



Concordia (Youth Service Volunteers)
Limited

(A company limited by guarantee, having no share capital)

FINANCIAL STATEMENTS
for the year ended 31 December 2008

Charity No. 305991
Company Registration No. 381668

Our Mission statement:

Fostering cross-cultural understanding and friendship by providing young people with quality opportunities for international volunteering, work experience, education and training.

Concordia (Youth Service Volunteers) Limited
DIRECTORS' REPORT
for the year ended 31 December 2008

The Directors present their report and the audited financial statements for the year ended 31 December 2008.

1. REFERENCE AND ADMINISTRATIVE INFORMATION

Charity Name: Concordia (YSV) Ltd
Charity Registration Number: 305991
Company Registration Number: 381668
Registered Office and
Principal Address: 19 North Street
Portslade
BN41 1DH

GOVERNING BOARD

The Baroness Byford DBE	President
R Mitchell	Chairman
C Lumb	Secretary & Executive Director
J M E Ogilvy	
C W Imeson	resigned 5 th November 2008
L Norman	
S Drzymala	
Y P Richards	
M Cook CMG	
D J T Piccaver	
C I Snell	
J F Rodley	appointed 5 th November 2008

BANKERS

Bank of Scotland Plc
8 Air Street
Brighton
East Sussex
BN1 3FB

AUDITOR

Baker Tilly UK Audit LLP
Chartered Accountants
International House
Queens Road
Brighton
East Sussex BN1 3XE

SOLICITOR

Adams and Remers
Trinity House
School Hill
Lewes
BN7 2NN

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2. STRUCTURE, GOVERNANCE AND MANAGEMENT

CONSTITUTION

The Governing Documents of the company are the Memorandum and Articles of Association.

The company is limited by guarantee and has no share capital. On winding up each person who is a member at the date of winding up, or who ceased to be a member during the year prior to that date, is liable to contribute a sum not exceeding £1 towards the assets of the company. As at 31 December 2008 the company had 10 members (2007: 10).

ORGANISATIONAL STRUCTURE

The company is governed by the Board of Directors, which meets three times per year. There is a Human Resources Committee, that reports to the Board of Directors, consisting of three directors: J M E Ogilvy, L Norman, and C Lumb, and the Employer Services Manager. The Finance Committee also reports to the Board of Directors and consists of three directors: C Lumb, J F Rodley, and M Cook, and the Finance and Systems Manager.

An organisational review in 2004 recommended a new customer-focused structure for the Charity, and the new staff structure to address this has now been fully implemented; it has proved to be very effective.

Day to day business is conducted in the office under the management of the Executive Director, C Lumb. The office is divided into five teams each headed by a line manager: Employers; Students; Finance and IT; Volunteers; and Education, Training & Development.

RECRUITMENT AND APPOINTMENT OF THE GOVERNING BOARD

A specialist seminar held in 2005 reviewed Concordia's governance procedures; a skills audit and subsequent gap analysis were then performed. A search was put in place to identify additional Directors to match the requirements and five new appointments were made in 2006.

The Charity relies primarily on personal recommendation for the appointment or election of Directors, but in 2008 a recruitment agency specialising in the Charity sector was successfully used to recruit a Trustee to Chair the Finance Committee. Particular regard is placed on relevant background and skills. Candidates have the opportunity to meet Directors and discuss the proposed roles and responsibilities and to learn about the ethos of the organisation. A Nominations Committee was set up in 2007 to handle all new candidates for the Board and a Trustee Skills Audit is made every three years to identify skills and possible gaps in expertise within the Board.

TRUSTEE INDUCTION TRAINING

All new Directors receive a copy of Concordia's Governing Document, together with a handbook on the Roles and Responsibilities of being a Trustee. In addition, they are encouraged to attend external training seminars as appropriate.

