



**DIVERSITY
VOICE**

**UNAUDITED ANNUAL REPORT AND FINANCIAL
STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2019

Charity registered in England and Wales: 1162019

ALBERT GOODMAN LLP

Chartered Accountants
Goodwood House
Blackbrook Park Avenue
Taunton
TA1 2PX

**DIVERSITY VOICE
FINANCIAL STATEMENTS - YEAR ENDED 31 MARCH 2019**

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**DIVERSITY VOICE
FINANCIAL STATEMENTS – YEAR ENDED 31 MARCH 2019**

Reference and Administrative Information

Charity Name	DIVERSITY VOICE
Charity Registration Number	1162019
Registered address	Victoria Park Community Centre Victoria Park Drive Bridgwater Somerset TA6 7AS

Trustees

Adrian Fawden	Chair of Board of Trustees
Louise Russ	Treasurer
Sarah Payne	Secretary

Key Staff

Rafal Skarbek	CEO – resigned 21 June 2019
Anita Mosedale	Office Manager – Appointed 1 October 2018

Independent Examiner

Michelle Ferris ACA
Albert Goodman LLP
Chartered Accountants
Goodwood House
Blackbrook Park Avenue
Taunton TA1 2PX

Bankers

Barclays Bank Ltd
Taunton Branch

Email

admin@diversityvoice.org.uk

Website

www.diversityvoice.org.uk

Report of the Trustees

The Trustees present their annual report and financial statements for the year ended 31 March 2019.

Structure, Governance and Management

Governing Document

Diversity Voice was registered with the Charity Commission on 5th June 2015 and is constituted as a Charitable Incorporated Organisation (CIO). It has been operating since 1 August 2015.

History

Until 31 July 2015 services were provided by the Midwest European Communities Association (MECA) an unincorporated Association that was governed by its constitution.

Mission

The mission of Diversity Voice is to promote social inclusion for the public benefit by preventing people from becoming socially excluded as a result of race or ethnic origin, by relieving the needs of those people who are socially excluded and by assisting them to integrate into society.

We fulfill our mission by organising social and cultural events and initiatives to broaden cultural awareness and social integration, by offering a welfare rights, employment and housing advisory service in the Polish language, by providing translation and interpretation services and community English classes, not only via our “Link Worker” project but also direct to organisations that employ migrant workers, and by offering support to Polish children in schools via our “Early Years” project.

Recruitment and Appointment of Trustees

All the Trustees have been members of the Board of Trustees throughout the period.

This is Diversity Voice’s third full year of operations and we are still seeking to strengthen the Board of Trustees in order to ensure that an optimal mix of skills and backgrounds is represented on the Board.

Organisational Structure

The Board of Trustees meets on a quarterly basis and is responsible for the strategic direction and policy of the charity. A scheme of delegation is in place and the day to day responsibility for the charitable activities lies with the CEO. Since the end of the year Rafal Skarbek, the CEO, has resigned, and Louise Russ has been acting as CEO until such time as a new CEO can be recruited.

Objectives and Activities

In planning our objectives each year we have regard to the Charities Commission general guidance on public benefit.

The main objectives of Diversity Voice for the year ended 31 March 2019 were to deliver the services contracted by Somerset County Council (SCC), and to develop our offering of services to EU citizens affected by the building of a new nuclear power station at Hinkley Point (HPC) and their families. We were able to achieve both objectives.

Other objectives included initiatives to develop collaborative working with other local agencies, and particularly Citizens Advice and the Community Council for Somerset, to share skills and provide further opportunities for service users. We have made progress towards achieving these objectives, but they are still in progress.

Financial review

This is the third full year of operations for Diversity Voice, and it has been a financially challenging one for the charity. Somerset County Council's funding of the delivery of services under the Tender agreement decreased during the year, due to SCC's changes in budget priorities, and the growth of new services such as community English classes and Translation services also declined during the year. Due to previous savings, however, Diversity Voice remains in a strong financial position to meet its future financial objectives.

The charity has received total income of £171,007 of which £106,007 was unrestricted, and of which £95,622 was received from Somerset County Council for the delivery of services under our Tender Agreement. This represents a drop of 33% from the previous year. The charity has had total expenditure of £156,975 and recognised total net income of £14,032. The reserves available to the charity at the end of the year are £153,512, £112,500 of which are unrestricted.

