



REGISTERED COMPANY NUMBER: 04164949
REGISTERED CHARITY NUMBER: 1085887

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019
FOR
MERTON VOLUNTARY SERVICE COUNCIL**

MERTON VOLUNTARY SERVICE COUNCIL

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

	Page
Legal and administrative information	1
Report of the Trustees	2 to 11
Report of the Independent Examiner	12
Statement of Financial Activities	13
Balance Sheet	14
Cash Flow Statement	15
Notes to the Financial Statements	16 to 35

MERTON VOLUNTARY SERVICE COUNCIL

**LEGAL AND ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 31 MARCH 2019**

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

Independent Examiner
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 2019

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 unaudited financial statements for the year ending 31 March 2019, 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 2015).

TRUSTEES

All Trustees give their time voluntarily and receive no benefits from the Charity apart from reimbursed expenses set out in Note 9 in the accounts. The Trustees serving during the year and to the date of this report were as follows: -

Trustees

Susanette Mansour	Chair
Bev Tanner	Honorary Treasurer – appointed trustee 31 May 2019
Nuzhat Ali	
Ben Wilkins	
Brian Dillon	- Co-opted 29 July 2019
Robert Lightfoot	- Co-opted 29 July 2019
Wendy Pridmore	- Co-opted 29 July 2019
Alec Botten	- Resigned 23 October 2018
Charles Lusack	- Resigned 23 October 2018
Ian Petherbridge	- Resigned 23 October 2018
Barbara Price	- Resigned 10 June 2019
Sarah Wilson	- Resigned 3 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.

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 however MVSC services are also currently available to non-member organisations of which there are over 1020 on the MVSC database.

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 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 2019

STRUCTURE, GOVERNANCE AND MANAGEMENT - continued

Governance and Organisational structure

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. A Chief Executive Officer is appointed by the Trustees to manage the day-to-day operations of the Charity. They and other members of the management team meet with and advise the Trustee Board.

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

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

Khadiro Mahdi	Chief Executive Officer (Retired 7 June 2019)
Barbara Price	Interim Chief Executive Officer (Appointed 10 June 2019)
Adwoa Fadahunsi	Head of Development and Volunteering
Sarah Hannigan	Head of Volunteering (Until April 2018)
Dave Curtis	Healthwatch Merton Manager

Pay policy for Senior Management Team

The Trustees provide policy and strategic leadership and guidance to the organisation. The Chief Executive Officer is the key management personnel of the Charity in charge of directing and controlling, running and operating the organisation on a day-to-day basis and is accountable to the Trustees. All Trustees, who are the directors of the company, 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 9 and 11 to the accounts.

The pay of the senior staff is reviewed annually and normally increased in accordance with average earnings depending on 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 through consideration of NJC pay scales.

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 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 these related party transactions can be found in Note 11 of the accounts.

Use of volunteers

While one of the aims of the Charity is to match expressions of interest in volunteering to volunteering opportunities offered by voluntary and public sector organisations, the Charity also benefits from, and is grateful to, its volunteers who carry out a variety of tasks on behalf of the organisation. 50 volunteers contributed during the year primarily in four roles, as set out below:

- 25 Home Visit libraries Volunteers – each providing approximately 4 hours per month over 11 months – totally 1100, approximately
- 15 regular volunteers at Fayre and Square project, each providing 4 hours per week, approximately 2880 over the course of the year
- 12 team Merton Volunteers, contributed approx. 300 hours supporting local cultural, community and sporting events
- 2 office volunteer - approximately 50 hours.

MERTON VOLUNTARY SERVICE COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019

STRUCTURE, GOVERNANCE AND MANAGEMENT – continued

Risk and internal control

The Trustees have implemented a formal risk management strategy, which comprises:

- An annual review of the risks which the Charity may have to face;
- The establishment of systems and procedures to mitigate those risks; and
- The implementation of procedures designed to report on and minimise any potential impact on the Charity should any of those risks materialise.

The Board of Trustees is confident that these processes enable them to identify the major risks to which the Charity is exposed and that they have established systems to mitigate those risks.

Following a competitive tender exercise the Trustees appointed Myrus Smith to carry out an independent examination of the Charity's financial statements for the year ended 31 March 2019.

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:

- Implement the Voluntary Sector and Volunteering Strategy Action Plan priorities with our strategic partners
- Evaluate the Social Prescribing services and roll out the service more widely
- Contribute to further development of the East Merton Model of Health and Wellbeing and plans for the Wilson Hospital Development in partnership with the Clinical Commissioning Group and Public Health
- Establish MVSC Enterprise
- Continue to cement Healthwatch Merton's role as a consumer health champion.

MERTON VOLUNTARY SERVICE COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019

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

STRATEGIC DIRECTION

Merton Accord

Merton Voluntary Sector has a long history of effective partnership working. In order to build on this work and streamline it, in partnership with the Health and Social Care Forum, MVSC floated the idea of a consortium, which would provide the oversight of partnership bids in the future. ACCORD was born from these ideas. However like any new concept it has had its teething problems. Following a review of the concept and in discussion with other voluntary partners we have decided that the consortium idea as put forward is probably not the right vehicle to take partnership working forward in Merton. Supporting the development of partnerships is still a very important part of our work and we will continue to review and work on the opportunities to achieve this in the future.

MVSC Enterprise

This development is currently on hold, as we do not have the organisational capacity or financial investment to take it forward at this time. We will in 2019/2020 review whether the Enterprise is the right model to take forward our plans for income generation.

Fayre & Square

Fayre and Square has been a flag ship project for MVSC and a key development for Merton Volunteering Service. It has supported a number of volunteers to go on into paid employment and has been a showcase for small local entrepreneurs to develop their businesses. We are very grateful to everyone involved in the project. Sadly sufficient funding to continue the work was not secured for 2019/2020 and the Trustees had to take the decision in December 2018 to close the service by March 2019. In consultation with the traders this deadline was extended to April 2019 as we worked with them to enable them to continue this provision under their own organisation or find another provider who was able to take on the project. This work is ongoing.

Trustee Board

We have had a number of resignations from the Board of Trustees in 2018.

