

**REGISTERED COMPANY NUMBER: 04164949**  
**REGISTERED CHARITY NUMBER: 1085867**

**REPORT OF THE TRUSTEES AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020  
FOR  
MERTON VOLUNTARY SERVICE COUNCIL**

**MERTON VOLUNTARY SERVICE COUNCIL**

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FOR THE YEAR ENDED 31 MARCH 2020**

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## **MERTON VOLUNTARY SERVICE COUNCIL**

### **LEGAL AND ADMINISTRATIVE INFORMATION FOR THE YEAR ENDED 31 MARCH 2020**

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#### **REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**

04164949 (England and Wales)

**Registered Charity number**

1085867

**Registered office**

The Vestry Hall  
London Road  
Mitcham  
Surrey  
CR4 3UD

**Auditors**

Myrus Smith Chartered Accountants  
Norman House  
8 Burnell Road  
Sutton  
Surrey  
SM1 4BW

**Bankers**

Unity Trust Bank.  
Nine Brindleyplace  
4 Oozells Square  
Birmingham  
B1 2HB

**Investments**

CCLA Investment Management Ltd  
Senator House  
85 Queen Victoria Street  
London  
EC4V 4ET

**Solicitors**

Russell-Cooke.  
3 Putney High Street  
Putney  
London  
SW15 6AB

## **MERTON VOLUNTARY SERVICE COUNCIL**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2020**

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The Trustees (who are also directors of the charitable company for the purposes of the Companies Act 2006) are pleased to present their annual Trustees Report, together with the audited financial statements for the year ending 31 March 2020, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and 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 2019).

#### **PRINCIPAL ACTIVITY**

The charitable company's principal activity for the year, which is ultimately the objects set out in the Articles of Association was to provide practical support to voluntary and community organisations, liaison and advocacy, community engagement, development, standard setting, strategic partnership working and fund management.

#### **Public Benefit**

The Trustees have given due consideration to the Charity Commission's published guidance on the Public Benefit requirement under the Charities Act 2011. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. We believe that we have complied with this; and seek to demonstrate this within this report. Our objects and funding limit the services we provide to those detailed in our charitable objectives.

A detailed review of the Charity's activities is set out further in this report.

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Governing document**

Merton Voluntary Service Council (MVSC) is a registered charity and company limited by guarantee. MVSC has ensured effective governance throughout the year, following all provisions and procedures in its Memorandum and Articles of Association.

Membership of MVSC is open to local voluntary, community and faith organisations, which meet the criteria for membership. There are currently 144 formal organisation members each of whom agree to contribute £1 in the unlikely event of the Charity winding up and being insolvent.

#### **Appointment of new Trustees**

The Trustee Board is made up of not less than five and no more than fifteen persons elected by MVSC members. The Trustee Board is also able to co-opt additional members and appoint up to two Trustees to fill skills gaps. Members of the Trustee Board are nominated by MVSC member organisations and are elected at Annual General Meetings. Trustees co-opted by the board during the year must be confirmed in post at the AGM. The Trustee Board elects a Chair, Vice-Chair, Honorary Treasurer, Company Secretary and any other officers it wishes.

#### **Trustee recruitment and induction**

New Trustees are provided with an induction programme led by the Chief Executive Officer and are also provided with a copy of the Memorandum and Articles of Association and the latest Annual Report and Financial Statements. The induction programme includes a briefing on their obligations under company and charity law, the decision-making processes within MVSC, the Business and Strategic Plans, and information relating to operational and financial management. They also have the opportunity to meet all employees. Trustees are also encouraged to participate in appropriate external training events where these will facilitate the undertaking of their role. A Register of Interests for Trustees and paid staff is maintained and updated annually.

## MERTON VOLUNTARY SERVICE COUNCIL

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2020

#### STRUCTURE, GOVERNANCE AND MANAGEMENT - continued

The Board of Trustees governs the Charity. The Board meets every 8-12 weeks with task and finish groups being established to look at specific issues and report back. All task and finish groups have clear terms of reference, which are agreed by the Board before they are established.

All Trustees give their time voluntarily and receive no benefits from the Charity apart from reimbursed expenses set out in Note 10 in the accounts. The Trustees serving during the year and to the date of this report were as follows: -

Susanette Mansour	Chair
Brian Dillon	Honorary Treasurer – appointed trustee 22 October 2019 and treasurer 28 February 2020
Bev Tanner	Appointed trustee 31 May 2019, resigned 16 January 2020
Nuzhat Ali	
Abisola Fafolu	Appointed – 22 November 2019
Barbara Price	Re-appointed - 28 February 2020
Ben Wilkins	
Annie Wilson	Appointed – 22 November 2019
Robert Lightfoot	Appointed – 27 September 2019
Wendy Pridmore	Appointed – 27 September 2019

A scheme of delegated powers is maintained, detailing how powers and decision-making are delegated to the Chief Executive Officer and Senior Management Team.

#### Management of MVSC

The Trustees provide policy and strategic leadership and guidance to the organisation. Day to day management and decision making of the Charity is delegated to the Chief Executive Officer who works closely with senior and other staff to fulfill the Charity's objectives and ensure the smooth and effective running of the organisation. The Chief Executive Officer reports to the Chair and the Board.

#### Senior Management Team

Khadiru Mahdi	Chief Executive Officer (Retired 7 June 2019)
Barbara Price	Interim Chief Executive Officer (Appointed 10 June to 31 December 2019)
Simon Shimmens	Chief Executive Officer (Appointed 1 January 2020)
Adwoa Fadahunsi	Head of Development and Volunteering
Dave Curtis	Head of Healthwatch Merton
Ben Halschka	Head of Social Prescribing (Appointed 1st December 2019)

#### Pay policy for the Senior Management Team

All Trustees give of their time freely and no Trustee received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in Notes 11 and 13 to the accounts.

The pay of the senior staff is reviewed annually and normally increased in line with a rate set by the Board of Trustees, taking into account available funding. In view of the nature of the Charity, the Trustees benchmark against pay levels in other voluntary organisations, other voluntary sector infrastructure organisations across London as well as with the public sector.

#### Related parties and co-operation with other organisations

None of our Trustees receive remuneration or other benefit from their work with the Charity. Any connection between a Trustee or a senior manager of the Charity with a supplier, funder or charitable organisation in the borough is disclosed to the full board of Trustees in the same way as any other contractual relationship with a related party. Further details of any related party transactions can be found in Note 13 of the accounts.

#### Use of volunteers

One of the aims of the Charity is to match expressions of interest in volunteering to volunteer opportunities offered, with a focus on providing additional capacity to local voluntary and community organisations. MVSC continues to provide Home Visit Libraries volunteers under contract to the London Borough of Merton and has utilised its volunteer database to help initially resource the Merton Covid-19 Community Response Hub. MVSC is grateful for the support of the many volunteers who support local organisations and MVSC itself.

## **MERTON VOLUNTARY SERVICE COUNCIL**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2020**

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#### **STRUCTURE, GOVERNANCE AND MANAGEMENT – continued**

##### **Risk and internal control**

The Board of Trustees oversee a risk management policy, which is underpinned by:

- A Risk Register which is regularly reviewed by the Senior Management Team and Finance & General Purposes Committee
- An annual review by the Board of Trustees of the major risks which the Charity may have to face in the following year
- The establishment of systems and procedures for mitigating those risks and
- The implementation of appropriate actions to minimise the potential impact on the Charity should any of those major risks materialise.

The Risk Register includes both strategic and operational risks. Examples of strategic risks are stability and security of funding streams, adequacy of cash flow, impact of Covid-19 across all aspects of MVSC activities, financial challenges arising from future government spending reviews and in particular the impact of Brexit on government grant funding.

The Board of Trustees is confident therefore that its established risk management regime enables it to identify and quantify the major risks to which the Charity is exposed and that MVSC has established systems to mitigate those risks. It is of the view that MVSC has the necessary stable financial and operational structure needed to monitor and manage effectively the ongoing changes and uncertainties in its local operating environment for the medium-term.

##### **AIMS**

Over the past year, MVSC has continued to inspire, support and develop the voluntary and community sector in Merton to enrich the lives of residents of the Borough.

