

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 2023

CVA TRUSTEES' AND DIRECTORS' ANNUAL REPORT: 2022-23

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 2023. The serving trustees in 2022/23 were:

- Karim Hemani (Chair)
- Ghazala Mirza (Vice Chair)
- Mike Mulvey (Treasurer)
- Carole Parnell (Governance Lead)
- Susanette Mansour (Training and Performance Lead)
- Terry Roberts (One Croydon Lead)
- Helen Smith (Performance Management Lead)
- Ashok Kumar
- Mary McCauley
- Ann Tighe

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.

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". Our goal is to enrich family and community life in Croydon by supporting the full breadth of voluntary and community sector (VCS) activity – from volunteering and active citizenship to grassroots community action and specialist service-delivery. We champion Croydon's VCS by:

- Acting as an incubator for local community action - starting at the grassroots, supporting active citizens and nurturing local community activities by taking an asset-based approach that builds on and develops self-help and peer-support at the street and neighbourhood levels
- Being the main promoter of volunteering in Croydon - brokering supported volunteer placements in the VCS by recruiting the volunteers, capacity building the volunteer-involving delivery groups and targeting new opportunities at people (refugees and asylum-seekers, young homeless people, people with learning disabilities etc) who face barriers to volunteering
- Having a strong voice and acting as a powerful representative of Croydon's VCS - advocating on its behalf, campaigning to promote its services and the people it serves and, where necessary, acting as an independent critic of government to secure VCS interests
- Acting as the main fundraiser on behalf of Croydon's VCS, attracting financial investment both directly by fundraising on behalf of our VCS partners and indirectly by representing the social value provided by Croydon's VCS to local commissioners
- Promoting the VCS' unique strengths in prevention, early intervention, the asset-based approach and tackling inequalities
- Managing VCS delivery partnerships that achieve transformational outcomes for local people
- Acting as the custodian of due diligence and best practice in the VCS through training and organisational development in the required policies and practices
- Presenting all the latest information on Croydon's VCS and providing our VCS partners with the latest news on fundraising, legislation and local decision-making
- Managing community hubs that host local community activities and create a supportive and enterprising environment for VCS delivery-partnerships in all six Croydon localities
- Working in partnership with the statutory and private sectors to open up opportunities for collaboration

4. MANAGING UPHEAVAL

4.1 In 2022/23 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 formal or 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 VCS property management service for VCOs in Croydon

4.2 2022/23 has been a turbulent year, brought to a head by the Council's withdrawal of its flagship Community Fund, through which CVA's core funding – for its volunteering, community development and capacity building services – was sourced. This has presented financial and political challenges, with CVA having to manage its business through a period of uncertainty. But in spite of this, the year in review has been a successful one and CVA ends the year in a remarkably strong position, albeit in one of transition. In respect of our core roles:

- VCS Leadership – CVA has taken a stand against Council cuts, supported in a series of open letters to the Mayor by 35 of Croydon's leading charities. CVA has campaigned consistently for investment in the local VCS and presented at the Council's Scrutiny Committee on the impact of cuts made. In doing so, CVA has managed to keep its working relationship with the Council on a solid footing. The CEO is now leading with the Council's Assistant CEO on the Reset Action Plan – a mayoral initiative aiming to restore partnership working between the Council and our VCS partners – with three levers for investment identified: the Council's new Procurement Plan, its Social Value requirements on private sector contracts, and external fundraising.

