

# Social Enterprise Alliance Midlothian

## Report on the EQUAL funded Local Social Economy Partnership Research and Development Project

*June 2006*





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## Report on the EQUAL funded Local Social Economy Partnership Research and Development Project

### 1.0 PURPOSE OF THIS REPORT

This report provides information about work undertaken on the EQUAL funded Local Social Economy Partnership Research and Development Project. It outlines the activities that were undertaken, reports on the success of these activities, and draws conclusions about future provision.

### 2.0 BACKGROUND

This project builds on earlier work that was undertaken to identify the development needs and the aspirations of Midlothian social economy organisations (*Defining the Social Economy Sector in Midlothian: Report of a mapping exercise of local social economy organisations, SEAM, 2005*). Two key areas of developmental need that were identified were marketing, and financial support.

The mapping exercise identified that marketing was a key weakness of social enterprises. Organisations are unsure of the best way to market their organisation and do not have sufficient budgets for advertising. Therefore, the EQUAL application included a marketing campaign co-ordinated by SEAM on behalf of local social enterprise sector, and a Trade Fair.

The difficulties in accessing appropriate support on financial issues were also identified in the mapping exercise. At the moment organisations undertake financial accounting and payroll in different ways. Some organisations have the staff to do this in-house, but many employ a free-lance bookkeeper, or buy in payroll services. Some social economy organisations such as childcare organisations have a voluntary management committee member providing this service. This means that the quality of accounting is variable. Many of the smaller organisations do not currently produce accounts that will comply with the requirement of the Office of the Scottish Charities Regulator, and we anticipate they will need support to comply.

Therefore, research on the bookkeeping requirements of social enterprises was included in the application.

The application outlined the following aims for the project:

- (a) The bookkeeping project will provide underpinning information to develop an improved financial management service to social economy organisations. The marketing campaign will provide SEOs with the materials to effectively sell their organisations.
- (b) The marketing campaign aims to develop sales to Midlothian residents of social enterprise goods and services, and to increase the awareness of social enterprise with local procurement officers.
- (c) The proposal will directly impact on local SEOs by improving their financial management and marketing skills and capacity.

Midlothian Voluntary Action was the lead partner for the application, and was responsible for managing the grant and employing the staff member. Midlothian Council Regeneration and Development team was closely involved in the day to day running. The full SEAM partnership was consulted on the programme of work, and regular updates on progress were given at SEAM meetings. A temporary Social Enterprise Development Officer, Marla Cohen, was employed by Midlothian Voluntary Action to undertake the work outlined in the application.

### **3.0 ADVERTISING CAMPAIGN**

#### **3.1 *Activities Undertaken***

We undertook a co-ordinated advertising campaign in the local paper, The Advertiser, raising awareness of Midlothian social enterprises and encouraging Midlothian residents to buy their goods and services. This type of campaign has been successful in raising national awareness of Fairtrade goods and 'buying ethically'; we aimed to do the same for social enterprise.

#### **3.2 *How we recruited organisations to the campaign***

Organisations were recruited to the campaign from the social enterprise database that was compiled by SEAM after conducting a mapping questionnaire. The ten adverts were divided into specific themes and social enterprises that fitted those themes were invited to take part.

Social enterprises from the SEAM database were also invited to participate in the trade fair, also a couple of organizations made contact after hearing about the trade fair from others. The bookkeeping questionnaire was also distributed to all contacts on the SEAM database.

#### **3.3 *List of themed adverts/organisations that participated***

1. Introduction to social enterprise and SEAM - a full-page advert addressing what social enterprise is, introducing SEAM, what social enterprises are in Midlothian, examples of social enterprises, how to support local social enterprises and how to find out more information.
2. Recycling - Midlothian Advice and Resource Centre and Lothian Trees and Timber
3. Village Halls - Glencorse Centre and Howgate Village Hall Association
4. Childcare - Midlothian's After Schools Clubs
5. Recreation (community media) - Green Banana Video Enterprises and Midlothian Community Media Association
6. Capital Credit Union and McSence
7. Trade Fair Advert
8. Recreation - Loanhead Community Learning Centre and Cousland Village Playgroup
9. Health - Midlothian Community Food Initiative
10. Arts - Penicuik Arts Association

#### **3.4 *Feedback from organisations***

All the social enterprises that participated in the advertising campaign were

asked to fill in an evaluation form, and we received 60% of these back.

