

REGISTERED COMPANY NUMBER: 3271298 (England and Wales)
REGISTERED CHARITY NUMBER:1060157

CROYDON VOLUNTARY ACTION
REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2020

CVA TRUSTEES' ANNUAL REPORT: 2019-20

1. LEGAL AND ADMINISTRATIVE DETAILS

Croydon Voluntary Action (CVA) was established in 1907 as an unincorporated association called the Croydon 'Guild of Help'. Since April 1997, the charity has operated as a company limited by guarantee. The governing documents are the Memorandum and Articles of Association of the company. Our legal and administrative details are as follows:

- Registered Name: Croydon Voluntary Action (CVA)
- Company Registration Number: 3271298
- Charity Registration Number: 1060157
- Registered Office Address: 82 London Road, Croydon, Surrey, CR0 2TB
- Bankers: National Westminster Bank Plc
- Independent Auditors: Haines Watts
- Chief Executive: Steve Phaure

2. TRUSTEE BOARD - RECRUITMENT, RISK AND PUBLIC BENEFIT

CVA is governed by a Board of trustees. The trustees, who are also directors for the purposes of company law, are pleased to present their report (being the directors' report as well as required by company law) together with the financial statements of the charity for the year ended 31 March 2020. The Trustees who served during the year were:

- Sue Dzendzera (Chair)
- Ghazala Mirza (Vice Chair)
- Mike Mulvey (Treasurer)
- Ashok Kumar
- Carole Parnell (Governance)
- Isaac Edwards
- Mary Maculey
- Guy Pile-Grey
- Terry Roberts
- Helen Smith
- Mark Watson
- Susanne Baccini
- Ann Tighe
- Susanette Mansour
- Karim Hemani

CVA's principal activity is to promote charitable purposes for the benefit of the community in Croydon and its surrounding areas. New trustees are appointed by the Board on the recommendation of a recruitment panel and newly-recruited trustees are inducted by the honorary officers on their new roles and responsibilities. CVA's Board is responsible for the strategic direction and policy of the charity. CVA's Board

complies with the NCVO Code of Governance and regularly reviews the major risks to which the charity is exposed, ensuring that systems are in place to mitigate these. The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the organisation's strategic aims and planning its future activities. The Board appoints and supports a Chief Executive to manage the day-to-day operations and ensure, with the staff team, that CVA delivers the services and activities specified in its funding agreements. The remuneration of the CEO and senior management posts is agreed by the Finance & Audit Committee.

3. OBJECTS AND ACTIVITIES

CVA's mission statement focuses the organisation on "promoting, supporting and developing effective voluntary action, community development and community activity for the benefit of the whole community within the London Borough of Croydon". CVA's project work is underpinned and sustained by the funding committed by Croydon Council to support our community empowerment, volunteering and capacity building activities. With support from the Council and other local partners we're active in coordinating Croydon's VCS on a number of fronts:

- Acting as the Voice of Croydon's VCS - Articulating VCS interests and bringing local communities into decision-making
- Working in Partnership - Connecting VCOs up to improve services and access funding
- Organisational Development - Supporting CVA's member organisations in their work
- Volunteering - Promoting and encouraging volunteering in Croydon

In 2019/20 we worked to:

- Provide strategic leadership for Croydon's Voluntary and Community Sector (VCS), profiling key local issues at Croydon Voluntary Sector Alliance meetings and continuing to act as the 'voice of the VCS'
- Leverage external funding successfully on behalf of Croydon's VCS
- Be at the forefront of providing timely information on Croydon's VCS via effective communications
- Provide one-to-one and on-line support for VCOs on starting-up and running activities
- Manage VCS delivery partnerships involving a wide spectrum of local groups
- Be a central resource for coordinating, sustaining and growing community empowerment in Croydon, identifying opportunities for new communities and seldom heard voices
- Enhance community networking and provide a range of platforms for connecting and strengthening local VCOs and local resident activists
- Increase the number of people involved in the community, including those without any experience of volunteering, through formal and informal volunteering

- Increase the effectiveness of volunteering by supporting volunteer-involving organisations to manage their volunteers more effectively
- Work with local commissioners to ensure that there is a fair environment in which the VCS can access opportunities to provide services to local people
- Manage small grants programmes that support local grassroots organisations in finding solutions to social problems
- Provide the leading property management service for VCOs in Croydon

4. FINANCIAL REVIEW

The financial position of the charity is set out below.

