

WRVS Report and accounts 2006-7

Registered charity no. 1015988

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WRVS delivers practical support, through the power of volunteering, so older people get more out of life.

our beliefs:

- older people deserve choices to get more out of life
- volunteers are vital and they can get as much out of volunteering as the people they help
- all employees are entitled to understand and feel proud of the crucial part they play in the success of WRVS
- we can have far greater impact through working in partnership with others
- everyone deserves the opportunity to both contribute and feel that they belong to their community.

last year we

regularly helped around **78,000** older people to live independently at home and stay active in their community

opened **39** new projects: 18 supporting older people at home and in their community and 21 supporting patients, visitors and staff in hospitals

completed the refurbishment of **3** community centres in Banbury, Oxfordshire; Pickering, North Yorkshire and Stourbridge, West Midlands, providing a range of activities, advice and support to older people in those communities

gifted back **£5.6m** to hospitals to improve facilities and patient care. This was money raised from profits made in our hospital shops and cafés

accompanied more than **22,000** people to appointments around hospital buildings and reduced stress by providing a range of support services for patients and visitors

helped more than **11,500** people caught up in 166 emergencies and disasters

recruited nearly **5,000** volunteers

for more details of our achievements in 2006-7 go to page 15

thank you

We couldn't do what we do without the dedication and commitment of **more than 56,000 volunteers, 2,500 employees** and **more than 8,000 supporters**. Thank you for all your time, energy and support – you make WRVS what it is today.

Nor could we help to change the lives of older people without our partners: local authorities, the NHS and other voluntary and private organisations that work with us to achieve a common goal. Thank you for your help; by working together we achieve more.

“Gardening has given me so much pleasure. Bruce comes as often as he can and takes a lot of worry off my mind. He’s such a willing person.”

Dorothy, who uses WRVS' Good Neighbours service

our year – chairman's statement

Report for the year ending 31 March 2007

Last year WRVS touched the lives of hundreds of thousands of people. Whether as volunteers, people who use our services, supporters or employees, WRVS made a difference to individuals and communities throughout Great Britain.

In previous years we made some vital changes to the way WRVS is organised: making the charity more efficient and effective and more able to improve our impact in local communities. Last year we began to build on that work.

We are proud of all that we do (and you can read more about our progress throughout this report), but I'd like to single out some of our biggest achievements last year.

We opened eight of our flagship Good Neighbours services, and set up another five that are due to open in 2007. These new services are now helping more than 1,000 older people to stay independent at home and in touch with their community.

We also completed the major refurbishment of three community centres in Banbury, Oxfordshire; Pickering, North Yorkshire and Stourbridge, West Midlands. These centres now provide a great place for older people to meet and take part in fulfilling and stimulating social activities. They have also become an important resource for our partners such as healthcare professionals and the Pension Service, offering a place where regular advice and information can be given. Our community centres have become a point of contact where older people can be involved and also get the support they are looking for in their community.

We secured £775,000 from the Heritage Lottery Fund for a three-year project to engage six thousand people in East Sussex in heritage activities. The project will involve older people contributing their stories and memories to an oral archive, intergenerational activities that bring older and younger people together to talk about their heritage, and engaging people who are often excluded from heritage activity, for example those from an ethnic minority, on low incomes or with disabilities.

And we also opened a range of new hospital shops and cafés last year, continued to refurbish existing ones, and set up more support services for patients and visitors in hospital. This included two new services for older people who need extra support when they return home from hospital.

You can find out more about the communities who have benefited from new WRVS projects later in this report.

But what is the point of this expansion?

WRVS believes that all older people in Britain should have the choice and opportunity to be able to live fulfilling and independent lives. To do this they need support, access to services and information. They need social contact and opportunities to make a contribution to their communities, the

possibility of remaining in control and of getting more out of life. For too many people this isn't yet possible. Too many people are isolated, unable to enjoy the quality of life that should be their right.

WRVS provides the practical support that enables local people to do something about it. WRVS helps to end that isolation, to make contact and to strengthen communities.

Our services rely on the commitment and dedication of over 56,000 volunteers. Every one of them supports other people in their local community.

Many provide support to older people in their homes to prevent isolation and help them stay independent. Others run our network of social centres, community centres and lunch clubs providing a focus for social activity in many communities.

Many others work in our hospital shops and cafés playing a vital role in reducing the worry and stress patients and visitors can experience. They also raise crucial funds that help us to deliver support to older people in the community and to help hospitals improve facilities and patient care.

And that's not all. There are over 6,600 WRVS volunteers who are on call night and day to support people affected by floods, fires and other emergencies. They do a tremendous job, keeping people safe and offering comfort in some of the most distressing and difficult of circumstances.

Everyone involved with WRVS is justly proud of the impact WRVS volunteers have in their own communities.

But we need more volunteers and more supporters if we are going to meet the challenge of Britain's ageing population, of creating caring communities.

That's why this coming year, alongside improving and expanding our services, we will be focusing our attention on improving our profile and building on our reputation. Too few people are aware of the vital work we do or have a clear idea about the range and quality of our work. We need to change this so that we can encourage more people to become WRVS volunteers and raise more funds to support our work.

We have ambitious plans. These include piloting one new information centre and community café where older people can meet up and enjoy the social contact that is so vital and where they and their carers can get access to information and advice on local services from us and from our partners in the public, private and voluntary sectors. The centre will also act as a base for WRVS services supporting older people in their homes and local community.

Working in partnership with other providers is vital to our vision for the future. We already work with local authorities, the NHS and a range of other organisations, and we want to develop innovative partnerships to link a range of services so that older people can easily choose between different services at different stages of their later life.

No one organisation can solve all the problems of isolation and loneliness but together we can make a real difference to the lives of older people. WRVS has a major role to play in this and we're confident that we can be an increasing force for good in communities throughout Britain.

Finally, I want to thank our outgoing chief executive, Mark Lever and welcome Lynne Berry to WRVS. Mark has made a tremendous difference to the work of WRVS. He has led WRVS through a challenging period and enabled it to become more focused on our core services, ensuring we deliver the support

older people want. In a time when our grant from the government has decreased significantly, he has implemented the changes essential if we are to remain financially viable, and to develop new services that support more older people.

He has left an excellent foundation for Lynne to build on, and on behalf of the Board of Trustees, I’d like to wish him the very best for the future.

WRVS welcomed our new chief executive in September 2007. Lynne brings a wealth of experience to WRVS, most recently as chief executive of the General Social Care Council and previously with the Charity Commission, Equal Opportunities Commission, the Family Welfare Association and Social Services Inspectorate.

I’m really pleased Lynne has joined us. She has the experience, skills and confidence that the organisation needs to take us forward. I think Lynne’s decision to join is a vote of confidence in our future plans.



Ruth Markland, Chairman

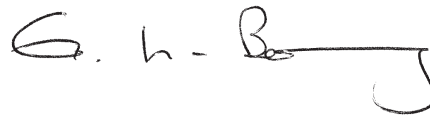
“Before I volunteered I could go two or three days without seeing someone. Now, I get to meet new and interesting people all the time.”

Malcolm – WRVS volunteer

a word from our chief executive

I am honoured to have joined an organisation with the proud history of WRVS. It's an organisation that uses the power of volunteers, that emphasises people's strengths and builds on people's willingness to make a difference to individuals in their communities. WRVS is at the heart of the current concern to create sustainable communities, to promote the independence and dignity of older people. Through the links that WRVS has forged we can all play our part in social cohesion, in connecting

individuals, communities and wider society. I look forward to working with WRVS' volunteers, trustees, service users, employees and other partners so that we can continue to provide excellent services and make life more fulfilling for older people and communities.



Lynne Berry, Chief Executive

the challenge of an ageing population

There are 9.6 million people over 65 in Britain today.

1.2 million of them report being often or always lonely (13%).¹

More than 700,000 (7%) do not leave their homes more than once a week.¹

A third of over 65s or 3.2 million are not happy with their quality of life.¹

Almost seven million people over 60 have no help with the physical tasks that they find difficult.²

2.5 million older people would like to go out more often but can't because there's no one to help, they're not well enough or don't have enough money.³

In the next 25 years the number of people over 65 is expected to increase by 60% to around 15.4 million.

¹ *Spotlight on Older People*, June 2007, Help the Aged.

² *English Longitudinal Study of Ageing*, wave 2, 2004 – table 7A. 14 'Reported source of help for those reporting difficulty with one or more ADL, IADL or mobility function, by age, group and sex.'

³ Gfk/NOP survey commissioned by Help the Aged in spring 2006.

who we are and what we do

Today we focus our work on helping older people in Britain to live independently and actively in old age so they can get more out of life.

In our Memorandum and Articles of Association 1992 it states: WRVS is a national charity that aims to relieve poverty, distress, suffering or need among all sections of the community, primarily in the UK, by the provision of:

- assistance, largely in kind and facilities for individuals in the community
- assistance in kind to victims of emergencies or disasters
- advice and facilities to relieve the needs of those in hospital or in the armed services and their families
- such other purposes for the benefit of the community.

“Voluntary service is the gift by thoughtful persons of their skill, their energy and their time. For them it is a practical way of giving.”

Our founder:
Stella Charnaud, Dowager Marchioness of Reading
(1894 – 1971)

WRVS at a glance

WRVS is one of Britain's largest volunteering organisations with more than 56,000 volunteers:

- **32,000 volunteers** help more than **78,000 older people** to stay independent in their homes and active in their communities
- **18,000 volunteers** provide support to hospital patients, visitors and staff and raise money through our hospital shops and cafés to improve hospitals and fund our work in people's homes and communities
- **6,600 volunteers** are on call night and day to support people caught up in floods, fires and other emergencies.

Supporting older people at home

We provide practical support to older people – to combat loneliness and isolation and to help them stay independent at home.

Good Neighbours

Our 34 Good Neighbours services help more than 9,700 older people every week. Volunteers provide help with tasks like gardening, DIY, shopping, collecting prescriptions and pensions, and provide companionship by making home visits or through telephone contact.

Community transport

Our 41 community transport schemes help more than 5,300 people to go shopping, see the doctor, meet friends and take part in social activities.

Meals on Wheels

We work with more than 70 councils to deliver around six million Meals on Wheels every year. Our volunteers provide this vital support to over 31,000 older people who find it difficult to cook a meal, and who are often isolated from their community. Our volunteers may be the only person that many Meals on Wheels recipients see that day.

Home library services

WRVS run 76 home library services in partnership with councils; providing books, videos, DVDs and CDs to more than 20,000 older people.

“I finished college in June. Volunteering in my local hospital helps me to get the valuable work experience I need.”

Mehwish – WRVS volunteer

Supporting older people in the community

Too many older people are isolated from their community. We help them to get back in touch with other people and lead more active, fulfilling lives.

We run 11 community centres, over 100 social centres and over 500 lunch and community clubs where around 12,000 older people catch up with old friends and meet new ones, and take part in social, fitness and learning activities.

Our community centres offer a range of different services, including:

- lunch clubs, community cafés or other food options
- healthy living activities like dancing, walking, fitness classes or gardening
- arts and heritage activities like art classes, reminiscence groups and book clubs
- computer courses and other learning activities
- social activities such as cards, games and outings
- information and advice.

WRVS social centres typically offer at least four different activities (usually including lunch, healthy living and social activities) and our lunch clubs focus on providing an opportunity for older people to meet once a week, or more, for their midday meal.

We also run trolley shops in 76 care homes and day care centres helping to make life a little better for older people using these facilities.

Hospital shops, cafés and support services

WRVS run more than 500 shops, cafés and tea bars in more than 300 hospitals.

We raise a significant amount of money through this network. For the majority of our projects in hospitals, any surpluses we generate are set aside by the trustees to give back to the hospitals so they can improve facilities and patient care. In return we take a management fee to contribute to the cost of running our services to help older people in their homes and communities. In other cases we operate in hospitals under more commercial arrangements where any profit we generate also goes towards meeting the cost of our services.

But our hospital services provide more than just funding.

Being in hospital can be a lonely and unsettling experience. WRVS volunteers and employees try to alleviate that for patients, visitors and staff, particularly for older people who make up over half of all patients and often have few visitors.

In addition to providing a chance for a chat in one of our shops and cafés, we also provide a range of support services:

- 96 ward trolley rounds providing an important link for people confined to their wards
- 47 other support services where volunteers visit patients at their bedside, accompany patients to in-hospital appointments, help with transport to the hospital or run an information desk for patients and visitors
- six schemes that provide support to older people returning home to ensure they are comfortable, safe and well and to help them avoid having to return to hospital.

Supporting communities affected by emergencies

We have over 6,600 volunteers on call night and day to support communities affected by fires, floods, bombs, major accidents or other emergencies.

We help by:

- managing and staffing rest centres
- providing emergency food supplies and refreshments to people affected by a disaster, and to the police, ambulance, fire and other emergency services to enable them to work effectively at the scene
- staffing telephone helplines and casualty bureaus.