Most of the social enterprises did not see a significant rise in the number of phone enquires they received after their advert, however, some of the adverts have only been in the advertiser in the last few weeks so it was unlikely they were going to see a significant rise.

Some reasons social enterprises gave for not receiving an big increase in enquiries:

*“We are a relatively new organisation and this is really the first time we have advertised our phone number publicly we are in the process of setting up a community radio station in Midlothian and are not yet broadcasting, we are expecting an increase in enquiries from now on.”*

*“Advertiser publicity was poor, tucked away, easily overlooked and could have been presented better.”*

*“We have such large variation in enquiries that this is difficult to judge. After a long down, more calls are being received, but we have no knowledge of why - no-one mentioned the Advertiser.”*

However one of the social enterprises that was featured in the second advert recorded an increase of 131 phone enquiries as a direct result of their advert.

*“We had 131 enquiries over a 4 week period as a direct result of the advertising campaign - trouble is we can't cope with the increase in business!”*

All but one of the social enterprises that completed the evaluation form said that the adverts had increased awareness of social enterprises in Midlothian.

Some comments regarding the advertising campaign:

*“Many residents read the Advertiser and were previously unaware of what services they could get.”*

*“The whole idea seems very good indeed to us and we recommend it be repeated at some stage. We would then make better use of it with a more fully prepared advert.”*

### **3.5 Publicity materials for SEAM**

We produced 5000 colour promotional cards advertising SEAM and local social enterprises and directing people to the SEAM website. We also produced 5000 colour mini brochures which highlight the benefits of buying from social enterprises, showcase eleven local social enterprises, give information on SEAM and direct people to the SEAM website and contact details.

Copies of all adverts, posters, and the leaflet can be found in Appendices A

and B.

## **4.0 TRADE FAIR**

### **4.1 *Activities Undertaken***

We ended the campaign with a Midlothian Social Enterprise Trade Fair, inviting local residents, public sector service providers/commissioners, and members of the wider voluntary sector to find out more about the services delivered by social enterprises. The event was promoted through posters in local libraries, offices and leisure centres, the Midlothian Council website, a group mailing to over 200 voluntary sector and social economy organisations, as well as the Advertiser campaign. On the day of the trade fair itself, SEAM partners also handed out leaflets to attract passing members of the public.

The timing and location of the trade fair, central Dalkeith between 10am and 2pm on a Monday, were selected deliberately to maximise the attendance of public sector staff, particularly those with responsibilities for commissioning services. SEAM advertised the event within Midlothian Council through its intranet site, group emails and posters in the main office buildings. Specific invitations were extended to those staff members in Midlothian Council divisions with responsibilities for procuring or commissioning services. The event was also promoted to key NHS staff, particularly those concerned with health improvement and health promotion. However, some of the participants felt that alternative choices of timing and location may be considered for any future repeat of the event.

### **4.2 *Organisations that participated in the Trade Fair***

1. Bits and Bobs
2. Midlothian Community Food Initiative
3. Midlothian Advice and Resource Centre
4. Midlothian Community Media Association
5. Forth Sector
6. Loanhead Community Learning Centre
7. LO-GY Gymnastics
8. Lothian Trees and Timber
9. Recycle Scotland
10. Capital Credit Union
11. Green Banana Video Enterprise
12. McSence
13. New Leaf

### **4.3 *Who attended the day***

The event was opened by Councillor Jim Dunsmuir and was attended by thirteen stallholders and around 90 people living and working in Midlothian (see Appendix C for attendance list).

Overall, attendance levels were encouraging, with a good turnout from the general public as well as members of local voluntary and social economy

organisations. Although a number of Midlothian Council staff attended the event, few of these had direct responsibility for procurement in spite of the targeted invitations. More disappointingly, there was no representation at all from the NHS. This suggests that there is still work to be done in order to strengthen the market relationships between the public and social economy sectors in Midlothian.

#### **4.4 Feedback from organisations**

All of the social enterprises who took part in the trade fair were asked to complete an evaluation form, and we received 50% back.

All social enterprises that completed the evaluation form said that they agreed or strongly agreed that the trade fair had helped in raising awareness about local social enterprises.