CVA's total income for the year was £1,353,243 – up by £11,184 on last year's total. As ever we will be doing everything we can to maintain the levels of support that we currently provide – mindful of the great challenge being presented by the coronavirus epidemic. Still, our aim will be to do this without having to eat further into our reserve funds that are now below the level recommended by the Charity Commission – i.e. enough to cover six months of annual expenditure (see section 5 below).

Continuing to find ways of cutting costs is key, but the priority will always be to generate growth opportunities via partnership bidding that enables us to leverage big external funds into Croydon. Projects like We Stand Together, Croydon One Postcode and the Best Start Partnership have been delivered by CVA in partnership with dozens of Croydon groups – and our aim over the coming years is to leverage yet more funding into the local voluntary and community sector.

We are very thankful to all our funders for investing in CVA and the frontline organisations and visionaries we support, who are committed to helping improve people's lives. Our funders for 2019-20 were Croydon Council; Croydon CCG; the Big Lottery Fund; the Greater London Authority; Greater London Volunteering; the Lankellychase Foundation and the London Community Foundation.

5. RESERVES POLICY

The Board seeks to achieve a level of free reserves that is equivalent to six months' expenditure and continues to review the reserves policy on an annual basis. This year our free reserves remained stable at £453,630 (up from £450,253) – keeping us below the level recommended by the Charity Commission. Total reserves at 31 March 2019 were £2,106,011 – this year the charity has total reserves of £2,122,712 comprising designated reserves of £213,716, restricted reserves of £73,654, a fixed asset reserve of £1,381,712 and free reserves as shown above.

6. RISK MANAGEMENT

Identifying and managing the risks facing CVA are important elements of the Board's commitment to good governance. As an organisation CVA must routinely identify,

evaluate and manage significant risks as part of the decision-making process. The overriding principle behind the Board's risk management approach is to ensure delivery of CVA's strategic objectives and protect the reputation of CVA, as well as controlling resources efficiently and effectively. CVA is positioned as a leader of the VCSE sector in Croydon and as a key partner to other deliverers of public services to local people. It is imperative that as an organisation we ensure that our reputation with key audiences reflects this.

Trustees are updated on the status of CVA's principal risks and invited in reviewing the Risk Register to identify those issues that pose the highest risk to CVA and are requiring of the most trustee attention. The Risk Register is scrutinized by the Board six-monthly and the High Risks are monitored at every meeting. In 2019/20 the High Risk items monitored by the Board were CVA's partnership agreement with the Council for managing VCS premises and – before the year was out – our Coronavirus Support Services strategy.

7. FUTURE PLANS

CVA has set the following strategic goals and objectives:

► To empower Croydon's communities

- We will promote community leadership in Croydon, making communities the primary units of change by building up their strengths and assets and launching community led projects across every locality
- We will strengthen CVA's capacity to work alongside communities in driving social change. We will deliver asset based community development (ABCD) projects in Croydon with *Community Builders* appointed by CVA to support leadership in the community – and we will support our community sector partners to work effectively alongside communities by appointing their own staff mentored and supported by CVA
- We will support our Primary Care Network (PCN) partners to use Social Prescribing to work effectively alongside communities in building relationships beyond referrals, providing training and mentoring for link workers and practice staff including *Health Beyond Healthcare* days and walkabouts to give frontline staff an overview of Croydon's local community offer – from informal connections to specialist services as profiled on our *Connect Well* database
- We will support the Faiths Together in Croydon (FTiC) network to work effectively alongside communities in promoting community cohesion and resilience, delivering inter-faith events and FTiC newsletters
- We will support Croydon's Refugees and asylum seekers to integrate effectively into the wider community by holding Refugee Forum meetings to strengthen the collective voice and individual effectiveness of refugee-led and refugee-support

organisations in Croydon; applying for Borough of Sanctuary status in partnership with the City of Sanctuary movement; and delivering the *We Stand Together* project using sport as a tool to improve social integration between refugees and mainstream sports clubs