Achievements and Performance of the charity

We offer a support and advisory service in Polish and other languages for the European, Black and Minority Ethnic (BME) communities. We provide the following:

- Language support of EAL children in early years and school settings
- Interpretation and translation services,
- English classes,
- Advice on benefits, employment, Right to Reside (R2R) and Habitual Residency Test (HRT)
- Support with form-filling,
- Information on local services (e.g. doctors, dentists, trade unions, police),
- Advice on Early Years and School issues
- Support with integration into the local community,
- Housing information
- Training for companies and organisations regarding diversity awareness.

DIVERSITY VOICE FINANCIAL STATEMENTS – YEAR ENDED 31 MARCH 2019

- Support for other BME groups
- Support for EU citizens who have moved to Somerset in order to work on the Hinkley Point C development
- Support for EU citizens with advice regarding the potential effects of Brexit

Plans For Future Periods

The charity plans to continue the activities outlined above in the forthcoming years subject to satisfactory funding arrangements.

Plans have also developed to obtain OISC registration as a “Level 1 EU Settlement Scheme” immigration support provider, in order to assist EU citizens living in the UK to apply for Settled Status and thereby retain their right to remain in the UK after Brexit.

Principal Funding Sources

Our main source of Funding is a Contract for services from Somerset County Council. The funding is provided under a successful Tender for services. The funding provided is not required to be restricted, and future funding has recently been secured until 31 August 2022. £17,087 income received under the contract has been deferred at the yearend.

Diversity Voice has also received restricted funding from the Hinkley Community Fund (managed by Somerset Community Foundation) in order to support EU citizens working or seeking work within the supply chain at the Hinkley Point C development.

Investment Policy

Aside from retaining a prudent amount in reserves each year most of the charity’s funds are to be spent on the charitable objects in the short term so there are few funds available for long term investment.

Reserve Policy

The Trustees have examined the charity’s requirements for reserves in light of the main risks to the organisation, and its plans for future growth. It has established a policy whereby the unrestricted funds should be approximately equivalent to 6 months core expenditure plus committed future expenditure. As at the current yearend the charity is planning to deliver support to EU citizens living in the South West of England in partnership with the Home Office. In addition the charity has received funding from the HPC Community Fund and has committed to match fund a proportion of these services from their own funds. The level of reserves, therefore, also reflects the need to fund future services.

Trustees are confident that at this level they would be able to continue the current activities of the charity in the event of a significant drop in funding. The charity’s average 6 monthly ongoing core cost of running the organisation is currently some £66,000. The present level of free resources available to the charity of £110,349 is therefore comfortably above the target level.

Trustees' responsibilities in relation to the financial statements

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with 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).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable 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 charity will continue in business.

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed/constitution. They are also responsible for safeguarding the assets of the charity 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 charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP FRS 102 – effective 1 January 2015)

Approved by the Trustees on 25 September 2019 and signed on its behalf by:

Adrian Fawden
Chair and Trustee

INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF DIVERSITY VOICE – YEAR ENDED 31 MARCH 2019

I report to the trustees on my examination of the accounts for Diversity Voice (“the charity”) for the year ended 31 March 2019.

Responsibilities and basis of report

As the charity trustees of the charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 (“the 2011 Act”).

I report in respect of my examination of the charity’s accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner’s statement

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

1. accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
2. the accounts do not comply with these records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of the accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.

Michelle Ferris ACA
Albert Goodman LLP
Chartered Accountants
Goodwood House
Blackbrook Park Avenue
Taunton TA1 2PX

Date: 7 January 2020

**DIVERSITY VOICE
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2019**

		Total Funds			
		2019	2019	2019	2018
	Note	UNRESTRICTED £	RESTRICTED £	TOTAL £	TOTAL £
INCOME FROM					
Donations	2	-	-	-	1,605
Charitable Activities	3	106,004	65,000	171,004	166,535
Investment Income	4	3	-	3	10
		_____	_____	_____	_____
TOTAL INCOME		106,007	65,000	171,007	168,150
		=====	=====	=====	=====
EXPENDITURE					
Charitable activities	5	132,987	23,988	156,975	133,892
		_____	_____	_____	_____
TOTAL EXPENDITURE		132,987	23,988	156,975	133,892
		=====	=====	=====	=====
NET INCOME/ (DEFICIT) FOR YEAR & NET MOVEMENT IN FUNDS		(26,980)	41,012	14,032	34,258
TOTAL FUNDS BROUGHT FORWARD		139,480	-	139,480	105,222
		_____	_____	_____	_____
TOTAL FUNDS CARRIED FORWARD	12	112,500	41,012	153,512	139,480
		=====	=====	=====	=====

2018 funds were wholly unrestricted.