Alex Botten and Charles Lusack decided to retire from the Board after being Trustees for a number of years. We would like to record our thanks to them for the many years of support they have provided to MVSC.

Due to a family illness our Chair Sarah Wilson resigned at the end of December 2018. Sarah has been instrumental over the years in providing good governance to the Charity in her role as Treasurer and more recently as Chair. We know she continues to be a champion for MVSC. We wish her and her family well and hope her husband's treatment goes well.

Chief Executive Officer

Post the end of the financial year Khadiru Mardi 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. The recruitment process for a new CEO will begin in September 2019.

MERTON VOLUNTARY SERVICE COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019

ACHIEVEMENT AND PERFORMANCE

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

- Extended the reach of our website and regular e-bulletin Merton Connected to keep the voluntary and community sector up to date with local and national news.
- Provision of 211 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.
- 90 plus 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:

- Running Healthwatch Merton (HWM), whose contract was extended for a further year, to enable the local community to have a voice in health and social care services. HWM has been involved and influenced many programme's happening locally, regionally and nationally in the last year such as 'Improving Healthcare Together 2020', 'NHS Long Term Plan', 'Local Health and Care Plan', 'The Wilson', 'Social Prescribing Service Merton' and much more. HWM used its statutory powers to do an Enter and View to Beecholme House Adult Care that carried out after receiving a request and further intelligence from Rethink Mental Illness Merton and Sutton and Members of the Acute Care Forum. The report of the visit has been completed and shared with Manager of Beecholme House who had 20 days to respond. The report is in final stages to be amended to reflect their response after which HWM will be able to widely publish and share with LBM, MCCG and CQC.
- Supported 7 organisations to register and achieve either charitable or CIC status.
- 17 small and/or emerging organisations supported with access to ad hoc meeting facilities and loan of equipment, such as laptops & Tablets, projectors and equipment to support outdoor events (gazebos, tables, chairs).
- 7 training sessions delivered on a variety of topics; Volunteers & The Law, Volunteer Recruitment, GDPR and Data Protection, Roles and Responsibilities of Trustees (x 2), Using data to evidence need, introduction to organisation quality Assurance, Effective representation.
- The web enabled platform, www.volunteermerton.org.uk continues to be used as a tool to connect volunteers with volunteer opportunities. Over 350 expressions of interest received.
- In addition, 10 volunteering outreach sessions facilitated, resulting in 75 plus individuals recruited for local volunteer involving organisations.
- 32 Young volunteers aged 14 -25 recruited and provided with volunteering opportunities through a programme supported by Clarion Housing Association.
- Facilitated a Clarion Housing Young Ambassador programme, engaging and empowering 15 local young people to develop community action projects that attempt to resolve or address local issues that they as a cohort identified as important. This resulted in them creating an anti-knife crime poster campaign and online petition, as well as hosting a symposium and youth consultation event.
- Continue to promote the 'Value You' scheme, which recognises and rewards individuals who volunteer 100 hours or more. 2 certificate ceremonies held, with over 100 volunteers rewarded.
- Coordinated and hosted the annual Merton Partnership Volunteer Awards as part of local Volunteers Week Celebrations 2018. The Awards celebrated the range of volunteering and support for volunteering in the borough. Individuals and organisations were recognised in categories including, young volunteer of the year, volunteer of the year, Volunteer Team of the Year, employee volunteering of the year, volunteer team of the year and volunteering involving organisation of the year. This year a new category of Sports club volunteer of the year was added to recognise the tremendous contribution that volunteers make to ensuring that a wide and diverse range of sporting activities are accessible to local residents. Held in the presence of Merton's Mayor, over 300 local people attended the event.
- The Home Visits Library Service – has one part time paid member of staff and 25 volunteers, made nearly 3000 deliveries of books and audio books, reducing isolation and loneliness for over 300 housebound residents, including individuals living in residential homes.

MERTON VOLUNTARY SERVICE COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019

ACHIEVEMENT AND PERFORMANCE - continued

- A cohort of 12 Team Merton event volunteers, between them contributed over 300 volunteer hours supporting 10 local community and public events, including; Festive Light switch –on in local town centres (Light up Morden, Colliers wood and Raynes Park), Annual Merton Firework displays, Phipps Bridge and Pollards Hill community Fun Days, local school fairs, pond cleaning and neighborhood based litter picks.
- Fayre and Square Employability Project - supported volunteering for Young people and adults with Learning Disabilities, mental health issues, dual diagnosis, behavioral problems and other support needs to gain valuable skills and experience in a retail setting. Through a structured 8 week programme, participants develop confidence, self-esteem and self-belief, as well as a number of key transferable life skills, such as; develop the ability to work as part of a team, communication skills, timekeeping and personal presentation; improve numeracy and literacy skills in an applied setting; and learn how to follow instructions and undertake tasks with decreasing support. In 2018-19, we supported 38 learners, 10 of whom moved on to paid employment, with a further 20 currently in full or part time education or training.
- Promoting greater Community Cohesion – Through the Sutton & Merton Community Cohesion project, which sought to develop, through recruiting and training Community Connectors, targeted place based work in specific wards across the two Boroughs. 22 community connectors recruited and a number of initial project have been developed, including; Community cinema, Harmony Book Group, 'I am Merton' poster campaign.
- 18 themed voluntary sector forums meetings facilitated – 4 Small Organisations, 7 Mental Health, 1 training, Employment and Enterprise, 4 Health and Social care and 3 Youth Partnerships.

Identify changing and emerging need and respond with development:

- Continuing to provide a comprehensive support service to new and established organisations, covering a wide range of operational management and governance issues.
- Contributed to the implementation of the Merton Partnership's Voluntary Sector and Volunteering Strategy Action Plan; organisational development and fundraising, quality assurance and partnership support
- Continued to strengthen links between the business sector and their community through the development of our Merton Giving programme linking business with voluntary organisations and developing grant-giving mechanisms to support new and emerging projects with the Borough.