- We will support communities to *Think Globally, Act Locally* to make a greater impact in protecting the environment by reducing resource use, energy consumption and waste levels - and increasing ethical purchasing, recycling and sustainable travel

► **To strengthen volunteering in the community**

- We will support more people to volunteer in their communities by maximising the number of people accessing quality volunteer opportunities in Croydon using face-to-face advice interviews with a wide variety of live volunteer opportunities maintained on our website
- We will maximise the number of community organisations offering quality volunteer opportunities – supporting them with regular training sessions, information bulletins, Volunteer Organisers Forum meetings and an annual conference on volunteer management
- We will deliver volunteer-led projects that support under-represented groups, expanding on our current portfolio which includes the Appropriate Adults Scheme and the We Stand Together project
- We will provide Croydon's nationally accredited Volunteer Centre brokerage service, meeting national standards in brokerage, campaigning, good practice and volunteer management through NCVO's quality assurance process
- We will lead by example in supporting and managing our volunteers effectively – both to ensure that they have a positive experience with us and that CVA benefits fully from the experience and expertise volunteers bring to the organisation

► **To support the growth and development of community organisations in Croydon**

- We will support Croydon's VCS to bring local people from under-represented groups into the life of the borough as active communities driving social change
- We will lever external funding into Croydon's VCS by coordinating partnership bids and developing strong relationships with key funders
- We will support local commissioning, with workshop/information sessions on LBC's Community Fund, the One Croydon Alliance and the Grassroots Grants small-grants programme

- We will deliver training to meet the priority needs of community organisations in Croydon including our Safeguarding Children, Basic Fundraising, Setting-up Charities and Social Enterprises, and Monitoring and Evaluating courses – with ABCD methodology shared through our UK Learning Centre collaboration with Nurture Development
- We will build the capacity of community organisations by providing customized support to promote best practice in governance, business planning, project and staff management
- We will run Community Centres in Croydon providing hubs of activity run by local people
- We will keep community organisations well-informed and aware of local events and opportunities through our e-bulletins and newsletters on funding opportunities; children, young people and families; and faith communities
- We will maintain and update CVA's own models of good practice on governance, financial and information management systems, policies and procedures - for sharing with community partners
- We will support Croydon's community organisations who are using sport to achieve social change, with the Sports Forum strengthening the collective voice and effectiveness of VCS sports clubs and a campaign to encourage sports clubs to become welcoming of all people in Croydon offering a place of safety, support and development

► **To advocate on behalf of Croydon's community organisations**

- We will champion Croydon's VCS as the best-positioned enablers of community leadership in the borough
- We will provide leadership on behalf of Croydon's VCS at meetings of the Croydon Strategic Partnership (CSP) and its thematic partnerships
- We will enable the VCS to influence policy-makers with wider community sector representation on all CSP thematic partnerships
- We will facilitate a strong, independent community voice through network and forum meetings, including the Croydon Voluntary Sector Alliance; the Refugee Forum; Faiths Together in Croydon; the Children, Young People & Family Network (incorporating the Young Londoners Fund Local Network) and the Community Sports Forum
- We will promote what's going on in Croydon's VCS, profiling live activities on the Connect Well database

► **To work in partnership across the VCS and all sectors**

- We will assemble VCS delivery-partnerships uniting grassroots groups with national charities to tackle the root causes of inequality in Croydon
- We will lead VCS partnership bids to leverage external funding into Croydon's local communities
- We will partner Age UK Croydon in enabling the VCS to play its full part via the One Croydon Alliance in delivering person-centred and preventative models of health and social care
- We will work in partnership with specialist infrastructure groups – the BME Forum, the Croydon Neighbourhood Care Association and the Asian Resource Centre - to provide coordinated support services for Croydon's VCS
- We will support the Croydon Partnership to ensure that local communities from across the whole borough have a real stake in the redevelopment of Croydon's town centre

8. RESPONSIBILITIES OF THE TRUSTEES

The trustees (who are also the directors of Croydon Voluntary Action for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The Trustees have adopted the Financial Reporting Standard for Small Entities.