**DIVERSITY VOICE
BALANCE SHEET – AS AT 31 MARCH 2019
CHARITY REGISTRATION NUMBER 1162019**

		31 March 2019	31 March 2018
	Note	£	£
FIXED ASSETS			
Tangible Assets	7	2,879	2,268
CURRENT ASSETS			
Debtors	8	1,767	11,135
Cash at bank and in hand	9	71,088	129,654
Investments	10	100,000	-
TOTAL CURRENT ASSETS		172,855	140,789
CREDITORS: Amounts falling due within one year	11	(22,222)	(3,577)
NET CURRENT ASSETS		<u>150,633</u>	<u>137,212</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>153,512</u>	<u>139,480</u>
NET ASSETS		<u>153,512</u>	<u>139,480</u>
FUNDS			
Restricted Funds		<u>41,012</u>	=
Unrestricted Funds		<u>112,500</u>	<u>139,480</u>
TOTAL FUNDS	12	<u>153,512</u>	<u>139,480</u>

The notes on pages 9 to 15 form part of these accounts.

Approved by the Trustees on 25 September 2019 and signed on their behalf by:

Adrian Fawden
Chair and Trustee

1. ACCOUNTING POLICIES

General information and basis of accounting

These accounts have been prepared on the basis of historic cost in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP FRS 102), effective 1 January 2015, and the 2011 Charities Act and applicable UK Accounting Standards and the principal accounting policies adopted in the preparation of the financial statements are set out below.

The charity meets the definition of public benefit under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

Income

Recognition of income

These are included in the Statement of Financial Activities (SoFA) when:

- the charity becomes entitled to the resources;
- the Trustees are virtually certain they will receive the resources; and
- the monetary value can be measured with sufficient reliability.

Income with related expenditure

Where incoming resources have related expenditure (as with fundraising or contract income) the incoming resources and related expenditure are reported gross in the SoFA.

Grants and Donations

Grants and donations are included in the SoFA once they have been received, or once any conditions to which a grant is subject have been fulfilled.

Volunteer Help

The value of any voluntary help received is not included in the accounts.

Investment Income

This is included in the accounts when received.

Expenditure and Liabilities

Liability Recognition

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

Assets

Tangible Fixed Assets for use by the Charity

These are capitalised if they can be used for more than one year, and cost at least £200. They are valued at cost or, if gifted, at the value to the Charity on receipt

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

IT Equipment – 3 years straight line

Office Equipment – 4 years straight line

Debtors

Trade and other debtors are recognised at the settlement amount due and prepayments are valued at the amount prepaid.

Cash at bank and in hand

Cash at bank and in hand comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Creditors

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 recognised at their settlement amount.

Irrecoverable VAT

All resources expended are classified under activity headings that aggregate all costs related to the category. The charity is not VAT registered and therefore VAT on expenses is charged against the category of resources expended for which it was incurred.

Fund accounting

- Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.
- Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

Amounts received for restricted purposes are treated as separate funds in the financial statements.

DIVERSITY VOICE
NOTES TO THE FINANCIAL STATEMENTS – YEAR ENDED 31 MARCH 2019

2. DONATIONS

	2019	2018
	£	£
Simpson Millar	-	1,000
KSFLP Ltd	-	200
Wessex Water	-	100
Other Donations	-	305
	<u>-</u>	<u>1,605</u>
	<u>-</u>	<u>1,605</u>

There were no donations during the year. The income from donations in 2018 was all unrestricted

3. INCOME FROM CHARITABLE ACTIVITIES

	2019	2019	2019	2018
	UNRESTRICTED	RESTRICTED	TOTAL	TOTAL
	£	£	£	£
Somerset County Council:-				
Early Years	47,986	-	47,986	70,000
Link Worker	47,636	-	47,636	73,500
SCF Hinkley Point				
Community Fund	-	65,000	65,000	-
Other Translation services	1,737	-	1,737	6,652
Other Advice Services	120	-	120	240
Community English Classes	8,350	-	8,350	15,943
Cultural Events	-	-	-	200
Other	175	-	175	-
	<u>106,004</u>	<u>65,000</u>	<u>171,004</u>	<u>166,535</u>
	<u>106,004</u>	<u>65,000</u>	<u>171,004</u>	<u>166,535</u>

The income from Charitable Activities was £171,004 (2018 - £166,535), of which £106,004 was unrestricted (2018: £166,535), and £65,000 was restricted (2018: £0).

4. INVESTMENT INCOME

	2019	2018
	£	£
Bank Interest Receivable	<u>3</u>	<u>10</u>
	<u>3</u>	<u>10</u>

The income from investments was all unrestricted.