RISK MANAGEMENT

The Directors have identified the major risks to which Concordia is exposed. The impact and likelihood of these have been documented together with action plans to address or mitigate these risks; they are reviewed monthly by the Executive Group and at each Board meeting by the Directors. In addition, any changes to the charity's activities or the legislative environment are reviewed and assessed, and where appropriate are incorporated into the ongoing risk management process. Third party professional indemnity insurance is provided for the Directors. In 2008 the development of a Business Continuity Plan was initiated and it is expected to have a full Recovery Strategy in place by mid 2009.

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3. OBJECTS AND ACTIVITIES

PRINCIPAL ACTIVITY

The principal activity of the company is the operation of a charitable organisation which arranges work programmes for young people in order to promote a better understanding between nationalities.

OBJECTIVES

The Charity's continuing objectives are to:

- facilitate the opportunities for young people to participate in student mobility schemes such as the Home Office SAWS;
- enable young people to engage in meaningful activities in an international arena, where they can enhance their understanding of other languages, cultures and working practices;
- offer sound pastoral and welfare support for the young people working on our projects. This was achieved through regular monitoring of the work programme environment by Field Officers, with particular emphasis on Health & Safety aspects and ensuring that appropriate insurance is in place to cover all participants; and
- offer educational, training and development opportunities to young people. A new educational programme, the Student Worker Educational Programme (SWEP), was introduced in 2008.

All these objectives were met during 2008.

In anticipation of the introduction of the public benefit reporting requirement, the Charity Trustees have read the Charity Commission's guidance on public benefit, and the specific guidance for charities whose objects include education published on 17 December 2008. The Charity Trustees have paid due regard to the Commission's guidance, and all who make decisions about the activities the Charity undertakes are concerned to ensure that a benefit is provided to a broad range of people. The Charity Trustees consider that the achievements and performance of the Charity demonstrate success in this regard.

4. ACHIEVEMENTS AND PERFORMANCE

During the year, Concordia placed 8,847 overseas students on 357 farms in the UK (2007: 9,903 students on 391 farms). Of these 6,257 came to the UK under the Home Office approved Seasonal Agricultural Workers Scheme (SAWS) (2007: 6,257).

Concordia continued to operate under the regime of the new SAWS scheme for expanded Europe which was introduced by Work Permits UK (WPUK) in 2004. A requirement of the licence in 2008 was that all work placements under the SAWS were given to Romanian or Bulgarian nationals. The actual number of Work Permits issued by WPUK in 2008 remained at 16,250; however Concordia was able to maintain its role as the leading operator within the SAWS scheme with 38% of the total number of SAWS permits being allocated by the Home Office.

The major source of seasonal labour continues to be the newly enlarged EU, and against a backdrop of declining interest in seasonal work by the new member countries, Concordia was unable to meet the total requirements of all its employers. The latest European Union countries, Bulgaria and Romania, will continue to have limited access to work in 2009 but with an increased quota of 5,000 Work Permits. The SAWS scheme is expected to end once restrictions to the labour market are lifted for all EU nationals.

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The new educational programme (SWEP) developed during 2007 was introduced in 2008. The programme combines education and training with work practice on UK farms and horticultural holdings. The opportunity to learn new technology is especially invaluable for students from outside the UK who are encouraged to implement this knowledge in their home country. This is a unique opportunity for students to gain educational qualifications and accreditation and satisfies the requirement for student mobility for non EU countries who have signed up to the Bologna Process of education. It also provides opportunities for cross cultural discussions as well as developing life skills and improved English language ability. In its first year a total of 238 students attended the course and a programme of continuous improvement and development has been put in place.

At the end of the year Concordia received accreditation as a non collegiate educational provider in readiness for Tier 4 sponsorship under the new Points Based System. The accreditation applies to CABS and SWEP courses.

Visits were made to a number of European countries to promote the new programme. It is hoped the SWEP will enable Concordia to retain the link with countries outside the EU by offering a substantive training programme. Concordia was represented at a number of Growers' and Fruit Shows, which are excellent arenas for face-to-face meetings with the end users of our services.