The trustees are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

Small Company Provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Signed on behalf of the trustees: 19 October 2020

Sue Dzendzera, Chair



Independent Auditor's Report to the Members of Croydon Voluntary Action

Qualified Opinion

We have audited the financial statements of Croydon Voluntary Action (the 'charitable company') for the year ended 31 March 2020 which comprise the Statement of Financial Activities, Balance Sheet, Cash flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, except for the effects of the matter described in the basis for qualified opinion section, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2020, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for qualified opinion

The charity participates in a multi-employer local government pension scheme, a defined benefit pension scheme. The trustees have taken the decision not to comply with Financial Reporting Standard 102 (FRS 102) regarding the scheme. The charity's share of any surplus or deficit arising on this scheme at the year-end has therefore not been included in the Balance Sheet. As an FRS 102 valuation was not obtained at the year-end it is not possible to quantify the potential surplus or deficit.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independent Auditor's Report to the Members of Croydon Voluntary Action

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, not all future events or conditions can be predicted. The COVID-19 viral pandemic is one of the most significant economic events for the UK with unprecedented levels of uncertainty of outcomes. It is therefore difficult to evaluate all of the potential implications on the charity's operations, funders, suppliers and wider economy. The trustees' view on the impact of COVID-19 is disclosed in the accounting policies note.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Independent Auditor's Report to the Members of Croydon Voluntary Action

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 8 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's Report to the Members of Croydon Voluntary Action

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Independent Auditor's Report to the Members of Croydon Voluntary Action

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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.



Susan Plumb ACA
Senior Statutory Auditor
For and on behalf of
Haines Watts Chartered Accountants and Statutory Auditors
Old Station House
Station Approach
Newport Street
Swindon
Wiltshire
SN1 3DU

Date 21 October 2020

CROYDON VOLUNTARY ACTION
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2020
(Including Income and Expenditure account)

Income	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2020 £	2019 £
Donations			-	-	-	-
Investment	2	1,555	-	-	1,555	1,341
<i>Incoming Resources from Charitable Activities</i>						
Charitable activities		328,402	-	642,793	971,195	953,207
Other trading activities	3	380,493	-	-	380,493	387,511
Total Income		710,450	-	642,793	1,353,243	1,342,059
Expenditure						
Charitable activities	4,11	757,186	-	579,356	1,336,542	1,392,262
Total Expenditure	6	757,186	-	579,356	1,336,542	1,392,262
Gains/(losses) on investments		-	-	-	-	7,969
Net Income / (expenditure)		(46,736)	-	63,437	16,701	(42,234)
Transfers between funds	11,12	12,527	23,716	(36,243)	-	-
Net movement in funds		(34,209)	23,716	27,194	16,701	(42,234)
Balances brought forward at 1 April 2019		1,869,551	190,000	46,460	2,106,011	2,148,245
Balances carried forward at 31 March 2020		1,835,342	213,716	73,654	2,122,712	2,106,011

All transactions are derived from continuing activities
The notes on pages 17 to 23 form part of these financial statements

CROYDON VOLUNTARY ACTION
BALANCE SHEET AS AT 31 MARCH 2020

	Notes	2020	2019
		£	£
Fixed assets			
Tangible fixed assets	7	1,381,712	1,419,298
Investments	8	-	-
		<u>1,381,712</u>	<u>1,419,298</u>
Current assets			
Debtors	9	133,704	132,373
Cash at bank and in hand		<u>772,342</u>	<u>810,523</u>
		906,046	942,896
Creditors - Amounts falling due within one year	10	<u>(165,046)</u>	<u>(256,183)</u>
Net current assets		<u>741,000</u>	<u>686,713</u>
Total assets less current liabilities		<u>2,122,712</u>	<u>2,106,011</u>
Net assets		<u>2,122,712</u>	<u>2,106,011</u>
Funds:			
Restricted Funds	11	73,654	46,480
Designated Funds	12	213,716	190,000
Unrestricted Free Reserves Funds	12	453,630	450,253
Fixed asset fund	12	1,381,712	1,419,298
Total funds	14	<u>2,122,712</u>	<u>2,106,011</u>