We particularly help people who have nowhere else to go when a disaster strikes.

Last year we were called out 166 times and put on stand-by another 135 times. WRVS volunteers helped at a number of rest centres and supported emergency services attending the rail crash in Greyrigg, Cumbria, and worked for a week during late January supporting people affected by severe storms in East Anglia. In all we helped more than 11,500 people affected by an emergency.

Supporting the Armed Services

WRVS Services Welfare Ltd (a fully owned subsidiary of WRVS) employs 94 services welfare officers to provide emotional and practical support to single and unaccompanied service personnel in the British Armed Forces.

Our services welfare officers are based with training regiments and the Field Army in the UK and overseas. As well as providing one-to-one support, they manage recreational facilities at locations that provide a neutral space for soldiers to relax in what is often a pressurised environment.

“My confidence has increased and I am a member of a team that is doing a worthwhile job. You feel like you are doing something useful and giving something back.”

Gillian – WRVS volunteer

Our volunteers

WRVS makes a difference because more than 56,000 people across the country give their time to help others in their community.

Our volunteers care deeply about what they do and older people appreciate the informality, flexibility and commitment that our volunteers offer. There is something special about people lending a hand to others in their local community.

But the benefits extend beyond those who use our services.

WRVS believes that volunteering should be an intrinsic part of community services because of the benefits that volunteers also get out of their experience.

For many, volunteering provides an opportunity to gain life experience and new skills that can help them get a foot on a

career ladder or return to work after a period outside formal employment.

For others volunteering is an opportunity to meet new friends and create new social networks. This is particularly important for many of our older volunteers who are often at risk of the same isolation in their own community that our services aim to prevent.

More than 34,000 (64 per cent) of our volunteers are over 65 years old. Many rely on volunteering to provide a focus in their retirement, allowing them to remain physically, socially and mentally active. Some find working with WRVS particularly helpful when overcoming the loss of their partner.

Volunteering will always be at the heart of what we do and the impact we have on communities in Britain.

feedback from our volunteers

84% would recommend volunteering with WRVS to a friend

25% say they enjoyed volunteering more in the last year

10% however, said their volunteering experience could be improved

We take these comments seriously and recognise the key improvements WRVS volunteers would like to see:

- more volunteers, especially younger ones
- better communications and links with managers
- more opportunities to get together with other volunteers
- less paperwork.

Source: 1,566 *Action* magazine survey responses, September 2006

volunteer profile

WRVS has more than 56,000 volunteers.

We welcome women and men of all ages and backgrounds and are committed to increasing the diversity of our volunteers. However, we acknowledge that we have work to do in this area. Here's a snapshot:

- **85%** are women, **15%** are men
- **2%** are from a black or minority ethnic background
- **4%** are aged 15-34 years old
- **9%** are 35-54 years old
- **23%** are aged 55-64 years old
- **64%** are 65 years or older.

Our employees

Our employees play a vital role in ensuring that WRVS makes a difference in communities across Britain.

We have more than 2,500 employees working on the ground in local communities. These are made up of project managers, who ensure their project is well run and that volunteers get the most out of their experience with WRVS, and people directly delivering our services, for example cooks, drivers and shop assistants in our larger shops and cafés.

We also employ around 90 regional managers who provide support and leadership to the project managers in their area, who work with our partners to ensure we are delivering top quality services and who develop new opportunities to improve our impact in the communities they cover.

And we employ 117 people in our head office and administrative centre. They provide the financial, legal and administrative support needed to run our national network of services, and provide the specialist skills to develop the charity and ensure that we operate efficiently, raise more income, and gain recognition and support for our work.

“The drivers are a tremendous help, they make all the difference. I would not be able to do my weekly shop without them.”

Miss McLennon who uses WRVS' assisted shopping service

our achievements and performance in 2006-7

Our four priorities in 2006-7 were to:

- continue to develop and expand our services for older people at home, in their communities and during their visits to hospital
- retain our existing volunteers and recruit new ones
- raise people's awareness of WRVS and the benefits we bring
- grow support amongst WRVS volunteers and employees for fundraising activity and maintain the positive financial position we achieved last year.

The next section of the report outlines the progress we have made against these objectives.

Developing and expanding services

We developed a range of new community services in 2006-7, helping an additional 2,000 older people to live independently at home and in their community including:

- eight of our flagship Good Neighbours services helping an additional 1,000 older people to live independently at home
- two new community transport projects helping nearly 600 older people.

We also expanded our network of shops and cafés in hospitals, helping to raise vital income for WRVS' work in local communities and enabling us to provide additional support services for older people in and out of hospital. New services included:

- 13 new hospital shops and cafés
- three new support services for patients and visitors in hospitals
- two new Home from Hospital services supporting people recuperating at home.

We opened two new Meals on Wheels services, but lost contracts to deliver meals in four other communities.

It's important that our figures are accurate so that we have the evidence to underpin an assessment of our impact and, more importantly, so that we have the information to enable us to plan our work more effectively.

Last year, we collected figures for the number of people we helped through our home and community services from 90 per cent of our projects. Whereas in the year before (2005-6) we only had actual figures for 60 per cent of these projects, and we estimated the figures for the remaining 40 per cent of our home and community services.

The figures we have used from 2006-7 in this report are rounded up for clarity but they are all based on actual returns. The accurate data we have collected for 2006-7 has established that the estimates we made in 2005-6 over-stated the number of people we help in those projects.

It does mean that year-on-year comparisons are more difficult this time but, where we do have accurate information for both years, we have been able to establish that the number of older people we have helped in those projects has increased by 215 or 0.5 per cent. This increase is low because of a reduction in the number of people referred to us by local authorities in some of the communities where we deliver Meals on Wheels. Excluding Meals on Wheels projects, we increased the number of older people we helped by more than 2,000 or seven per cent in those community projects where we had accurate data for both 2005-6 and 2006-7.

We do not yet have information on the take-up of our hospital-based services but we intend to put in place means of collecting it in the future.

The tables in the next section provide more detail on the progress we have made against the service development targets we set ourselves last year.

We have produced separate achievement reports outlining our progress in England, Scotland and Wales respectively. These achievement reports are available on our website: www.wrvs.org.uk/publications

Involving older people in the development of our services

Listening to the voices and opinions of those who use and contribute to our work is vital. In 2006-7 we held at least one consultation group with volunteers and older people who use our services in each of our 33 territories where we operate covering England, Scotland and Wales. In many cases consultation was more frequent with several consultation group sessions, augmented by local satisfaction surveys and other opportunities for older people to provide suggestions.

In most areas consultation has focused on feedback on current services, suggestions for improvements and identifying what new or different support would help older people to become more independent and retain control of their lives.

“I see Rhona once or twice a week and think of her as a real friend. We like to share a joke together.”

Dot, who uses WRVS' Good Neighbours service

service development progress in 2006-7

We set 16 high-level objectives for the year, of which two were exceeded, ten met and four partly-met.

Supporting older people in the community

| objective set last year | progress |
|---|--|
| <p>Expand the activities at 40 lunch clubs, converting them into social centres.</p> | <p>Exceeded Over the past year we have developed a total of 139 social centres in the UK. Most have been expanded from pre-existing lunch clubs.</p> <p>For example, in Bath we brought together two separate clubs to develop the WRVS Bath Weston Social Centre, which now offers more activities. We have submitted a bid for funding to refurbish the building and develop the centre so we can add more activities in future.</p> |
| <p>Complete the development of three community centres and begin developing four other sites.</p> | <p>Met Refurbishment of community centres in Banbury, Oxfordshire; Pickering, North Yorkshire and Stourbridge, West Midlands completed.</p> <p>Banbury's Cornhill Centre now provides a range of activities with 1,700 older people taking part every month, the Carlisle Centre in Stourbridge has visits from more than 800 older people a month, while Pickering's Hungate Centre is used by around 1,000 older people every month.</p> <p>We also refurbished our community centre in Eastbourne, East Sussex and relocated our centre in Crawley, West Sussex.</p> <p>We began work to secure external funding to develop our social centres in Maidenhead, Berkshire; Lancing, Sussex and Benfleet, Essex into refurbished and fully-fledged community centres offering more activities to older people in those communities.</p> |

Supporting older people at home

| objective set last year | progress |
|---|---|
| <p>Expand our Meals on Wheels service:</p> <ul style="list-style-type: none"> - test a new range of chilled products - pilot the provision of additional meal services including breakfast boxes, snacks and evening meals. | <p>Part-met</p> <p>Two new Meals on Wheels projects were set up in East Hertfordshire and Derby.</p> <p>We also extended five large contracts delivering meals to Brighton & Hove, West Sussex; Reading, Berkshire; Waverley, Surrey; West Sussex and Windsor & Maidenhead, Berkshire.</p> <p>Unfortunately, we lost four contracts in Cambridgeshire; North Devon; Blackburn with Darwen, Lancashire and Bath.</p> <p>We introduced our new range of hot meals using chilled products. They have been adopted by councils in Brighton & Hove, Waverley and Windsor & Maidenhead. The new meals have received glowing reviews from people who have received them. They appreciate the better taste and improved range of vegetables.</p> <p>We are also now offering a range of additional products such as fresh salads, breakfast items, sandwiches and snack packs to older people in 12 areas, providing people who have difficulty getting to the shops and preparing meals with a more varied diet and choice.</p> |
| <p>Develop 22 new services supporting older people at home.</p> | <p>Part-met</p> <p>Eight new Good Neighbours schemes opened in Adur, Surrey; Bedfordshire; Blackburn with Darwen, Lancashire; Hertfordshire; Kirklees, West Yorkshire; Peacehaven, East Sussex; Stoke-on-Trent and Suffolk.</p> <p>These projects already help an additional 1,000 older people with shopping, tasks at home and other support to enable them to live independently at home.</p> <p>During the year we secured funding for a further five projects in Birmingham; Bromley, Kent; East Lothian; Newport, South Wales and Somerset, and began recruiting volunteers. We expect these to be up and running later in 2007.</p> <p>We expanded a number of home library services, for example adding four new areas in North Yorkshire, serving more than 200 additional older people.</p> |

Supporting older people at home (continued)

| objective set last year | progress |
|--|---|
| <p>Launch three new community transport schemes.</p> | <p>Part-met New schemes were launched in Ross-on-Wye, Herefordshire and a shuttle service in Broxbourne, Hertfordshire.</p> <p>In addition we integrated and expanded the transport services we provide in the Scottish Borders and Berwick-upon-Tweed.</p> |

Supporting communities affected by emergencies

| objective set last year | progress |
|--|--|
| <p>Respond effectively to call-outs and stand-bys; working with local authorities and other agencies to provide the support people need.</p> | <p>Met We responded to 166 call-outs and were put on stand-by 135 times.</p> <p>751 WRVS volunteers supported 11,621 people caught up in those emergencies.</p> |
| <p>To maintain WRVS involvement in a range of emergency exercises and community events to maintain training and readiness, and to generate income that supports our emergency response work.</p> | <p>Met 1,004 WRVS volunteers took part in 169 exercises and events.</p> |
| <p>To improve the training programme provided to volunteers and market our rest centre training to other organisations.</p> | <p>Met Our training programme was revamped and 1,339 volunteers received training during 2006-7.</p> <p>We sold our rest centre course to one new organisation, and facilitated two major courses at the Emergency Planning College.</p> |
| <p>To improve the ratio of income : direct costs on emergency response to 70 per cent by 2009-10.</p> | <p>Met We increased the ratio of income : direct costs from 59 per cent to 62 per cent during 2006-7 and are on track to meet the 70 per cent target by 2010.</p> |

Supporting older people in hospital

| objective set last year | progress |
|---|--|
| <p>Refurbish/upgrade 30 shops and cafés.</p> | <p>Exceeded 25 refurbished and an additional 89 shops and cafés were upgraded and re-branded with up-to-date signage.</p> |
| <p>Improve our food and drink range in hospital cafés.</p> | <p>Met We have developed a new standardised menu that we are now piloting in five hospital cafés.</p> <p>We have also introduced more healthy options during this year to most cafés and shops, including fresh fruit, which is sourced locally where possible.</p> |
| <p>Continue to increase surpluses in our hospital projects and consequently increase our level of gifting back to hospitals.</p> | <p>Met Our surpluses from hospital projects, before gifting, totalled £7.9m this year against £7.4m last year (a seven per cent increase).</p> <p>We gifted £5.6m of these surpluses to hospitals to improve facilities and care for patients and their families. This is a ten per cent increase on last year (£5.1m).</p> |
| <p>Develop a range of new services to support older people and visitors to hospital:</p> <ul style="list-style-type: none"> – 13 new shops/cafés – 7 patient transport services – 7 Home from Hospital services. | <p>Part-met 13 new hospital shops and cafés were set up.</p> <p>One new service to accompany patients to appointments in hospital in Cambridgeshire is up and running and another, at Birmingham Children’s Hospital, is ready to open later in 2007. Two new hospital information desks, one in North Wales, another in Cambridgeshire. Two new Home from Hospital projects in Bedfordshire and Bassetlaw, Nottinghamshire. Three other Home from Hospital projects are in the pipeline (in Birmingham; Louth, Lincolnshire and Leicester), but were not up and running in 2006-7.</p> |

Supporting the Armed Services

WRVS has 94 services welfare officers based at units in the UK, Germany, Cyprus and the Falkland Islands. This is up from 86 last year.

In 2006-7:

- service personnel made more than 740,000 visits to our recreation centres (120,000 more visits than last year)
- we provided primary welfare support to 7,700 soldiers (down 1,200 on last year, partly because of the number of soldiers sent to Afghanistan and Iraq from bases in Germany).

We also made a range of improvements to the welfare and recreation services we provide for service personnel as set out below.

| objective set last year | progress |
|---|--|
| <p>Introduce more consistency in the service we provide.</p> | <p>Met We introduced standard opening hours for recreation centres and welfare support throughout the service.</p> |
| <p>Improve communication with and feedback from commanding officers and opinion formers.</p> | <p>Met Updates were sought from the chain of command during location visits during the year. These meetings provided a clear and concise understanding of the service that is required at each location.</p> <p>A customer service survey was dispatched to all commanding officers. An action plan to deliver improvements where necessary has since been developed. Presentations to opinion formers now include context of our other work, and we attend all major Army shows.</p> |
| <p>Improve training and management of the service.</p> | <p>Met Directorate of Individual Training Capability and Adult Learning Inspectorate inspections and the Deepcut review identified some training requirements for WRVS. The recommended training is now complete and further phases of training will be on-going.</p> <p>We reviewed our management structure: reducing from four to three managers, improving financial effectiveness and providing more co-ordinated management.</p> <p>We also improved management of services welfare officers based at distant locations eg, Cyprus and the Falkland Islands: officers now take part in a pre-posting induction covering key issues and developing a plan for the job.</p> |

Recruiting volunteers

We recruited 4,971 new volunteers during 2006-7. This is a significant achievement. However, we also recorded that 11,835 volunteers had left.

A substantial number of these had in fact left during previous years but their departure was only noted during the current clean up of our volunteer database. Nevertheless we did have a large proportion of volunteers leaving because of ill-health or family/personal reasons.

Most volunteers leave for unavoidable reasons. They have huge demands on their time. We are most grateful for the tremendous service they have given but their departure sets us a huge challenge. We must find new ways to attract new volunteers over the coming years. Our services to older people depend on it.

In the last quarter of 2006-7 we began to implement a new recruitment strategy, targeting specific groups of people such as young people, new retirees and working professionals. Although the numbers recruited from the first three months of this campaign have so far been small, we have already learned some valuable lessons that will inform the campaign from 2007-8 onwards.

volunteer leavers

| Reason for leaving | Number of leavers |
|---|-------------------|
| Age/ill-health | 4,859 |
| Database clean-up | 3,360 |
| Family/personal reasons/relocation | 2,228 |
| Died | 556 |
| Project closed | 551 |
| Moved to full-time employment/education | 229 |
| Dissatisfied with WRVS | 52* |

*This is a reduction on 2005-6, when 156 volunteers left through dissatisfaction.

Improving awareness

Another crucial element of our volunteer recruitment strategy will be to increase our profile and improve our reputation. Although we have seen a significant increase in the amount of local and national media coverage of our work during 2006-7, our profile remains substantially lower than other national charities and many people still have outdated perceptions about WRVS. Consequently we have to find new ways to attract new volunteers, supporters and donors and we have to 'sell' WRVS to them.

To help us improve our profile and reputation we have recruited a new director to develop and deliver our marketing and fundraising strategy.

Fundraising activity

Last year we continued to expand our fundraising activities, securing more than £1.2m of income for the year of which we have recognised £1.1m through these accounts. This contributed a net figure (after direct fundraising costs and before allocated support costs) of £317,000, substantially exceeding our target of £250,000. An additional £0.8m was secured for future years.

We are still at the early stages of embedding a fundraising culture in WRVS, but a significant proportion of the income we raised relied on the efforts of our volunteers and supporters. For example, we increased the amount of money raised by raffles from £86,000 in 2005-6 to £174,000 in 2006-7 by introducing a very popular second raffle in the summer. We also expanded the number of collection tins in our shops and cafés, and recorded a 61 per cent increase in income from £62,000 in 2005-6 to more than £100,000 in 2006-7.

"I like to meet people and really enjoy that I'm doing something for the community and myself as well."

Bobby – WRVS volunteer

our plans for the future

In 2007-8 our strategic objectives remain the same.

Reputation and fundraising

We will put greater emphasis this year on improving our profile and reputation; and consequently significantly increasing our fundraising income. We are developing a new marketing strategy to drive this work. This will begin to be implemented in the second half of the year.

New services

We will continue to develop new services to support older people at home, in communities and in hospitals. And we will also make a major investment in a new service concept, the WRVS information centre and community café.

Over the next three years this new concept will be piloted in five communities (three in England, one in Scotland and one in Wales).

We aim to provide a one-stop shop in a high street location for older people to find advice and information, have access to social

activities and support services as well as being a place where older people will want to meet up with friends and make new ones.

The centres will also provide a base for WRVS services supporting older people in their homes.

We want other voluntary sector and public service providers in the community to offer information and services from the new centres, so partnership working will be a crucial part of this new programme.

WRVS strategic objectives

1 People

- We want our volunteers and employees to feel proud to be part of WRVS.
- We will manage performance and development rigorously and link pay to performance.

2 Services

- We will develop and deliver services that help us both achieve our vision and raise income.
- We will increase the numbers of service users who benefit from our services in homes, hospitals and in communities.

3 Reputation

- We will raise internal and external awareness of the services we provide and benefits we bring.

4 Fundraising

- We will significantly increase WRVS' fundraising income.

5 Finance

- WRVS will remain financially independent and viable.

Each pilot will receive funding from WRVS reserves to get it off the ground; our intention is for them to be self-funding within three years.

Gaining more support and raising more income will be vital to ensure WRVS can continue to meet the needs of an increasing number of older people in communities throughout Britain. As will more involvement

of older people in determining the services they want, and increasing our partnership working with councils, the NHS and other organisations in the public, private and voluntary sectors.

We are determined to continue to improve our impact and make a real difference to the lives of thousands of older people.

our plans 2007-8

1 Volunteering

Recruit enough volunteers to ensure new and existing services can continue to support people effectively:

- we meet recruitment targets for the top 100 projects
- we improve the ratio between new recruits and leavers.

2 Training and development

Develop a new training strategy to improve the capability of managers, introducing consistent ways to assess, develop and plan for succession.

3 New services

Launch and manage one WRVS information centre and community café providing both access to local services and a base for WRVS outreach services to support older people.

4 Community development services

Develop 51 new community development projects:

- 15 at home (England 6, Scotland 7 and Wales 2)
- 23 in the community (England 12, Scotland 8 and Wales 3)
- 13 in hospitals (England 7, Scotland 5 and Wales 1).

5 Hospital services

Hospital projects raise £6.6m to gift back to hospitals and £3.9m to support other work in WRVS.

6 Food services

Revisit our Meals on Wheels strategy to respond to the changing marketplace.

7 Client management

Develop and launch a programme to manage key clients in hospital retail and large Meals on Wheels projects.

8 Reputation

Increase public awareness of WRVS by three per cent from March 2007 to March 2008.

9 Fundraising

Achieve the following:

- 10,000 individual donors
- total individual giving income of £650,000.

10 Finance

All WRVS departments to operate to budget.

11 Risk management

Identify key risks within the organisation. Roll-out the risk management framework to all decision-makers.

please support us

We reach only a fraction of the older people who are not able to get the most out of life.

To achieve these plans we need your help.

Donate now

Call **0845 607 6524*** between 9am and 5pm.

Or make a secure credit or debit card donation www.wrvs.org.uk/donatenow

You can send a cheque, postal order or CAF voucher (made payable to WRVS) to:

WRVS supporter care
FREEPOST NAT21521
CARDIFF
CF23 8GZ

Trusts and grants

Support WRVS in your community with trusts or grants.

Call **01235 442925**

or e-mail fundraising@wrvs.org.uk

Become a volunteer

Call **0845 601 4670*** or register online at www.wrvs.org.uk/volunteeronline and a local manager will contact you.

Become a corporate partner

We would love to talk to you about how supporting WRVS could be of mutual benefit and make good business sense.

Call **0845 607 6524***

or e-mail fundraising@wrvs.org.uk

Work with us

We are always looking for partners to work with from public, voluntary, charity and private sectors. By combining our skills, knowledge and resources we can do more.

Call **0844 800 4158***

or e-mail workingwithwrvs@wrvs.org.uk

*All calls charged at a local rate.

our governance and administrative details

Patron

Her Majesty The Queen

Trustees

From 1 April 2006 to 25 September 2007

Chairman

Ruth Markland ▲ ✕

Other trustees

Dino Adriano ● ✕

Peter Askew ●

Valerie Everitt + ●

Waqar Mirza ●

Caroline Naylor ✕ +

Christine Paley (appointed June 2007)

Ian Peacock ■ ✕

Christine Pointer ■ ▲

Valerie Seddon ■ +

David White ✕ (resigned October 2006)

Executive team

From 1 April 2006 to 25 September 2007

Chief executive

Mark Lever (to September 2007)

Lynne Berry OBE (from September 2007)

Executive directors

Jane Balinski – Corporate affairs and people

Alisa Binnington – Finance and corporate services

Simon Branscomb – Operations

Robert Longley-Cook – Fundraising and marketing
(appointed January 2007)

Committee members

■ Audit committee

✕ Finance and investment committee

● Fundraising and marketing committee

▲ Nominations and remuneration committees

+ Volunteering committee

Auditors

Baker Tilly UK Audit LLP 1 Georges Square Bath Street Bristol BS1 6BP

Bankers

HSBC Bank plc 90 Baker Street London W1M 2AX

The Royal Bank of Scotland plc 36 St Andrew's Square Edinburgh EH2 2YB

Solicitors

Taylor Vinters Merlin Place Milton Road Cambridge CB4 0DP

Charles, Lucas and Marshall 48 Newbury Street Wantage OX12 8DF

Farrer & Co 66 Lincoln's Inn Fields London WC2A 3LH

Registered office

Garden House Milton Hill Steventon Abingdon Oxfordshire OX13 6AD

T: 01235 442900 F: 01235 861166 E: enquiries@wrvs.org.uk

Registered company 2520413

Registered charity 1015988

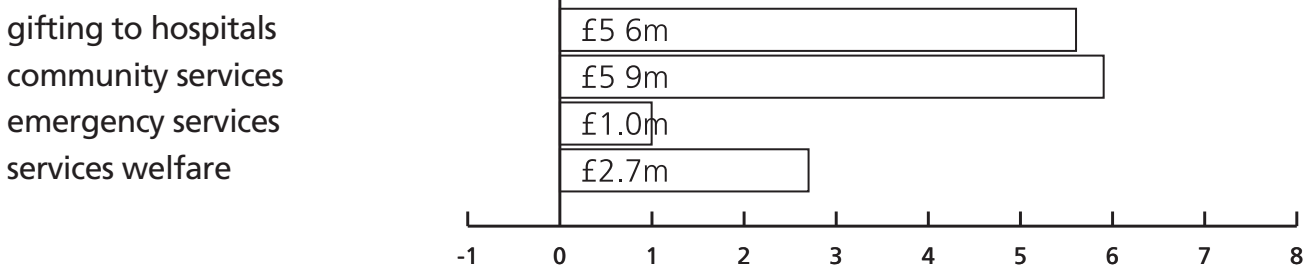
financial summary

| | |
|---|--------|
| expenditure on delivering the mission | £15.2m |
| income from delivering the mission | £6.1m |
| <hr/> | |
| net expenditure | -£9.1m |
| <hr/> | |
| income from supporting the mission | £79.4m |
| related costs | £67.3m |
| <hr/> | |
| net funds raised to support the mission | £12.1m |
| <hr/> | |
| surplus for the year | £3.0m |

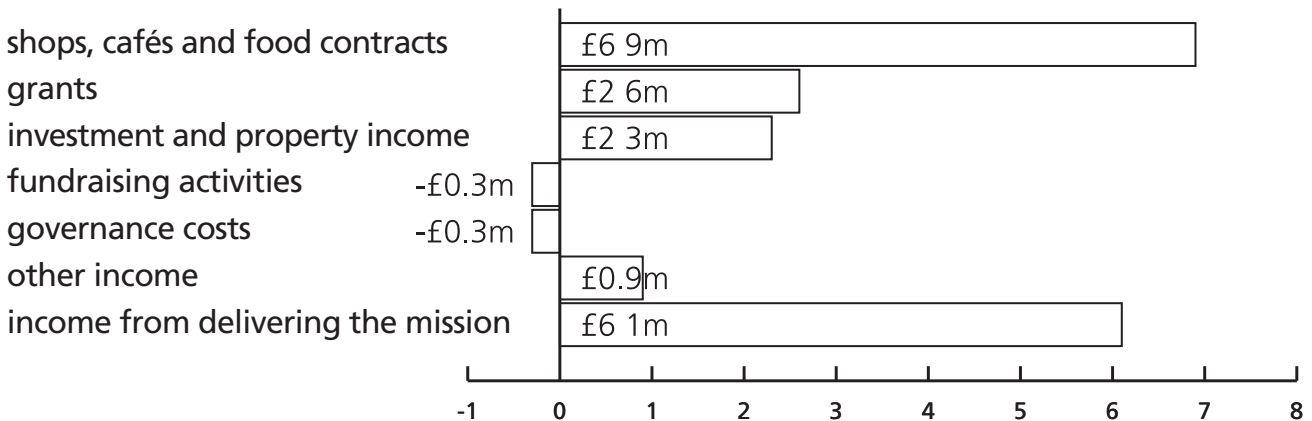
An additional £6.7m of other gains and losses were achieved in the year.

| delivering the mission | income £'m | expenditure £'m | (deficit) £'m | supporting the mission | income £'m | expenditure £'m | surplus/ (deficit) £'m |
|------------------------|------------|-----------------|---------------|------------------------------------|------------|-----------------|------------------------|
| gifting to hospitals | - | 5.6 | (5.6) | shops, cafés and food contracts | 71.8 | 64.9 | 6.9 |
| community services | 3.4 | 5.9 | (2.5) | grants | 2.6 | - | 2.6 |
| emergency services | 0.3 | 1.0 | (0.7) | investment and property income | 2.3 | - | 2.3 |
| services welfare | 2.4 | 2.7 | (0.3) | fundraising activities | 1.1 | 1.4 | (0.3) |
| | 6.1 | 15.2 | (9.1) | governance costs | - | 0.3 | (0.3) |
| | | | | other income | 1.6 | 0.7 | 0.9 |
| | | | | income from supporting the mission | 79.4 | 67.3 | 12.1 |
| | | | | income from delivering the mission | 6.1 | - | 6.1 |
| | | | | | 85.5 | 67.3 | 18.2 |

how we used our funds £15.2m



how we raised our funds £18.2m



financial review

During the year to 31 March 2007, the total funds position of WRVS Group increased by £9.8m from £47.9m to £57.7m.

How we increased our funds

In 2006-7 we spent £1.9m more than we generated on our charitable activities, but more than offset this with £11.6m of net surpluses from other sources:

- £4.3m net funds generated from grants, fundraising and investments
- £1.6m from the revaluation of properties in WRVS Office Premises Ltd
- £1.0m from profits on sale of properties
- £0.6m realised and unrealised gains on our investments
- £0.2m funds introduced
- £(0.3)m governance costs
- £4.2m from the sale of our investment property at Milton Hill.

Understanding our costs

Total resources expended in the year were £82.5m. We spent:

- £38.6m on purchasing our stock and meals for our shops, cafés and Meals on Wheels meals. We also secured £1m of rebate income to help offset this
- £15.6m on employee costs for our projects – without the tremendous support of our volunteers this would be substantially higher
- £8.8m on keeping our vehicles, volunteers and employees on the road and ensuring they had the premises they needed to deliver the best possible service
- £6.6m on our central support costs, including the fundraising team
- £7.4m of other costs including £1m of irrecoverable VAT and £0.7m pensions adjustment.

We also gifted £5.6m back to hospitals to improve facilities and patient care.

Our charitable activities

Incoming resources from our charitable activities increased by 1.8 per cent overall, reaching £78.2m (2005-6: £76.8m). Expenditure including governance costs increased by 2.4 per cent to £80.3m (2005-6: £78.4m).

Hospital services

During 2006-7, our hospital projects generated £56.2m of income and contributed £2.3m (2005-6: £2.3m) towards our other charitable activities. In addition we gifted £5.6m (2005-6: £5.1m) to some of the hospitals in which we operate.

Furthermore, trustees have designated £13.1m for future gifting or refurbishment of shops and cafés in hospitals where we operate under this type of gifting arrangement.

Amounts gifted are included in the cost of charitable activities, but excluding these shows an underlying growth in hospital services expenditure of 7.1 per cent, just ahead of the growth in income of 6.9 per cent.

Food services

Income from our food services reduced by 13 per cent in the year to £15.5m (2005-6: £17.9m). The previous year had seen the benefit of one-off VAT reclaims, however the underlying trend remains one of increasing pressure to retain existing contracts and win new ones in what is an increasingly competitive environment. Pressures on local authority budgets, together with our decision to tender only for contracts that meet our standards of offering choice and access to hot meals, mean that there are pressures on our income from food services.

We continue to monitor expenditure on servicing our food contracts and we take action as appropriate. Our expenditure reduced by nine per cent to £16.7m (2005-6: £18.4m), which adjusting for VAT reclaims in our income, was broadly in line with the fall in our income during the year.

Community services

Our income from community services was £3.4m (2005-6: £3.5m), our expenditure £5.9m (2005-6: £5.8m), net expenditure of £2.5m (2005-6: £2.3m).

Broadly one third of our community services income comes from our community centres, whether through grants or income generated within the projects. Our lunch and day clubs account for a further third, with the rest from transport schemes, community help and Good Neighbours, home library and other services.

The money we invest in our community services includes £1.2m of support costs we don't seek to recover from either service users or other sources, and £1.3m to run and develop our services in communities.

Emergency services

We sought to grow our income in emergency services by winning contracts from utility companies and other corporate bodies. Our income in the year grew by eight per cent to £0.34m, whilst our expenditure reduced by nine per cent to £1.0m.

Services welfare

Services welfare income increased by four per cent to £2.4m, and the resources expended were also £2.4m before allocated support costs.

Support costs

Our central support costs for the year were £6.8m (2005-6: £7.4m), which included £0.7m relating to outstanding liabilities in relation to the services welfare defined benefit scheme and £1.0m which underpinned our fundraising activities. The remaining £5.1m (75 per cent) reflects the costs of supporting our charitable activities (2005-6: £5.1m). Central overheads for delivering our mission were £1.9m and central overheads for supporting the mission including our retail operations £4.9m.

Sale of Milton Hill House

In last year's report and accounts, we stated our intention to market our investment property, Milton Hill House, which had been held for several years.

Our considered view was that this investment represented an unacceptable concentration of assets in one specialised asset class: the commercial property market in general, and the training and conference market in particular.

In December 2006, we sold the property together with 21.45 acres of the adjoining land to our tenants, Verve Venues Ltd. Net proceeds from the sale were £14.2m after disposal costs, substantially in excess of the £10m market valuation as at March 2006. We have retained 32.55 acres of the site as a long-term investment.

Funds generated in the year

Net funds of £4.3m were generated as follows:

- £2.3m from our government grant
- £2.0m from investment income
- £0.2m from other grants
- a net £(0.4)m investment in our fundraising strategy (see fundraising strategy section).

Grants

Our government grant reduced in the year by a further £0.6m to £2.3m, in line with expectations. For 2007-8 this will further reduce to £1m, with no guarantees of funding thereafter. In order to bridge this drop in grant in future years, we are continuing both to invest in and develop our fundraising strategy and look closely at our costs.

Investment income

We generated investment income of £2.0m (2005-6: £1.9m) in the year to March 2007. £0.6m came from Milton Hill rental income and £1.4m was made from our bank deposits and unit trusts.

Fundraising strategy

We have made significant progress on our national fundraising strategy during 2006-7. Our net investment of £0.4m in the year comprised £1.1m of gross income (2005-6: £0.85m) before direct costs of fundraising of £0.5m, fundraising team costs of £0.4m and other allocated central support costs of £0.6m.

All of the figures quoted in the next four paragraphs are gross income figures for fundraising initiatives, and are included in the gross income total above.

Individual donations, corporate fundraising and events

Income from individual donations, corporate fundraising and events reached £0.7m.

We increased the number of individual donors from 4,500 to 8,000 in the year, and the number of donations received, from 14,000 to 17,000. Activities undertaken included:

- the introduction of a second raffle in the summer raised a combined total of £174,000 from both, compared to £86,000 from the single raffle in 2005-6
- a new supporters' newsletter was well received and generated an extra £20,000 in donations
- direct mail appeals to warm donors received a good response rate (average of eight per cent), while appeals to cold donors recruited an additional 1,100 supporters with an average gift of £15
- we tested inserts in targeted magazines although results were disappointing
- we tested face-to-face street fundraising and door-to-door fundraising, recruiting 625 and 525 new donors respectively.

Corporate fundraising reached £119,000. Events raised £88,000 in the year. Our inaugural corporate golf day raised £10,500; our seventh Christmas carol concert £61,500; with £12,000 from the Flora London Marathon and £5,800 from a volunteer climb of Mount Kilimanjaro.

Legacies

Legacy income increased from £64,000 in 2005-6 to £179,000 in 2006-7 as more people choose to support WRVS in this way. We have developed a new legacy promotional strategy to ensure that people have the widest possible opportunity to support WRVS.

Trusts and lotteries

Successful bids brought in £181,000 in the year, with £0.9m committed to us for future years, as we develop good relationships with a number of national trusts.

Also during the year we secured £0.75m from the Heritage Lottery Fund for heritage activities in East Sussex. This income will be recognised over the next three years as we spend the grant.

Revaluation of properties

In March 2007 all of the properties in WRVS Office Premises Ltd were re-valued by qualified surveyors to provide us with the latest market valuation. This was last undertaken in July 2004.

This has resulted in an increase in value of £1.6m against that reported at March 2006, for properties still owned at March 2007.

£1.3m of the gain arose from four properties: our operations centre in Cardiff; our site at Cumberland Street in Ipswich, Suffolk; and properties in Hertford, Hertfordshire and Maldon, Essex. £0.3m was from the revaluation of four other properties.

Profits on property sales

Where freehold or long leasehold properties are no longer required for use by the charity, or where opportunities exist to realise significant sums for our charitable activities in general, we have sought to dispose of properties for the best possible price.

In July 2004, the Home Office transferred a portfolio of properties to WRVS Office Premises Ltd with a proviso that should we dispose of any of those properties within a certain period of time, then any excess achieved over and above their individual 2004 valuations might be repayable in part to the Home Office.

At March 2006, we had provided £0.5m from the profits on disposals to that point in time.

In October 2006, the Home Office confirmed that they would not seek to claw back any of the sale proceeds. This resulted in a release of provision of £0.7m. A further £0.2m surplus arose from property disposals in the year under review.

Our funds position

Our total funds at the end of 2006-7 stands at £57.6m. £3.0m is restricted for specific purposes, such as legacies and properties with certain restrictions on how they may be used. £54.6m is unrestricted and free for wider use by the charity. £7.6m of this is invested in our properties, equipment, fixtures and fittings. Trustees have also designated amounts for particular purposes: £13.1m for future gifting to hospitals and communities; £2.2m for investment in five community pilot sites over the next three years and £0.8m for investment in the development of our brand and marketing strategy. There is also funding from donors for the enhancement of community centres of £0.2m. The remaining £30.7m represents the general funds available to WRVS for running the organisation and future strategic investment.

Our funds position (continued)

Results for the year ended 31 March 2007 are shown in the Statement of Financial Activities on page 40. Our assets and liabilities as at 31 March 2007 are shown in the Balance Sheet on page 41. These statements should be read together with the notes to the accounts, which appear on page 43 to 59 and have been prepared in accordance with relevant law and SORP 2005.

Our future outlook and reserves policy

Although our general funds at £30.7m are the highest ever, trustees recognise we have challenging times ahead. This has been a record year, but the reasons for this are exceptional. Unless we can replace sources of funds at the same rate or faster than they deplete, we face future deficits which will need to be met from general funds. This is of particular concern as we go into a period where we will no longer benefit from the government grant and need to develop alternative sources of funds.

To determine a suitable reserves policy for the organisation, trustees have considered a preliminary five-year view for WRVS, based on a number of assumptions about our sources of funds, our levels of investment, the marketplaces in which we operate and our future development requirements.

As our fundraising strategy and development plans are still in their infancy and the hospital and food services markets both have their own challenges, there are many unknowns. However we have made the best estimates of the position given the information we have.

At this stage, in the light of the forecast and these uncertainties, trustees have determined that £15m is an appropriate minimum level of general reserve. Trustees also determined that this minimum level of reserves would be sufficient to meet all of our liabilities were the organisation to cease its activities.

The minimum level of general reserve will be reviewed in light of experience and plans developed to decide how any excess over the minimum level should be spent in order to meet the aims of the charity.

Our approach to investments

At March 2007, our investment portfolio and cash balances comprised £18.9m managed by our investment managers; £27.9m invested with our main bankers; cash in hand of £6.8m, before £(0.3)m overdrafts; and £0.1m invested in land. With the sale of Milton Hill House, our cash balances have been high but we have maximised the return through investing on, for example, the overnight money markets.