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

- Coordinated INVOLVE – providing opportunities for networking and sharing information and best practice for the Voluntary Sector. Exciting and stimulating issues
- 15 forum meetings facilitated – 4 Small Groups, 3 Training, Employment & Enterprise, 8 Mental health
- Supported partnership and collaborative working between voluntary and public sector organisations.

Promote quality through standard setting

- Promoted best practice in every aspect of Charity management through our team of specialist staff and associates.
- Ensured continuous organisational development by embedding our Quality Standards; NAVCA Quality Award, Volunteer Centre Quality Accreditation, Investing in Volunteers, London Living Wage
- Supported voluntary sector organisations to improve their quality standards and achieve external accreditation through active learning sets with the Small Groups Forum, PQASSO training.

Ensuring sustainability of the sector through leadership support and Fund Management

- Delivered Leadership & Management training and provided crisis management support
- Administered the Merton Partnership's Community Fund, London Borough of Merton's Voluntary Sector small Grants Fund and NHS England's Grass Roots Fund via Healthwatch Merton.

MERTON VOLUNTARY SERVICE COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019

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.

Over the last two years MVSC has had to face some difficult decisions as funding has decreased. This is a picture that has not been uncommon in the voluntary sector. However 2018/2019 has seen us increase our unrestricted reserves and this upward trajectory is forecasted to continue through to 2019/2020. With reductions in staff and resources there has been a need to refocus our strategic position and ensure that we are providing the help and support needed by the voluntary sector and ultimately the residents of Merton.

Towards the end of 2019 we held a Strategic Planning Day to review and refresh our Strategic Plan. This was underpinned by workshops at our Voluntary Sector Conference held in May 2019. At the conference we were able to launch our three key themes of Leadership, Partnership and Innovation and gather feedback on community groups' views on the direction of travel for MVSC over the next three years.

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.

To ensure that the organisation is fit for purpose and can achieve our aims we have developed four key outcomes for 2019/2020:

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.

In terms of our overarching themes of Leadership, Partnership and innovation we will be working with our partners in the community and statutory sector. 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. 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.

Leadership starts at the top and following feedback from our Volunteer Conference we will be working with Trustee Boards to help strengthen them with networks, training, recruitment and supporting them with governance and policy templates. We will be kicking these developments off with a Trustee Conference in November 2019.

MERTON VOLUNTARY SERVICE COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019

FUTURE PLANS - continued

Many of the opportunities coming forward will require us as community groups to work in partnership together to deliver services. We have already decided in Merton that a consortium is not the way forward. We will be working with our colleagues to determine how to take that partnership agenda forward in the future, what the barriers may be and how we can overcome them and will be holding a Partnership Conference on 9 October 2019 to discuss and gather views on the way forward. We will continue to work with small and emerging groups to ensure that they have the appropriate skills and governance necessary to be able to participate in these partnership opportunities. We are keen to foster a co-operative spirit in Merton with larger organisations sharing their skills and knowledge in practical ways with small and emerging groups through training and leadership programs and mentorships.

Part of our role as a CVS is to support the development of innovative services. Information on emerging gaps in provision and funding are two essential elements in achieving that aim. We will continue to support groups with fundraising and will be purchasing Funder finder as an added benefit for groups to access. One of our key achievements for 2018/219 was the development of our Merton Giving project. This project run in partnership with the Merton Chamber of Commerce will not only be giving out community grants but will also be working with local businesses to levy support through financial giving, gifts in kind and volunteering. We are currently in negotiations with the CCG to roll out our Social Prescribing Project to all the GP practices in Merton and will be working with our voluntary sector colleagues to ascertain the impact on them and identify gaps in provision.

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.

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" 2015 (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 £816,591 (2018: £779,175). 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. 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 £31,000 (2018: £54,460).

The total expenditure for the year was £644,208 (2018: £875,297). Approximately £115,000 of this reduction in expenditure can partly be explained by the new organisational structure implemented at the end of the prior year. The remainder relates to a number of projects coming to an end and the start of others with the change in associated costs that brings. The impact of this is in the order of just over £100,000 and more information can be seen in Note 6, which analyses charitable expenditure. The final significant factor in the reduction of expenditure relates to the lack of grants given. These restricted funds will be carried forward and paid out in future periods.

Balance Sheet

The net effect of the above has led to an operating surplus of £172,383 before unrealised actuarial gains of £7,079 (2018: operating deficit £96,122 before unrealised actuarial gains of £2,000). Overall reserves are £132,130 (2018: (£47,332)) with unrestricted reserves being £12,345 (2018: (£81,927)) after providing for the defined benefit pension liability of £85,210 as at 31 March 2019. This represents a significant improvement on the prior year.

MERTON VOLUNTARY SERVICE COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019

FINANCIAL REVIEW - continued

Reserves Policy

In order to ensure that MVSC continued to exercise considerable influence in the local community and to provide support for future growth the Trustees have reviewed the Reserves Policy to ensure adequate reserves in line with strategic and sustainability plans. 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 be met from reserves.
- In exceptional circumstances where Trustees expressly wish that activity continues and have a reasonable expectation that new funds will be received; 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 considered when project funding is ending such that where possible the infrastructure in place does not exceed the total requirements of activities.
- Include projected redundancy costs for all project staff in project funding budgets to avoid incurring the 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.

MVSC considers the needs to retain reserves for the following purposes:

- To ensure that the core (i.e. not projects) of the organisation can be sustained for up to 6 months should funding be lost – this is considered to consist of the total contribution that projects make to the core.
- To ensure that the organisation has sufficient resources to cease operations in an organised and efficient manner should this be required.
- To give consideration to the Pension Deficit repayment that would need to occur in the event of the organisation closing.

The Trustees are aware that the unrestricted funds of the Charity are at a low level, resulting from recognising the future pension deficit contributions as a liability as part of our transition to FRS102. The Trustees aim to generate sufficient operational surpluses to cover the year on year pension deficit payments as they fall due. Full consideration is given to the pension scheme deficit payments when preparing budgets and developing the strategic and financial plans of the Charity. This strategy will, over time, reduce the contingent liability and restore the net assets of the organisation.

MVSC will continue to carry out assessment of its Reserves Policy so that it remains relevant to its current and future position.