Our key aims for the year were to:

- Work even more collaboratively with our strategic partners to support volunteering activity
- Be successful in achieving the CCG Social Prescribing contract and position MVSC to be successful in being awarded the year 2 contract in all 6 Primary Care Network (PCN) areas of the borough
- Be an active member of the Merton Health and Care Together Board to reduce inequality between the East and the West of the borough
- Take a lead in progressing the East Merton Model of Health and Wellbeing, with a focus on a Wellbeing Hub at the Wilson Hospital, in partnership with the Clinical Commissioning Group and Public Health
- Position Healthwatch Merton as an exemplar consumer health champion
- Continue to provide support to existing organisations and help the creation of new voluntary sector organisations, to strengthen and capacity build the voluntary, community and faith sector in Merton for the benefit of the residents they serve.

## **MERTON VOLUNTARY SERVICE COUNCIL**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2020**

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#### **STRATEGIC DIRECTION**

Some changes in our strategic direction and some key highlights for the year are as follows:

##### **Trustee Board**

The diversity and collective strength of the Trustee Board was improved via new appointments through the year. These have added valuable private and public sector experience, plus experience of voluntary sector organisations within Merton. This additional depth and breadth of a more diverse Board has been key in helping the new CEO to progress strategic improvements and developments.

##### **Chief Executive Officer**

In July 2019 Khadiru Mahdi retired from the post of CEO. To ensure the continuity of work and the stability of the Charity the Trustees obtained permission from the Charity Commission for our Co-Chair Barbara Price to step down from her Trustee position to take on the role of Interim CEO. Following a recruitment process started in September 2019 Simon Shimmens was appointed as the new CEO and started in post on 1 January 2020.

##### **MVSC 2025 fund**

On 16 December 2019 MVSC was granted part of the legacy fund arising from the dissolution of the Sutton & Merton CCG's Charitable Funds on 31 March 2020. The grant totals £759,160 and will provide a substantial small grant-giving capability for MVSC over an expected 5-year period, to be managed through the Merton Giving Scheme. The grants will be directed to small community providers of services to users of health services in the Borough of Merton.

##### **MVSC Enterprise**

This development remains on hold, as we do not have the organisational capacity or financial investment to take it forward at this time. During 2020/2021 a review will take place to ascertain whether the Enterprise is the right model to take forward our plans for income generation.

##### **MVSC Website and database**

The MVSC website and supporting database (CRM system) although functional, are cumbersome, requiring additional expenditure to allow required functionality and agility to meet changing needs of users. It has been agreed with the board of Trustees to commission a new website and CRM system, based on the most up to date technology, for implementation during 2020. This will further enhance the reach and impact of MVSC and promote our successful social media channels.

##### **Wilson Wellbeing initiative**

MVSC is actively supporting the plans to create a wellbeing hub on the Wilson Hospital site in Mitcham. It is a key influence as a member of the Wilson Steering Group and provides a bank account to handle funds made available to progress the initiative. MVSC held a Social Prescribing celebration day at the Wellbeing Hub in March 2020 to promote its community use as a new facility in the East of the Borough.

##### **Social Prescribing**

MVSC's team of 9 Social Prescribers has been successful supporting the 22 GP surgeries in the borough. We are keen to help develop the Social Prescribing model going forward. Our strategic intent is to help capacity build voluntary and community sector organisations to create a wider base for managing referrals from the Social Prescribers.

## **MERTON VOLUNTARY SERVICE COUNCIL**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2020**

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#### **ACHIEVEMENT AND PERFORMANCE**

Each year the Charity develops an annual review, which details the key highlights and achievements to date. These accounts should be read in conjunction with that review.

##### **Providing support to voluntary, community, faith and social enterprise organisations:**

MVSC continues to provide significant support to other organisations, including:

- Using the reach of our website and regular e-bulletin, Merton Connected which has a distribution of over 4040, to ensure voluntary and community sector organisations are kept up to date with local news, funding and volunteering opportunities.
- Provision of 249 in depth one to one support sessions to local voluntary, community and faith sector organisations on a variety of topics including, governance, safeguarding, income generation and quality standards.
- 127 organisations engaged in Forums and networks facilitated by MVSC during the reporting period.

##### **Build social capital by supporting, developing and recognising volunteering and community action:**

Enhancing the diversity of social capital is key to MVSC activities and support provided to local organisations. Examples include:

- Supporting organisations to register and achieve either charitable or CIC status.
- Training sessions delivered on a variety of topics such as: Volunteer Recruitment, GDPR and Data Protection, Roles and Responsibilities of Trustees and Cyber Security.
- Matching volunteers to organisations requiring volunteer support and delivering volunteering outreach sessions.
- Home Visits Library Service – one part time paid member of staff and 25 volunteers, delivering thousands of books and audio books, reducing isolation and loneliness for over 300 housebound residents, including individuals living in residential homes.

##### **Identify changing and emerging need and respond with development:**

Evolving the services we provide to respond to the needs of organisations and the wider operating environment. Examples include:

- Continuing to provide a comprehensive support service to new and established organisations, covering a wide range of operational management and governance issues, enabling existing and newly formed organisations to thrive and succeed.
- Contributing and influencing policy at borough level and across the wider health agenda locally, representing the views and issues of the sector, by senior team member presence on key boards, such as the Merton Health and Care Together Board.
- Continuing to strengthen links between the business sector and their community through the development of our Merton Giving programme, including using it as a vital source of funding to voluntary and community sector organisations impacted by the Covid-19 pandemic.

##### **Promote, support and develop liaison, advocacy, joint working and strategic partnership between sectors:**

Being a strong advocate of partnership working and the power of collaboration. Examples include:

- Coordinating INVOLVE providing opportunities for networking and sharing information and best practice for the Voluntary Sector. Helping to lead innovation in the sector and opportunities for co-commissioning of future services.
- Working in partnership with 6 key voluntary sector organisations to successfully build and run the Community Hub in conjunction with the LBM and CCG teams.
- Supported partnership and collaborative working between voluntary and public sector organisations



## **MERTON VOLUNTARY SERVICE COUNCIL**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2020**

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#### **CONTRACTED SERVICES**

##### **Healthwatch**

MVSC continued to deliver the Healthwatch service in Merton. Highlights included:

- Providing support - 561 people shared their health and social care story with us. Over 123 people accessed Healthwatch advice and information online or contacted us with questions about local support.
- Reaching out - 4,488 people engaged with us through using our website to find the advice and information they need, through social media, E-bulletins, sessions and with us at community events.
- Making a difference to care - We published 2 reports about the improvements people would like to see with their health and social care, and from this, we made recommendations for improvement.

##### **Social Prescribing**

MVSC has been delivering and developing the Social Prescribing model since 2016. 2019/2020 highlights include:

- Additional 6 Social Prescribers and a Head of Social Prescribing appointed in 2019, providing a team of 9 Social Prescribers servicing all 22 GP practices in the borough, based on a one year extendable contract.
- All 6 Primary Care Networks (PCN's) representing the 22 GP practices agreed for MVSC to provide services for a second year, with a contract from October 2020.
- The Social Prescribing team successfully worked remotely during lockdown, including coordinating emergency prescriptions for residents who were self-isolating due to the Covid-19 pandemic.

#### **CURRENT PERFORMANCE PRIORITIES**

The Covid pandemic impacted the end of the financial year, which heavily impacted on short-term priorities, including:

- On 23 March MVSC opened a Covid-19 Community Response Hub in conjunction with LBM, CCG and voluntary sector partners to support needs of residents through lockdown. By the end of September, 2157 individual contacts had been logged.
- In April MVSC, in partnership with Merton Chamber and key donors, created a Merton Giving Coronavirus fund to support local voluntary, community and faith groups. By September £210,640 has been provided in grants to 75 organisations via 17 weekly grant panels.
- In July MVSC in partnership with Age UK Merton and Wimbledon Guild were jointly commissioned to run the Community Response Hub, as mentioned above. MVSC within this partnership takes the lead for how volunteering, social prescribing, local food networks and the wider voluntary sector link to the Hub.

## MERTON VOLUNTARY SERVICE COUNCIL

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2020

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#### FUTURE PLANS

##### MVSC's Mission

*To inspire and develop an excellent voluntary and community sector in Merton*

MVSC's Objects are:

1. To promote any charitable purposes for the benefit of the public, principally but not exclusively in the local government area of the London Borough of Merton, in particular the advancement of education, the furtherance of health, and the relief of poverty, distress and sickness
2. To build the capacity of third sector organisations and provide them with the necessary support, information and services to enable them to pursue or contribute to any charitable purpose.
3. To promote, organise and facilitate co-operation and partnership working between third sector, statutory and other relevant bodies in the achievement of the above purposes within the area of benefit.

The voluntary sector has remained in a challenging economic environment over the last financial year. In early 2020 the Coronavirus Pandemic added additional pressures on MVSC as it sought to assist a range of local organisations to work collaboratively to serve the additional needs of those local residents most affected by the pandemic lockdown.

Activity included setting up at very short notice a Coronavirus Community Hub in conjunction with partners from the public sector and voluntary/community sectors. Additionally MVSC with its partner, the Chamber of Commerce, created a Coronavirus fund to assist local voluntary sector organisations to both adapt their services and survive through the lockdown period. These additional activities have been very successful since March 2020 and are a demonstration of MVSC's ability to continue to deliver services in difficult times and support the local voluntary sector in line with its objectives.

Further to the Strategic Planning Day held in 2019 to review and refresh our Strategic Plan, another trustee strategy day took place on 25 September 2020 to update strategic planning for the 2020/2021 financial year and beyond.

MVSC's underpinning aims are to:

1. Provide support to voluntary, community, faith and social enterprise organisations
2. Build social capital by supporting and developing volunteering and community action
3. Identify changing and emerging need and respond with development
4. Promote, support and develop liaison, advocacy, joint working and strategic partnership between sectors
5. Promote quality through standard setting
6. Ensure sustainability.

Subject to any change to strategic outcomes that may need to reflect the continuing impact of the pandemic, the key outcomes already established remain for 2020/2021:

1. To utilise our connections, networks, partnerships and information gathering systems to identify local needs, understand what's effective, create cohesive proactive plans, implement activities and measure change
2. To announce clearly the changes in our service and new ways of working to ensure clarity to the people of Merton and our stakeholders
3. To update and improve our communication channels and websites, social media and public presence
4. To have clear internal leadership and structure for the team with transparent communication.

The overarching themes of Leadership, Partnership and Innovation, combined with recent experience of working even more closely in partnership with other organisations, has provided a blueprint for the coming year, albeit that the ability to plan accurately will be influenced by the unfolding pandemic. There are a number of changes in the delivery and funding of statutory services that will have an impact on the voluntary sector over the next few years and create a number of opportunities for development. The voluntary sector is increasingly being seen as a key partner in the delivery of health and social care in the London Borough of Merton. As a CVS MVSC is ideally placed to be the conduit to ensure that the sector is involved in appropriate discussions to take these developments forward.

## **MERTON VOLUNTARY SERVICE COUNCIL**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2020**

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#### **FINANCIAL REVIEW**

##### **Financial Statements**

The financial statements, including the notes, have been prepared in compliance with the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102). The analysis of income and expenditure reflects the classification of activities, together with costs relating to administration.

##### **Statement of Financial Activities**

The Statement of Financial Activities is shown on page 13 with a more detailed analysis of income and expenditure within the notes to the financial statements. Total incoming resources for the year increased to £1,578,878 (2019: £816,591). This overall increase in income was driven, in the main, by an increase in income of a miscellaneous nature and may not be repeated going forward and relates to the Sutton and Merton CCG - MVSC 2025 fund with further details in Note 24 page 34. After taking this into account, the income profile of the Charity remained stable in the current year. MVSC also manages a range of grants funds on behalf of the public sector, including holding and distributing funds. The total of these grant funds is recognised in restricted income, however it is worthwhile noting that these funds are not used in direct charitable expenditure rather given to organisations as grants. During this year the total of this income was £799,160 (2019: £31,000).

The total expenditure for the year was £779,930 (2019: £644,208). The increase of £137,722 is attributable primarily to Direct Project Costs (£37,600), Associates Costs (£33,900), Grants Given (£27,100) and IT Costs (£15,300).

##### **Balance Sheet**

The net effect of the above has led to an operating surplus of £798,948 before unrealised actuarial gains of £827 (2019: operating surplus of £172,383 before unrealised actuarial gains of £7,079). Overall reserves are £931,905 (2019: £132,130) with unrestricted reserves being £51,869 (2019: £12,345) after providing for the defined benefit pension liability of £70,242 as at 31 March 2020. This represents a significant improvement on the prior year.

##### **Restricted Reserves - £931,905**

These funds represent grants and contract sums provided to MVSC to fund specific expenditure in agreed areas of work. They are the outstanding amounts waiting to be spent. They cannot be used for any other purpose without the agreement of the grantor or contracting commissioner.

The largest restricted balance item at 31 March 2020 is the MVSC 2025 Fund (£759,160) – received towards the financial year-end from the Sutton & Merton CCG's Charitable Fund. Expenditure from this Fund will be small grants and assistance to local voluntary organisations providing services within the Borough of Merton to users of health services. This programme, managed through Merton Giving, is planned to start in the autumn of 2020. Full details of all restricted funds can be seen in Notes 23 and 24.

##### **Unrestricted reserves - £51,869**

Unrestricted reserves are available to spend on activities that further any of the purposes of the Charity. Such costs can include programme, fund-raising, management and administration as well as the cost of meeting any future shortfalls in restricted fund activities. These funds are the accumulated balances arising from cost savings and income generation relating to the core functions of MVSC. They also include sums budgeted by the Board of Trustees to be set aside to meet known future cost threats.

The Board of Trustees considers that the total of accumulated unrestricted reserves needs to be sufficient to ensure:

- The full funding of adverse changes in income and unavoidable increases in costs which otherwise would result in an overall in-year deficit
- That the core of the organisation can be sustained for up to 6 months should all funding from projects be lost and that it has sufficient resources to cease operations in an orderly and efficient manner should this be required.
- The funding of the Pension Deficit repayment that would need to be met in the event of the organisation closing.

## **MERTON VOLUNTARY SERVICE COUNCIL**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2020**

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#### **FINANCIAL REVIEW - continued**

##### **Reserves Policy**

The Board of Trustees reviews the reserves policy annually and seeks to maintain a minimum balance of unrestricted reserves equivalent to six months of budgeted core operating costs (including any uncovered pension deficit under FRS102). This equals £102,800 for this financial year.

Currently unrestricted reserves at the year-end stand at £122,111 less £70,242 set aside for the future pension liability repayments, giving a net unrestricted free reserves figure of £51,869, a shortfall of £50,931 from the target figure for this financial year.

This shortfall is planned to be generated in the future from cost savings and new income generation initiatives. This will ensure that MVSC continues to exercise its considerable influence in the local community and to provide support for future growth in line with strategic and sustainability plans. Although the balance of unrestricted funds remains below the target level it is a significant improvement on the 2018/2019 end-year unrestricted reserve figure of £12,345.

Unrestricted funds also need to be set aside for future major investment (e.g. systems and equipment and other infrastructure assets). There are no plans for making such investments at the date of this Trustee's Report. No part of the balance of unrestricted funds has been designated for a particular purpose by the Board of Trustees.

MVSC adopts the following principles in relation to ongoing project funding:

- Planning for staffing changes will be undertaken such that when project funding ends ongoing staffing expenditure will not need to be met from unrestricted reserves.
- In exceptional circumstances where Trustees expressly wish that activity to continue, and have a reasonable expectation that new funds will be received, unrestricted reserves may be used to sustain posts for a limited period.
- The level of core infrastructure of the organisation (telephones, IT, premises, administrative support etc.) will be reviewed when project funding is likely to end such that, where possible, the infrastructure in place does not exceed the needs of activities.
- Projected redundancy costs for all project staff are included in project funding budgets to avoid the need to fund redundancy costs from general reserves.

MVSC does not consider its fixed assets, to be freely convertible and does not include the value of fixed assets in its calculation of working capital.

The Board of Trustees will continue to monitor the effectiveness of its Reserves Policy so that it remains relevant to its current and future position. The next review of the reserves policy will be undertaken at the February 2021 Board meeting, however given the current Covid-19 pandemic, the Trustees are constantly reviewing the charity's reserve and cash flow levels.

Details of the various reserves and their movements are set out in more detail in Note 22, 23 and 24 on pages 28 to 35.

##### **Going Concern**

The Board of Trustees is of the view that forecast expenditure to 31 March 2021 will be fully funded from currently approved grants and contracts and from reasonably expected future funding from the same and similar sources. The Board also notes the added cover available from MVSC's reserves. This view recognises that the ongoing impact of Covid-19 and Brexit on the general economy will have a dampening effect on the short to medium term economic outlook, and hence public sector grant availability, but that such an effect is not currently quantifiable.

##### **Investment Policy and Objectives**

The Board of Trustees seeks to retain a prudent sum of cash in the Bank Current Account sufficient to cover two months gross income on unrestricted activities and one month's income on restricted activities. This requires an average balance £186,000. The excess over this sum is placed in a short-term investment account, which offers more security than a current account and a marginally better rate of interest. Current account cash will be managed to ensure availability to meet the short-term net budgeted expenditure needs and grant giving requirements.

Currently these excess funds are placed with Charity Offices Investment Fund under their Charities Deposit Fund scheme. COIF is registered with the Financial Conduct Authority under the Financial Services and Markets Act 2000 (FSMA) and is an ethical investor. Aside from retaining a prudent amount in reserves each year, the Trustees conduct a review of the investment policy for MVSC on an annual basis.

When the Board of Trustees need to make long-term investment decisions it will seek professional advice on the most appropriate and financially beneficial course of action.

## **MERTON VOLUNTARY SERVICE COUNCIL**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2020**

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#### **Trustees Responsibilities**

The Trustees (who are also the directors of Merton Voluntary Service Council for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) Including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland

Company law requires the Charity's 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 those financial statements, the Trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP 2019 (FRS102);
- make judgments 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, and;
- 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, which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They 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.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

#### **Statement as to Disclosure of Information to Auditors**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

#### **Auditors**

Myrus Smith was re-appointed as the charitable company's auditors during the year and have expressed their willingness to continue in that capacity.

#### **Small Companies**

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

**Approved on behalf of the Board of Trustees on 25 November 2020**

**Susanette Mansour - Chair and Trustee**

## **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF MERTON VOLUNTARY SERVICE COUNCIL**

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### **Opinion**

We have audited the financial statements of Merton Voluntary Service Council (the 'charitable company') for the year ended 31 March 2020, which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows 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 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 of opinion**

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.

### **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.

### **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.

## **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF MERTON VOLUNTARY SERVICE COUNCIL**

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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.

### **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' annual report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' annual report has 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 directors' annual 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, 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 TRUSTEES OF MERTON VOLUNTARY SERVICE COUNCIL**

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### **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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Use of our report**

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

Kevin Fisher BA FCA CTA (Senior Statutory Auditor)  
For and on behalf of Myrus Smith  
Chartered Accountants and Statutory Auditors  
Norman House  
8 Burnell Road  
Sutton  
Surrey  
SM1 4BW

**25 November 2020**



**MERTON VOLUNTARY SERVICE COUNCIL**

**STATEMENT OF FINANCIAL ACTIVITIES  
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 MARCH 2020**

	Notes	Unrestricted Funds £	Restricted Funds £	2020 Total Funds £	2019 Total Funds £
<b>INCOME</b>					
<b>Donations</b>	<b>2</b>	525	-	525	3,845
<b>Income from charitable activities</b>	<b>5</b>				
Grants and contracts		406,360	1,136,658	1,543,018	726,564
<b>Other trading activities</b>					
Other income	<b>4</b>	34,464	-	34,464	85,604
<b>Investments</b>	<b>3</b>	<u>871</u>	<u>-</u>	<u>871</u>	<u>578</u>
<b>Total Income</b>		<b>442,220</b>	<b>1,136,658</b>	<b>1,578,878</b>	<b>816,591</b>
<b>EXPENDITURE</b>					
<b>Charitable activities:</b>	<b>6</b>				
Expenditure on Activities		<u>405,739</u>	<u>374,191</u>	<u>779,930</u>	<u>644,208</u>
<b>Total Expenditure</b>		<b><u>405,759</u></b>	<b><u>374,191</u></b>	<b><u>779,930</u></b>	<b><u>644,208</u></b>
<b>Operating Surplus</b>		36,481	762,467	798,948	172,383
Actuarial gains on defined benefit scheme	<b>14</b>	<u>827</u>	<u>-</u>	<u>827</u>	<u>7,079</u>
<b>NET INCOME</b>		37,308	762,467	799,775	179,462
<b>Transfers between funds</b>		<u>2,216</u>	<u>(2,216)</u>	<u>-</u>	<u>-</u>
<b>NET MOVEMENT IN FUNDS</b>	<b>23</b>	<b><u>39,524</u></b>	<b><u>760,251</u></b>	<b><u>799,775</u></b>	<b><u>179,462</u></b>
<b>RECONCILIATION OF FUNDS</b>					
<b>TOTAL FUNDS BROUGHT FORWARD</b>		<b><u>12,345</u></b>	<b><u>119,785</u></b>	<b><u>132,130</u></b>	<b><u>(47,332)</u></b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b><u>51,869</u></b>	<b><u>880,036</u></b>	<b><u>931,905</u></b>	<b><u>132,130</u></b>

All income and expenditure is derived from continuing activities.

The Statement of Financial Activities includes all gains and losses recognised in the year

The notes on pages 18 to 35 form part of these financial statements

**MERTON VOLUNTARY SERVICE COUNCIL**

**BALANCE SHEET  
AT 31 MARCH 2020**

	Notes	2020 £	2019 £
<b>FIXED ASSETS</b>			
Tangible assets	16	<u>2,543</u>	<u>4,320</u>
		2,543	4,320
<b>CURRENT ASSETS</b>			
Debtors	17	112,230	70,802
Cash at bank		<u>1,061,867</u>	<u>254,424</u>
		1,174,097	325,226
<b>LIABILITIES</b>			
Creditors: Amounts falling due within one year	18	(189,058)	(126,347)
		<u>985,039</u>	<u>198,879</u>
<b>NET CURRENT ASSETS</b>			
		987,582	203,199
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
<b>PENSION LIABILITY</b>	19	(55,677)	(71,069)
		<u>931,905</u>	<u>132,130</u>
<b>NET ASSETS</b>			
<b>TOTAL FUNDS OF THE CHARITY</b>	22/23		
Unrestricted funds		51,869	12,345
Restricted funds		<u>880,036</u>	<u>119,785</u>
<b>TOTAL FUNDS</b>		<u>931,905</u>	<u>132,130</u>

These financial statements have been prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies.

Approved by the Board of Trustees on **25 November 2020** and signed on its behalf by:

.....  
**Susanette Mansour - Chair and Trustee**

.....  
**Brian Dillon – Honorary Treasurer and Trustee**

The notes on pages 18 to 35 form part of these financial statements

**MERTON VOLUNTARY SERVICE COUNCIL**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2020**

	<b>2020 £</b>	<b>2019 £</b>
<b>Net cash provided by operating activities</b>	<u>806,572</u>	<u>31,230</u>
	806,572	31,230
<b>Cash flows from investing activities</b>		
Interest from Investments	871	578
Purchase of fixed assets	<u>-</u>	<u>(3,815)</u>
<b>Net cash provided by investing activities</b>	<u>871</u>	<u>(3,237)</u>
	871	(3,237)
Change in cash and cash equivalents	<u>807,443</u>	<u>27,993</u>
	807,443	27,993
<b>Cash and cash equivalents at the start of the year</b>	<u>254,424</u>	<u>226,431</u>
<b>Cash and cash equivalents at the end of the year</b>	<u><b>1,061,867</b></u>	<u><b>254,424</b></u>
	1,061,867	254,424
<b>Reconciliation of net movement in funds to net cash flow from operating activities</b>		
	<b>2020 £</b>	<b>2019 £</b>
<b>Net income/(expenditure) for the reporting period (as per the statement of financial activities)</b>	799,775	179,462
Adjustments for:		
Add back depreciation charge	1,777	869
Interest from investments	(871)	(578)
(Increase) in debtors	(41,428)	(52,396)
Increase/(decrease) in creditors	62,711	(74,907)
(Decrease) in pension charge	<u>(15,392)</u>	<u>(21,220)</u>
<b>Net cash used in operating activities</b>	<u><b>806,572</b></u>	<u><b>31,230</b></u>
	806,572	31,230
<b>Analysis of cash and cash equivalents</b>		
	<b>2020 £</b>	<b>2019 £</b>
Bank and cash in hand	<u>1,061,867</u>	<u>254,424</u>
<b>Total cash and cash equivalents</b>	<u><b>1,061,867</b></u>	<u><b>254,424</b></u>
	1,061,867	254,424

The notes on pages 18 to 35 form part of these financial statements

## MERTON VOLUNTARY SERVICE COUNCIL

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

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#### 1. ACCOUNTING POLICIES

##### **Company status**

Merton Voluntary Service Council is a charitable company limited by guarantee and registered in England and Wales. The registered office and company registration number are detailed on page 1.

##### **Basis of preparation**

Merton Voluntary Service Council meets the definition of a public benefit entity under FRS 102.

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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are presented in sterling, which is the functional currency of the Charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

##### **Preparation of the accounts on a going concern basis**

The financial statements are prepared on a going concern basis under the historical cost convention. The Trustees have made this assessment taking into account the Charity's unrestricted reserves, secured funding going forward and current and planned activities.

##### **Income**

All income is recognised in the Statement of Financial Activities when the Charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income received in advance of a project or other specified service is deferred until the criteria for income recognition are met (see Note 20)

##### **Expenditure and irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of engaging professionals to support with preparation of funding bids.
- Expenditure on charitable activities includes the costs of activities undertaken to further the purposes of the Charity and their associated support costs.

##### **Donated services and facilities**

Donated professional services and donated facilities are recognised as income when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the Charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time contributed is not recognised and refer to the Trustees' annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the Charity which is the amount the Charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Other expenditure represents those items not falling into any other heading.

**1. ACCOUNTING POLICIES – continued**

**Allocation of support costs**

Expenditure includes those costs of a direct nature, which can be allocated to a specific activity. It also includes indirect costs, including governance costs that do not relate to a specific activity but are necessary to support those activities. Support costs are apportioned on the basis of staff time.

Support costs are those functions that assist the work of the Charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support MVSC's charitable activities.

**Pension costs and other post-retirement benefits**

The Charity contributes 5% to a defined contribution pension scheme for all of its employees. Contributions payable to the Charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Please refer to Note 14 for further details on Pension arrangements.

**Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the Bank.

**Fund accounting**

The unrestricted funds are available to spend on activities that further any of the purposes of Charity. Designated funds are unrestricted funds of the Charity, which the Trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations, which the donor has specified, are to be solely used for particular areas of the Charity's work or for specific projects being undertaken by the Charity or funds, which are raised for particular restricted purposes.

**Corporation Taxation**

The Charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

**Tangible fixed assets**

Individual fixed assets costing £2,000 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

<b>Asset Category</b>	<b>Annual Rate</b>
Computer and office equipment	33% on cost

**Debtors**

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

**Cash at bank in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**Creditors and provisions**

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 due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**Financial instruments**

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans, which are subsequently measured at amortised cost using the effective interest method.

**Operating leases**

The Charity classifies the lease of the offices in Vestry Hall as operating leases; rental charges are charged on a straight-line basis over the term of the lease.

**MERTON VOLUNTARY SERVICE COUNCIL**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2020**

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**2. INCOME FROM DONATIONS AND LEGACIES**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Donations	<u>525</u>	<u>3,845</u>
	<u>525</u>	<u>3,845</u>

Income from Donations was £525 (2019: £3,845) of which £525 was unrestricted (2019: £3,845) and £nil was restricted (2019: £nil).

**3. INVESTMENT INCOME**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Interest received	<u>871</u>	<u>578</u>

All of the Charity's investment income of £871 (2019: £578) arises from money held in interest bearing deposit accounts and is unrestricted.

**4. INCOME EARNED FROM OTHER ACTIVITIES**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Fayre & Square takings	4,948	47,153
Service Income	24,124	-
Other income	<u>5,392</u>	<u>38,451</u>
	<u>34,464</u>	<u>85,604</u>

Income earned from other activities was £34,464 (2019: £85,604) of which £34,464 was unrestricted (2019: £81,954) and £nil was restricted (2019: £3,650).

**MERTON VOLUNTARY SERVICE COUNCIL**

**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2020**

**5. INCOMING FROM CHARITABLE ACTIVITIES**

Grants and contract received are as follows:

	<b>2020 £</b>	<b>2019 £</b>
<b>Unrestricted</b>		
GLA - Team London and London Plus Reward and Recognition grant	1,000	-
LBM – Notional Rent	37,949	37,949
LBM – Strategic Partner Fund Contract	175,000	125,484
LBM – Volunteering in Libraries Contract	17,750	-
Merton Clinical Commissioning Group – Social Prescribing Contract	172,661	-
Tesco – Groundwork	2,000	-
	<u>406,360</u>	<u>163,433</u>
<b>Restricted – Project based</b>		
City Bridge Trust – Development work Grant	26,667	55,200
City Bridge Trust – Merton Giving Grant	23,750	-
Garfield Western Foundation Grant	-	15,000
GLA – Young Londoners Fund Local Networks Grant	39,900	-
Hounslow and Richmond Community Health Grant	-	10,000
Merton Clinical Commissioning Group – Community Navigator Grant	20,184	40,368
Merton Clinical Commissioning Group – Social Prescribing Grant	49,997	99,993
LBM – Healthwatch Grant	125,000	125,085
LBM – Social Prescribing Grant	-	39,409
LBM – Quality Assurance Grant	-	32,000
LBM - Volunteering in Libraries Contract	-	17,750
LBM - Volunteering Programme Grant	-	20,000
LBM - Wilson Development Grant	-	16,410
Clarion Futures – Youth Action Grant	5,000	12,500
Sutton & Merton CCG Grant	-	10,000
The 29th May 1961 Charitable Trust Grant	-	4,000
The Dorus Trust Grant	-	5,000
The Mercer Company Grant	-	2,583
Trust for London Grant	27,000	13,500
Wimbledon Foundation Grant	<u>20,000</u>	<u>13,333</u>
	337,498	532,131
<b>Restricted - Grants for third parties</b>		
LBM – Merton Partnership Community Giving Grants	40,000	31,000
Sutton and Merton CCGs' Charitable Funds	<u>759,160</u>	-
	799,160	31,000
<b>Total Restricted</b>	<u>1,136,658</u>	<u>563,131</u>
	-	-
<b>Total Income from Charitable Activities</b>	<u><b>1,543,018</b></u>	<u><b>726,564</b></u>

MVSC manages a range of grant funds on behalf of the public sector, including holding and distributing funds. The total of these grant funds is recognised in restricted income, shown above, however it is worthwhile noting that these funds are not used in direct charitable expenditure rather given to organisations as grants. During this year the total of this income was £40,000 (2019: £31,000). At the end of 2019/20 there was a substantial receipt (£759,160) from the Sutton & Merton CCGs' Charitable Funds, which will be managed and distributed as small grants to local organisations during 2020/21.

**MERTON VOLUNTARY SERVICE COUNCIL**

**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2020**

**6. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES**

	Direct Charitable Expenditure	Support Costs	Total	Total
	2020	2020	2020	2019
	£	£	£	£
General Activities	360,428	45,311	405,739	162,617
City Bridge Trust	22,466	1,250	23,716	55,200
City Bridge Trust	19,061	1,338	20,399	-
Clarion Futures – Youth Action	5,262	1,077	6,339	13,074
Community Navigator	20,184	-	20,184	36,556
Dorus Trust – Fayre & Square	-	-	-	3,000
Garfield Weston Foundation – Fayre & Square	-	-	-	15,000
Greater London Volunteering – Young Londoner	32,287	5,284	37,571	-
Health Champions	-	-	-	10,231
LBM - Healthwatch	110,241	21,122	131,363	128,735
LBM - Healthy School Events	879	-	879	-
Merton CCG – Social Prescribing	52,545	4,467	57,012	94,682
LBM - Quality Assurance	-	-	-	23,256
LBM - Wilson Dev. Manager Secondment	-	-	-	16,410
LBM - Youth Action/Volunteering	-	3,717	3,717	14,371
Merton Libraries	-	-	-	17,750
Sutton & Merton CCG - Fayre & Square	-	-	-	10,000
The 1961 Charitable Trust - Fayre & Square	-	-	-	4,000
The Mercers Company - Fayre & Square	-	-	-	2,583
Trust for London	24,343	1,156	25,499	12,751
Voluntary Sector Small Grant Development	26,884	-	26,884	2,000
Voluntary Sector Grants	-	-	-	1,000
Wandsworth CCG - Health Watch Grass Roots	-	-	-	5,058
Wimbledon Foundation Enable & Connect	507	-	507	601
Wimbledon Foundation	20,122	-	20,122	13,333
Youth Action - Dorus Trust	-	-	-	2,000
	<u>695,209</u>	<u>84,722</u>	<u>779,931</u>	<u>644,208</u>

Of the total expenditure of £779,931 (£644,208 in 2019), £374,192 was in respect of restricted funds (2019: £481,591) and £405,739 was in respect of unrestricted funds (2019: £162,617). Charitable

**7. DIRECT CHARITABLE EXPENDITURE**

	2020	2019
	£	£
Staff and related costs	500,266	457,106
Direct Project costs	76,343	38,741
Grants Given	36,884	9,808
Premises and hall hire costs	50,174	52,485
Office costs	31,467	16,129
Professional fees and other costs	75	4,861
	<u>695,209</u>	<u>579,130</u>



**MERTON VOLUNTARY SERVICE COUNCIL**

**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2020**

**8. SUPPORT COSTS**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Staff and related costs	46,675	46,546
Premises and hall hire costs	7,187	338
Office costs	6,963	6,729
Professional fees and other costs	20,155	8,166
Governance costs	<u>3,742</u>	<u>3,299</u>
	<u>84,722</u>	<u>65,078</u>

**9. GOVERNANCE COSTS**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Audit fees	3,024	-
Independent Examiner	-	2,520
Committee & Strategic Planning costs	<u>718</u>	<u>779</u>
	<u>3,742</u>	<u>3,299</u>

**10. NET INCOMING/(OUTGOING) RESOURCES**

Net resources are stated after charging/(crediting):

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Audit fees	3,024	-
Independent Examiner	-	2,520
Operating lease rentals	41,857	43,541
Depreciation	<u>1,777</u>	<u>869</u>

**11. STAFF COSTS**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Wages and salaries	403,677	387,665
Social security costs	19,439	33,604
Pension costs	<u>20,204</u>	<u>19,132</u>
	<u>443,320</u>	<u>440,401</u>

No employee had employee benefits in excess of £60,000 (2019: one). Pension costs are allocated to activities in proportion to the related staffing costs incurred.

The Charity Trustees were not paid or received any other benefits from employment with the Charity in the year (2019: £nil) neither were they reimbursed expenses during the year (2019: £nil). No Charity trustee received payment for professional or other services supplied to the Charity (2019: £nil).

The key management personnel of the Charity are detailed on page 3 of the Trustees Report.

The total employee remuneration of the key management personnel of the Charity was £55,889 (2019: £69,729). Total employee benefits include gross pay, benefits in kind, employers national insurance contributions and employers pension costs.

## MERTON VOLUNTARY SERVICE COUNCIL

### NOTES TO THE FINANCIAL STATEMENTS – CONTINUED FOR THE YEAR ENDED 31 MARCH 2020

#### 12. STAFF NUMBERS

The average monthly head count was 16 staff (2019: 15 staff) and the average monthly number of full-time equivalent employees during the year was as follows:

	2020 Numbers	2019 Numbers
Senior Management Team	4	3
Other Direct Charitable Staff	<u>10</u>	<u>8</u>
	<u>14</u>	<u>11</u>

#### 13. TRANSACTIONS AND RELATED PARTIES

There were no related party transactions during the year or the previous year.

#### 14. PENSION COSTS

The charitable company has a defined contribution pension scheme, which all employees are entitled to join. Previously, the charitable company operated a defined benefit scheme, which is now closed to new members. This is a multi-employer scheme operated by TPT Retirement Solutions and, whilst it is not possible to estimate the share of the assets and liabilities of the scheme attributable to Merton Voluntary Service Council, TPT Retirement Solutions has estimated that the employers' debt on withdrawal liability at the most recent annual funding update of 30 September 2019 would have been £188,562 (30 September 2018: £179,274).

Every 3 years, the Trustee of TPT Retirement Solutions undertakes a full valuation of the Plan and makes a thorough assessment of the funding position before undertaking any action as deemed appropriate. The next valuation will take place in 2020. The charitable company's directors consider it is unlikely that any liability will crystallise in relation to this in the foreseeable future.

Under FRS102, provision is required for the net present value of any agreed deficit recovery plan contributions relating to the Plan.

During the year ended 31 March 2020, payments have continued to be made in accordance with this plan and the provision for the net present value of deficit contributions was £70,242 (2019: £85,210).

**MERTON VOLUNTARY SERVICE COUNCIL**

**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2020**

**14. PENSION COSTS - continued**

The amounts recognised in the statement of financial activities are as follows:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Net interest from net defined asset/liability	<u>1,078</u>	<u>1,703</u>
	<u><u>1,078</u></u>	<u><u>1,703</u></u>

Changes in the present value of the defined benefit obligation are as follows:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Defined benefit obligation	(85,210)	(106,000)
Contribution by scheme participants	14,141	13,711
Interest Cost	(1,078)	(1,703)
Re-measurement from changes in financial assumptions	1,905	(779)
Re-measurement - amendments to the contribution scheme	-	9,958
Other adjustments	<u>-</u>	<u>(397)</u>
	<u><u>(70,242)</u></u>	<u><u>(85,210)</u></u>

The amounts recognised in other recognised gains and losses are as follows:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Actuarial gain/(losses) from changes in financial assumptions	<u>827</u>	<u>7,079</u>
	<u><u>827</u></u>	<u><u>7,079</u></u>

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Discount rate	<u>2.53%</u>	<u>1.39%</u>

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

**MERTON VOLUNTARY SERVICE COUNCIL****NOTES TO THE FINANCIAL STATEMENTS – CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2020****15. CORPORATION TAX**

As a registered charity MVSC is exempt from Corporation Tax in respect of its investment and charitable income and in respect of capital gains.

**16. TANGIBLE FIXED ASSETS**

	<b>Computer &amp; Office equipment £</b>	<b>Totals £</b>
<b>COST</b>		
At 1 April 2019	52,295	52,295
Additions	-	-
Items scrapped	(15,694)	(15,694)
At 31 March 2020	<u>36,601</u>	<u>36,601</u>
<b>DEPRECIATION</b>		
At 1 April 2019	47,975	47,975
Charge for year	1,777	1,777
Eliminated on disposal	(15,694)	(15,694)
At 31 March 2020	<u>34,058</u>	<u>34,058</u>
<b>NET BOOK VALUE</b>		
At 31 March 2020	<u>2,543</u>	<u>2,543</u>
At 31 March 2019	<u>4,320</u>	<u>4,320</u>

**MERTON VOLUNTARY SERVICE COUNCIL**

**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2020**

**17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Trade debtors	97,104	69,008
Prepayments	<u>15,126</u>	<u>1,794</u>
	<u><b>112,230</b></u>	<u><b>70,802</b></u>

**18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Trade creditors	7,842	8,201
Fund held on behalf of other organisations	38,069	5,500
Other creditors	1,258	603
Grant holding account	35,330	19,867
Accrued expenses	6,541	12,152
Deferred income	82,045	64,567
Pensions	<u>17,973</u>	<u>15,457</u>
	<u><b>189,058</b></u>	<u><b>126,347</b></u>

**19. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Pension liabilities	<u>55,677</u>	<u>71,069</u>
	<u><b>55,677</b></u>	<u><b>71,069</b></u>

**20. DEFERRED INCOME**

	<b>Balance Brought Forward</b>	<b>Applied In Year</b>	<b>Deferred In Year</b>	<b>Balance Carried Forward</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Deferred Income	<u>64,567</u>	<u>(98,417)</u>	<u>115,895</u>	<u>82,045</u>
	<u><b>64,567</b></u>	<u><b>(98,417)</b></u>	<u><b>115,895</b></u>	<u><b>82,045</b></u>

**21. OPERATING LEASE COMMITMENTS**

Total future minimum lease payments for non-cancellable operating leases are as follows:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Expiring:		
Within one year	41,857	41,857
Between one and five years	143,011	167,428
More than five years	<u>-</u>	<u>17,440</u>
	<u><b>184,868</b></u>	<u><b>226,725</b></u>

The above commitments include services charges as well as rent.