- Community empowerment and engagement – CVA is playing a lead role in reshaping Croydon's localities operating model through our management of the Local Community Partnerships; coordination of Community Hubs; and co-management (with Age UK) of One Croydon's locality commissioning model. By championing community-led services and devolved leadership, CVA is underpinning Croydon's transformation agenda with a consistent narrative – one that is integrating our asset-based approach within the decision-making, service-delivery and commissioning models under review.
- Volunteering – on the back of the Volunteer Centre's magnificent effort during the pandemic, CVA is receiving a direct award through the Council's Procurement team to increase the number of volunteering opportunities in Croydon – which falls short of replacing the funding withdrawn from the Volunteer Centre in Centrale, but does recognise CVA's lead taken during Covid19 in mobilising and coordinating volunteers behind Croydon's emergency relief effort (food supplies; befriending; vaccine rollouts) and our support for the foodbanks and mutual-aid movement. The Volunteer Centre itself is managing a period of transition, as it takes on a more operational role at the CVA properties.
- Capacity Building – The emphasis has moved away from 121 support to workforce development; fundraising for VCS delivery partnerships; and networking. CVA delivers the One Croydon Training Programme and hosts two delivery-partnership vehicles – the Croydon Youth Consortium (with the Reedham Children's Trust) and the Croydon Mental Health Alliance – that are both assigned strategic roles through the mayoral *reset*.
- Properties – CVA's property management role has become bound up with the development of the Community Hub model in Croydon. Both the Waterside Centre and CVA's Resource Centre have showcased community-led patterns of provision that support the nationwide integration of health and social care. This has led to a review of CVA's management model and, currently subject to negotiations, an application to the Council's community asset transfer programme. With volunteering, CVA's property service is in transition - as the alignment with national programmes and modernisations of the service take it in new directions.
- As noted, CVA's partnership with the Council has survived under extreme pressure in 2022/23, and emerged stronger. The partnerships we enjoy across the sector are characterised by trust and confidence in CVA's leadership role – as evidenced by the performance of, for example, the:
 - Local Community Partnerships
 - Croydon Voluntary Sector Alliance
 - CEO Group
 - Croydon Youth Consortium
 - Croydon Mental Health Alliance
 - My Ends Partnership
 - National Lottery

- The collaboration with the Reedham Children's Trust – in setting up the Croydon Youth Consortium and in developing the Youth Hub model (for rollout at the Waterside Centre pending negotiations) – has advanced to the point of a draft memorandum of understanding (MOU) being drawn up and signed between the organisations.

5. FINANCIAL REVIEW

The financial position of the charity is set out below.

CVA's total income for the year was £1,649,508 - up on last year's £1,561,165 when CVA was completing its recovery from the disruption caused by Covid19. A deficit is shown for the year mainly as a result of the charity following Financial Reporting Standard 102 in terms of accounting for its participation in the Local Government Pension Scheme. Before accounting for the LGPS the deficit would have been significantly less at £42,405. The Council's perilous financial position will continue to impact significantly on CVA operationally, contributing to a likely period of some uncertainty. CVA's core funding from the Council, from its Community Fund, has been withdrawn and although this funding has shrunk consistently in the last ten years from £150,000 to £60,000 - when the Council issued its first Section 114 notice - its withdrawal comes less than two years after the Council heralded CVA for its lead role in running Croydon's emergency relief services during the pandemic. Discretionary rate relief has been withdrawn by the Council – and this will put approximately £20,000 onto the costs of managing CVA's properties (alongside the significant increases in utility bills). The Council also withdrew all its rent subsidies from the VCS as of 1.4.23. With CVA currently in negotiations over the community asset transfer of the Waterside Centre in South Norwood, the rents at Waterside and Cornerstone Stone have not yet been set. CVA has informed the Council, in line with the position adopted by this Board previously, that we cannot run the Council properties if charged a commercial rent. In negotiating the community asset transfer at Waterside, CVA has made clear its expectation to be paying a peppercorn rent.

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 2022-23 alongside Croydon Council were Croydon NHS, Hammersons and the Greater London Authority.

6. RESERVES POLICY

The reserves for the year now stand at £2,814,489 – up on last year's £1,541,694 as a result of the favourable movement in the LGPS pension position. The free reserves remain stable at £601,329, alongside reserves of £240,000 designated for the post-Community Fund restructuring of the workforce - in alignment with management of the proposed community asset transfer.

7. 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 VCS 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 at every Board meeting on the status of CVA's principal risks, enabling them to review those. In 2022/23 the risk items most closely monitored by the Board remained (i) CVA's core funding from the Council and (ii) the future of our Council-owned Community Hubs.