Investment Policy and Objectives

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.

The Charity's investment policy is to keep sufficient cash levels in a current Bank account to meet the short-term needs of the organisation. Amounts above those required for these needs are invested with specialist charity investment managers where a low overall risk and above average rate of interest is received on the deposit. Currently these excess funds are deposited with Charity Offices Investment Fund under their Charities Deposit Fund scheme. COIF is regulated by the Financial Services Authority and is an ethical investor.

MERTON VOLUNTARY SERVICE COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019

STATEMENT OF 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 (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.

SMALL COMPANY

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

ON BEHALF OF THE BOARD:



Susanette Mansour - Chair and Trustee

1 October 2019

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF MERTON VOLUNTARY SERVICE COUNCIL

I report to the Charity's Trustees on my examination of the accounts of the charitable company for the year ended 31 March 2019, which are set out on pages 13 to 35.

Respective and basis of report

As the Charity's Trustees of the charitable company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the charitable company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your Charity's accounts as carried out under section 145 of the Charities Act 2011 (the '2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's report

Since the Charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

- (1) accounting records were not kept in respect of the charitable company as required by section 386 of the 2006 Act; or
- (2) the accounts do not accord with those accounting records; or
- (3) the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- (4) the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended practice for accounting and reporting by charities.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Kevin Fisher BA FCA CTA
Myrus Smith Chartered Accountants
Norman House
8 Burnell Road
Sutton
Surrey
SM1 4BW

4 October 2019

MERTON VOLUNTARY SERVICE COUNCIL

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2019**

	Notes	Unrestricted Funds £	Restricted Funds £	2019 Total Funds £	2018 Total Funds £
INCOME					
Donations	2	3,845	-	3,845	385
Income from charitable activities	5				
Grants		163,433	563,131	726,564	717,578
Other trading activities					
Other income	4	81,954	3,650	85,604	60,806
Investments	3	<u>578</u>	<u>-</u>	<u>578</u>	<u>406</u>
Total income		249,810	566,781	816,591	779,175
EXPENDITURE					
Charitable activities:	6				
Expenditure on Activities		<u>162,617</u>	<u>481,591</u>	<u>644,208</u>	<u>875,297</u>
Total Expenditure		<u>162,617</u>	<u>481,591</u>	<u>644,208</u>	<u>875,297</u>
Operating Surplus/(Deficit)		87,193	85,190	172,383	(96,122)
Actuarial gains/(losses) on defined benefit scheme	12	<u>7,079</u>	<u>-</u>	<u>7,079</u>	<u>2,000</u>
NET INCOME/(EXPENDITURE)		94,272	85,190	179,462	(94,122)
Transfers between funds		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET MOVEMENT IN FUNDS	21	<u>94,272</u>	<u>85,190</u>	<u>179,462</u>	<u>(94,122)</u>
RECONCILIATION OF FUNDS					
TOTAL FUNDS BROUGHT FORWARD		<u>(81,927)</u>	<u>34,595</u>	<u>(47,332)</u>	<u>46,790</u>
TOTAL FUNDS CARRIED FORWARD		<u>12,345</u>	<u>119,786</u>	<u>132,130</u>	<u>(47,332)</u>

CONTINUING OPERATIONS

All incoming resources and resources expended arise from continuing activities.

The statement of financial activities includes all gains and losses recognised in the year

MERTON VOLUNTARY SERVICE COUNCIL

**BALANCE SHEET
AT 31 MARCH 2019**

	Notes	2019 £	2018 £
FIXED ASSETS			
Tangible assets	14	<u>4,320</u>	<u>1,374</u>
		4,320	1,374
CURRENT ASSETS			
Debtors	15	70,802	18,406
Cash at bank		<u>254,424</u>	<u>226,431</u>
		325,226	244,837
LIABILITIES			
Creditors: Amounts falling due within one year	16	(126,347)	(201,254)
NET CURRENT ASSETS		<u>198,879</u>	<u>43,583</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		203,199	44,957
PENSION LIABILITY	17	(71,069)	(92,289)
NET ASSETS		<u>132,130</u>	<u>(47,332)</u>
TOTAL FUNDS OF THE CHARITY	20/21		
Unrestricted funds		12,345	(81,927)
Restricted funds		<u>119,785</u>	<u>34,595</u>
TOTAL FUNDS		<u>132,130</u>	<u>(47,332)</u>

The Trustees consider that the charitable company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") relating to small companies and members have not required the charitable company to obtain an audit for the year in question in accordance with section 476 of the Act.

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the Board of Trustees on 1 October 2019 and were signed on its behalf by:


.....
Susanette Mansour - Chair and Trustee


.....
Bev Tanner – Honorary Treasurer and Trustee

MERTON VOLUNTARY SERVICE COUNCIL

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2019**

	2019 £	2018 £
Cash flows from operating activities:		
Net cash provided by (in use) operating activities	<u>31,808</u>	<u>(43,836)</u>
	31,808	(43,836)
Cash flows from investing activities		
Purchase of fixed assets	<u>(3,815)</u>	<u>-</u>
Cash provided by (used in) investing activities	<u>27,993</u>	<u>-</u>
	27,993	(43,836)
Increase (decrease) in cash and cash equivalents in the year expended	<u>27,993</u>	<u>(43,836)</u>
	226,431	270,267
Cash and cash equivalents at the start of the year	<u>226,431</u>	<u>270,267</u>
Cash and cash equivalents at the end of the year	<u>254,424</u>	<u>226,431</u>

CASH FLOW NOTES

	2019 £	2018 £
Reconciliation of net movement in funds to net cash flow from operating activities		
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	179,462	(94,122)
Adjustments for:		
Add back depreciation charge	869	2,457
(Increase)/decrease in debtors	(52,396)	54,475
(Decrease)/increase in creditors	(74,907)	21,065
(Decrease)/increase in pension charge	<u>(21,220)</u>	<u>(27,711)</u>
Net cash used in operating activities	<u>31,808</u>	<u>(43,836)</u>

	2019 £	2018 £
Analysis of cash and cash equivalents		
Cash in hand	<u>254,424</u>	<u>226,431</u>
Total cash and cash equivalents	<u>254,424</u>	<u>226,431</u>

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of preparation

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) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016), 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.