All but one of the social enterprises felt that their organisation would see an increase in business as a result of the trade fair.

*“Many more people asked about the radio station so it has raised awareness and also informed the public of what stage we are at.”*

*“Location and timing of the event meant that audience was not suited to our products/services.”*

*“Excellent networking event, lots of new connections and ideas.”*

All of the respondents felt that the trade fair had benefited them with networking opportunities and most felt it had raised awareness. Knowledge of other social enterprise companies and new marketing ideas were also stated as benefits of the trade fair.

All respondents thought SEAM should hold another trade fair in the future and some comments on how SEAM could improve the event were:

*“I thought it was well organised, welcoming and good fun. Hopefully more exhibitors and a bigger space next time.”*

*“Better publicity e.g. radio, location and time seemed to attract mainly OAP's maybe longer hours or weekend would bring in wider variety.”*

*“A couple of advice organisations are likely to prove most useful and similarly we made a contact for possible premises for a recycling business.”*

*“Invitations or advertising for the general public would be good. May be this was done, but most of those who attended were in some way connected with social enterprises; wider participation would be good.”*

*“Make it a bigger event, not only social enterprises but also charity event - on a Saturday and publicise to public more.”*

## 5.0 BOOKKEEPING RESEARCH

### 5.1 *Activities Undertaken*

The Social Enterprise Development Officer undertook research regarding the detailed bookkeeping and accounting needs of local social economy organisations, in order to establish the best model of meeting these needs. The research aimed to identify:

- a) if there is sufficient demand to establish a social enterprise, separately or within an existing organisation, to deliver this service;
- b) If this service would be better provided as a 'bought-in' service, and if so, the potential for joint purchasing power;
- c) the training needs of the social economy sector on financial issues, particularly in light of the Charity Bill, to be delivered through existing MVA budgets.

50 questionnaires were sent out to 50 organisations by e-mail. 15 were returned, and the figures in this report are based on their responses. The key findings are outlined below.

### 5.2 *Current Provision*

- 8 organisations undertake their own payroll, 6 buy into an external payroll system, and 0 have their payroll undertaken by a committee member; 1 has no payroll as the organisation is run by volunteers;
- 15 organisations undertake their own financial management (4 answered yes to undertaking their own financial management and it being done by a committee member), 0 pay someone external to the organisation to provide financial management, and 4 have financial management undertaken by a committee member;
- 13 organisations produce their own financial reports (4 answered yes to undertaking their own financial reports and it being done by a committee member), 1 pay someone external to the organisation to provide financial management, and 5 have financial reports produced by a committee member.

A number of issues were raised about the current methods of provision:

*“We have restructured and isolated the bookkeeping function from other posts so it is really too small a task to employ someone on the staff payroll. We are looking for a sessional worker or free-lance bookkeeper for about 10 hours per month.”*

*“A more streamlined system and training manual are needed.”*

*“We are trying to develop a new software package.”*

### 5.3 *Auditing*

13 organisations have an annual audit or external examination of their accounts undertaken by an independent qualified accountant.

One organisation noted:

*“We have changed to a local Accountant who is charging us £850 as we felt we were not getting value for money.”*

#### **5.4 VAT**

3 organisations are registered for VAT.

#### **5.5 Potential Services**

- 4 organisations said they would find it useful to buy into a payroll service.
- 3 organisations said they would find a one-off visit from an accountant to set up financial systems useful;
- 2 organisations said they would find regular visits from a bookkeeper to undertake financial management useful;
- 3 organisations would find a full accounting and auditing service useful.

Other services that were suggested were:

*“Phone Assistance for help regarding unusual transactions.”*

*“Support for TAS financial software.”*

*“Any really.”*

Regarding the payment for this, the following suggestions were given:

- Payroll Service - £10 per month and £20 per month were suggested.
- One-off visit from an accountant to set up financial systems - £300 was suggested.
- Regular visits from a bookkeeper to undertake financial management - £60 per half day was suggested.
- A full accounting and auditing service - £100 per half day was suggested.