5. CHARITABLE ACTIVITIES EXPENDITURE

	2019	2019	2019	2018
	UNRESTRICTED	RESTRICTED	TOTAL	TOTAL
	£	£	£	£
Payroll Costs	102,780	15,373	118,153	111,635
Other Staff Costs	7,829	1,614	9,443	8,692
Office Expenses	8,514	3,807	12,321	7,957
Premises Costs	5,125	917	6,042	4,531
Professional Fees	8,066	-	8,066	-
Cultural Events	-	2,277	2,277	320
Independent Examiners Fee	600	-	600	600
Other	73	-	73	157
	<u>132,987</u>	<u>23,988</u>	<u>156,975</u>	<u>133,892</u>

2018 costs were wholly unrestricted.

6. STAFF COSTS

The aggregate payroll costs were:

	2019	2019	2019	2018
	UNRESTRICTED	RESTRICTED	TOTAL	TOTAL
	£	£	£	£
Wages and salaries	86,867	11,862	98,729	86,961
Social security costs	3,462	898	4,360	3,799
Pension Costs	1,672	193	1,865	661
Freelance workers	10,779	2,420	13,199	20,214
	<u>102,780</u>	<u>15,373</u>	<u>118,153</u>	<u>111,635</u>

The average number of staff employed during the year was 6 (2018: 4 staff), and no employees received employee benefits of more than £60,000 (2018: none) The Trustees consider the Chief Executive Officer and Office Manager to be key management of the charity. The total costs to the charity of employee benefits for key management personnel were £59,028 (2018: £41,920)

During the year two Trustees were paid out of pocket expenses totalling £542 (2018 none).

There have been no related party transactions during the year (2018: none).

DIVERSITY VOICE
NOTES TO THE FINANCIAL STATEMENTS – YEAR ENDED 31 MARCH 2019

7. TANGIBLE FIXED ASSETS

	Office Equipment £	IT Equipment £	Total £
COST			
At 1 April 2018	354	3,409	3,763
Additions	-	2,224	2,224
At 31 March 2019	<u>354</u>	<u>5,633</u>	<u>5,987</u>
DEPRECIATION			
At 1 April 2018	111	1,384	1,495
Charge for the year	88	1,525	1,613
	<u>199</u>	<u>2,909</u>	<u>3,108</u>
NET BOOK VALUE			
At 31 March 2019	<u>155</u>	<u>2,724</u>	<u>2,879</u>
At 31 March 2018	<u>243</u>	<u>2,025</u>	<u>2,268</u>

8. DEBTORS

	2019 £	2018 £
Prepayments	1,674	1,469
Other debtors	93	9,666
	<u>1,767</u>	<u>11,135</u>

9. CASH AT BANK AND IN HAND

	2019 £	2018 £
Barclays Current Account	70,867	129,388
Cash in hand	221	266
	<u>71,088</u>	<u>129,654</u>

10. INVESTMENTS

	2019 £	2018 £
Barclays 1 Year Treasury Deposit	100,000	-

DIVERSITY VOICE
NOTES TO THE FINANCIAL STATEMENTS – YEAR ENDED 31 MARCH 2019

11. CREDITORS: Amounts falling due within one year

	2019	2018
	£	£
Accruals	1,560	1,720
HMRC	658	1,333
Deferred Income on SCC Contract	17,086	-
Other Creditors	2,918	524
	<u>22,222</u>	<u>3,577</u>

12. FUNDS

	Balance at 1 Apr 2018	Movement in resources:		Balance at 31 Mar 2019
	£	Incoming £	Outgoing £	£
Restricted Funds				
Hinkley Point Community Fund	-	65,000	(23,988)	41,012
Unrestricted funds				
General fund	139,480	106,007	(132,987)	112,500
Total Funds	<u>139,480</u>	<u>171,007</u>	<u>(156,975)</u>	<u>153,512</u>

PREVIOUS YEAR FUNDS

	Balance at 1 Apr 2017	Movement in resources:		Balance at 31 Mar 2018
	£	Incoming £	Outgoing £	£
Unrestricted funds				
General fund	105,222	168,150	(133,892)	139,480

HINKLEY POINT COMMUNITY FUND

Diversity Voice has received restricted funding from the Hinkley Point C Community Fund in order to support EU citizens working within the supply chain at the Hinkley Point C development, and their families.

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrest- ricted £	Restric- ted £	Total 2019 £	Unrest- ricted £	Restric- ted £	Total 2018 £
Tangible Assets	2,151	728	2,879	2,268	-	2,268
Net Current Assets	110,349	40,284	150,633	137,212	-	137,212
	_____	_____	_____	_____	_____	_____
	112,500	41,012	153,512	139,480	-	139,480
	=====	=====	=====	=====	=====	=====