8. FUTURE PLANS

Having lost its core Council funding, CVA is having to reappraise its strategic goals and objectives going into 2023/24. A position statement will be released in Autumn 2023, by which time CVA will have assessed its capacity to deliver on the three strategic goals that will define CVA's role for the remainder of this decade. They are:

- Strengthening the voice of Croydon's civil society
- Expanding the role of Croydon's civil society
- Investing in the future of Croydon's civil society

9. 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.

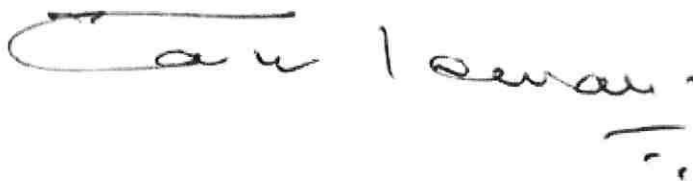
In so far as the trustees are aware:

- 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 black ink, appearing to read 'Karim Hemani', with a horizontal line underneath.

Karim Hemani, Chair

14 November 2023

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 2023 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 2023, 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.

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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory framework applicable to both the charity itself and the environment in which it operates. We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with the directors and other management. The most significant were identified as the Companies Act 2006, UK GAAP (FRS102), Charities Act 2011 and relevant tax legislation.

We considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statements. Our audit procedures included:

- making enquires of trustees 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;

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

- 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.

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

22 Nov 2023

CROYDON VOLUNTARY ACTION
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2023
(including Income and Expenditure account)

Income	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2023 £	2022 £
Donations		-	-	-	-	-
Investment	2	4,367	-	-	4,367	96
<i>Incoming Resources from Charitable Activities</i>						
Charitable activities		377,729	-	922,480	1,300,209	1,218,542
Other trading activities	3	344,932	-	-	344,932	342,527
Total Income		727,028	-	922,480	1,649,508	1,561,165
Expenditure						
Charitable activities	4, 11	940,839	-	1,001,874	1,942,713	1,698,775
Total Expenditure	6	940,839	-	1,001,874	1,942,713	1,698,775
Gains/(losses) on Investments		-	-	-	-	-
Net Income / (expenditure)	*	(213,811)	-	(79,394)	(293,205)	(137,610)
Transfers between funds	11, 12	(15,828)	-	15,828	-	-
Other recognised gains / (losses)						
Remeasurement gain/(loss) on defined benefit pension plan		1,566,000	-	-	1,566,000	1,015,000
Net movement in funds		1,336,361	-	(63,566)	1,272,795	877,390
Balances brought forward at 1 April 2022		1,117,869	240,000	183,825	1,541,694	664,304
Balances carried forward at 31 March 2023		2,454,230	240,000	120,259	2,814,489	1,541,694

* Included in the above deficit is £251,000 staff costs relating to the movement in the LGPS liability as required by FRS 102. Excluding this cost the deficit is £42,205.

All transactions are derived from continuing activities

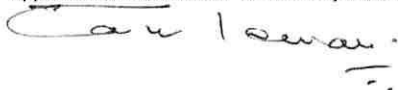
The notes on pages 15 to 20 form part of these financial statements

CROYDON VOLUNTARY ACTION
BALANCE SHEET AS AT 31 MARCH 2023

	Notes		2023		2022
		£	£	£	£
Fixed assets					
Tangible fixed assets	7		<u>1,273,901</u>		<u>1,312,493</u>
			1,273,901		1,312,493
Current assets					
Debtors	8	173,656		384,609	
Cash at bank and in hand		<u>1,029,973</u>		<u>982,498</u>	
		1,203,629		1,367,107	
Creditors - Amounts falling due within one year	9	<u>(242,041)</u>		<u>(401,906)</u>	
Net current assets			<u>961,588</u>		<u>965,201</u>
Total assets less current liabilities			2,235,489		2,277,694
Defined benefit pension liability	10		579,000		(736,000)
Net assets			<u>2,814,489</u>		<u>1,541,694</u>
Funds:					
Restricted Funds	11		120,259		183,825
Designated Funds	12		240,000		240,000
Unrestricted Reserves Funds	12		601,329		541,376
Pension reserve			579,000		(736,000)
Fixed asset fund	12		1,273,901		1,312,493
Total funds	14		<u>2,814,489</u>		<u>1,541,694</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 : 14 November 2023



Karim Hemani - Chair

The notes on pages 15 to 20 form part of these financial statements

Company number 03271298

CROYDON VOLUNTARY ACTION
CASH FLOW STATEMENT

Cash flows from operating activities	2023 £	2022 £
Net movement in funds	(293,205)	(137,610)
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	38,592	37,847
Purchase of fixed assets		(5,000)
Other interest receivable and similar income	(4,367)	(96)
Defined benefit costs	251,000	247,000
<i>Changes in:</i>		
Trade and other debtors	210,954	(314,658)
Trade and other creditors	(159,866)	295,222
Cash generated from operations	43,108	122,705
Interest received	4,367	96
Net cash from operating activities	47,475	122,801
Net increase/(decrease) in cash and cash equivalents	47,475	122,801
Cash and cash equivalents at beginning of year	982,498	859,697
Cash and cash equivalents at end of year	1,029,973	982,498

CROYDON VOLUNTARY ACTION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

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 FRS 102), 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

There are no material uncertainties regarding the ability of the charity to continue. The trustees therefore 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 2023

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 2023 £	Total 2022 £
Arising from:			
Quoted investments	-	-	-
Bank interest	4,367	4,367	96
	<u>4,367</u>	<u>4,367</u>	<u>96</u>

3. OTHER CHARITABLE ACTIVITIES

	Total 2023 £	Total 2022 £
Room hire and licence	344,932	342,527
Other fees	-	-
	<u>344,932</u>	<u>342,527</u>

4. RESOURCES EXPENDED ON CHARITABLE ACTIVITIES

	Unrestricted £	Restricted £	Total 2023 £
Staff costs	529,780	358,412	888,192
Depreciation	38,592	-	38,592
Partner delivery/project costs	53,644	332,652	386,296
Other	318,823	310,810	629,633
	<u>940,839</u>	<u>1,001,874</u>	<u>1,942,713</u>

5. NET INCOME/EXPENDITURE FOR THE YEAR

This is stated after charging:

	Total 2023 £	Total 2022 £
Auditors remuneration	5,100	4,800
Depreciation	38,592	37,847

CROYDON VOLUNTARY ACTION
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2023

6. TOTAL RESOURCES EXPENDED

	Staff Costs £	Depreci- -ation £	Funding Distributed £	Other Costs £	Total 2023 £	Total 2022 £
Charitable Activities	888,192	38,592	332,999	682,930	1,942,713	1,707,775
	<u>888,192</u>	<u>38,592</u>	<u>332,999</u>	<u>682,930</u>	<u>1,942,713</u>	<u>1,707,775</u>

	2023 £	2022 £
Staff Costs		
Wages and salaries	499,469	454,369
Social Security costs	50,493	40,102
Pension costs	87,230	71,279
Operating costs of defined benefit pension scheme	251,000	247,000
	<u>888,192</u>	<u>812,750</u>

Staff costs above include an additional £251,000 (2022 £247,000) 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.

Included in wages and salaries are redundancy costs of £nil (2022 £1,601)

One employee earned between £70,000-79,999 p.a. (2022: 1 £70,000 - £79,999).

One trustee received expenses during the year of £109 for printing and membership fees for the Honorary Treasurer's Forum (2021 one trustee received £119 for printing and membership fees for the Honorary Treasurer's Forum)

No remuneration was paid to any of the trustees (2022 nil)

No related party transactions took place during the year (2022 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 £379,706 (2021 £357,914).