Merton Voluntary Service Council meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Preparation of the accounts on a going concern basis

The financial statements have been prepared on a going concern basis. 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 18)

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 12 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:

Asset Category	Annual Rate
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 2019**

2. INCOME FROM DONATIONS AND LEGACIES

	2019	2018
	£	£
Donations	<u>3,845</u>	<u>385</u>
	<u>3,845</u>	<u>385</u>

Income from Donations was £3,845 (2018: £385) of which £3,845 was unrestricted (2018: £385) and nil was restricted (2018: nil).

3. INVESTMENT INCOME

	2019	2018
	£	£
Interest received	<u>578</u>	<u>406</u>

All of the Charity's investment income of £578 (2018: £406) arises from money held in interest bearing deposit accounts.

4. INCOME EARNED FROM OTHER ACTIVITIES

	2019	2018
	£	£
Fayre & Square takings	47,153	46,636
Miscellaneous income	<u>38,451</u>	<u>14,170</u>
	<u>85,604</u>	<u>60,806</u>

Income earned from other activities was £85,604 (2018: £60,806) of which £81,954 was unrestricted (2018: £60,806) and £3,650 was restricted (2018: nil).

MERTON VOLUNTARY SERVICE COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019**

5. INCOMING FROM CHARITABLE ACTIVITIES

Grants received, included in the above, are as follows:

	2019 £	2018 £
Unrestricted		
LBM – Notional Rent	37,949	37,949
LBM – Strategic Partner Fund	<u>125,484</u>	<u>125,484</u>
	<u>163,433</u>	<u>163,433</u>
Restricted		
BBC Children in Need	-	35,431
City Bridge Trust	55,200	53,400
Garfield Western Foundation	15,000	2,500
Hounslow and Richmond Community Health	10,000	10,281
GLV	-	(1,336)
Merton Clinical Commissioning Group – Community Navigator	40,368	40,368
Merton Clinical Commissioning Group – Social Prescribing	99,993	-
LBM - Healthwatch	125,085	125,085
LBM – Healthy Schools Event	-	8,870
LBM – Social Prescribing	39,409	48,982
LBM – Quality Assurance	32,000	32,000
LBM - Merton Partnership Community Giving	-	18,000
LBM - Volunteering in Libraries	17,750	17,750
LBM - Volunteering Programme	20,000	-
LBM - Wilson Development	16,410	43,570
BLF – Youth Approved Volunteering	-	9,862
Clarion Futures – Youth Action	12,500	-
Sutton & Merton CCG	10,000	11,667
The 29th May 1961 Charitable Trust	4,000	4,000
The Dorus Trust	5,000	5,000
The Mercer Company	2,583	15,500
Trust for London	13,500	-
Wimbledon Foundation	<u>13,333</u>	<u>18,655</u>
	<u>532,131</u>	<u>499,685</u>
Grants for third parties		
LBM - Merton-I	-	24,960
LBM - Voluntary Sector Small Grants Fund	31,000	6,500
LBM - Voluntary Sector Development Fund	-	13,000
Wandsworth CCG-Healthwatch Grass Roots	<u>-</u>	<u>10,000</u>
	<u>31,000</u>	<u>54,460</u>
	<u>726,564</u>	<u>717,578</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 £31,000 (2018: £54,460).

MERTON VOLUNTARY SERVICE COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019**

6. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Direct Charitable Expenditure	Support Costs	Total Charitable Expenditure	Total Charitable Expenditure
	2019	2019	2019	2018
	£	£	£	£
General Activities	158,241	4,376	162,617	292,402
Avanti Club –Wimbledon Foundation	-	-	-	17,500
City Bridge Trust	53,717	1,483	55,200	53,400
Clarion Futures - CAP	5,629	557	6,186	-
Clarion Futures – Youth Action	6,200	688	6,888	-
Community Navigator	32,021	4,535	36,556	40,368
Dorus Trust – Fayre & Square	3,000	-	3,000	-
Garfield Weston Foundation – Fayre & Square	15,000	-	15,000	2,500
Greater London Volunteering	-	-	-	(1,336)
Health & Wellbeing Fund	-	-	-	16,440
Health Champions	7,400	2,831	10,231	10,050
LBM - Healthwatch	101,521	27,214	128,735	125,085
LBM - Healthwatch - Young People Health	-	-	-	1,056
LBM - BAME Voice	-	-	-	29,300
LBM - Healthy School Events	-	-	-	7,991
LBM - Merton Social Prescribing	88,792	5,890	94,682	45,874
LBM - Quality Assurance	18,256	5,000	23,256	25,000
LBM - Merton Partnership community Giving	-	-	-	18,000
LBM - Wilson Dev. Manager Secondment	15,656	754	16,410	43,570
LBM - Youth Action/Volunteering	10,995	3,376	14,371	-
Local Estate Allocation Fund	-	-	-	554
Merton Libraries	14,422	3,328	17,750	17,750
Merton-i	-	-	-	24,960
Sutton & Merton CCG - Fayre & Square	10,000	-	10,000	-
Sutton & Merton CCG - Mental Health	-	-	-	11,667
The 1961 Charitable Trust - Fayre & Square	4,000	-	4,000	4,000
The Mercers Company - Fayre & Square	2,583	-	2,583	15,500
Trust for London	11,905	846	12,751	-
Voluntary Sector Dev. Fund	-	2,000	2,000	19,500
Voluntary Sector Grants	1,000	-	1,000	-
Wandsworth CCG - Health Watch Grass Roots	5,058	-	5,058	3,726
Wimbledon Foundation Enable & Connect	401	200	601	47
Wimbledon Foundation	13,333	-	13,333	-
Youth Action - BBC Children in Need	-	-	-	35,431
Youth Action - Dorus Trust	-	2,000	2,000	5,000
Youth Approved Volunteering	-	-	-	9,962
	<u>579,130</u>	<u>65,078</u>	<u>644,208</u>	<u>875,297</u>

The Trustees have taken advantage of the concession in the Charities SORP to adopt a natural analysis of resources expended, moving away from a strictly functional analysis (see Note 26). Of the total expenditure of £644,208 (£875,297 in 2018), £481,591 was in respect of restricted funds (2018: £582,895) and £162,617 was in respect of unrestricted funds (2018: £292,402).