The financial statements have been prepared in accordance with the provisions of the Companies Act 2006 applicable to companies subject to the small companies' regime.

Approved and authorised for issue by the Board on : 19 October 2020

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 Sue Dzendzera (Chairperson)

The notes on pages 17 to 23 form part of these financial statements

Company number 03271298

**CROYDON VOLUNTARY ACTION
CASH FLOW STATEMENT**

Cash flows from operating activities	2020 £	2019 £
Net movement in funds	16,701	(42,234)
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	37,586	39,677
Net (gains)/losses on investments	0	(7,969)
Proceeds from sale of investments	0	85,798
Other interest receivable and similar income	(1,555)	(1,341)
<i>Changes in:</i>		
Trade and other debtors	(1,331)	40,363
Trade and other creditors	(91,137)	(14,807)
Cash generated from operations	<u>(39,736)</u>	<u>99,487</u>
Interest received	1,555	1,341
Net cash from operating activities	<u><u>(38,181)</u></u>	<u><u>100,828</u></u>
 Net increase/(decrease) in cash and cash equivalents	 (38,181)	 100,828
Cash and cash equivalents at beginning of year	810,523	709,695
Cash and cash equivalents at end of year	<u><u>772,342</u></u>	<u><u>810,523</u></u>

CROYDON VOLUNTARY ACTION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

1. ACCOUNTING POLICIES

a) General information and basis of preparation

The charity is a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 82 London Road, Croydon, Surrey, CR0 2TB. The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective 1 January 2015 – (Charities SORP FRS102), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006.

The charity constitutes a public benefit entity.

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investments measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity and rounded to the nearest £.

Going concern

The COVID-19 viral pandemic is one of the most significant economic events for the UK with unprecedented levels of uncertainty of outcomes. It is therefore difficult to evaluate all of the potential implications on the charity's operations, funding, suppliers and wider economy. The Trustees' view on the impact of COVID-19 is that, given the measures that could be undertaken to mitigate the current adverse conditions and the current resources available, they can continue to adopt the going concern basis in preparing the financial statements.

b) Fixed assets

Fixed assets are recorded at cost. Any item under £2,500 is expensed to the SOFA the year in which it is purchased.

c) Depreciation

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write down the cost or valuation, less estimated residual value, of all tangible fixed assets evenly over their expected useful economic lives as follows:

Computer equipment	- 3 years
Equipment	- Between 3 and 10 years
Leasehold land and buildings	
and improvements (less than 50 years)	- Over the lease term
Freehold property and leases over 50 years	- 50 years

d) Investments

Investments held as fixed assets are stated at their fair value. Any gain/(loss) for the period is taken to the Statement of Financial Activities as unrealised gains/(losses).

e) Resources Expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

f) Incoming Resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

- legacy income is recognised when receipt is probable and entitlement is established.

- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.

- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

g) Debtors and creditors

Trade and other debtors are recognised at the settlement amount due after and trade discounts. Prepayments are valued at the amount prepaid net of any discounts.

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount to settle the obligation can be measured or estimated reliably.

CROYDON VOLUNTARY ACTION
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2020

1. ACCOUNTING POLICIES (continued)

h) Funds

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor.

i) Tax status

Croydon Voluntary Action is a registered charity, Number 1060157, and is exempt from income and capital gains tax under the provisions of Section 505 of the Income and Corporation Taxes Act 1988 and Section 145 (1) of the Capital Gains Tax Act 1979.

j) Leases

Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

k) Pensions

Employees of the charity are eligible for membership of a multi-employer defined benefit scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost represents contributions payable by the charity for the year. Further details regarding the scheme are disclosed in Note 15 to these financial statements.