Access to the Farmers' extranet continues to prove successful and has significantly enhanced communications; this has been augmented to include an extranet facility for overseas agents and students.

Concordia has two bursary schemes in operation. The Concordia Agricultural Bursary Scheme (CABS) saw the fourth group of 14 students graduate in October. Group 4 were presented with their diplomas by the Principal of Plumpton College and their prizes by the Chairman of Concordia at the National Fruit Show. A fifth course began at the end of October with a total of 12 students from a range of Eastern European countries. In addition to a structured education programme at Plumpton, their course includes training and work experience with Concordia registered employers, and will finish in October 2009. Concordia is working in partnership with Plumpton College to achieve funding support for CABS for the next three years. A revised Management and Supervisory course to replace CABS has been proposed for 2009 when the current CABS course ends in the autumn.

The volunteer arm of Concordia has had a busy 2008 with 196 applications and volunteers going to projects in 26 countries (2007: 203 participants; 34 countries). Disappointingly there was another slight decline in numbers of volunteers. Many voluntary organisations experienced similar declines in volunteer numbers linking the decline with greater ease for independent travel and more providers making 'Gap Year' places more competitive. In addition Concordia sponsored 28 UK based projects in which 294 volunteers participated (2007: 22 projects; 199 volunteers). One of the environmental projects creating and maintaining nature trails in local woods was awarded 2nd prize by the Northumberland Wildlife Trust Conservation Awards 2008.

Concordia's voluntary profile has been raised with increased publicity since the creation of the UK based organisation network, Vine UK, which supports international volunteer exchange organisations within the UK. The 2007 project to improve Health and Safety standards on international projects has resulted in a Quality Charter being developed for the Alliance of European Voluntary Organisations, which has also been adopted by the Co-ordinating Committee for Voluntary Service (CCIVS) and is aimed at improving standards on projects generally and, in particular, Health & Safety awareness.

The Volunteer section runs the second of Concordia's bursary schemes; 6 young people from developing countries were hosted under the Richard O'Brien Bursaries Scheme (ROBBS). Three of the six were hosted by Concordia and were from Ghana, Costa Rica and Vietnam, where their contribution to the Volunteer team's North South training gave useful and practical information to potential volunteers going on projects overseas.

The Strategic Plan, approved by the Board in February 2007, remains the focus for the company's activities and development towards greater diversification. Other training and educational

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opportunities in the broader range of land-based businesses are planned following the successful first year of the SWEP programme. The Governing Document has been revised to reflect the wider scope of activities, and this has been approved by the Charity Commissioners.

5. FINANCIAL REVIEW

RESULTS

Total income for the year was £1,145,895 of which £1,087,958 represented grower and student fees, up from £666,783 in 2007. Although the number of participants placed was down on the previous year the increase in income was a result of the successful introduction of the new membership and SWEP schemes. These measures compensated for the lost income from the discontinued deposit scheme.

Expenses were £1,141,451 (2007: £1,018,131). All major categories of operating expenditure were below budget due to good control of the cost base especially within the SWEP project. A reduced Pastoral Fund, now provided by Concordia independently of the SAWS scheme, showed claims by employers down by £39,000 on the previous year. Grants made to support the CABS bursary scheme also decreased by £90,000 as a result of a decrease in the number of courses run during the year.

Despite income and expenses being roughly equivalent, in common with the wider stock market our investment portfolio declined dramatically (down 28% on the year) and this resulted in an overall deficit of £53,170. This is still an improvement on the deficit of £73,518 in 2007 and £190,787 in 2006. Furthermore cash flow has turned positive this year aided by good management of debtors.

The Strategic Plan takes a five year view of Concordia's financial position, and the Directors regularly review this to take account of changing regulatory circumstances which impact the supply of and demand for our students. The SWEP project, which was successfully implemented on a small scale in 2008, will be significantly expanded, and a new Concordia English Language Summer School will be introduced in 2009. Although an increase in SAWS allocation for 2009 is most welcome it is hoped that these new initiatives will address the potential shortfall in revenues caused by changes to our traditional operating model.