7. GOVERNANCE COSTS

	2019	2018
	£	£
Independent Examiner	2,520	2,520
Committee & Strategic Planning costs	779	266
	<u>3,299</u>	<u>2,786</u>

MERTON VOLUNTARY SERVICE COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019**

8. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting):

	2019	2018
	£	£
Independent Examiner	2,520	2,520
Depreciation	<u>869</u>	<u>2,458</u>

9. STAFF COSTS

	2019	2018
	£	£
Wages and salaries	387,665	509,625
Social security costs	33,604	45,777
Pension costs	<u>19,132</u>	<u>25,813</u>
	<u>440,401</u>	<u>581,215</u>

One employee had employee benefits in excess of £60,000 (2018: 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 (2018: £nil) neither were they reimbursed expenses during the year (2018: £nil). No Charity trustee received payment for professional or other services supplied to the Charity (2018: £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 £69,729 (2018: £111,370).

10. STAFF NUMBERS

The average monthly head count was 15 staff (2018: 15 staff) and the average monthly number of full-time equivalent employees during the year was as follows:

	2019 Numbers	2018 Numbers
Senior Management Team	3	3
Other Direct Charitable Staff	<u>8</u>	<u>12</u>
	<u>11</u>	<u>15</u>

MERTON VOLUNTARY SERVICE COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019**

11. TRANSACTIONS AND RELATED PARTIES

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

12. 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 2018 would have been £179,274 (30 September 2017: £208,058).

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 2019, payments have continued to be made in accordance with this plan and the provision for the net present value of deficit contributions was £85,210 (2018: £106,397).

MERTON VOLUNTARY SERVICE COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019**

12. PENSION COSTS - continued

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

	2019 £	2018 £
Net interest from net defined asset/liability	<u>1,703</u>	<u>1,000</u>
	<u>1,703</u>	<u>1,000</u>

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

	2019 £	2018 £
Defined benefit obligation	(106,000)	(120,000)
Contribution by scheme participants	13,711	13,000
Interest Cost	(1,703)	(1,000)
Re-measurement from changes in financial assumptions	(779)	-
Re-measurement - amendments to the contribution scheme	9,958	2,000
Other adjustments	<u>(397)</u>	<u>-</u>
	<u>(85,210)</u>	<u>(106,000)</u>

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

	2019 £	2018 £
Actuarial gain/(losses) from changes in financial assumptions	<u>7,079</u>	<u>2,000</u>
	<u>7,079</u>	<u>2,000</u>

	2019 £	2018 £
Discount rate	<u>1.39%</u>	<u>1.71%</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 2019****13. 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.

14. TANGIBLE FIXED ASSETS

	Computer & Office equipment £	Totals £
COST		
At 1 April 2018	59,212	59,212
Additions	3,815	3,815
Items scrapped	(10,732)	(10,732)
At 31 March 2019	<u>52,295</u>	<u>52,295</u>
DEPRECIATION		
At 1 April 2018	57,838	57,838
Charge for year	869	869
Eliminated on disposal	(10,732)	(10,732)
At 31 March 2019	<u>47,975</u>	<u>47,975</u>
NET BOOK VALUE		
At 31 March 2019	<u>4,320</u>	<u>4,320</u>
At 31 March 2018	<u>1,374</u>	<u>1,374</u>

MERTON VOLUNTARY SERVICE COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019**

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade debtors	69,008	17,515
Prepayments	<u>1,794</u>	<u>891</u>
	<u>70,802</u>	<u>18,406</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade creditors	8,201	32,606
Fund held on behalf of other organisations	5,500	3,000
Other creditors	603	6,197
Grant holding account	19,867	12,577
Accrued expenses	12,152	38,431
Deferred income	64,567	89,746
Pensions	<u>15,457</u>	<u>18,697</u>
	<u>126,347</u>	<u>201,254</u>

17. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	2019 £	2018 £
Pension liabilities	<u>71,069</u>	<u>92,289</u>
	<u>71,069</u>	<u>92,289</u>

18. DEFERRED INCOME

	Balance Brought Forward £	Applied In Year £	Deferred In Year £	Balance Carried Forward £
Deferred Income	<u>89,746</u>	<u>(89,746)</u>	<u>64,567</u>	<u>64,567</u>
	<u>89,746</u>	<u>(89,746)</u>	<u>64,567</u>	<u>64,567</u>

19. OPERATING LEASE COMMITMENTS

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

	2019 £	2018 £
Expiring:		
Within one year	41,857	43,541
Between one and five years	167,428	167,428
More than five years	<u>17,440</u>	<u>59,297</u>
	<u>226,725</u>	<u>270,266</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 2019**

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Current year information for the net assets between funds:

	Unrestricted Funds £	Restricted Funds £	2019 Total Funds £	2018 Total Funds £
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	<u>(71,069)</u>	<u>-</u>	<u>(71,069)</u>	<u>(92,289)</u>
	<u>12,345</u>	<u>119,785</u>	<u>132,130</u>	<u>(47,332)</u>

Comparative year information for the net assets between funds:

	Unrestricted Funds £	Restricted Funds £	2018 Total Funds £	2017 Total Funds £
Fixed assets	1,374	-	1,374	3,831
Current assets	104,917	139,920	244,837	343,148
Current liabilities	(82,218)	(105,325)	(187,543)	(180,189)
Pension liability < 1 year	(13,711)	-	(13,711)	(14,000)
Pension liability > 1 year	<u>(92,289)</u>	<u>-</u>	<u>(92,289)</u>	<u>(106,000)</u>
	<u>(81,927)</u>	<u>34,595</u>	<u>(47,332)</u>	<u>46,790</u>