#### **5.6 Training**

Organisations were given a list of potential training courses to see which ones they would find useful. The responses were:

Financial Management for Staff	5
Financial Management for Committees/Boards	8
Changes to the Statement of Recommended Practice for Charities	10
Meeting the Office of the Scottish Charities Regulator Accounting Requirements	5

Using Quicken /Quick Books	1
Using SAGE	3

### **5.7 Accountant**

8 organisations would be interested in trying to identify a suitable accountant/ accounting practice that we could buy into as a group.

## **6.0 BOOKKEEPING PILOT PROJECT**

### **6.1 Background to the Pilot Project**

The questionnaires indicated that there was interest in one-off visits from an accountant to set up financial systems. Therefore, with EQUAL's consent, funding within the project was reallocated to provide one-off accountancy consultancy to two social economy organisations.

In addition to improving the financial systems of the two organisations, the key aim of the consultancy was to establish the likely cost of providing this kind of support, which will feed into future development of bookkeeping support in Midlothian.

Pamela Redpath from Community Enterprise Ltd was engaged to undertake the consultancy.

Pamela undertook the following tasks for both organisations:

- Meet with the organisation and discuss their existing financial systems;
- Identify the strengths and weaknesses of the system;
- Identify improvements that need to be made to the system;
- Support the organisation to make these changes;
- Identify any training needs or resource needs for the organisation relating to bookkeeping.

Pamela met with a childcare organisation, and community centre. In order to protect the confidentiality of the discussions with the groups the whole findings of the work have not been included here, although they have been reported back to the organisations. The key implications for the organisations are noted below.

### **6.2 Organisational Issues Identified by the Pilot**

Organisational issues that cannot be readily addressed were identified, along with potential solutions and the resource issues arising from them.

#### **The management committee**

Recruiting more members for the management committee is an ongoing issue, faced by many community organisations, particularly in the childcare field.

It is particularly difficult to find individuals with financial skills who are

willing to take on the role of treasurer. This is a major weakness and increases the workload of the manager. It also leaves her in a very exposed position, as there is no regular monitoring of the financial records by any of the management committee.

There is no easy solution to this issue as the key resource lacking is people with the time, skills and inclination to join and participate actively in volunteer Boards.

The one element that can be provided is training and support to develop the skills of Board members so that they can carry out their duties more effectively and provide better support to managers - see below.

### **Time**

The manager's main priority is the management of the project and the development of its activities. This leaves little time to spend on the finance functions.

The nature of the manager's job also means that there are frequent interruptions from people coming and going, which makes it difficult to input financial information and prepare budgets and management reports.

In both organisations the administrator's time is already occupied, so there is little scope to provide the training required to enable her to input financial information into the computer. There are few other opportunities for delegation of any of the financial tasks and responsibilities.

The solution would be a part-time finance post, but funding existing staff and services is difficult enough for most organisations. Funders are reluctant to fund financial admin posts, and neither organisation is in a position to generate sufficient income to cover the costs of a finance post.

Buying in book-keeping support would be a better solution if a suitable reliable service provider could be found at an affordable rate.

- This rate would realistically have to be a subsidised rate as both organisations would struggle to pay the market rate for these services.
- The service provider would have to come to the organisation's office and input the information onto the system, so that all paperwork remains to hand.
- The service would have to be able to provide timeous reports for the Board meetings and figures for monitoring reports and applications to funders.

Providing this service is only viable if the bookkeeper can charge a commercial rate and earn a living from it. It is particularly important that the bookkeeper understands the specific needs of charity sector - restricted funding, charity accounting requirements, VAT issues, etc - but again this requires specialist knowledge and experience and so limits the supply of bookkeepers available. Where demand outstrips supply, rates charged tend

to rise, or the bookkeeper is overwhelmed with demand.

Further market research into actual demand at a given price would establish the commercial viability of such a service. A pilot project to monitor the exact requirements of organisations requiring this service - in terms of skills, actual hours required, timing of demand, ability to pay for the services - would be the best source of this information and the ideal way to test the market. By providing a service at subsidised rates, organisations are encouraged to recognise the real cost of the service and to use it effectively; free services tend to be taken for granted.

A Local Social Economy Partnership would perhaps be the ideal vehicle through which to run such a pilot project, and might perhaps be in a stronger position to access the necessary finance.

#### **Opportunities for income generation**

There are some, limited opportunities for further income generation for both organisations:-

- through review and careful consideration of the charging policy to ensure that it is reasonable and appropriate.
- through expansion of services to meet demand.

