,353	147,260
Premises costs	6,977	-	226	2,509	1,029	44,264	5,175	-	598	8,281	69,059	84,709	
Other direct costs	8,472	29,836	268	1,865	17,334	31,202	30,648	8,727	12,416	23,423	164,191	156,245	
Depreciation	516	-	-	-	565	-	-	5,452	-	723	7,256	15,972	
	111,778	29,836	27,937	25,497	162,777	687,133	294,782	79,913	27,568	99,902	1,547,123	1,482,075	
Re-allocated support costs*	9,047	-	343	1,952	9,907	52,145	20,061	5,053	1,394	(99,902)	-	-	
<b>Total resources expended</b>	<b>120,825</b>	<b>29,836</b>	<b>28,280</b>	<b>27,449</b>	<b>172,684</b>	<b>739,278</b>	<b>314,843</b>	<b>84,966</b>	<b>28,962</b>	<b>-</b>	<b>1,547,123</b>	<b>1,482,075</b>	

\* The re-allocation of support costs is based on the proportion of staff costs incurred in each activity to the total.

## The Surrey Care Trust

### Notes to the financial statements

For the year ended 31 March 2011

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#### 5. Net incoming resources for the year

This is stated after charging:

	2011 £	2010 £
Depreciation	7,256	15,972
Auditors' remuneration:		
Audit	7,500	7,300
Trustees' remuneration	Nil	Nil
Trustees' expenses	Nil	Nil
Property leases	<u>25,000</u>	<u>37,394</u>

#### 6. Staff costs and numbers

Staff costs were as follows:

	2011 £	2010 £
Salaries and wages	998,475	936,442
Social security costs	86,465	82,544
Pension contributions	<u>40,512</u>	<u>42,754</u>
	<u>1,125,452</u>	<u>1,061,740</u>

No employee earned more than £60,000 during the year (2010: Nil).

The average weekly number of employees (full-time equivalent) during the year was as follows:

	2011 No.	2010 No.
Fundraising	3.0	3.1
Charitable activities	33.2	31.6
Governance	<u>0.3</u>	<u>0.3</u>
	<u>36.5</u>	<u>35.0</u>
Sessional staff	<u>2.0</u>	<u>2.0</u>
	<u>38.5</u>	<u>37.0</u>

#### 7. Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

The Surrey Care Trust

Notes to the financial statements

For the year ended 31 March 2011

8. Tangible fixed assets

	Swingbridge community boats £	Motor vehicles £	Computer and other equipment £	Total £
<b>Cost</b>				
At the start of the year	54,517	42,847	34,152	131,516
Disposal in the year	-	-	(5,168)	(5,168)
At the end of the year	<u>54,517</u>	<u>42,847</u>	<u>28,984</u>	<u>126,348</u>
<b>Depreciation</b>				
At the start of the year	26,900	42,847	31,737	101,484
Charge for the year	5,452	-	1,804	7,256
On disposals	-	-	(5,168)	(5,168)
At the end of the year	<u>32,352</u>	<u>42,847</u>	<u>28,373</u>	<u>103,572</u>
<b>Net book value</b>				
At the end of the year	<u>22,165</u>	<u>-</u>	<u>611</u>	<u>22,776</u>
At the start of the year	<u>27,617</u>	<u>-</u>	<u>2,415</u>	<u>30,032</u>

9. Debtors

	2011 £	2010 £
Statutory organisations	45,051	14,882
Grants receivable	62,759	7,181
Other debtors	15,148	4,454
Prepayments	8,877	13,578
	<u>131,835</u>	<u>40,095</u>

10. Short term deposits

Cash surplus to immediate requirements is placed on short term deposit with Birmingham Midshires and Surrey County Council.

11. Cash at bank and in hand

The main bank accounts of the Trust are with CAF Bank where interest is payable on both the current and the deposit accounts.

The Surrey Care Trust

Notes to the financial statements

For the year ended 31 March 2011

12. Creditors: amounts due within one year

	2011 £	2010 £
HMRC creditor	22,728	22,929
Other creditors	94,467	67,895
Accruals	21,086	14,168
Deferred income		
Statutory organisations	-	10,250
Other	101,595	14,988
	<u>239,876</u>	<u>130,230</u>

13. Analysis of net assets between funds

	Restricted funds £	General funds £	Total funds £
Tangible fixed assets	22,165	611	22,776
Net current assets	<u>178,286</u>	<u>254,754</u>	<u>433,040</u>
<b>Net assets at the end of the year</b>	<u><b>200,451</b></u>	<u><b>255,365</b></u>	<u><b>455,816</b></u>

14. Movements in funds

	At the start of the year £	Incoming resources £	Outgoing resources £	At the end of the year £
<b>Restricted funds:</b>				
Crisis Grants	15,057	21,564	(28,310)	8,311
Development	-	4,229	(4,229)	-
FACE	-	5,900	(5,900)	-
STEPS - Skills Centre capital grant	-	45,000	-	45,000
STEPS	141,944	153,784	(170,753)	124,975
Stanwell Sure Start Children's Centre	-	314,311	(314,311)	-
Swingbridge Community Boats	27,617	56,270	(61,722)	22,165
<b>Total restricted funds</b>	<u>184,618</u>	<u>601,058</u>	<u>(585,225)</u>	<u>200,451</u>
<b>Unrestricted funds:</b>				
<b>General funds</b>	<u>255,239</u>	<u>962,024</u>	<u>(961,898)</u>	<u>255,365</u>
<b>Total unrestricted funds</b>	<u>255,239</u>	<u>962,024</u>	<u>(961,898)</u>	<u>255,365</u>
<b>Total funds</b>	<u><b>439,857</b></u>	<u><b>1,563,082</b></u>	<u><b>(1,547,123)</b></u>	<u><b>455,816</b></u>

**The Surrey Care Trust**

**Notes to the financial statements**

**For the year ended 31 March 2011**

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**Purposes of restricted funds**

These are outlined in the Trustees' report.

**Purposes of carried forward restricted funds**

Crisis Grants Funds received for small financial grants to be made available to vulnerable individuals and families.

STEPS Funds received for the academic year ending August 2011 and for capital improvements to the Staines Learning Centre.

Swingbridge Community Boats The written down value of Swingbridge Community Boats.

**15. Operating lease commitments**

The charity had annual commitments at the year end under operating leases expiring as follows:

	Property	
	2011	2010
	£	£
Less than 1 year	3,250	20,485
2 - 5 years	-	3,250
	<u>3,250</u>	<u>23,735</u>