INVESTMENT POLICY

At the end of the year Concordia had an investment fund of £144,157 (2007: £198,990).

Concordia's investment policy is to invest for growth over a 5 year period with a medium risk strategy. No specific ethical or environmental restriction is placed by the Board on investments although investments are confined exclusively to funds available to charities. All investment decisions are endorsed by the Directors and the Directors consider the return on investments to be satisfactory.

RESERVES

Excluding the contingency fund of £200,000 established in 2003, accumulated reserves stand at £654,860 a small decrease from 2007. As already described, the future for Concordia is changing significantly, and the company is implementing a number of new initiatives in 2009 to enable it to face the challenges arising from the withdrawal of the SAWS programme. The Directors believe the level of reserves is adequate to support the level of development these new programmes will require.

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6. FUTURE PLANS

The SAWS scheme is due to end in December 2010; a new licence was granted to Concordia in November 2007 until that date. It is restricted to a fixed quota of Bulgarian and Romanian nationals from 2008 and in spite of extensive lobbying to retain SAWS by Concordia and its employer base, there are no plans to replace the scheme with another in 2010 at the present time. Concordia will continue to lobby Government for an alternative scheme to replace SAWS in 2011.

The Student Worker Education Programme (SWEP) is designed for college students and undergraduates studying agriculture and horticulture and offers a structured programme combining education with practical training. It will enable Concordia to maintain our links with rural industries and young people by offering opportunities to work towards achieving UK qualifications and accreditation, whilst gaining credits toward their degrees. This scheme is the first programme of the new Development/Education/Training focus of the Strategic Plan. A new programme aimed at training post graduates in Management and Supervision is planned for 2009. It is envisaged the training gained using new technology and procedures will increase production levels in their home countries.

The first English Summer School is planned for August 2009. This will be a residential school based at Plumpton College and will offer language teaching, cultural visits and an environmental project linked to the language learning. An option to link the school with either a Concordia voluntary project or farm work is being considered for those with appropriate working rights.

The existing Concordia bursary schemes will change in 2009. The ROBBS will be restricted to Concordia volunteers only; it will no longer be available to other voluntary organisations. The CABS course due to begin in October 2009 will become a Work Based Learning Scheme offering a very limited bursary towards the college costs, with applicants paying the balance of fees themselves.

The membership scheme launched in 2007 continues to be very successful and it is planned to enhance the benefits offered to members in 2009 in order to retain membership interest in the scheme. It already offers substantial discounts in travel, retail and leisure to members as well as offering advisory and helpline services to members.

The Volunteer side will seek to expand its activities in 2009. The first group project has been organised in February with a school sending a group of students supported by teachers to volunteer at an orphanage in Vietnam. Concordia Volunteers continue to work towards joining the Year Out Group, a well respected umbrella organisation with high standards who support companies, charities and Non Government Organisations (NGO's) sending people overseas.

The Directors are confident that the implementation of the Strategic Plan positions Concordia to build on its reputation in the provision of work-based learning to young people: to enhance development and independence through its volunteering opportunities and move forward in broadening its range of quality programs and services for young people in the UK and overseas.

7. FUNDS HELD AS CUSTODIAN

No funds are held by Concordia (YSV) Ltd on behalf of other bodies.

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8. AUDITOR

A resolution to reappoint Baker Tilly UK Audit LLP, Chartered Accountants, as auditor will be put to the members at the Annual General Meeting.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

In so far as the Directors are aware:

- a. there is no relevant audit information of which the company's auditor is unaware; and
- b. the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

SMALL COMPANY EXEMPTIONS

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

On behalf of the Board

R Mitchell
Chairman

Concordia (YSV) Ltd
19 North Street
Portslade
BN41 1DH

Date: