

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

CROYDON VOLUNTARY ACTION
REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2021

CVA TRUSTEES' ANNUAL REPORT: 2020-21

1. LEGAL AND ADMINISTRATIVE DETAILS

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

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

2. TRUSTEE BOARD - RECRUITMENT, RISK AND PUBLIC BENEFIT

CVA is governed by a Board of trustees. The trustees, who are also directors for the purposes of company law, are pleased to present their report (being the directors' report as well as required by company law) together with the financial statements of the charity for the year ended 31 March 2021. The Trustees who served during the year were:

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

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

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

3. OBJECTS AND ACTIVITIES

CVA's mission statement focuses the organisation on "promoting, supporting and developing effective voluntary action, community development and community activity for the benefit of the whole community within the London Borough of Croydon". With support from the Council and other local partners we're active in coordinating Croydon's VCS on a number of fronts:

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

In 2020/21 we worked to:

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

- Work with local commissioners to ensure that there is a fair environment in which the VCS can access opportunities to provide services to local people
- Manage small grants programmes that support local grassroots organisations in finding solutions to social problems
- Provide the leading property management service for VCOs in Croydon

3.1 THE YEAR OF COVID19

This year was like no other – and not just because of a world pandemic.

CVA mobilised in mid-March to provide an emergency food support service that by the lockdown was operating in tandem with the Council to target aid at the households most affected by Covid-19. This central effort was magnificently supported at several layers of civil society including Croydon's foodbanks, Croydon's social prescribing workers, the newly formed Mutual Aid movement and the wider VCS – with UK Harvest donating a tonne of food each week.

The immediate impact on people in the communities we support was a destabilising one, with a series of anxieties about food, toiletry and medicine shortages exacerbated by fears arising from the withdrawal of support services. The impact on people's mental health rose quickly to the surface, with the need for human contact, companionship and neighbourly support much in evidence. The deeper anxieties and traumas felt by people who are isolated and within families where domestic abuse is presenting have also been felt. Most pervasively, the factors accounting for vulnerability within BAMER communities to the virus – lack of access to health services and information; overcrowded housing; and above-average representation in essential industries and public-facing jobs – pushed race inequalities to the top of the agenda in 2020.

Conversely the crisis had a positive impact on the community spirit of people we support, resulting in a huge increase in the numbers of people volunteering and the emergence of mutual-aid groups run by people motivated by neighbourly care. Covid 19 has reminded us that volunteering is not just about pathways to employment; it's about being part of a community in which people support others when they need it.

Covid-19 has highlighted how crucial CVA's role is in supporting people who fall through gaps in the system – and in championing the VCS' capacity to do likewise. But it has reminded us that treating symptoms is a stop-gap: our role is to support civil society in finding longer-term preventative solutions based on self-management and community resilience.

Croydon's civil society, quick and creative in its response, made a full contribution towards the borough-wide partnership effort that took Croydon through each lockdown period. Covid-19 uncovered hidden assets in communities through a new layer of civil society – the 70 mutual-aid groups supporting 3,000+ people in Croydon.

Our aim going into 2021 was to mobilise volunteers, mutual-aid groups, foodbanks, social prescribing teams and our VCS delivery partners into a hyper-local and personalised service-model that co-creates pathways to independence with the people it supports. In transforming CVA's Covid-19 Helpline from an emergency food-aid response, we will engage Council teams and apply the Croydon Prevention Framework to tackle the socio-economic determinants highlighted by the pandemic. Our objective is to continue this great effort into the post-Covid environment, transitioning from an emergency support service to a preventative community-led project targeting health inequalities in Croydon.

3.2 Black Lives Matter

Alongside Covid-19 two other critical factors informed our work in 2020/21 – the focus Black Lives Matter (BLM) has brought to the issues, beyond policing, that impact disproportionately on BAMER communities; and the Council's financial collapse.

In responding to BLM, CVA helped to set up the My Ends Partnership that, by the end of the year, had fundraised £750,000 successfully from the Greater London Authority to support grassroots BME organisations heading up a violence prevention programme. This programme will be delivered for two years, from June 2021.

3.3 London Borough of Croydon

2020 became Croydon's *annus horribilis* in 2020 when the Council declared itself bankrupt. By the end of the financial year this would have a direct impact on CVA, as the Council began a negotiation (that remains ongoing) to reduce our funding.

4. FINANCIAL REVIEW

The financial position of the charity is set out below.

CVA's total income for the year was £1,313,686 – only £39,557 down on last year's total, a remarkable achievement given the disruption to CVA's business caused by Covid19. Although a sizeable deficit is shown for the year, this is as a result of the charity now following Financial Reporting Standard 102 in terms of accounting for its participation in the Local Government Pension Scheme. This conceals what is a positive underlying position that, on account of the income raised and savings made during the Covid19 crisis, would otherwise have resulted in a small surplus covering the period.

However, the Council's financial troubles pose a significant threat to CVA's own financial health. At the time of writing the Council is proposing to reduce CVA's funding – even after acknowledging its debt to CVA for the leadership role we performed during Covid19.

We are very thankful to all our funders for investing in CVA and the frontline organisations and visionaries we support, who are committed to helping improve people's lives. Our major funders for 2020-21 alongside Croydon Council were Croydon NHS; the Big Lottery Fund; the Greater London Authority and the London Community Foundation.

5. RESERVES POLICY

The need to account differently for the pension liability also impacts significantly on the total reserves for the year, now standing at £664,304. However, the free reserves remain healthy at £530,071 (excluding the pension liability), alongside designated reserves of £205,744 and a fixed asset reserve at £1,345,340.

6. RISK MANAGEMENT

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

Trustees are updated on the status of CVA's principal risks and invited in reviewing the Risk Register to identify those issues that pose the highest risk to CVA and are requiring of the most trustee attention. The Risk Register is scrutinized by the Board six-monthly and the High Risks are monitored at every meeting. In 2020/21 the High Risk items monitored by the Board were CVA's partnership agreement with the Council for managing VCS premises and – before the year was out – our Coronavirus Support Services strategy.

7. FUTURE PLANS

CVA has set the following strategic goals and objectives:

► To empower Croydon's communities

- We will promote community leadership in Croydon, making communities the primary units of change by building up their strengths and assets and launching community led projects across every locality
- We will strengthen CVA's capacity to work alongside communities in driving social change. We will deliver asset based community development (ABCD) projects in Croydon with *Community Builders* appointed by CVA to support leadership in the

community – and we will support our community sector partners to work effectively alongside communities by appointing their own staff mentored and supported by CVA

- We will support our Primary Care Network (PCN) partners to use Social Prescribing to work effectively alongside communities in building relationships beyond referrals, providing training and mentoring for link workers and practice staff including *Health Beyond Healthcare* days and walkabouts to give frontline staff an overview of Croydon's local community offer – from informal connections to specialist services as profiled on our *Simply Connect* database
- We will support Croydon's Refugees and asylum seekers by capacity building refugee-support organisations in Croydon and delivering projects using sport as a tool to improve social integration between refugees and mainstream sports clubs

► **To strengthen volunteering in the community**

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

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

- We will support Croydon's VCS to bring local people from under-represented groups into the life of the borough as active communities driving social change
- We will lever external funding into Croydon's VCS by coordinating partnership bids and developing strong relationships with key funders

- We will support local commissioning, with workshop/information sessions on LBC's Community Fund, the One Croydon Alliance and the Grassroots Grants small-grants programme
 - We will deliver training to meet the priority needs of community organisations in Croydon including our Safeguarding Children, Basic Fundraising, Setting-up Charities and Social Enterprises, and Monitoring and Evaluating courses – with ABCD methodology shared through our UK Learning Centre collaboration with Nurture Development
 - We will build the capacity of community organisations by providing customized support to promote best practice in governance, business planning, project and staff management
 - We will run Community Centres in Croydon providing hubs of activity run by local people
 - We will keep community organisations well-informed and aware of local events and opportunities through our e-bulletins and newsletters on funding opportunities; children, young people and families; and faith communities
 - We will maintain and update CVA's own models of good practice on governance, financial and information management systems, policies and procedures - for sharing with community partners
 - We will support Croydon's community organisations who are using sport to achieve social change, with the Sports Forum strengthening the collective voice and effectiveness of VCS sports clubs and a campaign to encourage sports clubs to become welcoming of all people in Croydon offering a place of safety, support and development
- **To advocate on behalf of Croydon's community organisations**
- We will champion Croydon's VCS as the best-positioned enablers of community leadership in the borough
 - We will provide leadership on behalf of Croydon's VCS at meetings of the Croydon Strategic Partnership (CSP) and its thematic partnerships
 - We will enable the VCS to influence policy-makers with wider community sector representation on all CSP thematic partnerships
 - We will facilitate a strong, independent community voice through network and forum meetings, including the Croydon Voluntary Sector Alliance; the Children, Young People & Family Network and the Young Londoners Fund Local Network
 - We will promote what's going on in Croydon's VCS, profiling live activities on the Simply Connect database

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

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

8. RESPONSIBILITIES OF THE TRUSTEES

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

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

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

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and

enable them to ensure that the financial statements comply with the Companies Act 2006.

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

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


In so far as the trustees are aware:

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

Small Company Provisions

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

Signed on behalf of the trustees:

A handwritten signature in blue ink, consisting of a large, stylized 'S' followed by a wavy line.

Sue Dzendzera, Chair

18 November 2021

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

Opinion

We have audited the financial statements of Croydon Voluntary Action (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, Balance Sheet, Cashflow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit ; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement [set out on page 6, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Our responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- making enquires of directors and management as to where they consider there to be a susceptibility to fraud and whether they have any knowledge or suspicion of fraud;
- obtaining an understanding of the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;
- assessing the design effectiveness of the controls in place to prevent and detect fraud;
- assessing the risk of management override including identifying and testing journal entries;
- challenging the assumptions and judgements made by management in its significant accounting estimates.

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

Despite the audit being planned and conducted in accordance with ISAs (UK) there remains an unavoidable risk that material misstatements in the financial statements may not be detected owing to inherent limitations of the audit, and that by their very nature, any such instances of fraud or irregularity likely involve collusion, forgery, intentional misrepresentations, or the override of internal controls.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

S Plumb ACA

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

19 November 2021

CROYDON VOLUNTARY ACTION
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2021
(including Income and Expenditure account)

Income	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2021 £	Restated 2020 £
Donations			-	-	-	-
Investment	2	328	-	-	328	1,555
<i>Incoming Resources from Charitable Activities</i>						
Charitable activities		421,454	-	621,122	1,042,576	971,195
Other trading activities	3	270,782	-	-	270,782	380,493
Total Income		692,564	-	621,122	1,313,686	1,353,243
Expenditure						
Charitable activities	4,11	817,346	-	618,748	1,436,094	1,548,542
Total Expenditure	6	817,346	-	618,748	1,436,094	1,548,542
Gains/(losses) on investments		-	-	-	-	-
Net Income / (expenditure)		(124,782)	-	2,374	(122,408)	(195,299)
Transfers between funds	11,12	(19,093)	7,972	11,121	-	-
Other recognised gains / (losses)						
Remeasurement gain/(loss) on defined benefit pension plan		(535,000)			(535,000)	(589,000)
Net movement in funds		(678,875)	7,972	13,495	(657,408)	(784,299)
Balances brought forward at 1 April 2020						
As previously reported		1,835,342	213,716	73,654	2,122,712	2,106,011
Prior year adjustment		(801,000)	-	-	(801,000)	-
As restated		1,034,342	213,716	73,654	1,321,712	2,106,011
Balances carried forward at 31 March 2021						
		355,467	221,688	87,149	664,304	1,321,712

All transactions are derived from continuing activities

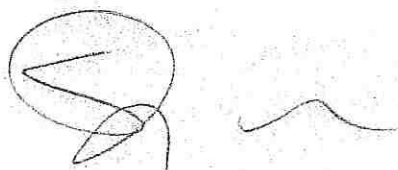
The notes on pages 17 to 25 form part of these financial statements

CROYDON VOLUNTARY ACTION
BALANCE SHEET AS AT 31 MARCH 2021

	Notes	£	2021 £	£	Restated 2020 £
Fixed assets					
Tangible fixed assets	7		<u>1,345,340</u>		<u>1,381,712</u>
			1,345,340		1,381,712
Current assets					
Debtors	8	69,951		133,704	
Cash at bank and in hand		<u>859,697</u>		<u>772,342</u>	
		929,648		906,046	
Creditors - Amounts falling due within one year	9	<u>(106,684)</u>		<u>(165,046)</u>	
Net current assets			<u>822,964</u>		<u>741,000</u>
Total assets less current liabilities			2,168,304		2,122,712
Defined benefit pension liability	10		(1,504,000)		(801,000)
Net assets			<u>664,304</u>		<u>1,321,712</u>
Funds:					
Restricted Funds	11		87,149		73,654
Designated Funds	12		205,744		213,716
Unrestricted Reserves Funds	12		530,071		453,630
Pension reserve			(1,504,000)		(801,000)
Fixed asset fund	12		1,345,340		1,381,712
Total funds	14		<u>664,304</u>		<u>1,321,712</u>

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

Approved and authorised for issue by the Board on : 18 November 2021



.....
Sue Dzendera (Chairperson)

The notes on pages 17 to 25 form part of these financial statements

Company number 03271298

CROYDON VOLUNTARY ACTION
CASH FLOW STATEMENT

		Restated
Cash flows from operating activities	2021 £	2020 £
Net movement in funds	(122,408)	(195,299)
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	36,372	37,586
Net (gains)/losses on investments	0	0
Proceeds from sale of investments	0	0
Other interest receivable and similar income	(328)	(1,555)
Defined benefit costs	168,000	212,000
<i>Changes in:</i>		
Trade and other debtors	63,753	(1,331)
Trade and other creditors	(58,362)	(91,137)
Cash generated from operations	87,027	(39,736)
Interest received	328	1,555
Net cash from operating activities	87,355	(38,181)
 Net increase/(decrease) in cash and cash equivalents	 87,355	 (38,181)
Cash and cash equivalents at beginning of year	772,342	810,523
Cash and cash equivalents at end of year	859,697	772,342

CROYDON VOLUNTARY ACTION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES

a) General information and basis of preparation

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

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

The charity constitutes a public benefit entity.

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

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

Going concern

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

b) Fixed assets

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

c) Depreciation

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

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

d) Investments

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

e) Resources Expended

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

- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

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

f) Incoming Resources

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

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

g) Debtors and creditors

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

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

CROYDON VOLUNTARY ACTION
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES (continued)

h) Funds

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

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

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

i) Tax status

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

j) Leases

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

k) Pensions

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

2. INVESTMENT INCOME

	Unrestricted Funds £	Total 2021 £	Total 2020 £
Arising from:			
Quoted investments	-	-	-
Bank interest	328	328	1,555
	<u>328</u>	<u>328</u>	<u>1,555</u>

3. OTHER CHARITABLE ACTIVITIES

	Total 2021 £	Total 2020 £
Room hire and licence	270,782	380,493
Other fees	-	-
	<u>270,782</u>	<u>380,493</u>

4. RESOURCES EXPENDED ON CHARITABLE ACTIVITIES

	Unrestricted £	Restricted £	Total 2021 £
Staff costs	428,243	301,392	729,635
Depreciation	36,372	-	36,372
Partner delivery/project costs	-	193,658	193,658
Other	352,731	123,698	476,429
	<u>817,346</u>	<u>618,748</u>	<u>1,436,094</u>

5. NET INCOME/EXPENDITURE FOR THE YEAR

This is stated after charging:

	Total 2021 £	Total 2020 £
Auditors remuneration	4,600	4,500
Depreciation	36,372	37,586

CROYDON VOLUNTARY ACTION
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2021

6. TOTAL RESOURCES EXPENDED

	Staff Costs £	Depreci- -ation £	Funding Distributed £	Other Costs £	Total 2021 £	Restated Total 2020 £
Charitable Activities	729,635	36,372	120,000	550,087	1,436,094	1,336,542
	<u>729,635</u>	<u>36,372</u>	<u>120,000</u>	<u>550,087</u>	<u>1,436,094</u>	<u>1,336,542</u>

	2021 £	Restated 2020 £
Staff Costs		
Wages and salaries	443,513	452,688
Social Security costs	39,125	38,673
Pension costs	78,997	118,383
Operating costs of defined benefit pension scheme	168,000	212,000
	<u>729,635</u>	<u>821,744</u>

Staff costs above include an additional £168,000 (2020 £212,000) relating to the movement in the LGPS liability as required by FRS 102. This charge is a provision movement and does not represent actual contributions paid.

One employee earned between £70,000-79,999 p.a. (2020: 1 £70,000 - £79,999).

One trustee received expenses during the year of £119 for printing and membership fees for the Honorary Treasurer's Forum (2020 one trustee received £177 for travel costs).

No remuneration was paid to any of the trustees (2020 nil).

No related party transactions took place during the year (2020 none).

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £299,726 (2020 £354,419).

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

	2021	2020
Project staff	14	9
Administrative staff	2	2
	<u>16</u>	<u>11</u>

CROYDON VOLUNTARY ACTION
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2021

7. TANGIBLE FIXED ASSETS

	Freehold Property £	Leasehold Property £	Furniture & Equipment £	Total £
Cost or valuation				
At 1 April 2020	268,148	1,630,514	257,968	2,156,630
Additions	-	-	-	-
At 31 March 2021	<u>268,148</u>	<u>1,630,514</u>	<u>257,968</u>	<u>2,156,630</u>
Accumulated depreciation				
At 1 April 2020	101,278	422,239	251,401	774,918
Provided during the year	4,604	31,768	-	36,372
At 31 March 2021	<u>105,882</u>	<u>454,007</u>	<u>251,401</u>	<u>811,290</u>
Net book values				
At 31 March 2021	<u>162,266</u>	<u>1,176,507</u>	<u>6,567</u>	<u>1,345,340</u>
At 1 April 2020	<u>166,870</u>	<u>1,208,275</u>	<u>6,567</u>	<u>1,381,712</u>

8. DEBTORS

	2021 £	2020 £
Other debtors and accrued income	70,457	132,856
Bad Debt Provision	(4,424)	(8,249)
Prepayments	3,918	9,097
	<u>69,951</u>	<u>133,704</u>

9. CREDITORS - Amounts falling due within one year

	2021 £	2020 £
Other creditors and accruals	72,667	109,890
Other taxes and social security costs	4,337	15,253
Monies held for third parties	14,540	14,540
Deferred income	15,140	25,363
	<u>106,684</u>	<u>165,046</u>

All deferred income is released in the following year.

10. PROVISIONS FOR LIABILITIES AND CHARGES

	2021 £	2020 £
Defined benefit pension liability (see note 16)	<u>1,504,000</u>	<u>801,000</u>

CROYDON VOLUNTARY ACTION
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2021

11. RESTRICTED FUNDS

	Balance at 1 April 2020 £	Movement in resources		Transfers	Balance at 31 March 2021 £
		Incoming £	Outgoing £		
ABCD MECC	-	53,115	53,709	594	-
Aftercare Support	-	14,970	15,950	980	-
Appropriate Adults	-	53,300	48,548	(4,752)	-
Best Start	-	120,000	120,000	-	-
Caysh	-	15,000	18,647	3,647	-
Children & Young People	-	12,000	11,778	(222)	-
Capacity Building	-	34,326	34,012	(314)	-
Diwali	-	-	(1,419)	(1,419)	-
Grassroots funding	-	17,384	-	-	17,384
Heath and Well Being	-	-	3,600	3,600	-
Mencap Buddies	-	15,059	18,619	3,560	-
Social Prescribing	-	54,646	59,673	5,027	-
This Girl Can	-	73,304	59,453	-	13,851
Trauma Communities	-	25,000	25,420	420	-
We Stand Together	42,558	57,536	82,670	-	17,424
Young Londoners Fund - Local Networks	24,625	26,425	26,616	-	24,434
Young Londoners Fund - partners	(3,088)	28,786	17,461	-	8,237
Young Londoners Fund	9,559	20,271	24,011	-	5,819
Total restricted funds	73,654	621,122	618,748	11,121	87,149

Restricted funds at the year end (see final column above - *balance at 31 March 2021*) represent funds received but yet to be spent on specific projects. They are committed to these specific projects so do not represent a surplus that is available for general use by the charity.

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

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

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

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

Caysh – a supported volunteering project, coordinating volunteer placements for young, single, homeless people.

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

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

Mencap - a supported volunteering project, coordinating volunteer placements for people with learning disabilities

This Girl Can – a project promoting greater participation among girls and women in sports and physical activity.

Trauma Communities – a partnership between Croydon Council and CVA supporting counselling and mentoring for young people in primary and secondary schools

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

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

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

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

CROYDON VOLUNTARY ACTION
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2021

12. DESIGNATED AND OTHER FUNDS

Designated Funds	Restated At 1 April 2020	Incom	Expenditure	Transfers/ pension movement	At 31 March 2021
	£	£	£	£	£
Staff contingency fund	80,000	-	0	-	80,000
Business continuity fund	30,000	-	0	-	30,000
Combined maintenance fund	80,000	-	0	-	80,000
Supporting charitable activities	23,716	-	0	7,972	15,744
	<u>213,716</u>	<u>-</u>	<u>-</u>	<u>7,972</u>	<u>205,744</u>
Fixed Asset fund	1,381,712	-	(36,372)	-	1,345,340
Unrestricted funds					
General fund	453,630	692,564	(612,974)	(3,149)	530,071
Pension reserve	(801,000)	-	(168,000)	(535,000)	(1,504,000)
	<u>(347,370)</u>	<u>692,564</u>	<u>(780,974)</u>	<u>(538,149)</u>	<u>(973,929)</u>

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

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

The Staff Contingency Fund is to cover potential restructuring costs.

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

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

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed Assets £	Net current assets £	Total £
Restricted funds	-	87,149	87,149
Designated funds	-	205,744	205,744
Unrestricted free reserves funds		530,071	530,071
Pension reserve		(1,504,000)	(1,504,000)
Fixed Asset fund	1,345,340	-	1,345,340
Total funds	<u>1,345,340</u>	<u>(681,036)</u>	<u>664,304</u>

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

14. RECONCILIATION OF MOVEMENT
IN TOTAL FUNDS

	2021 £	2020 £
Funds at 1 April 2020 Restated	1,321,712	2,106,011
Net outgoing resources for the year	(657,408)	(784,299)
Funds at 31 March 2021	<u>664,304</u>	<u>1,321,712</u>

15. SHARE CAPITAL

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

CROYDON VOLUNTARY ACTION

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2021

16. PENSION COMMITMENTS

Defined benefit pension plans

Croydon Voluntary Action participates in the London Borough of Croydon Pension Fund which is part of the Local Government Pension Scheme (LGPS). The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The employer contribution made for the year ended 31 March 2021 was £77,024 (2020 £118,383). The agreed contribution rates for future years are 17.5% for employers.

The total cost recognised in the period was as follows:

	2021 £000	2020 £000
Current service cost	(149)	(175)
Past service cost	-	(9)
Plan introductions, changes, curtailments and settlements	-	-
Net interest income / expense	(19)	(28)
Recognised in profit or loss	(168)	(212)
Recognised in other comprehensive income	(535)	538
Total cost recognised	703	326

Amounts recognised in the balance sheet were as follows:

	2021 £000	2020 £000
Present value of funded obligations	(6,268)	(4,753)
Fair value of plan assets	4,764	3,952
	(1,504)	(801)

CROYDON VOLUNTARY ACTION

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2021

Changes in the present value of the defined benefit obligations were as follows:

	2021 £000	2020 £000
Opening defined benefit obligation	4,753	5,050
Current service costs	149	175
Past service costs	-	9
Interest expense	110	122
Actuarial (gains) / losses	1,337	(500)
Contributions by scheme participants	30	29
Benefits paid	(111)	(132)
(Gains) / losses on curtailment	-	-
	<hr/>	<hr/>
Closing defined benefit obligation	6,268	4,753
	<hr/>	<hr/>

Changes in the fair value of the pension plan assets were as follows:

	2021 £000	2020 £000
Opening plan assets	3,952	3,923
Interest income	91	94
Actual return on plan assets (excluding interest income)	732	(76)
Assets distributed on settlement	-	-
Contributions by employer	70	114
Contributions by scheme participants	30	29
Benefits paid	(111)	(132)
	<hr/>	<hr/>
Closing plan assets	4,764	3,952
	<hr/>	<hr/>

The amount that each major class of pension plan assets constitutes of the fair value of the total plan assets was as follows:

	2021 %	2020 %
Equity instruments	65	56
Debt instruments (bonds)	20	23
Property	13	15
Cash	2	6
	<hr/>	<hr/>
	100	100
	<hr/>	<hr/>

CROYDON VOLUNTARY ACTION

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2021

The principal actuarial assumptions used were as follows:

	2021	2020
Discount rate	2.0%	2.3%
Expected rates of salary increases	2.85%	1.9%
Expected rates of pension increases	2.85%	1.9%

The mortality assumptions used for longevity (in years) on retirement at age 65 are:

	Males	Females
Current pensioners	22.1 years	24.3years
Future pensioners	23.0 years	26.0years

Sensitivity analysis

Change in assumptions at 31 March 2021:	Approximate % increase to Defined Benefit Obligation	Approximate monetary amount £000
0.5% decrease in Real Discount Rate	10%	641
0.5% increase in the Salary Increase rate	1%	57
0.5% increase in the Pension Increase Rate (CPI)	9%	571