**MERTON VOLUNTARY SERVICE COUNCIL**

**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2020**

**22. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

Current year information for the net assets between funds:

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>2020 Total Funds</b>	<b>2019 Total Funds</b>
	£	£	£	£
Fixed assets	-	2,543	2,543	4,320
Current assets	172,254	1,001,843	1,174,097	325,226
Current liabilities	(50,143)	(124,350)	(174,493)	(112,206)
Pension liability < 1 year	(14,565)	-	(14,565)	(14,141)
Pension liability > 1 year	(55,677)	-	(55,677)	(71,069)
	<u>51,869</u>	<u>880,036</u>	<u>931,905</u>	<u>132,130</u>

Comparative year information for the net assets between funds:

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>2019 Total Funds</b>	<b>2018 Total Funds</b>
	£	£	£	£
Fixed assets	505	3,815	4,320	1,374
Current assets	129,582	195,644	325,226	244,837
Current liabilities	(32,532)	(79,674)	(112,206)	(187,543)
Pension liability < 1 year	(14,141)	-	(14,141)	(13,711)
Pension liability > 1 year	(71,069)	-	(71,069)	(92,289)
	<u>12,345</u>	<u>119,785</u>	<u>132,130</u>	<u>(47,332)</u>

**MERTON VOLUNTARY SERVICE COUNCIL**

**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2020**

**23. MOVEMENT IN FUNDS – Current Year**

	At 1/4/19 £	Net movement in funds £	Transfers between funds £	At 31/3/20 £
<b>Unrestricted funds</b>				
General fund	97,555	36,481	(11,925)	122,111
Pension fund	<u>(85,210)</u>	<u>827</u>	<u>14,141</u>	<u>(70,242)</u>
	12,345	37,308	2,216	51,869
<b>Restricted funds</b>				
Capacity Building - Trust for London	749	1,501	-	2,250
City Bridge Trust - Development	-	2,951	-	2,951
City Bridge Trust – Merton Giving	-	3,351	-	3,351
Clarion Futures - Youth Action	(574)	(1,338)	1,912	-
Community Navigator	3,812	-	(3,812)	-
GLA – Young Londoners Network	-	2,329	-	2,329
LBM – Healthwatch	-	(6,363)	8,944	2,581
LBM – Healthwatch – Young Peoples Health	3,944	-	(3,944)	-
LBM – Healthy School Events	879	(879)	-	-
LBM – Merton Partnership Community Giving	29,000	13,116	5,051	47,167
LBM – Quality Assurance	15,744	-	-	15,744
LBM – Young Action Programme	5,629	(3,717)	(1,912)	-
Local Estate Allocation fund	5,051	-	(5,051)	-
Merton CCG – Healthwatch Young People Health	5,000	-	(5,000)	-
Social Prescribing Project	47,828	(7,015)	3,812	44,625
Sutton and Merton CCG - MVSC 2025 fund	-	759,160	-	759,160
Voluntary Sector Grants	1,000	-	(1,000)	-
Wandsworth CCG – Healthwatch Grass Roots	1,216	-	(1,216)	-
Wimbledon Foundation – Enable & Connect	507	(507)	-	-
Wimbledon Foundation - Merton Skill-Up	<u>-</u>	<u>(122)</u>	<u>-</u>	<u>(122)</u>
	<u>119,785</u>	<u>762,467</u>	<u>(2,216)</u>	<u>880,036</u>
<b>TOTAL FUNDS</b>	<u>132,130</u>	<u>799,775</u>	<u>-</u>	<u>931,905</u>

**MERTON VOLUNTARY SERVICE COUNCIL**

**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2020**

**23. MOVEMENT IN FUNDS – Current Year**

Net movement in funds for the current year are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	442,220	(405,739)	-	36,481
Pension fund	-	-	827	827
	<u>442,220</u>	<u>(405,739)</u>	<u>827</u>	<u>37,308</u>
<b>Restricted funds</b>				
Capacity Building - Trust for London	27,000	(25,499)	-	1,501
City Bridge Trust - Development	26,667	(23,716)	-	2,951
City Bridge Trust – Merton Giving	23,750	(20,399)	-	3,351
Clarion Futures - Youth Action	5,000	(6,338)	-	(1,338)
Community Navigator	20,184	(20,184)	-	-
GLA – Young Londoners Network	39,900	(37,571)	-	2,329
LBM – Healthwatch	125,000	(131,363)	-	(6,363)
LBM – Healthwatch – Young Peoples Health	-	-	-	-
LBM – Healthy School Events	-	(879)	-	(879)
LBM – Merton Partnership Community Giving	40,000	(26,884)	-	13,116
LBM – Quality Assurance	-	-	-	-
LBM – Youth Action Programme	-	(3,717)	-	(3,717)
Local Estate Allocation fund	-	-	-	-
Merton CCG – Healthwatch Young People Health	-	-	-	-
Social Prescribing Project	49,997	(57,012)	-	(7,015)
Sutton and Merton CCG - MVSC 2025 fund	759,160	-	-	759,160
Voluntary Sector Grants	-	-	-	-
Wandsworth CCG – Healthwatch Grass Roots	-	-	-	-
Wimbledon Foundation – Enable & Connect	-	(507)	-	(507)
Wimbledon Foundation - Merton Skill-Up	20,000	(20,122)	-	(122)
	<u>1,136,658</u>	<u>(374,191)</u>	<u>-</u>	<u>762,467</u>
<b>TOTAL FUNDS</b>	<u><b>1,578,878</b></u>	<u><b>(779,930)</b></u>	<u><b>827</b></u>	<u><b>799,775</b></u>



**MERTON VOLUNTARY SERVICE COUNCIL**

**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2020**

**23. MOVEMENT IN FUNDS – Previous Year**

Comparative year information:

	At 1/4/18 £	Net movement in funds £	Transfers between funds £	At 31/3/19 £
<b>Unrestricted funds</b>				
General fund	(10,578)	87,193	20,940	97,555
Designated fund	34,651	(13,711)	(20,940)	-
Pension fund	<u>(106,000)</u>	<u>20,790</u>	<u>-</u>	<u>(85,210)</u>
	(81,927)	94,272	-	12,345
<b>Restricted funds</b>				
Capacity Building - Trust for London	-	749	-	749
City Bridge Trust	-	-	-	-
Clarion Futures - Youth Action	-	(574)	-	(574)
Community Navigator	-	3,812	-	3,812
Doris Trust – Youth Programme	-	-	-	-
Garfield Weston – Fayre & Square	-	-	-	-
Health Champions	231	(231)	-	-
LBM – Healthwatch	-	-	-	-
LBM – Healthwatch – Young Peoples Health	3,944	-	-	3,944
LBM – Healthy School Events	879	-	-	879
LBM – Merton Libraries	-	-	-	-
LBM – Quality Assurance	7,000	8,744	-	15,744
LBM – Wilson Dev. Manager Secondment	-	-	-	-
LBM – Young Action Programme	-	5,629	-	5,629
Local Estate Allocation fund	5,051	-	-	5,051
Merton CCG – Healthwatch Young People Health	5,000	-	-	5,000
Social Prescribing Project	3,108	44,720	-	47,828
Sutton & Merton CCG – Fayre & Square	-	-	-	-
The 1961 Charitable Trust – Fayre & Square	-	-	-	-
The Mercers Company – Fayre & Square	-	-	-	-
Voluntary Sector Small Grants Fund	-	29,000	-	29,000
Voluntary Sector Grants	2,000	(1,000)	-	1,000
Wandsworth CCG – Healthwatch Grass Roots	6,274	(5,058)	-	1,216
Wimbledon Foundation Enable & Connect	1,108	(601)	-	507
Wimbledon Foundation - Merton Skill-Up	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>34,595</u>	<u>85,190</u>	<u>-</u>	<u>119,785</u>
<b>TOTAL FUNDS</b>	<u>(47,332)</u>	<u>179,462</u>	<u>-</u>	<u>132,130</u>