2. INVESTMENT INCOME

	Unrestricted Funds £	Total 2020 £	Total 2019 £
Arising from:			
Quoted investments	-	-	188
Bank interest	1,555	1,555	1,153
	<u>1,555</u>	<u>1,555</u>	<u>1,341</u>

3. OTHER CHARITABLE ACTIVITIES

	Total 2020 £	Total 2019 £
Room hire and licence	380,493	387,511
Other fees	-	-
	<u>380,493</u>	<u>387,511</u>

4. RESOURCES EXPENDED ON CHARITABLE ACTIVITIES

	Unrestricted £	Restricted £	Total 2020 £
Staff costs	385,804	223,940	609,744
Depreciation	37,586	-	37,586
Partner delivery/project costs	-	86,194	86,194
Other	333,796	269,222	603,018
	<u>757,186</u>	<u>579,356</u>	<u>1,336,542</u>

5. NET INCOME/EXPENDITURE FOR THE YEAR

This is stated after charging:

	Total 2020 £	Total 2019 £
Auditors remuneration	4,500	4,400
Depreciation	37,586	39,677

CROYDON VOLUNTARY ACTION
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2020

6. TOTAL RESOURCES EXPENDED

	Staff Costs £	Depreci- -ation £	Funding Distributed £	Other Costs £	Total 2020 £	Total 2019 £
Charitable Activities	609,744	37,586	3,509	685,703	1,336,542	1,392,262
	<u>609,744</u>	<u>37,586</u>	<u>3,509</u>	<u>685,703</u>	<u>1,336,542</u>	<u>1,392,262</u>

	2020 £	2019 £
Staff Costs		
Wages and salaries	452,688	427,928
Social Security costs	38,673	37,551
Pension costs	118,383	147,393
	<u>609,744</u>	<u>612,872</u>

One employee earned between £70,000-79,999 p.a. (2019: 1 £70,000 - £79,999).
 One trustee received expenses during the year of £177 (2019: £177) for travel.
 No remuneration was paid to any of the trustees (2019 nil).
 No related party transactions took place during the year (2019 none).

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £354,419 (2019 £354,419).

The average number of full time equivalent employees (analysed by function) was:

	2020	2019
Project staff	9	7
Administrative staff	2	1
	<u>11</u>	<u>8</u>

CROYDON VOLUNTARY ACTION
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2020

7. TANGIBLE FIXED ASSETS

	Freehold Property £	Leasehold Property £	Furniture & Equipment £	Total £
Cost or valuation				
At 1 April 2019	268,148	1,630,514	257,968	2,156,630
Additions	-	-	-	-
At 31 March 2020	<u>268,148</u>	<u>1,630,514</u>	<u>257,968</u>	<u>2,156,630</u>
Accumulated depreciation				
At 1 April 2019	96,673	390,470	250,189	737,332
Provided during the year	4,605	31,769	1,212	37,586
At 31 March 2020	<u>101,278</u>	<u>422,239</u>	<u>251,401</u>	<u>774,918</u>
Net book values				
At 31 March 2020	<u>166,870</u>	<u>1,208,275</u>	<u>6,567</u>	<u>1,381,712</u>
At 1 April 2019	<u>171,475</u>	<u>1,240,044</u>	<u>7,779</u>	<u>1,419,298</u>

8. FIXED ASSET INVESTMENTS

	2020 £	2019 £
Valuation 1 April 2019	-	77,829
Net additions	-	-
Sale proceeds	-	(85,798)
Net unrealised gain/(loss)	-	-
Net realised gain/(loss)	-	7,969
Valuation 31 March 2020	<u>-</u>	<u>-</u>
Cash Held at 31 March 2020	-	-
Total investments held at 31 March 2020	<u>-</u>	<u>-</u>
Historic cost	-	-

9. DEBTORS

	2020 £	2019 £
Other debtors and accrued income	132,856	122,877
Bad Debt Provision	(8,249)	(7,476)
Prepayments	9,097	16,972
	<u>133,704</u>	<u>132,373</u>

10. CREDITORS - Amounts falling due within one year

	2020 £	2019 £
Other creditors and accruals	109,890	176,279
Other taxes and social security costs	15,253	11,587
Monies held for third parties	14,540	11,060
Deferred income	25,363	57,257
	<u>165,046</u>	<u>256,183</u>

All deferred income is released in the following year.

CRUYDON VOLUNTARY ACTION
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2020

11. RESTRICTED FUNDS

	Balance at 1 April 2019 £	Movement in resources Incoming £	Outgoing £	Transfers	Balance at 31 March 2020 £
ABCD Day Opportunities	-	20,000	19,814	(186)	-
ABCD MECC	-	75,291	69,498	(5,793)	-
Aftercare Support	-	18,750	13,079	(5,671)	-
Appropriate Adults	-	79,947	73,434	(6,513)	-
Best Start	-	120,000	120,000	-	-
Children & Young People	-	12,000	11,410	(590)	-
Capacity Building	-	56,546	52,791	(3,755)	-
Diwali	-	9,000	7,551	(1,449)	-
ESF Building Better Opportunities programme	-	-	971	971	-
Faith Together in Croydon	-	7,600	7,087	(513)	-
Health and Well Being	-	20,000	19,783	(217)	-
London Road Carnival	3,353	49,571	40,397	(12,527)	-
We Stand Together	30,423	73,145	61,010	-	42,558
Young Londoners Fund - Local Networks	-	56,541	31,916	-	24,625
Young Londoners Fund - partners	-	25,880	28,968	-	(3,088)
Young Londoners Fund	12,684	18,522	21,647	-	9,559
Total restricted funds	46,460	642,793	579,356	(36,243)	73,654

Restricted funds at the year end (see final column above - *balance at 31 March 2020*) represent funds received but yet to be spent on specific projects. They are committed to these specific projects so do not represent a surplus that is available for general use by the charity.

ABCD NAVCA & Social Recovery Project; working in partnership with the Connectors Project Lead (Nurture Development). CVA is the lead delivery partner for the Community Connectors Project to support the facilitation of an asset based community development (ABCD) project in Broad Green, Selhurst and Thornton Heath, with possible overspill into Bensham Manor and West Thornton.

ABCD MECC: this CCG funded project delivers a community development service across the south-east GP network area.

Aftercare Support; in partnership with Turning Point, supporting people recovering from substance-abuse by matching them with mentors who support them to settle back into community life

Appropriate Adults; this Volunteer Centre project is providing support for young people being held in custody.

Best Start; this early intervention project is creating asset and network mapping resources to support the delivery of ABCD in New Addington.

Faith Together in Croydon; this inter-faith network is funded by the Council and administered by CVA.

Women's Court Service works with women offenders at the Magistrate's Court to support and assist repeat offending, by raising their confidence and to achieve their potential.

Health and Well Being; CVA runs the Health Champions Programme and provides support for the VCS representatives attending the Health & Well-Being Board

Shared Decision Making: this CCG-funded project delivered a pilot community outreach service for six GPs in Croydon

Children & Young People - A forum of voluntary sector groups working with families, children and young people in Croydon; with a membership of over 300, groups specialise in providing emotional support, supplementary education, working with children in need, families on parenting issues, faith groups and more.

ESF -The Croydon Health & Employment Partnership, an ESF-funded project, offers employment support alongside a variety of healthy-living community based activities.

London Road Carnival:- CVA's annual event showcasing young people in the borough and promoting the gateway to Croydon's town centre - supported this year by Croydon Council and the Arts Fund

We Stand Together: Funded by the Greater London Authority, this project delivers on the London Mayor's social integration policy with its focus on supporting refugee communities in Croydon to break through into mainstream sports

Young Londoners Fund - Local Networks: The Local Network brings together all the GLA funded organisations in Croydon tackling youth violence to share information, experience, best practice (safeguarding; impact measurement) and fundraising plans

Young Londoners Fund: The Croydon One Postcode project tackles knife crime by supporting young people to showcase their gifts and be part of a new conversation in Croydon transforming the relationship between young people and the Police.