Pursuing these opportunities requires

- time, mainly the manager's, which she would have if freed from more of routine admin and finance work;
- staff development and training to take on new challenges. Many of the staff are keen to do this, given the opportunity;
- support from the Board, who may themselves require training in new skills, and support to make the cultural shift from grant dependency to income generation. SEAM are in a position to provide this support through its partner agencies, but perhaps there is further work to be done in raising awareness of the support available and ensuring that organisations know how to access it.

### **6.3 *Training needs identified by the Pilot***

Both organisations identified the need for further training, both for staff and members of the management committee.

#### **Management committee skills**

As part of their induction and skills' development, committee members require further training, both in roles and responsibilities, including financial responsibilities, and in understanding financial reports and accounts.

However it is recognised that committee members have severe time constraints and even if they recognise the need for this training, they often do not have the time to commit to it.

### **Staff knowledge and skills**

Both organisations felt that they would benefit from practical training on producing financial reports, on Excel and/or QuickBooks. This would allow the managers to produce relevant reports for the management committee, and to extract grant monitoring and reporting information quickly.

Both managers also felt that the administrator could be included in this training as this would develop financial skills, in addition to sound administrative skills.

Time is seen as the major limiting factor in further training.

Both organisations also have limited understanding of the Annual Financial Accounts and the reporting requirements under SORP 2005, and would benefit from a training session that explained these in non-accountant's terms.

Training is available from a number of providers. Community Enterprise offers a wide range of courses specifically tailored to organisations' needs, including:-

- Basic accounting
- Financial Governance
- Understanding your Accounts
- Financial Management for Non-financial Managers
- Charity Reporting and SORP 2005

The cost of these range from £250 for a half-day to £400 for a full- day session, including full supporting materials.

## **7.0 MEETING THE PROJECT OUTCOMES**

The project set itself a number of outcomes, and possible impacts. By their very nature, outcomes are long-term, and it was unlikely that the outcomes would be fully realized after a three-month project. However, there was substantial movement toward the outcomes, and the project helped to identify work that still remains to be undertaken. The outcomes for each strand of the project are discussed in detail below.

### ***Advertising Campaign***

The following outcomes and possible impacts were identified for the advertising campaign:

Outcomes	Extent to which outcome was met
<ul style="list-style-type: none"><li>• Local community are better informed about social enterprise</li></ul>	<ul style="list-style-type: none"><li>• The awareness raising campaign in the local paper is likely to have resulted in this outcome being partially met.</li></ul>
<ul style="list-style-type: none"><li>• Local procurement officers are better informed about local social enterprises</li></ul>	<ul style="list-style-type: none"><li>• Unfortunately, no Procurement Officers attended the Trade Fair, although invitations were sent to all relevant individuals, some of whom expressed an interest in attending. However, the very process of sending</li></ul>

	them publicity has helped to raise awareness of local social enterprises.
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Possible Impacts	Extent to which impact was felt
<ul style="list-style-type: none"> <li>Local consumer behaviour changes in favour of social enterprises</li> </ul>	<ul style="list-style-type: none"> <li>It is too early to assess this, but the increase in enquiries to at least one local social enterprise as a result of the advertising campaign is promising.</li> </ul>
<ul style="list-style-type: none"> <li>Procurement opportunities arise for SEOs</li> </ul>	<ul style="list-style-type: none"> <li>It is too early to assess this, but the advertising campaign and awareness raising with Council and NHS staff was useful in starting the process.</li> </ul>

## Bookkeeping Research

The bookkeeping research had the following outcomes and possible impacts:

Outcomes	Extent to which outcome was met
<ul style="list-style-type: none"> <li>Social economy organisations have improved financial management systems</li> </ul>	<ul style="list-style-type: none"> <li>This outcome was met in full for the two SEO's that participated in the accounting consultancy.</li> </ul>
<ul style="list-style-type: none"> <li>SEO's staff time is freed up</li> </ul>	<ul style="list-style-type: none"> <li>The information gained from the survey will help SEAM to meet this outcome.</li> </ul>
<ul style="list-style-type: none"> <li>SEO's meet the OSCR requirements on accounts</li> </ul>	<ul style="list-style-type: none"> <li>The information gained from the survey will help SEAM to meet this outcome.</li> </ul>