The finance and investment committee, a sub-committee of trustees, has reviewed the medium- to long-term cash requirements of WRVS together with our reserves policy so as to better inform our investment policy for the future. Following on from this, the sub-committee is now considering the most appropriate mix of asset classes and maturity structure for the long-term investment of WRVS' reserves.

During the year we retained the services of our two independent investment managers to manage our portfolio, Sarasin Chiswell and BlackRock (formerly Merrill Lynch). During the year our investments with them showed gains (realised and unrealised) of £0.5m (2005-6: £2.1m).

Both managers have the discretion to invest our portfolio within agreed risk profiles, and their performance is judged against appropriate benchmarks. Trustees recognise that investments should be viewed over the long-term and so believe these benchmarks to be better indicators of performance than year-on-year comparisons.

Regular meetings are held with both investment managers to review performance and to advise trustees on each manager's current view of the marketplace. On a rolling annual basis, our investments performed better than benchmark in all cases.

Sarasin Chiswell manages 33.9 per cent of the portfolio and has a benchmark that is a weighted average of UK government bonds, MSCI World Net Total return and one month LIBOR. (Actual performance 6.0 per cent: benchmark 3.5 per cent.)

BlackRock manages three separate portfolios on our behalf:

- 12.7 per cent of the portfolio covering restricted legacies and managed for capital growth (8.9 per cent capital growth achieved).
- 22.4 per cent of the portfolio to produce a return in line with LIBOR less ten per cent, while seeking to achieve long-term capital growth benchmarked against a weighted average of FTSE All-Share; FTSE Government All Stocks and seven day LIBID. (Actual 6.4 per cent: benchmark 5.2 per cent.)
- 30.6 per cent of the overall portfolio, to maximise long-term total return benchmarked against the WM unconstrained (excluding property) fund. (Actual 8.9 per cent: benchmark 7.7 per cent.)

CCLA Investment Management Ltd manages 0.4 per cent of the portfolio – these funds are specific restricted legacies managed for capital growth.

WRVS group and subsidiary undertakings

WRVS' constitution is a company limited by guarantee, and as such in the event of the company being wound up, each company member is required to contribute an amount not exceeding £1. The company is registered in England and Wales, number 2520413 in accordance with the Companies Act 1985. It is also a registered charity in England and Wales, number 1015988 and has applied for a Scottish charity number.

The charity's principal subsidiary undertakings at March 2007 are set out in note ten of the accounts. Subsidiaries were all wholly owned companies registered in England and Wales. Income from trading subsidiaries has been included within charitable income within the accounts.

We are in the process of winding-up four subsidiaries:

- WRVS Retail and Catering Services Ltd
- WRVS Asset Supply Ltd
- Home Choice Meals Ltd
- WRVS Supplies Ltd.

These subsidiaries are surplus to requirements and will all be voluntarily wound-up by the members by March 2008.

Trustee responsibilities

WRVS is governed by a Memorandum and Articles of Association that were last updated on 26 June 2007. This sets out that the Board of Trustees may consist of a maximum of 12 trustees: one third must be WRVS volunteers nominated by the vice-chairmans' committee, and at least one third shall be individuals nominated by the trustees from outside WRVS. Each trustee may be elected for a maximum of two three-year terms of office. The trustees are directors of the charity for the purposes of the Companies Act 1985 and trustees of the charity for the purposes of the Charities Act 1993.

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

Charity and company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial

Trustee responsibilities (continued)

statements are required by law to give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing those financial statements, the trustees are required to:

- a select suitable accounting policies and then apply them consistently
- b make judgements and estimates that are reasonable and prudent
- c state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- d prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the requirements of the Companies Act 1985. They are also responsible for safeguarding the assets of the group and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on www.wrvs.org.uk

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Trustees are responsible for WRVS' policy and strategic direction and are advised by the

chief executive, to whom responsibility for the day-to-day operation of the charity has been delegated.

WRVS is committed to best practice in corporate governance and has reviewed governance processes. The Board of Trustees exists to safeguard and promote the values and mission of WRVS, determine strategy and structure and ensure that it operates effectively and responsibly. It meets four times a year.

In addition to the Board of Trustees, six sub-committees exist to consider certain aspects of the charity in more detail. Each sub-committee is chaired by a trustee, has a schedule of delegated powers and reports to the Board of Trustees.

Fundraising and marketing committee meets four times a year to overview strategies and plans for fundraising and marketing.

Nominations committee meets once a year to review the structure, size and composition (including the skills, knowledge and experience) required of the Board of Trustees and reports on succession planning for trustees and executive directors.

Remuneration committee meets once a year to review the performance and remuneration of executive directors.

Audit committee meets three times a year to consider reports from both external and internal auditors regarding the internal control systems and the annual financial statements; discuss financial reporting issues and risk management processes.

Finance and investment committee meets at least three times a year to consider and make recommendations on all financial budgets, forecasts and policies, including investment strategy; to monitor the organisation's

performance to budgets and forecasts; to consider and monitor all capital and community development projects; to oversee the performance of the investment portfolio and the application of restricted legacy funds.

Volunteering committee meets four times a year to review recruitment, retention, recognition and communication strategies for our volunteers; and to consider ways to improve the volunteer experience and identify ways in which volunteers could further contribute to WRVS.

The Board of Trustees appoints all new trustees, and looks to ensure that skills and experience on the board continues to be relevant. A trustee induction programme is in place and each new trustee is offered the opportunity to visit projects and meet with senior management within WRVS at an early stage of their trusteeship.

Internal controls and risk management

The trustees have overall responsibility for the system of internal control for the charity and its subsidiaries. However, such a system can provide only reasonable and not absolute assurance against errors and fraud.

WRVS undertakes an annual planning and budgeting process, which is approved by the Board of Trustees after review by the finance and investment committee. Actual performance against budget is monitored on a monthly basis by the executive team and trustees are regularly informed of progress. Strategic projects are monitored through the appropriate sub-committee and the Board of Trustees.

During the year, we have undertaken an exercise to capture and evaluate the risks the organisation faces within a risk register. This has been a bottom-up exercise, involving senior managers and the risks recorded are

comprehensive and will require continual review. This exercise not only serves to highlight the areas where we must improve or test the controls we rely on to reduce or eliminate these risks, but also marks the start of embedding a risk management culture throughout the organisation.

During 2007 the executive team and trustees have considered the risks captured and the process to distil those believed most significant to the future success of the organisation is in progress.

Significant risks will be highlighted for consideration and monitoring through summary reports for the audit committee and the Board of Trustees and a comprehensive review of the controls in place to mitigate or eliminate those risks will now be undertaken.

Our auditor

The directors, having been notified of the cessation of the partnership known as Baker Tilly, resolved that Baker Tilly UK Audit LLP be appointed as successor auditor with effect from 1 April 2007, in accordance with the provisions of the Companies Act 1989, s26(5). Baker Tilly UK Audit LLP has indicated its willingness to continue in office.

A resolution to reappoint Baker Tilly UK Audit LLP as auditor for the ensuing year will be proposed at the Annual General Meeting in accordance with section 385 of the Companies Act 1985.



On behalf of the Board of Trustees

Ruth Markland
Chairman of the Board of Trustees

independent auditor's report to the members of WRVS

We have audited the financial statements on pages 40 to 59.

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

Respective responsibilities of trustees and auditors

The responsibilities of the trustees (who are also the directors of WRVS Ltd for the purposes of company law) for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of trustees' responsibilities.

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

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the annual report is not consistent with the financial statements, if the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and other transactions is not disclosed.

We read other information contained in the annual report, and consider whether it is consistent with the audited financial statements. This other information comprises only the chairman's statement and the operational and financial reviews. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

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

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

Opinion

In our opinion the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of affairs of the charitable company and group as at 31 March 2007 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Baker Tilly UK Audit LLP.

Baker Tilly UK Audit LLP
Registered Auditor
Chartered Accountants
1 Georges Square
Bath Street
Bristol BS1 6BP

25 September 2007

consolidated statement of financial activities

(incorporating the Income and Expenditure Account)

For the year ended 31 March 2007

| | <i>Notes</i> | Unrestricted funds £'000 | Restricted funds £'000 | Total 2007 £'000 | Total 2006 £'000 |
|---|--------------|---|---------------------------------------|---------------------------------|------------------------|
| Incoming resources | | | | | |
| Incoming resources from generated funds: | | | | | |
| Voluntary income | 2 | 3,109 | 282 | 3,391 | 4,014 |
| Activities for generating funds | | 295 | – | 295 | 142 |
| Investment income | 4 | 2,022 | 17 | 2,039 | 1,867 |
| Incoming resources from charitable activities: | | | | | |
| Hospital services | | 56,198 | – | 56,198 | 52,594 |
| Food services | | 13,376 | 2,166 | 15,542 | 17,872 |
| Community services | | 3,427 | – | 3,427 | 3,480 |
| Emergency services | | 337 | – | 337 | 312 |
| Services welfare | | – | 2,378 | 2,378 | 2,294 |
| Property | | 303 | – | 303 | 283 |
| Other incoming resources: | | | | | |
| Net gain on the disposal of tangible fixed assets | | 1,047 | – | 1,047 | 869 |
| Defined benefit pension scheme income | | – | 349 | 349 | 284 |
| Funds introduced during the year | 16 | 176 | – | 176 | 136 |
| Total incoming resources | | 80,290 | 5,192 | 85,482 | 84,147 |
| Resources expended | | | | | |
| Cost of generating funds: | | | | | |
| Costs of generating voluntary income | | 1,292 | – | 1,292 | 1,627 |
| Fundraising trading: cost of goods sold and other costs | | 134 | – | 134 | 80 |
| Investment management costs | | 28 | – | 28 | 5 |
| Cost of charitable activities: | | | | | |
| Hospital services | | 53,852 | – | 53,852 | 50,262 |
| Food services | | 14,442 | 2,215 | 16,657 | 18,381 |
| Community services | | 5,890 | 44 | 5,934 | 5,845 |
| Emergency services | | 991 | – | 991 | 1,089 |
| Services welfare | | 251 | 2,395 | 2,646 | 2,579 |
| Governance costs | | 321 | – | 321 | 283 |
| Defined benefit pension expenditure | | – | 693 | 693 | 856 |
| Total resources expended | 5 | 77,201 | 5,347 | 82,548 | 81,007 |
| Net incoming/(outgoing) resources | | 3,089 | (155) | 2,934 | 3,140 |
| Other recognised gains and losses | | | | | |
| Net gains on investments | 10 | 4,671 | 148 | 4,819 | 2,124 |
| Other revaluation gains/(losses) | 9 | 1,595 | – | 1,595 | (54) |
| Actuarial gains on defined benefit pension schemes | 18 | – | 344 | 344 | 572 |
| Net movement in funds | | 9,355 | 337 | 9,692 | 5,782 |
| Fund balances at 1 April 2006 | | 44,876 | 3,042 | 47,918 | 42,136 |
| Transfers between funds | 13 | 392 | (392) | – | – |
| Fund balances 31 March 2007 | | 54,623 | 2,987 | 57,610 | 47,918 |

All the above results derive from continuing activities and there were no gains or losses other than those shown above.

For the purposes of the Companies Act 1985 the surplus for the group for the year was £2,934,000 (2006 – £3,140,000) and for the charity was £3,929,000 (2006 – £10,039,000).

The accompanying notes are an integral part of this consolidated statement of financial activities.

balance sheets

At 31 March 2007

| | Notes | 2007 Group £'000 | Charity £'000 | 2006 Group £'000 | Charity £'000 |
|--|-------|------------------------|------------------|------------------------|------------------|
| Fixed assets | | | | | |
| Tangible fixed assets | 9 | 8,620 | 4,848 | 7,097 | 4,343 |
| Investments | 10a | 18,937 | 18,937 | 28,391 | 28,391 |
| | | 27,557 | 23,785 | 35,488 | 32,734 |
| Current assets | | | | | |
| Stock | | 1,567 | 1,493 | 1,538 | 1,461 |
| Debtors | 11 | 4,556 | 3,656 | 6,066 | 5,765 |
| Investments | 10b | 27,930 | 27,234 | 10,257 | 8,808 |
| Cash at bank and in hand | | 6,811 | 5,916 | 5,817 | 4,880 |
| | | 40,864 | 38,299 | 23,678 | 20,914 |
| Liabilities | | | | | |
| Creditors: Amounts falling due within one year | 12 | (11,491) | (8,858) | (11,268) | (9,171) |
| Net current assets | | 29,373 | 29,441 | 12,410 | 11,743 |
| Total assets less current liabilities | | 56,930 | 53,226 | 47,898 | 44,477 |
| Defined benefit pension scheme asset | 18 | 680 | – | 20 | – |
| Net assets including pension scheme liability | 14 | 57,610 | 53,226 | 47,918 | 44,477 |
| Funds | | | | | |
| Restricted funds | 13 | 2,987 | 3,143 | 3,042 | 2,980 |
| Unrestricted funds | | | | | |
| designated funds* | 13 | 23,973 | 20,201 | 28,527 | 25,773 |
| general funds | 13 | 30,650 | 29,882 | 16,349 | 15,724 |
| | | 57,610 | 53,226 | 47,918 | 44,477 |

*Including a revaluation reserve of £1,812,668 (2006 – £10,381,000)

The accompanying notes are an integral part of these balance sheets.

Approved, authorised for issue by and signed on behalf of the Board of Trustees on 25 September 2007.



Ruth Markland
Chairman



Christine Pointer
Trustee

Statement of information disclosure to auditors

The members who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the members have confirmed that they have taken all the steps that they ought to have taken as members in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

consolidated cash flow statement

For the year ended 31 March 2007

| | <i>Notes</i> | 2007 £'000 | 2006 £'000 |
|---|--------------|-----------------------------|---------------|
| Net cash inflow from operating activities | <i>(a)</i> | 5,503 | 2,352 |
| Capital expenditure and financial investment | | | |
| Payment to acquire tangible fixed assets | | (1,294) | (676) |
| Receipts from the disposal of tangible fixed assets | | 1,474 | 1,760 |
| Payments to acquire fixed asset investments | | (384) | (2,631) |
| Receipts from the disposal of fixed asset investments | | 14,613 | 4,650 |
| | | 14,409 | 3,103 |
| Management of liquid resources | | | |
| Increase in money market deposits | | (17,673) | (4,075) |
| Increase in cash in the year | <i>(b)</i> | 2,239 | 1,380 |

Notes to the cash flow statement

a) Reconciliation of net incoming resources to net cash inflow from operating activities

| | | |
|--|--------------|---------|
| Net incoming resources | 2,934 | 3,140 |
| Depreciation | 939 | 992 |
| Net gain on disposal of tangible fixed assets | (1,047) | (869) |
| (Increase)/decrease in stock | (29) | 208 |
| Decrease/(increase) in debtors | 1,510 | (1,393) |
| Increase in creditors | 1,512 | 459 |
| FRS17 pension adjustment | (316) | (185) |
| Net cash inflow from operating activities | 5,503 | 2,352 |

b) Analysis of increase in net funds

| | At 1 April 2006 £'000 | Cash flows £'000 | At 31 March 2007 £'000 |
|----------------------------------|--------------------------|---------------------|---------------------------|
| Cash at bank and in hand | 5,817 | 994 | 6,811 |
| Bank overdrafts | (1,633) | 1,289 | (344) |
| Cash held by investment managers | 381 | (44) | 337 |
| | 4,565 | 2,239 | 6,804 |

notes to the consolidated accounts

For the year ended 31 March 2007

1 Principal accounting policies

a) Basis of accounting

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year, except where stated. The accounts have been prepared under the historical cost convention as modified by the inclusion of certain assets at market value and they comply with applicable United Kingdom accounting standards, with the statement of recommended practice for accounting and reporting for charities (SORP 2005) and the Companies Act 1985. All income is accounted for on an accruals basis unless otherwise stated.

b) Basis of consolidation

The statement of financial activities and balance sheet consolidate the accounts of the charity and all its subsidiary undertakings made up to the balance sheet date. The results of subsidiary undertakings are included in the group accounts from their effective date of acquisition (or up to their effective date of disposal). No statement of financial activities has been presented for the charity as permitted by Section 230 of the Companies Act 1985.

The results and balance sheets of all subsidiary companies have been consolidated on a line by line basis. The group accounts do not include the results and net assets of connected entities (note 16).

c) Grants receivable

i) Grant from the Ministry of Defence

Funding from the Ministry of Defence is accounted for on an accruals basis. Any funding received for payroll, operating and capital costs unappropriated at the end of each accounting period is deemed to be repayable.

ii) Other capital grants

Other capital grants received towards the cost of tangible fixed assets are credited to the statement of financial activities in full in the year in which they are received and treated as restricted funds where applicable. Annual transfers of amounts equivalent to any depreciation charges reduce the restricted funds.

d) Income from the provision and delivery of meals

Income receivable from local authorities for the provision and delivery of meals is credited to the statement of financial activities in accordance with the terms of the contract with the relevant local authority.

e) Donations received

Donations are accounted for in the year in which they are received.

f) Legacies receivable

Legacies are credited to the statement of financial activities once the charity or the group have received them.

g) Expenditure

Charitable expenditure comprises direct expenses incurred on the defined charitable purposes of the charity and its charitable subsidiaries and includes direct staff attributable to the activity and an allocation of the general management and overhead costs.

Fundraising costs comprise expenditure incurred by the charity in encouraging others to make contributions to it, and establishment costs of the fundraising team.

Governance costs include expenditure on compliance with constitutional and statutory requirements.

notes to the consolidated accounts

For the year ended 31 March 2007 (continued)

1 Principal accounting policies (continued)

h) Leased assets

Leased equipment, financed by leasing or hire purchase agreements that give rights approximating to ownership, is treated as if it has been purchased outright and the corresponding obligations are treated as liabilities. The charge to the statement of financial activities is represented by depreciation, calculated in accordance with the group's policy, and interest. The total interest, being the difference between the total installments payable and the invoiced cost, is charged to the statement of financial activities so as to produce a constant periodic charge on the remaining balance of the obligations for each accounting period.

Rentals applicable to operating leases, where substantially all the benefits and risk of ownership remain with the lessor, are charged to the statement of financial activities on a straight line basis.

i) Tangible fixed assets

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment. All other fixed asset properties are valued at cost.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

| | |
|------------------------------------|--|
| Freehold buildings | 2% on cost or valuation |
| Long leaseholds (50 years or more) | 2% on cost or valuation |
| Short leaseholds | shorter of five years or length of lease |
| Motor vehicles | 25% on cost |
| Furniture and office equipment | 20% on cost |
| Computer equipment | 33.3% on cost |

No depreciation is provided on freehold land, which is taken to be equal to ten per cent of the purchase price of the freehold land and buildings.

j) Investments

With the exception of investments in subsidiary companies, investments are included in the accounts at their market value at the end of the financial period. Investments in subsidiary companies are included in the accounts at cost.

k) Fund accounting

The general fund comprises those monies that may be used towards meeting the charitable objectives of the group at the discretion of the trustees.

The restricted funds are monies raised for a specific purpose, or donations subject to donor-imposed restrictions. The designated funds are monies set aside out of general funds and designated for specific purposes by the trustees. Non-charitable trading funds consist of the retained profits or accumulated losses of activities conducted through non-charitable trading subsidiaries.

l) Stocks

Stocks, being goods for resale, are valued at the lower of cost and net realisable value.

m) Retirement benefits

For defined contribution schemes contributions are charged to the statement of financial activities as incurred.

1 Principal accounting policies (continued)

m) Retirement benefits (continued)

For defined benefit schemes the amount charged to the statement of financial activities in respect of pension costs and other post-retirement benefits is the estimated regular cost of providing the benefits accrued in the year, adjusted to reflect variations from that cost. The interest cost and expected return on assets are included within other finance costs. Actuarial gains and losses arising from new valuations and from updating valuations to the balance sheet date are recognised in the Statement of Total Recognised Gains and Losses.

Defined benefit schemes are funded, with the assets held separately from the company in separate trustee-administered funds. Full actuarial valuations, by a professionally qualified actuary, are obtained at least every three years, and are updated to reflect current conditions at each balance sheet date. The pension scheme assets are measured at fair value. The pension scheme liabilities are measured using the projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency. A pension scheme asset is recognised on the balance sheet only to the extent that the surplus may be recovered by reduced future contributions or to the extent that the trustees have agreed a refund from the scheme at the balance sheet date. A pension scheme liability is recognised to the extent that the company has a legal or constructive obligation to settle the liability.

2 Voluntary income

| | Unrestricted £'000 | Restricted £'000 | Total 2007 £'000 | Total 2006 £'000 |
|----------------------|-----------------------|---------------------|------------------------|------------------------|
| Donations | 299 | 56 | 355 | 450 |
| Trusts and lotteries | 23 | 158 | 181 | 75 |
| Grants (note 3) | 2,583 | – | 2,583 | 3,329 |
| Legacies | 111 | 68 | 179 | 64 |
| Other | 93 | – | 93 | 96 |
| | 3,109 | 282 | 3,391 | 4,014 |

3 Grants receivable

| | Total 2007 £'000 | Total 2006 £'000 |
|---------------------------|------------------------|------------------------|
| Home Office grant in aid* | 2,333 | 2,943 |
| Other grants | 250 | 386 |
| | 2,583 | 3,329 |

* An annual grant from the Home Office to assist core expenditure.

notes to the consolidated accounts

For the year ended 31 March 2007 (continued)

4 Investment income

| | Total 2007 £'000 | Total 2006 £'000 |
|----------------------------|---------------------|---------------------|
| Unit trusts | 436 | 379 |
| Bank interest | 1,042 | 682 |
| Investment property income | 561 | 806 |
| | <hr/> 2,039 | <hr/> 1,867 |

5 Total resources expended

| | Grants £'000 | Direct costs £'000 | Support costs £'000 | Total 2007 £'000 | Total 2006 £'000 |
|-------------------------------------|-----------------|-----------------------|------------------------|---------------------|---------------------|
| Hospital services | 5,601 | 46,673 | 1,578 | 53,852 | 50,262 |
| Food services | – | 15,352 | 1,305 | 16,657 | 18,381 |
| Community services | – | 4,717 | 1,217 | 5,934 | 5,845 |
| Emergency services | – | 563 | 428 | 991 | 1,089 |
| Services welfare | – | 2,396 | 250 | 2,646 | 2,579 |
| Governance | – | – | 321 | 321 | 283 |
| Fundraising | – | 468 | 958 | 1,426 | 1,707 |
| Investment management costs | – | – | 28 | 28 | 5 |
| Defined benefit pension expenditure | – | – | 693 | 693 | 856 |
| | <hr/> 5,601 | <hr/> 70,169 | <hr/> 6,778 | <hr/> 82,548 | <hr/> 81,007 |

A list of grants made is available upon request from the registered office.

The support costs of the charity have been allocated on the basis of time spent by departments supporting the various activities and are made up of several functions such as finance, personnel, IT and communications.

This expenditure is stated after charging:

| | 2007 £'000 | 2006 £'000 |
|---|---------------|---------------|
| Auditor's remuneration: | | |
| audit services Baker Tilly (charity only – £15,000) (2006 – £57,175) | 76 | 75 |
| audit services Baker Tilly UK Audit LLP (charity only – £47,442) (2006 – nil) | | |
| Depreciation | 939 | 992 |
| Operating lease rentals | | |
| land and buildings | 3,099 | 2,746 |
| other | 840 | 825 |

6 Employee costs and trustees' remuneration

Employee costs during the year were as follows:

| | 2007 £'000 | 2006 £'000 |
|-----------------------|---------------|---------------|
| Wages and salaries | 18,946 | 18,164 |
| Social security costs | 1,389 | 1,217 |
| Other pension costs | 516 | 475 |
| Other employee costs | 1,245 | 1,656 |
| | <hr/> 22,096 | <hr/> 21,512 |

The number of employees who earned £60,000 pa or more (including taxable benefits) during the year was as follows:

| | Excluding severance | | Including severance | |
|---------------------|---------------------|-------------|---------------------|-------------|
| | 2007 No. | 2006 No. | 2007 No. | 2006 No. |
| £60,001 – £70,000 | 2 | 1 | 2 | 3 |
| £70,001 – £80,000 | – | 1 | – | 1 |
| £80,001 – £90,000 | 3 | 2 | 3 | 2 |
| £90,001 – £100,000 | – | – | – | – |
| £110,001 – £120,000 | – | – | – | – |
| £120,000 – £130,000 | 1 | 1 | 1 | 1 |

The total contribution in the year for the provision of money purchase benefits was £55,407 in respect of higher paid employees. At the year end there were six higher-paid employees with benefits accruing under a money purchase scheme and no higher-paid employees with benefits accruing under defined benefits schemes.

The average number of employees, analysed by function was:

| | 2007 | 2006 |
|------------|-------------|-------------|
| Operations | 2,351 | 2,335 |
| Support | 210 | 220 |
| | <hr/> 2,561 | <hr/> 2,555 |
| Full-time | 623 | 612 |
| Part-time | 1,938 | 1,943 |
| | <hr/> 2,561 | <hr/> 2,555 |

notes to the consolidated accounts

For the year ended 31 March 2007 (continued)

6 Employee costs and trustees' remuneration (continued)

No trustees received any remuneration for services beyond their duties as trustees during the year to 31 March 2007. The previous chairman and previous vice-chairman of the Board of Trustees received remuneration in the year ended 31 March 2006 equal to the tax payable on the benefit of their car and fuel. Neither of the above trustees took part in discussions held by the Board of Trustees when setting levels of remuneration or benefits to be received.

| | Taxable benefits £'000 | Tax equalisation £'000 | Total 2007 £'000 | Total 2006 £'000 |
|--|------------------------------|------------------------------|------------------------|------------------------|
| Tina Tietjen (previous chairman) | – | – | – | 11 |
| Alice Cleland (previous vice-chairman) | – | – | – | 1 |
| | – | – | – | 12 |

Expenses reimbursed to, or incurred on behalf of, all trustees during the year were as follows:

| | 2007 £'000 | 2006 £'000 |
|-------------------------------|---------------|---------------|
| Travel expenses | 3 | 2 |
| Accommodation and subsistence | – | 2 |
| | 3 | 4 |

7 Indemnity insurance

During the year, the charity purchased insurance to protect the charity from loss arising from any wrongful or dishonest act of any trustee and to indemnify any trustee against the consequence of any wrongful act on their part other than any actual dishonest, fraudulent or malicious act. The total cover provided by such insurance is £1.0m (2006: £1.0m) and the total premium paid in respect of such insurance was £10,500 (2006: £11,250).