MERTON VOLUNTARY SERVICE COUNCIL

NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019

21. MOVEMENT IN FUNDS – Current Year

	At 1/4/18 £	Net movement in funds £	Transfers between funds £	At 31/3/19 £
Unrestricted funds				
General fund	(10,578)	87,193	20,940	97,555
Designated fund	34,651	(13,711)	(20,940)	-
Pension fund	(106,000)	20,790	-	(85,210)
	(81,927)	94,272	-	12,345
Restricted funds				
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	-	-	-	-
	34,595	85,190	-	119,785
TOTAL FUNDS	(47,332)	179,462	-	132,130

MERTON VOLUNTARY SERVICE COUNCIL

NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019

21. 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 £
Unrestricted funds				
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>
Restricted funds				
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>
TOTAL FUNDS	<u>816,591</u>	<u>(644,208)</u>	<u>7,079</u>	<u>179,462</u>

MERTON VOLUNTARY SERVICE COUNCIL

NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019

21. MOVEMENT IN FUNDS – Previous Year

Comparative year information:

	At 1/4/17 £	Net movement in funds £	Transfers between funds £	At 31/3/18 £
Unrestricted funds				
General fund	56,794	(87,372)	-	(10,578)
Designated fund	46,651	(12,000)	-	34,651
Pension fund	(120,000)	14,000	-	(106,000)
	(16,555)	(65,372)	-	(81,927)
Restricted funds				
Avanti Club – Wimbledon Foundation	-	-	-	-
City Bridge Trust	-	-	-	-
Community Navigator	-	-	-	-
Garfield Weston – Fayre & Square	-	-	-	-
Greater London Volunteering	-	-	-	-
Health & Wellbeing Fund	16,440	(16,440)	-	-
Health Champions	-	231	-	231
LBM – Healthwatch	-	-	-	-
LBM – Healthwatch – Young Peoples Health	5,000	(1,056)	-	3,944
LBM – BAME Voice	29,300	(29,300)	-	-
LBM – Healthy School Events	-	879	-	879
LBM – Merton Libraries	-	-	-	-
LBM – Merton Partnership Giving	-	-	-	-
LBM – Merton Social Prescribing	-	3,108	-	3,108
LBM – Quality Assurance	-	7,000	-	7,000
LBM – Wilson Dev. Manager Secondment	-	-	-	-
Local Estate Allocation fund	5,605	(554)	-	5,051
Merton-i	-	-	-	-
Merton CCG – Healthwatch -Young People Health	5,000	-	-	5,000
Sutton & Merton CCG – Fayre & Square	-	-	-	-
The 1961 Charitable Trust – Fayre & Square	-	-	-	-
The Mercers Company – Fayre & Square	-	-	-	-
Voluntary Sector Development Fund	-	-	-	-
Voluntary Sector Grants	2,000	-	-	2,000
Wandsworth CCG – Healthwatch Grass Roots	-	6,274	-	6,274
Wimbledon Foundation Enable & Connect	-	-	-	-
Youth Action – BBC Children in Need	-	-	-	-
Youth Acton – Doris Trust	-	1,108	-	1,108
Youth Approved Volunteering	-	-	-	-
	63,345	(28,750)	-	34,595
TOTAL FUNDS	46,790	(94,122)	-	(47,332)

MERTON VOLUNTARY SERVICE COUNCIL

NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019

21. 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 £
Unrestricted funds				
General fund	225,030	(292,402)	-	(67,372)
Designated fund	-	(12,000)	-	(12,000)
Pension fund	-	12,000	2,000	14,000
	<u>225,030</u>	<u>(292,402)</u>	<u>2,000</u>	<u>(65,372)</u>
Restricted funds				
Avanti Club – Wimbledon Foundation	17,500	(17,500)	-	-
City Bridge Trust	53,400	(53,400)	-	-
Community Navigator	40,368	(40,368)	-	-
Garfield Weston – Fayre & Square	2,500	(2,500)	-	-
Greater London Volunteering	(1,336)	1,336	-	-
Health & Wellbeing Fund	-	(16,440)	-	(16,440)
Health Champions	10,281	(10,050)	-	231
LBM – Healthwatch	125,085	(125,085)	-	-
LBM – Healthwatch – Young Peoples Health	-	(1,056)	-	(1,056)
LBM – BAME Voice	-	(29,300)	-	(29,300)
LBM – Healthy School Events	8,870	(7,991)	-	879
LBM – Merton Libraries	17,750	(17,750)	-	-
LBM – Merton Partnership Community Giving	18,000	(18,000)	-	-
LBM – Merton Social Prescribing	48,982	(45,874)	-	3,108
LBM – Quality Assurance	32,000	(25,000)	-	7,000
LBM – Wilson Dev. Manager Secondment	43,570	(43,570)	-	-
Local Estate Allocation fund	-	(554)	-	(554)
Merton-i	24,960	(24,960)	-	-
Merton CCG – Healthwatch Young People Health	-	-	-	-
Sutton & Merton CCG - Fayre & Square	11,667	(11,667)	-	-
The 1961 Charitable Trust - Fayre & Square	4,000	(4,000)	-	-
The Mercers Company - Fayre & Square	15,500	(15,500)	-	-
Voluntary Sector Development Fund	19,500	(19,500)	-	-
Voluntary Sector Grants	-	-	-	-
Wandsworth CCG – Healthwatch Grass Roots	10,000	(3,726)	-	6,274
Wimbledon Foundation Enable & Connect	1,155	(47)	-	1,108
Youth Action – BBC Children in Need	35,431	(35,431)	-	-
Youth Acton – Doris Trust	5,000	(5,000)	-	-
Youth Approved Volunteering	9,962	(9,962)	-	-
	<u>554,145</u>	<u>(582,895)</u>	<u>-</u>	<u>(28,750)</u>
TOTAL FUNDS	<u>779,175</u>	<u>(875,292)</u>	<u>2,000</u>	<u>(94,122)</u>