Possible impact	Extent to which impact was felt
<ul style="list-style-type: none"> <li>Possible social enterprise in delivering bookkeeping and financial management services</li> </ul>	<ul style="list-style-type: none"> <li>The survey did not demonstrate enough interest for such a service from Midlothian organisations. However, a social enterprise with a wider geographical focus, such as the Lothians, or a less ambitious grant-funded accounting support project remain possibilities.</li> </ul>

## 8.0 CONCLUSIONS AND ACTION PLAN

The project successfully addressed the outcomes in the application, and identified a number of areas that could further be developed. The participants in the advertising campaign, and the Trade Fair were very positive about the impact that it had, and the potential to undertake such activity again in the future.

A number of Action Points to be undertaken by SEAM arose from the project, and are noted below:

1. Investigate the feasibility of running a Christmas Market for social enterprises that have goods to sell to the public;
2. Investigate sources of funding to run the advertising campaign on a longer term basis;
3. Keep local Procurement Officers informed of developments in the social enterprise sector;

4. Continue to develop the capacity of organisations to negotiate contracts and service level agreements with statutory agencies;
5. Research sources of accountancy support for social economy organisations;
6. Provide training courses on changes to the Statement of Recommended Practice for charities, and on Financial Management for Boards.

## 9.0 MORE INFORMATION

For more information on anything in this report contact:

Dr Lesley Kelly, Midlothian Voluntary Action  
0131 663 9471 [Lesley.Kelly@mvacvs.org.uk](mailto:Lesley.Kelly@mvacvs.org.uk)

or

Rebecca McKinney, Midlothian Council  
0131 271 3485 [Rebecca.McKinney@midlothian.gov.uk](mailto:Rebecca.McKinney@midlothian.gov.uk)



### **Appendices:**

- A: Copies of the adverts
- B: Copies of the publicity leaflets
- C: Trade Fair Attendance List
- D: Bookkeeping Questionnaire





**Social Enterprise Trade Fair**  
**Dalkeith Arts Centre**  
**Monday 12<sup>th</sup> June**

	Name	Organisation
	<b>STALL HOLDERS &amp; ORGANISERS</b>	
1.	June Davidson	Bits and Bobs
2.	Jim Suddon	Capital Credit Union
3.	John May	Capital Credit Union
4.	Cheril Barsewisch	Forth Sector
5.	Ruari Wilson	Forth Sector
6.	Lee Haxton	Gorebridge Community Development Trust
7.	Jen Richards	Gorebridge Health Project (MCFI)
8.	Katherine Purvis	Gorebridge Health Project (MCFI)
9.	Andy Wightman	Green Banana Video Enterprise
10.	Callum Gow	Green Banana Video Enterprise
11.	Mhairi Main	Loanhead Community Learning Centre
12.	Paula Jackson	Loanhead Community Learning Centre
13.	Mitch Dolphin	LO-GY
14.	Ulrich Loening	Lothian Trees and Timber
15.	Representative	McSense
16.	Richard Vivian	Midlothian Advice and Resource Centre
17.	Bob Paul	Midlothian Advice and Resource Centre
18.	Christopher MacKrell	Midlothian Community Media Association
19.	Graeme Logan	Midlothian Community Media Association
20.	Rebecca McKinney	Midlothian Council
21.	Dorothy Wright	Midlothian Council
22.	Lesley Kelly	MVA
23.	Marla Cohen	MVA
24.	John Anzani	New Leaf
25.	Carly Milne	Recycle Scotland

	<b>MIDLOTHIAN COUNCIL</b>	
26.	Councillor Dunsmuir	
27.	Councillor Russell	
28.	Councillor Fletcher	
29.	Councillor Prior	
30.	Katra Hamilton	Loanhead Social Work
31.	Sarah Summers	Loanhead Social Work
32.	Jane Crawford	Midlothian Council
33.	Alex Davidson	Midlothian Council
34.	Ian Wilson	Midlothian Council
35.	Ian L Young	Midlothian Council
36.	Shelagh Docherty	Midlothian Council
37.	Tim Smilt	Midlothian Council
38.	Susan Kerr	Midlothian Council

