



Making the difference

Chief Executive's Report

November 2010

Financial Information abstracted from the Audited Accounts for the year ending 31 March 2010

The figures used in this article are taken from the Auditor's Report for the 2009/2010 Financial Year. The headline financial news is included in the report of the Directors and Trustees but the following financial information is worth highlighting:

- Income fell as predicted from £1,401,871 to £1,255,887 not only as a result of the recession but also because the figures for the previous two years (2009 and 2008) had been inflated by the income from the "Big Build" fundraising campaign. With depreciation we had a loss of £7,423 but actually had a cash surplus of £85,289 with the non-monetary expense of depreciation discounted.
- Debtors were reduced to £34,162 from £62,023 in 2009.
- The fourth operating year of Optech – our service for designing, manufacturing and installing the assisted mobility trackway and vehicles – has been very successful but is understandably influenced by fiscal disciplines in the economy at large. Activity levels remain quite high but in small and less remunerative contracts
- We have maintained the high number of pupils in the school and outpatients seen by the clinic whilst continuing investment in the buildings at Vranch House and in the Inclusion and IT services.

The Trustees agreed a programme of capital investments for the Financial Year which provided for the installation of a new heating and hot water plant, for powered awnings for each of the three classrooms, for a re-build of the website and for surveys and an architectural feasibility study for the new Specialist Children's Assessment Centre.

Profit & Loss Account

ELEMENT	2010	2009	2008
Gross Income	1255887	1401871	1307032
Gross Expenditure	1170598	1262089	1234525
Cash Gain/Loss for the Year	85289	64782	72507
Net Current Assets	865647	835951	787055

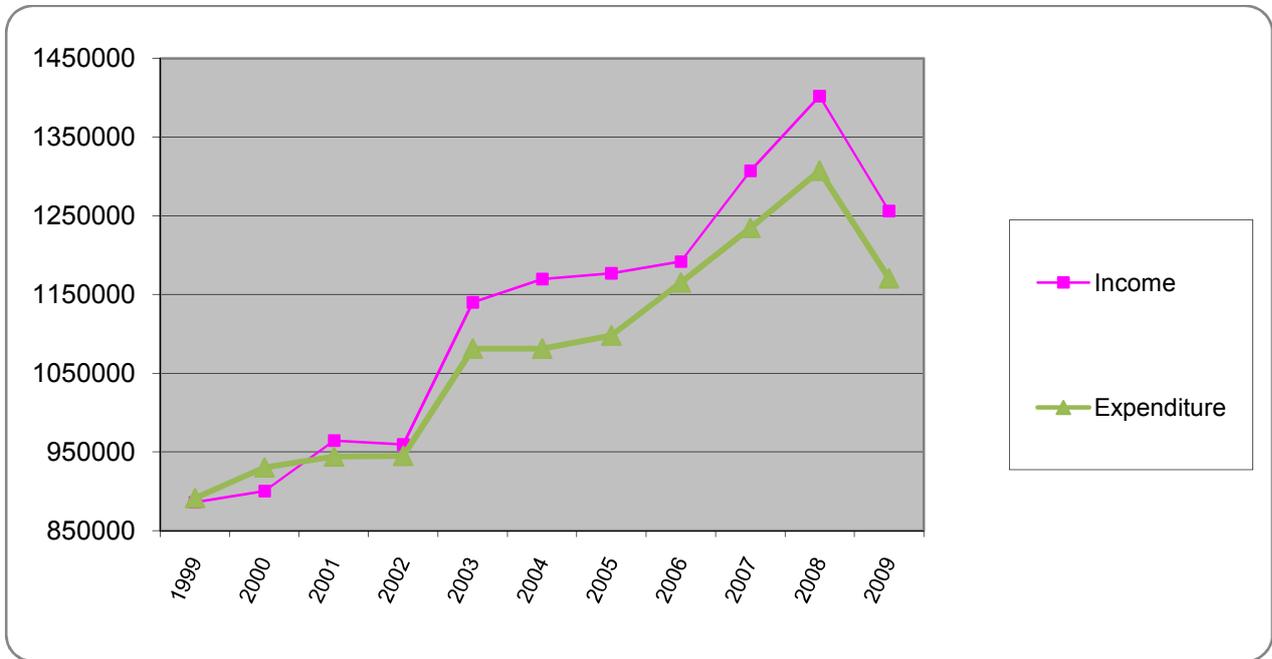
Summary of Key Financial Ratios:

Debtors as a Percentage of:				2010	2009	2008	2007
Funds Employed:				2%	4%	3.85%	5.23%
Creditors as a Percentage of:							
Current Assets				5.50%	4%	2.90%	5.47%
As a Percentage of Total Assets (Funds Employed):							
Profit/Loss for the Year				5%	4%	4.53%	1.75%
Administration Costs				2.50%	3%	3.25%	5.23%
Profit if no elective spend				9%	14%	6.35%	7.30%

Notes:

1. The recommended methods for calculating Administrative Costs changed in 2005.

Income & Expenditure Trends



Notes:

1. The Auditor's Report for 2009/10 is available on request at a cost of £2.00 per copy but may be viewed at no cost but by prior arrangement at Vbranch House or on the Charity Commission website at www.charitycommission.gov.uk.

Future Plans

The charity's strategic objective for the next five years is to establish, embody and develop a new partnership with Devon County Council and the NHS. The immediate objective is to complete the construction of a brand new £1.2m Specialist Children's Assessment Centre to replace the old Honeylands and to purchase the freehold title to the land on which this development and Vbranch House sit. In the interim we will complete negotiations on leases and licenses with the Royal Devon & Exeter NHS Foundation Trust to facilitate the new build. Negotiations with NHS Devon and Devon County Council on a new unified contract for all Vbranch House services continues with a target inception date of April 2011. This work is not simply a matter of establishing a contract for existing services but seeks to incorporate some significant future developments in our voluntary/statutory partnership.

Graeme Wheeler
Chief Executive