CROYDON VOLUNTARY ACTION
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2020

12. DESIGNATED AND OTHER FUNDS

Designated Funds	At 1 April 2019	Incom	Expenditure	Transfers	At 31 March 2020
	£	£	£	£	£
Staff contingency fund	80,000	-	0	-	80,000
Business continuity fund	30,000	-	0	-	30,000
Combined maintenance fund	80,000	-	0	-	80,000
Supporting charitable activities	-	-	0	23,716	23,716
	<u>190,000</u>	<u>-</u>	<u>-</u>	<u>23,716</u>	<u>213,716</u>
Fixed Asset fund	<u>1,419,298</u>	<u>-</u>	<u>(37,586)</u>	<u>-</u>	<u>1,381,712</u>
Unrestricted funds	<u>450,253</u>	<u>710,450</u>	<u>(719,600)</u>	<u>12,527</u>	<u>453,630</u>

The fixed asset fund represents the properties, equipment and furniture and fittings held by CVA. The depreciation charge for the year has been charged to this fund.

The level of designated funds has been reviewed at the year end with no changes to the funds considered necessary.

The Staff Contingency Fund is to cover potential restructuring costs.

The Business Continuity Fund is to cover replacement IT equipment and other unexpected running costs of the charity.

The Combines Maintenance fund is to cover any significant unexpected property maintenance costs.

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed Assets £	Invest- ments £	Net current assets £	Total £
Restricted funds	-	-	73,654	73,654
Designated funds	-	-	213,716	213,716
Unrestricted free reserves funds	-	-	453,630	453,630
Fixed Asset fund	<u>1,381,712</u>	<u>-</u>	<u>-</u>	<u>1,381,712</u>
Total funds	<u>1,381,712</u>	<u>-</u>	<u>741,000</u>	<u>2,122,712</u>

The fixed asset fund is represented by properties held by CVA and other tangible fixed assets which are not readily accessible and available as funds to the charity.

**14. RECONCILIATION OF MOVEMENT
IN TOTAL FUNDS**

	2020 £	2019 £
Funds at 1 April 2019	2,106,011	2,148,245
Net outgoing resources for the year	<u>16,701</u>	<u>(42,234)</u>
Funds at 31 March 2020	<u>2,122,712</u>	<u>2,106,011</u>

CROYDON VOLUNTARY ACTION
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2020

15. PENSION COMMITMENTS

Croydon Voluntary Action participates in the London Borough of Croydon Pension Fund which is a part of the Local Government Pension Scheme, a multi-employer scheme. The LGPS is a defined benefits scheme.

Within this group assets and liabilities of the Fund can be separately identified as part of the triennial actuarial valuations between the various employers participating. The Trustees have however chosen not to request the necessary FRS 102 information and have thus not shown its share of any deficit (or surplus) attributable to the charity on its Balance Sheet. The Audit Report has been modified accordingly.

Information about CVA's funding position of the London Borough of Croydon Pension Fund was provided by the actuary to the Fund on the actuarial valuation of the Scheme as at 31 March 2019. That valuation showed that CVA's Pool Valuation Results was 107%, (87% in 2016). The contributions payable by Croydon Voluntary Action are based on the position of CVA's Funds in the scheme, which is reassessed at each triennial valuation.

The next actuarial valuation of the London Borough of Croydon Pension Fund will be carried out with an effective date of 31 March 2022, with revised contribution rates being effective from 1 April 2023.

During the year to 31 March 2020 contributions amounting to £118,383 (2019 - £109,393) were payable to the Fund. £37,000 (2019 £38,000) of these represented additional contributions to address its share of the deficit. At the year end £13,257 was outstanding (2019 £11,912).

16. SHARE CAPITAL

The company is limited by guarantee and has no share capital. The liability of its members is limited to £1.