39.	Charlotte Bunting	Midlothian Council Social Work Student
40.	Ben Forsyth	Midlothian Council Welfare Rights
41.	Aileen Scobie	New Leaf
42.	Lydia Kerr	New Leaf

	SOCIAL ECONOMY ORGS	
43.	W A Jackson	Alzheimer Scotland
44.	A C Chalmers	Alzheimer Scotland
45.	Deirdre Botler	Charles River Laboratories Centre (for Young Enterprise)
46.	Rab Knowles	Communities Scotland
47.	D E Henderson	Community Enterprise and Social Enterprise Links/SSEC
48.	Ann Baird	Dalkeith and District Arts Guild
49.	Dorothy Frew	Dalkeith and District Arts Guild
50.	Anne-Marie McGeoch	Good Company
51.	Archie Pacey	Gorebridge Development Trust
52.	Andrew Broadfoot	Gorebridge Health and Regeneration Project
53.	Linda Sneddon	HELPP
54.	Stewart Skirving	HELPP
55.	Sandra King	HELPP
56.	Sarah Aitken	HELPP
57.	Susan Slater	HELPP
58.	G G	Home Care
59.	Pat Kenny	Loanhead Miners
60.	Isabel Lean	MFIN
61.	Margaret Nisbet	MVA
62.	William Liu	MVA
63.	George Wilson	MVA
64.	Jim Matson	Midlothian Training Services
65.	Jamie Sutherland	Midlothian Training Services
66.	Joan Johnson	Orchard Centre Service-Health in Mind
67.	Simon Moore	Parent-to-Parent (Boarders)
68.	Bob McDonald	PCDT
69.	Roger Kelly	Penicuik Social Enterprises
70.	Bill Duff	Recycle Scotland
71.	Gabi Haughton	Recycle Scotland
72.	Kim Wallace	SCVO
73.	Pat Bowie	Senscot
74.	Cheryl Prior	Volunteer Centre

	MEMBERS OF THE PUBLIC		
75.	Rec Hambleton	76.	L McBarron
77.	Maureen Smith	78.	Duncan Thomas
79.	Eddie Smith	80.	Pat Neilson
81.	L Learmonth	82.	Christina Meehen
83.	Alan Watson	84.	Pauline Cook
85.	John McCrossan	86.	William Bain
87.	Pauline McCrossan	88.	Chris Marks
89.	Peggy O'Connor	90.	Janet McCae
91.	Carol Grant		

## BOOKKEEPING QUESTIONNAIRE

The Social Enterprise Alliance Midlothian (SEAM) is a cross-sector partnership of agencies involved in the provision of support, training, guidance and services for social economy organisations based and/or working in Midlothian.

As you may recall, SEAM conducted a mapping questionnaire last year, which looked at issues affecting the sector. The difficulty of accessing adequate financial and bookkeeping support was one issue that was highlighted through that research.

This questionnaire tries to establish if there is anything that SEAM could do to improve the situation, either through establishing new services to be provided locally, or by using joint purchasing power to negotiate better deals for the Midlothian sector as a whole.

Please take a few minutes to answer these questions. If you require more information please contact Marla Cohen, Social Enterprise Development Officer, MVA, on 660 5055.

Name of Organisation

Structure of organisation	Co Ltd by Guarantee <input style="width: 30px; height: 25px;" type="checkbox"/>	Industrial and Provident Society <input style="width: 30px; height: 25px;" type="checkbox"/>	
	Unincorporated organisation <input style="width: 30px; height: 25px;" type="checkbox"/>	Other (please state) <input style="width: 150px; height: 25px;" type="text"/>	

Are you a charity?      YES      NO

Income 2004/5      £ \_\_\_\_\_      No. of Staff      \_\_\_\_\_ staff

### 1.0 YOUR CURRENT SITUATION

Please tell us how do you currently manage each of the following tasks:

#### 1.1 PAYROLL

Payroll is managed in-house by a member of staff. YES /  
NO

*If yes, which system are you using?*

If yes, are you filing your PAYE End of Year Return online? YES /  
NO

If yes, please estimate the cost to the organisation per month (i.e. the number of hours your staff member spends on payroll x their hourly rate).

We buy into an external payroll system. YES /  
NO

If yes, please tell us who provides your payroll:

If yes, please tell us the monthly cost of this:

Payroll is undertaken by a volunteer or management committee member.