22. 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	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.
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
Community Navigator	This pilot project is 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.
Dorus Trust – Youth Programme	During this year we received funding from the Dorus Trust to support our work in engaging young people in volunteering.
Garfield Western Foundation – Fayre & Square	The Garfield Western Foundation support our work with volunteers in the Centre Court Shopping Centre in Wimbledon, teaching them valuable retail skills to enable them to go on to volunteer further or gain employment.
Health Champions	Hounslow and Richmond Community Health funded this project, which started in December 2013 and ran until March 2018. We used our connections with local organisations to recruit and manage volunteers who act as Health Champions in their organisations, making referrals to Live Well services. While project funding ceased in March 2018 we are in negotiations regarding continuation funding.
Healthwatch	Healthwatch is the consumer champion for health and social care services in Merton. This contract originally started in April 2013 and we have been re-awarded this agreement to run until March 2018 at which point the service will be re-tendered.
Healthwatch Young People	Funding from Merton Council is supporting us to develop a quality standard for Health Services in Merton working with Young People
LBM – Healthy Schools Events	Merton Council provided funding for us to run a Healthy Schools event.
LBM – Merton Libraries	This funding from Merton Council enables us to run the home visits libraries service where volunteers deliver library books to those who are unable to visit the library.

MERTON VOLUNTARY SERVICE COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019**

22. FUNDS – continued

Name of restricted fund	Description, nature and purposes of the fund
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 – Wilson Development Manager Secondment	During this year we were approached by Merton Council to second a member of staff to work on the development of the Wilson development. We were pleased to be able to offer a temporary development opportunity for our Healthwatch Merton Manager, whose post was backfilled using secondment funding.
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.
Local Estate Allocation Fund	This is a grant fund that we manage on behalf of Circle Housing Merton Priory.
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
Social Prescribing Project	Merton Council and Merton CCG provided us with funding to run a project to connect patients at three East Merton GP practices with services in the community run by voluntary organisations.
Sutton & Merton CCG – Fayre & Square	Support for the running cost of our specialist Retail Employability Programme for local residents with additional support needs.
The 1961 Charitable Trust	We secured funding from The 29th May 1961 Charitable Trust to support our work with volunteers in the Centre Court Shopping Centre in Wimbledon.
The Mercers Company	We secured funding from The Mercers Company to support our work with volunteers in the Centre Court Shopping Centre in Wimbledon.
Voluntary Sector Small Grant Development Fund	Managing the funding stream on behalf of Merton Partnership. Aim of the fund is to support development of local organisations by providing grants of up to £1000 for the purchase of resources, such as IT and computer equipment, development of website, or paying for training to up skill staff or volunteers.
Voluntary Sector Grants	MVSC manages 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 2019

22. 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.
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.
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.

23. 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.

24. 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.

MERTON VOLUNTARY SERVICE COUNCIL

NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019

25. STATEMENT OF FINANCIAL ACTIVITIES FOR THE COMPARATIVE YEAR 2018

	Unrestricted Funds £	Restricted Funds £	2018 Total Funds £	2017 Total Funds £
INCOME				
Donations	385	-	385	553
Income from charitable activities				
Grants	163,433	554,145	717,578	756,244
Other trading activities				
Other income	60,806	-	60,806	55,916
Investments	<u>406</u>	<u>-</u>	<u>406</u>	<u>967</u>
Total Income	225,030	554,145	779,175	813,680
EXPENDITURE				
Charitable activities:				
Expenditure on Activities	<u>292,402</u>	<u>582,895</u>	<u>875,297</u>	<u>859,295</u>
Total Expenditure	<u>292,402</u>	<u>582,895</u>	<u>875,297</u>	<u>859,295</u>
Operating Surplus/(Deficit)	(67,372)	(28,750)	(96,122)	(45,615)
Actuarial gains/(losses) on defined benefit scheme	<u>2,000</u>	<u>-</u>	<u>2,000</u>	<u>(4,000)</u>
NET INCOME/(EXPENDITURE)	(65,372)	(28,750)	(94,122)	(49,615)
Transfers between funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET MOVEMENT IN FUNDS	<u>(65,372)</u>	<u>(28,750)</u>	<u>(94,122)</u>	<u>(49,615)</u>
RECONCILIATION OF FUNDS				
TOTAL FUNDS BROUGHT FORWARD	<u>(16,555)</u>	<u>63,345</u>	<u>46,790</u>	<u>96,405</u>
TOTAL FUNDS CARRIED FORWARD	<u>(81,927)</u>	<u>34,595</u>	<u>(47,332)</u>	<u>46,790</u>

MERTON VOLUNTARY SERVICE COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019**

26. DETAILED STATEMENT OF FINANCIAL ACTIVITIES

	2019	2018
	£	£
Voluntary income		
Donations	3,845	385
Investment income		
Interest received	578	406
Incoming resources from charitable activities		
Grants and contracts	726,564	717,578
Other trading activities		
Fayre & Square takings	47,153	46,636
Miscellaneous income	<u>38,451</u>	<u>14,170</u>
	<u>85,604</u>	<u>60,806</u>
Total income	816,591	779,175
Charitable activities		
Staff Salaries	387,665	509,625
Employers National Insurance	33,604	45,777
Pension	19,132	25,813
Staff Training	1,090	2,694
Associates and Interim Staff	55,980	47,008
Staff travel	2,283	2,783
Recruitment	2,078	-
Other staff expenses	1,820	3,147
Premises costs	43,643	46,252
Volunteers expenses	3,013	3,146
Committee and meeting costs	6,955	9,612
Grants given	9,808	101,057
Publications and subscriptions	6,454	7,462
Communication and publicity	1,051	2,421
Stationary, postage and telephone	4,911	5,115
IT costs	7,429	8,457
Depreciation	869	2,458
General office expenses	1,999	2,594
Professional fees	10,836	5,032
Bank charges	1,548	1,405
Direct project costs	38,741	40,368
Donation costs	<u>-</u>	<u>285</u>
	640,909	872,511
Governance costs		
Independent Examiner	2,520	2,520
Committee & Strategic Planning costs	<u>779</u>	<u>266</u>
	<u>3,299</u>	<u>2,786</u>
Total Expenses	644,208	875,297
Operating Surplus/(Deficit)	<u>172,383</u>	<u>(96,122)</u>