8 Taxation

WRVS is a registered charity and as such is exempt from taxation of its income and gains falling within Section 505 of the Taxes Act 1988 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that they are applied to its charitable objectives. No tax charge has arisen in the year.

Subsidiary companies that do not have Crown Exemption from direct taxation have entered into deeds of covenant with WRVS under which any taxable profits or surpluses are covenanted to the charity each year.

The charity and group are not able to reclaim all VAT suffered on expenditure due to the partial exemption rules.

9 Tangible fixed assets

| Group | Freehold buildings £'000 | Leasehold buildings long £'000 | Leasehold buildings short £'000 | Vehicles, equipment and furniture £'000 | Total £'000 |
|--------------------------|--------------------------------|---|--|--|----------------|
| Cost or valuation | | | | | |
| At 1 April 2006 | 5,316 | 220 | 955 | 4,454 | 10,945 |
| Additions | 542 | 110 | – | 642 | 1,294 |
| Disposals | (433) | – | (31) | (93) | (557) |
| Revaluation | 1,040 | 410 | – | – | 1,450 |
| At 31 March 2007 | 6,465 | 740 | 924 | 5,003 | 13,132 |
| Cost | 4,922 | 330 | 924 | 5,003 | 11,179 |
| Valuation | 1,543 | 410 | – | – | 1,953 |
| | 6,465 | 740 | 924 | 5,003 | 13,132 |
| Depreciation | | | | | |
| At 1 April 2006 | 429 | 30 | 779 | 2,610 | 3,848 |
| Charge for year | 99 | 6 | 103 | 730 | 938 |
| Disposals | (37) | – | (17) | (75) | (129) |
| Revaluation | (133) | (12) | – | – | (145) |
| At 31 March 2007 | 358 | 24 | 865 | 3,265 | 4,512 |
| Net book values | | | | | |
| At 31 March 2007 | 6,107 | 716 | 59 | 1,738 | 8,620 |
| At 31 March 2006 | 4,887 | 193 | 173 | 1,844 | 7,097 |

The 1997 valuation of the properties owned by the charity was carried out by an internal valuer on an open market basis. It is not the policy of the charity to re-value its own tangible fixed asset properties. A full valuation of freehold properties and long-leasehold properties held by WRVS Office Premises Limited was made by Robert Malcolm, a chartered builder, on an open market basis for existing use as at 31 March 2007. External independent firms of chartered surveyors were used to verify a number of these internal valuations.

The carrying value of these properties as at 31 March 2007, at historic cost less depreciation was as follows:

| | |
|----------------|-------|
| | £'000 |
| Freehold | 517 |
| Long-leasehold | 9 |

WRVS Office Premises Limited, a subsidiary company, had entered into a declaration of trust under which the majority of the tangible fixed assets of that company were held on trust for Her Majesty's Secretary of State for the Home Office absolutely and were therefore held as restricted assets. On 31 July 2004 WRVS, WRVS Office Premises Limited and Her Majesty's Secretary of State for the Home Office, entered into an agreement such that these assets became the assets of WRVS Office Premises Limited, although for those assets sold for greater than the agreed valuation, 50 per cent of such excess may be required to be paid to Her Majesty's Secretary of State for the Home Office. Consequently these restricted assets became unrestricted on 31 July 2004. At 31 March 2006 the net book value of these assets, amounted to £1,475,000. On 23 October 2006 the Home Office released WRVS Office Premises Limited from any current or future liability under the agreement.

notes to the consolidated accounts

For the year ended 31 March 2007 (continued)

9 Tangible fixed assets (continued)

| Charity | Freehold buildings £'000 | Leasehold buildings long £'000 | Leasehold buildings short £'000 | Vehicles, equipment and furniture £'000 | Total £'000 |
|--------------------------|--------------------------------|---|--|--|----------------|
| Cost or valuation | | | | | |
| At 1 April 2006 | 2,978 | 100 | 904 | 3,211 | 7,193 |
| Additions | 542 | 110 | – | 608 | 1,260 |
| Group transfers | – | – | (47) | 7 | (40) |
| Disposals | – | – | (31) | (53) | (84) |
| At 31 March 2007 | 3,520 | 210 | 826 | 3,773 | 8,329 |
| Cost | 3,017 | 210 | 826 | 3,773 | 7,826 |
| Valuation | 503 | – | – | – | 503 |
| | 3,520 | 210 | 826 | 3,773 | 8,329 |
| Depreciation | | | | | |
| At 1 April 2006 | 301 | 20 | 729 | 1,800 | 2,850 |
| Charge for year | 57 | 4 | 95 | 554 | 710 |
| Group transfers | – | – | (34) | 18 | (16) |
| Disposals | – | – | (17) | (46) | (63) |
| At 31 March 2007 | 358 | 24 | 773 | 2,326 | 3,481 |
| Net book values | | | | | |
| At 31 March 2007 | 3,162 | 186 | 53 | 1,447 | 4,848 |
| At 31 March 2006 | 2,677 | 80 | 175 | 1,411 | 4,343 |

10 Investments

| a) Fixed asset investments | Freehold property £'000 | Cash and securities £'000 | 2007 Total £'000 | 2006 Total £'000 |
|---|-------------------------------|---------------------------------|------------------------|------------------------|
| Group | | | | |
| Market value at 1 April 2006 | 10,000 | 18,010 | 28,010 | 27,905 |
| Additions | – | 384 | 384 | 2,631 |
| Disposals | (14,149) | (464) | (14,613) | (4,650) |
| Net investment gains | 4,237 | 582 | 4,819 | 2,124 |
| | 88 | 18,512 | 18,600 | 28,010 |
| Cash held by investment managers for reinvestment | – | 337 | 337 | 381 |
| Market value at 31 March 2007 | 88 | 18,849 | 18,937 | 28,391 |
| Historic cost | 40 | 14,617 | 14,657 | 21,096 |
| Unrealised gain | 48 | 4,232 | 4,280 | 7,295 |
| | 88 | 18,849 | 18,937 | 28,391 |

Group and charity

The freehold property is land shown at its open market value.

Cash and securities held at 31 March 2007 comprised the following:

| | 2007 £'000 | 2006 £'000 |
|-------------------------|---------------|---------------|
| Units trusts – unlisted | 13,394 | 12,958 |
| Equities – listed | – | – |
| Cash | 5,455 | 5,433 |
| | 18,849 | 18,391 |

All listed investments were quoted on a recognised stock exchange.

Charity

In addition to the investments shown above, the charity holds shares in subsidiary companies at a cost of £13 (2006: £13). WRVS has eight wholly owned subsidiary companies. All companies are incorporated in England.

notes to the consolidated accounts

For the year ended 31 March 2007 (continued)

10 Investments (continued)

a) Fixed asset investments (continued)

A summary of the activities and financial position of the subsidiaries is given in the table below:

| | Income £'000 | Net surplus/ (deficit) before deed of covenant £'000 | Net assets/ (liabilities) £'000 |
|--|-----------------|--|---------------------------------------|
| WRVS Asset Supply Limited (dormant company) The supply of motor vehicles under operating leases | – | – | – |
| WRVS Enterprises Limited* General trading activities | 119 | 33 | (48) |
| WRVS Food Services Limited The provision and delivery of meals to those in need in their home | 9,488 | 348 | 911 |
| WRVS Services Welfare Limited The provision of welfare and support to army service men and women serving on military bases throughout the world | 3,149 | – | – |
| WRVS Supplies Limited (dormant company) The supply of fuel, light and computer services | – | – | 73 |
| WRVS Office Premises Limited The purchase, sale, lease and management of property | 1,094 | 564 | 3,795 |
| Home Choice Meals Limited (dormant company) The provision and delivery of frozen meals to those in need in their homes | – | – | (235) |
| WRVS Retail & Catering Services Limited (dormant company) Provision of retail and catering services in hospitals | – | – | (111) |

* The trustees of WRVS feel it is appropriate to support this loss-making subsidiary as its current activities are profitable and this is expected to continue into the foreseeable future.

b) Current asset investments

These are money market deposits held for short-term investment.

This is cash held on short-term money market deposits to maximise return with minimal risk.

11 Debtors

| | 2007 Group £'000 | 2007 Charity £'000 | 2006 Group £'000 | 2006 Charity £'000 |
|-------------------------------------|------------------------|--------------------------|------------------------|--------------------------|
| Trade debtors | 2,779 | 1,335 | 3,363 | 1,561 |
| Amounts due from group undertakings | – | 868 | – | 1,693 |
| Other debtors | 44 | 23 | 74 | 68 |
| Prepayments and accrued income | 1,733 | 1,430 | 2,629 | 2,443 |
| | <u>4,556</u> | <u>3,656</u> | <u>6,066</u> | <u>5,765</u> |

12 Creditors: amounts falling due within one year

| | 2007 Group £'000 | 2007 Charity £'000 | 2006 Group £'000 | 2006 Charity £'000 |
|---------------------------------------|------------------------|--------------------------|------------------------|--------------------------|
| Bank overdrafts – secured | 344 | 344 | 1,633 | 1,633 |
| Expense creditors | 3,068 | 2,777 | 3,680 | 3,375 |
| Amounts due to group undertakings | – | 73 | – | 128 |
| Social security and other taxes | 3,862 | 2,867 | 1,091 | 614 |
| Other creditors | 860 | 637 | 1,485 | 856 |
| Amount due to the Ministry of Defence | 101 | – | 451 | – |
| Accruals | 2,224 | 1,808 | 2,546 | 2,203 |
| Amounts due to hospitals | 352 | 352 | 362 | 362 |
| Defined pension benefit creditor | 680 | – | 20 | – |
| | <u>11,491</u> | <u>8,858</u> | <u>11,268</u> | <u>9,171</u> |

The bank overdrafts are secured by debentures in favour of The Royal Bank of Scotland plc.

notes to the consolidated accounts

For the year ended 31 March 2007 (continued)

13 Funds

The income funds of the group and the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust to be applied for specific purposes:

| Group | Notes | Movement in funds | | | | At 31 March 2007 £'000 |
|---------------------------------|-------|--------------------------------|--------------------------------|--|--------------------|---------------------------------|
| | | At 1 April 2006 £'000 | Incoming resources £'000 | (expenditure), gains and (losses) £'000 | Transfers £'000 | |
| Restricted funds | | | | | | |
| Legacy fund | (a) | 1,952 | 68 | 148 | (400) | 1,768 |
| Fixed asset fund | (b) | – | – | – | 102 | 102 |
| Community centres fund | (c) | 836 | – | (44) | – | 792 |
| Food services fund | | (47) | 2,166 | (2,215) | 96 | – |
| Services welfare fund | | – | 2,744 | (2,744) | – | – |
| Other | (d) | 301 | 214 | – | (190) | 325 |
| Total restricted funds | | 3,042 | 5,192 | (4,855) | (392) | 2,987 |
| Unrestricted funds | | | | | | |
| Designated funds | | | | | | |
| Hospital fund | (e) | 12,266 | 44,765 | (43,876) | (25) | 13,130 |
| Investment property fund | (f) | 10,000 | – | – | (9,912) | 88 |
| Fixed asset fund | (g) | 6,082 | – | – | 1,474 | 7,556 |
| Community centres fund | (c) | 179 | – | (9) | – | 170 |
| Brand and marketing strategy | (h) | – | – | – | 824 | 824 |
| Community pilot sites | (i) | – | – | – | 2,205 | 2,205 |
| Total designated funds | | 28,527 | 44,765 | (43,885) | (5,434) | 23,973 |
| General funds | | 16,349 | 35,525 | (27,050) | 5,826 | 30,650 |
| Total unrestricted funds | | 44,876 | 80,290 | (70,935) | 392 | 54,623 |

13 Funds (continued)

| Charity | | Movement in funds | | | | |
|---------------------------------|--------------|--------------------------------|--------------------------------|--|--------------------|---------------------------------|
| | | At 1 April 2006 £'000 | Incoming resources £'000 | (expenditure), gains and (losses) £'000 | Transfers £'000 | At 31 March 2007 £'000 |
| Restricted funds | <i>Notes</i> | | | | | |
| Legacy fund | (a) | 1,952 | 68 | 148 | (400) | 1,768 |
| Food services fund | | (47) | 2,166 | (2,215) | 96 | – |
| Fixed asset fund | (b) | – | – | – | 102 | 102 |
| Community centres fund | (c) | 836 | – | (44) | – | 792 |
| Other | (d) | 239 | 214 | – | 28 | 481 |
| Total restricted funds | | 2,980 | 2,448 | (2,111) | (174) | 3,143 |
| Unrestricted funds | | | | | | |
| Designated funds | | | | | | |
| Hospital fund | (e) | 12,266 | 44,765 | (43,876) | (25) | 13,130 |
| Investment property fund | (f) | 10,000 | – | – | (9,912) | 88 |
| Fixed asset fund | (g) | 3,328 | – | – | 456 | 3,784 |
| Community centres fund | (c) | 179 | – | (9) | – | 170 |
| Brand and marketing strategy | (h) | – | – | – | 824 | 824 |
| Community pilot sites | (i) | – | – | – | 2,205 | 2,205 |
| Total designated funds | | 25,773 | 44,765 | (43,885) | (6,452) | 20,201 |
| General funds | | 15,724 | 24,760 | (17,228) | 6,626 | 29,882 |
| Total unrestricted funds | | 41,497 | 69,525 | (61,113) | 174 | 50,083 |

The specific purposes for which the restricted funds must be applied are as follows:

- The legacy fund comprises monies that must be used according to specific terms laid down by the legator. The fund is represented by investments within fixed assets.
- The following properties were purchased with restricted funds – Driffield NBV £12,407: St Leonards on Sea NBV £89,417.
- The community centres fund represents funding from donors for the enhancement of community centres. The depreciation of the capital cost, which is included in fixed assets is charged against this fund.
- Other represents lifetime gifts, which are to be spent in accordance with the wishes of the donor.