YES /
NO

Are you happy with your current method of payroll?

YES /
NO

If no, please tell us what needs to be improved:

## 1.2 FINANCIAL MANAGEMENT

(ie paying bills and submitting invoices)

Financial management is managed in-house by a member of staff.

YES /
NO

If yes, please estimate the cost to the organisation per month (i.e. the number of hours your staff member spends on financial management x their hourly rate).

If yes, please tell us which financial management software you use (if any):

We pay someone external to the organisation to provide financial management.

YES /
NO

If yes, please tell us who:

If yes, please tell us the monthly cost of this:

Financial management is undertaken by a volunteer or management committee member.

YES /
NO

Are you happy with your current method of financial management?

YES /
NO

If no, please tell us what needs to be improved:

**1.3 PRODUCTION OF FINANCIAL REPORTS**

(e.g. production of monthly accounts, monitoring reports to funders)

Financial reporting is managed in-house by a member of staff.

YES /
NO

If yes, please estimate the cost to the organisation per month (i.e. the number of hours your staff member spends on financial reporting x their hourly rate).

--

*If yes, please tell us which financial reporting software you use (if any):*

--

We pay someone external to the organisation to provide financial reporting information.

YES /
NO

If yes, please tell us who:

--

If yes, please tell us the monthly cost of this:

--

Financial reporting is undertaken by a volunteer or management committee member.

YES /
NO

Are you happy with your current method of financial reporting?

YES /
NO

If no, please tell us what needs to be improved:

--

**1.4 AUDITING/INDEPENDENT EXAMINATION**

Do you have an annual audit/independent examination of your accounts undertaken by a independent qualified accountant?

YES /
NO

If yes, please tell us who your auditor is:

--

If yes, please tell us the cost of this:

--

Are you happy with your auditor?

YES /
NO

If no, please tell us what needs to be improved:

--

**1.5 VAT**

Are you registered for VAT? YES /  
NO

If yes, please answer the following

*VAT is managed in-house by a member of staff/ volunteer* YES /  
NO

*We pay a book-keeper/ accountant to complete our VAT returns* YES /  
NO

*If yes, how much does this cost per VAT period:*

Are you happy with your current VAT arrangements? YES /  
NO

If no, please tell us what needs to be improved:

**2.0 POTENTIAL SERVICES**

Please put a cross next to any of the following services that you would find useful. Unfortunately in the current funding climate we are unlikely to be able to offer any of these services free of charge, there fore we are asking you to indicate which box has the most appropriate cost for the service, with regard to your ability to pay.

Service	I would find this useful	Please indicate the most appropriate cost			
		£10 Per month	£15 Per month	£20 Per month	£25 Per month
Payroll service		£300 one-off	£500 one-off	£750 one-off	£1000 one-off
One-off visit from an accountant to set up financial systems		£60 per half-day	£80 per half-day	£100 per half-day	£120 per half-day
Regular visits from a bookkeeper to undertake financial management		£60 per half-day	£80 per half-day	£100 per half-day	£120 per half-day
A full accounting and auditing service		£60 per half-day	£80 per half-day	£100 per half-day	£120 per half-day

Please tell us any other services you would find useful:

**3.0 TRAINING**

Please indicate which of the following training sessions you would find useful (we will try to find funding to provide these either free of charge or at low cost):

Training Session	I would find this useful
Financial Management for Staff	
Financial Management for Committees/Boards	

Changes to the Statement of Recommended Practice for Charities	
Meeting the Office of the Scottish Charities Regulator Accounting Requirements	
Using Quicken /Quick Books	
Using SAGE	

Please tell us any other training you would find useful:

#### 4.0 AUDITING

Several organisations have identified difficulties in finding an accountant who understands the needs and legislation relating to small charities. Would you be interested in trying to identify a suitable accountant/accounting practice that we could buy into as a group (and hopefully negotiate a lower price)?

YES /  
NO

Funding for this research has been provided by the EQUAL project.

***Thank you for your time.***

Please return to Marla Cohen at [marla.cohen@mvacvs.org.uk](mailto:marla.cohen@mvacvs.org.uk) or  
MVA, 4/6 White Hart Street, Dalkeith EH22 1AE