**MERTON VOLUNTARY SERVICE COUNCIL**

**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2020**

**23. MOVEMENT IN FUNDS – Previous Year**

Net movement in funds for the comparative year are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	249,810	(162,617)	-	87,193
Designated fund	-	(13,711)	-	(13,711)
Pension fund	-	13,711	7,079	20,790
	<u>249,810</u>	<u>(162,617)</u>	<u>7,079</u>	<u>94,272</u>
<b>Restricted funds</b>				
Capacity Building - Trust for London	13,500	(12,751)	-	749
City Bridge Trust	155,200	(55,200)	-	-
Clarion Futures - Youth Action	12,500	(13,074)	-	(574)
Community Navigator	40,368	(36,556)	-	3,812
Dorus Trust – Youth Programme	5,000	(5,000)	-	-
Garfield Weston – Fayre & Square	15,000	(15,000)	-	-
Health Champions	10,000	(10,231)	-	(231)
LBM – Healthwatch	128,735	(128,735)	-	-
LBM – Healthwatch – Young Peoples Health	-	-	-	-
LBM – Healthy School Events	-	-	-	-
LBM – Merton Libraries	17,750	(17,750)	-	-
LBM – Quality Assurance	32,000	(23,256)	-	8,744
LBM – Wilson Dev. Manager Secondment	16,410	(16,410)	-	-
LBM – Youth Action Programme	20,000	(14,371)	-	5,629
Local Estate Allocation fund	-	-	-	-
Merton CCG – Healthwatch Young People Health	-	-	-	-
Social Prescribing Project	139,402	(94,682)	-	44,720
Sutton & Merton CCG - Fayre & Square	10,000	(10,000)	-	-
The 1961 Charitable Trust - Fayre & Square	4,000	(4,000)	-	-
The Mercers Company - Fayre & Square	2,583	(2,583)	-	-
Voluntary Sector Small Grants Fund	31,000	(2,000)	-	29,000
Voluntary Sector Grants	-	(1,000)	-	(1,000)
Wandsworth CCG – Healthwatch Grass Roots	-	(5,058)	-	(5,058)
Wimbledon Foundation Enable & Connect	-	(601)	-	(601)
Wimbledon Foundation - Merton Skill-Up	13,333	(13,333)	-	-
	<u>566,781</u>	<u>(481,591)</u>	<u>-</u>	<u>85,190</u>
<b>TOTAL FUNDS</b>	<u><b>816,591</b></u>	<u><b>(644,208)</b></u>	<u><b>7,079</b></u>	<u><b>179,462</b></u>

## MERTON VOLUNTARY SERVICE COUNCIL

### NOTES TO THE FINANCIAL STATEMENTS – CONTINUED FOR THE YEAR ENDED 31 MARCH 2020

#### 24. FUNDS

##### RESTRICTED FUNDS

The surpluses/deficits on restricted funds arise because of timing differences where funding has been received in advance of expenditure and will be utilised over the duration of the relevant projects. The restricted funds recognised in these accounts were provided for the following purposes:

Name of restricted fund	Description, nature and purposes of the fund
Capacity Building – Trust for London	To enhance the knowledge and skills of local BAME organisations with regards to housing, planning and regeneration issues, enabling them to better support their members and BAME residents to present and campaign on the issues that affect them.
City Bridge Trust - Development	This project provides organisational development support to voluntary sector organisations in the borough, to enable them to grow and maximise their impact upon the local community.
City Bridge Trust – Merton Giving	The element of the City Bridge Trust funding provides funding to both MVSC and Merton Chamber to jointly generate income and arrange subsequent grant funding rounds through the Merton Giving fund. The funding targets and outcomes have been over-achieved as a result of the recent Merton Giving Coronavirus Fund activity.
Clarion Futures – Youth Action	To support and encourage minimum of 15 local young people (age 14 -25) to engage in community action and/or undertake voluntary roles in their local communities. Targeting Clarion residents. This fund is now finished
Community Navigator	Funded by Merton CCG, a project worker is employed to connect patients at the Nelson Health Centre with services in the community run by voluntary organisations.
Greater London Authority – Young Londoner Network Project	YLF Network project is a three-year programme supported by the Mayor of Londoners fund, aimed at building the capacity and quality of Voluntary Sector youth provision across the South West London sub-region. Through training, peer support, partnership and collaboration the programme seek to ensure Young People across the sub-region have a variety of good quality activities and projects to participate in that will help them to achieve and develop into well balanced, civically active, adults.
Healthwatch	Healthwatch is the consumer champion for health and social care services in Merton.
Healthwatch Young People	Funding from Merton Council is supporting us to develop a quality standard for Health Services in Merton working with Young People. The balance carried forward from 2019 of £3,944 has been re-deployed to the main Healthwatch fund and spend during the year.
LBM – Healthy Schools Events	Merton Council provided funding for us to run a Healthy Schools event. This fund is now finished.

**MERTON VOLUNTARY SERVICE COUNCIL**

**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2020**

**24. FUNDS – continued**

<b>Name of restricted fund</b>	<b>Description, nature and purposes of the fund</b>
LBM – Merton Partnership Community Giving	MVSC in partnership with Merton Chamber of Commerce, Coordinates a programme designed to promote, within Merton, local giving, to support local charities and good causes; monetary, in-kind and the giving of time (volunteering).
LBM – Merton Quality Assurance	We secured funding from London Borough of Merton to provide quality assurance and partnership support for the voluntary sector.
LBM – Youth Action Programme	To support and encourage a minimum of 20 local young people (age 14 -25) to engage in community action and undertake voluntary roles in their local communities. This fund is now finished.
Local Estate Allocation Fund	This is a grant fund that we manage on behalf of Circle Housing Merton Priory. It has been agreed to transfer the balance of £5,051 to the Voluntary Sector Small Grants Fund and to be allocated to small charities in the wake of the Covid-19 pandemic.
Merton CCG – Young People Health	Funding from Merton CCG is supporting us to develop a quality standard for Health Services in Merton working with Young People. The balance carried forward from 2019 of £5,000 has been re-deployed to the main Healthwatch fund and spend during the year.
Social Prescribing Project	Merton Council and Merton CCG provided MVSC with funding to run a project, which connected patients at three East Merton GP practices with services in the community provided by voluntary organisations. This initial grant ended in September 2019 and a new expanded social prescribing contract was negotiated with the CCG from October 2019. The remaining balance on the 2019 fund will be used for future work within Social Prescribing in the borough.
Sutton and Merton CCG - MVSC 2025 fund	These funds were transferred to MVSC in February and March 2020 from an 'umbrella' charity managed by the Sutton and Merton CCGs. The transferred funds will be managed by MVSC and channeled through Merton Giving as grants to voluntary organisations and other not-for-profit bodies within the Borough of Merton to provide services for the benefit of the all users (residents, visitors and patients) and staff of the Borough's local national health services. In particular MVSC will be promoting the development of social prescribing services throughout the Borough and undertaking other activities, taking advice from the local Primary Care Networks.
Voluntary Sector Grants	MVSC managed this grants programme on behalf of Merton Council. It provides small grants to small voluntary organisations.

## MERTON VOLUNTARY SERVICE COUNCIL

### NOTES TO THE FINANCIAL STATEMENTS – CONTINUED FOR THE YEAR ENDED 31 MARCH 2020

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#### 24. FUNDS – continued

Name of restricted fund	Description, nature and purposes of the fund
Wandsworth CCG – Healthwatch Grass Roots	Healthwatch Merton, from funding that NHS South West London Collaborative Commissioning (SWLCC) received from NHS England managed a small proportion of this grant to award Merton grassroots organisations to run events and/or activities enjoyable to their population that staff from SWLCC attended to facilitate discussions with groups that the NHS does not normally reach out to, and who do not normally get the chance to speak about their experiences of local services, the issues facing local health services and their views on emerging proposals. The remaining balance of £1,216 has been transferred to the general fund and will be used to assist similar organisations during the current Covid-19 pandemic.
Wimbledon Foundation – Enable & Connect	MVSC have facilitated and coordinated a programme of training, action learning sets, peer support for local CEO and senior managers to support their continuing professional development and in so doing, support the development of individual organisations and the sector in Merton. This project has now ended.
Wimbledon Foundation – Merton Skill-Up	MVSC have provided a programme of targeted support to local organisations to improve their skills and knowledge in a range of areas, including governance and their ability to raise funds.

#### 25. CAPITAL COMMITMENTS

The Charity has authorised and contracted for expenditure of £Nil. The Charity has authorised but not contracted for expenditure of £Nil in its capital budget for the upcoming year.

#### 26. LEGAL STATUS OF THE CHARITY

Merton Voluntary Service Council is a private company (Company No: 04164949) incorporated in Great Britain and registered in England and Wales. The company is limited by guarantee and has no share capital. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity. The address of the registered office is given in the Legal and Administrative Information on page 1.