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

- WRVS has an obligation over a period to direct the 'surplus' earned in certain hospital projects either to that hospital or for refurbishment on that project, subject to a retention of monies to fund the ongoing working capital requirements of each project. The arrangements that WRVS has with hospitals do not involve advance undertakings to pay specific amounts on specific dates to specific hospitals. However, these general obligations become specific ones when WRVS communicates with the hospital making a grant offer or a proposal to refurbish the project. The trustees believe that these general obligations should be treated as unrestricted designated funds until such times as they become specific in nature.
- The investment property fund represents the market value of the investment properties held at 31 March 2007.
- The fixed asset fund represents the written down value of tangible fixed assets, excluding those held as restricted funds or other designated funds.
- Brand and marketing strategy. Funds have been allocated for investment in the development of our brand and marketing strategy.
- Community pilot sites. Investment will be made in five community pilot sites over the next three years.

notes to the consolidated accounts

For the year ended 31 March 2007 (continued)

14 Analysis of net assets between funds

| Group | General £'000 | Designated funds £'000 | Restricted funds £'000 | 2007 Total £'000 |
|--|------------------|------------------------------|------------------------------|------------------------|
| Fund balances at 31 March 2007 are represented by: | | | | |
| Tangible fixed assets | – | 7,726 | 894 | 8,620 |
| Fixed asset investments | 3,951 | 13,218 | 1,768 | 18,937 |
| Net current assets (including defined benefit asset) | 26,699 | 3,029 | 325 | 30,053 |
| Net assets | 30,650 | 23,973 | 2,987 | 57,610 |

Charity

| | | | | |
|--|--------|--------|-------|--------|
| Fund balances at 31 March 2007 are represented by: | | | | |
| Tangible fixed assets | – | 3,954 | 894 | 4,848 |
| Fixed asset investments | 3,951 | 13,218 | 1,768 | 18,937 |
| Net current assets | 25,931 | 3,029 | 481 | 29,441 |
| Net assets | 29,882 | 20,201 | 3,143 | 53,226 |

15 Financial commitments

Operating leases

At 31 March 2007 the annual commitments under non-cancellable operating leases were as follows:

| Group | Land and buildings | | Other | |
|----------------------------|--------------------|---------------|---------------|---------------|
| | 2007 £'000 | 2006 £'000 | 2007 £'000 | 2006 £'000 |
| Expiring: | | | | |
| – within one year | 474 | 419 | 180 | 288 |
| – within two to five years | 959 | 869 | 473 | 552 |
| – thereafter | 1,800 | 1,811 | – | – |
| | 3,233 | 3,099 | 653 | 840 |

Charity

| | | | | |
|----------------------------|-------|-------|-----|-----|
| Expiring: | | | | |
| – within one year | 460 | 407 | 50 | 36 |
| – within two to five years | 710 | 636 | 356 | 332 |
| – thereafter | 1,787 | 1,786 | – | – |
| | 2,957 | 2,829 | 406 | 368 |

16 Connected charities and companies

There are a number of charities and companies with which the group is connected by virtue of common or related objectives and activities, or by unity of administration and management. These are listed below together with a brief description of their activities and are not incorporated within these accounts

| Company/charity | Activity |
|---------------------------|--|
| WRVS Trust | A charitable trust supporting the activities of WRVS |
| WRVS Trustees Limited | A corporate trustee for certain WRVS Trusts |
| WRVS Benevolent Trust | Supports WRVS members in need |
| Spitalfields Soup Kitchen | A welfare service |
| Invalid Meals for London | A welfare service |
| WRVS Association | For current and former volunteers to keep in touch |

Funds introduced during the year:

During the year final projects were transferred from 'old-WRVS' to WRVS and their activities have been included in these accounts. The balances of funds introduced at the beginning of the year for these projects amounted to £176,000 (2006: £136,000).

Related party transactions: The group paid a licence fee of £3,159 for premises occupied by WRVS Association.

17 Contingent liabilities

The charity has, together with certain of its subsidiaries, a continuing joint and several liability to HM Customs and Excise under group registration for VAT.

WRVS Office Premises Limited, a subsidiary company, has assigned a number of leases of which it was the original lessee. In the event that the assignee or any subsequent assignee should default on the payment of rent, the lessor can exercise a right of redress against the company as the original lessee. It is not possible to quantify the amount of the contingent liability with any degree of accuracy.

18 Pension commitments

WRVS Services Welfare Limited operated a pension scheme providing benefits based on final pensionable pay. The company closed the scheme on 1 October 2000. The assets of the scheme are held independently of the company's finances. Contributions to the scheme in respect of past service are determined by a qualified actuary on the basis of triennial valuations. The latest actuarial valuation, which related to the position at 31 March 2005, showed the market value of the scheme's assets to be £3,997,000 which represented 92 per cent of the amount of the liabilities of the scheme after allowing for assured future increases in benefits, on a Minimum Funding Requirement basis. The Ministry of Defence has entered into an agreement to provide the company with sufficient resources to ensure the scheme will be 100 per cent funded on the Minimum Funding Requirement basis (or its successor) by 31 July 2012.

The assumptions which have the most significant effect on the results of the actuarial valuation at 31 March 2005 are those relating to the rates of interest – pre-retirement five per cent pa, post-retirement five per cent pa, rate of inflation three per cent pa and a five per cent pa allowance for pension in payment.

Contributions paid by the group in the year in respect of this scheme amounted to £214,534 (2006 – £152,184).

notes to the consolidated accounts

For the year ended 31 March 2007 (continued)

18 Pension commitments (continued)

The actuarial valuation described was updated at 31 March 2007 by a qualified actuary using revised assumptions that are consistent with the requirements of FRS 17. Investments have been valued, for this purpose, at fair value. The major assumptions used for the 31 March 2007, 2006, 2005 and 2004 FRS 17 actuarial valuations were:

| | 2007 | 2006 | 2005 | 2004 |
|----------------------------------|-------|-------|-------|-------|
| Limited price indexation | 3.10% | 3.10% | 3.00% | 2.95% |
| Revaluation of deferred pensions | 3.10% | 3.10% | 3.00% | 2.95% |
| Discount rate | 5.40% | 5.00% | 5.40% | 5.46% |
| Inflation assumption | 3.10% | 3.10% | 3.00% | 2.95% |

The fair value of the assets in the scheme, the present value of the liabilities in the scheme and the expected rate of return at the balance sheet date were:

| | 2007 | 2007 | 2006 | 2006 | 2005 | 2005 | 2004 | 2004 |
|---|------|---------|------|---------|------|---------|------|---------|
| | % | £'000 | % | £'000 | % | £'000 | % | £'000 |
| Equities | 7.10 | 4,591 | 7.20 | 4,442 | 7.60 | 3,348 | 8.71 | 2,982 |
| Bonds | 5.40 | 455 | 4.70 | 346 | 5.10 | 399 | 4.73 | 400 |
| Other | 5.00 | 456 | 4.00 | 280 | 4.00 | 250 | – | 234 |
| Total fair value of assets | | 5,502 | | 5,068 | | 3,997 | | 3,616 |
| Present value of scheme liabilities | | (4,822) | | (5,048) | | (4,734) | | (4,903) |
| Surplus/(deficit) in the scheme and net pension liability | | 680 | | 20 | | (737) | | (1,287) |

Illustrative charges to the consolidated statement of financial activities over the period to 31 March 2007 are:

| | 2007 | 2006 |
|--|-------|-------|
| | £'000 | £'000 |
| Operating profit | | |
| Current service cost | – | – |
| Total operating charge | – | – |
| Other finance income | | |
| Expected return on pension assets | 349 | 284 |
| Interest on pension scheme liabilities | (248) | (251) |
| Net return | 101 | 33 |

18 Pension commitments (continued)

Illustrative amounts that would be included in the consolidated statement of financial activities are:

| | 2007 % | 2007 £'000 | 2006 % | 2006 £'000 |
|--|-------------|---------------|------------|---------------|
| Excess of expected over actual return on assets | 1% | 33 | 16% | 811 |
| Experience gains and losses arising on scheme liabilities | 2% | 81 | 1% | 47 |
| Effects of changes in actuarial assumptions | (7%) | (349) | (6%) | (287) |
| Total amount recognised in the consolidated statement of financial activities | (5%) | (235) | 11% | 571 |

Movement in asset during the period was:

| | 2007 £'000 | 2006 £'000 |
|------------------------------------|---------------|---------------|
| Asset/(deficit) at start of period | 20 | (737) |
| Contributions | 215 | 152 |
| Other finance income | 101 | 33 |
| Actuarial gain | 344 | 572 |
| Asset at end of period | 680 | 20 |

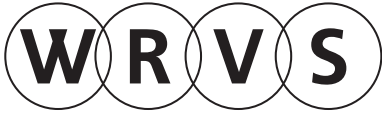
The charity operates a defined contribution scheme for which the pension cost charge for the year amounted to £301,371 (2006 – £302,711).

thank you for supporting WRVS

Advantage West Midlands
Apex Outdoor Media
Baker Tilly UK Audit LLP
Big Lottery Fund
Bill Turnbull
BlackRock
Blairgowrie Rattray and District Nursing Assoc.
BMA Communications Ltd
Brighton Lions Club
Cadbury Trebor Bassett
Candis
Charles Lucas & Marshall
Cosmetic Solutions Limited
Cruden Foundation Limited
Danone Waters
EDF Energy
Edward Enfield
Flowerfête
General Sir Micheal Rose CBE
Ginsters Ltd
HBOS Foundation
HBOS plc
Heritage Lottery Fund
Hesleden
History & Heraldry Ltd
Korres
Kraft Foods UK Ltd
Lloydspharmacy Limited
Lloyds TSB Foundation for England and Wales
Mariachi Mexteca
Masterfoods (Mars)
Merrill Lynch Investment Managers
Network Rail
Nexus Retail Interiors Limited
Nicholas Parsons OBE
Northwood Charitable Trust
Palmer & Harvey Maclane Ltd
Patricia Routledge OBE
Peugeot Motor Company
Regimental Band of the Welsh Guards
Richard Briers
Sarasin Chiswell
Savills
Susan Penhaligon
Swan HR Solutions Ltd
The Eveson Charitable Trust
The Francis Winham Foundation
The Isabel Blackman Foundation
The Souter Charitable Trust
The W G Edwards Charitable Foundation
The Wrigley Company Ltd
The George Fentham Birmingham Charity
The Guards Chapel Choir
The Hugh Fraser Foundation
The Tanner Trust
Verve Venues Ltd
West Green Primary School Choir

Thank you to the friends, families and estates of:
Charles R Glasgow
Elizabeth J Wills
Elizabeth M Perryman
Elsie Rowe
Frederick W Dodgin
Mary E Osborne
Merle Mumby
Pamela Harris
Paul P Sharpley
Thomas Rattray
Tony W Rylatt

On behalf of all the people we help, we would like to thank everyone who gives us their time, donates money, runs marathons, takes part in our raffles, responds to our appeals, buys things in our shops or gives us their spare change in collection tins. However you support us, **thank you.**



report & accounts
2006-7

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