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

	2023	2022
Project staff	15	15
Administrative staff	2	2
	<u>17</u>	<u>17</u>

CROYDON VOLUNTARY ACTION
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2023

7. TANGIBLE FIXED ASSETS

	Freehold Property £	Leasehold Property £	Furniture & Equipment £	Total £
Cost or valuation				
At 1 April 2022	268,148	1,630,514	262,968	2,161,630
Additions	-	-	-	-
At 31 March 2023	<u>268,148</u>	<u>1,630,514</u>	<u>262,968</u>	<u>2,161,630</u>
Accumulated depreciation				
At 1 April 2022	110,486	485,763	252,888	849,137
Provided during the year	4,604	33,285	703	38,592
At 31 March 2023	<u>115,090</u>	<u>519,048</u>	<u>253,591</u>	<u>887,729</u>
Net book values				
At 31 March 2023	<u>153,058</u>	<u>1,111,466</u>	<u>9,377</u>	<u>1,273,901</u>
At 1 April 2022	<u>157,662</u>	<u>1,144,751</u>	<u>10,080</u>	<u>1,312,493</u>

8. DEBTORS

	2023 £	2022 £
Other debtors and accrued income	169,785	377,275
Bad Debt Provision	(1,840)	(4,424)
Prepayments	5,711	11,759
	<u>173,656</u>	<u>384,610</u>

9. CREDITORS - Amounts falling due within one year

	2023 £	2022 £
Other creditors and accruals	130,727	134,813
Other taxes and social security costs	5,997	7,542
Monies held for third parties	-	14,540
Deferred income	105,317	245,011
	<u>242,041</u>	<u>401,906</u>

All deferred income is released in the following year.

10. PROVISIONS FOR LIABILITIES AND CHARGES

	2023 £	2022 £
Defined benefit pension (asset)/liability (see note 16)	<u>(579,000)</u>	<u>736,000</u>

CROYDON VOLUNTARY ACTION
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2023

11. RESTRICTED FUNDS	Balance at 1 April 2022 £	Movement in resources		Transfers	Balance at 31 March 2023 £
		Incoming £	Outgoing £		
ABCD MECC	-	45,000	45,879	879	-
ABCD NHS	665	-	-	(665)	-
Best Start	7,450	30,000	34,295	-	3,155
Caysh	10,692	10,000	31,453	10,761	-
Community Facilitation	6,896	66,630	51,111	-	22,415
Capacity Building	1,041	18,000	18,450	11,003	11,594
COVID Awareness	1,792	16,346	16,911	(1,227)	-
Grassroots funding	33,187	1,000	22,675	-	11,512
EDMUK	-	2,500	1,785	(715)	-
His Grace Food Bank	759	-	-	(759)	-
Mencap Buddies	3,146	1,500	1,019	(3,627)	-
MEP grants	-	29,500	29,500	-	-
MEP delivery	-	7,500	3,476	-	4,024
Myends	48,930	311,672	377,054	16,452	-
NHS VCSE	-	39,596	7,127	-	32,469
NHS VCSE Partners	-	30,448	-	-	30,448
Public Health	5,650	6,250	7,310	(4,590)	-
Queens Platinum	-	6,876	7,646	770	-
Social Prescribing	812	30,000	31,083	271	-
This Girl Can	13,841	-	6,143	(7,698)	-
Trauma Communities	72	166,000	162,435	450	4,067
Trauma Informed	-	60,000	58,950	(1,050)	-
Thriving Communities	7,040	3,648	10,133	-	555
His Grace Food Bank	4,931	15,656	21,242	655	-
We Grow Together	-	9,500	9,004	(496)	-
Young Londoners Fund - Local Networks	22,865	14,358	45,893	8,670	-
Young Londoners Fund - partners	8,237	-	-	(8,237)	-
Young Londoners Fund	5,819	500	1,300	(5,019)	-
Total restricted funds	183,825	922,480	1,001,874	15,828	120,259

Restricted funds at the year end (see final column above - *balance at 31 March 2023*) 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.

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.

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.

ACH - Active Community Hub - supported by Hammerson & London Sport. CVA opened the ACH to support people with sport and physical activities.

MyEnds - a GLA funded anti-knife crime project supporting youth providers and parent organisations to tackle youth violence.

Grassroots - fund administered in partnership with London Community Foundation awarding small grants to community organisations that can attract match funding from local investors.

His Grace Foodbank - a one off COVID grant to deliver community hub services in Thornton Heath.

Covid Awareness - a project funded by the South West London Integrated Care System (NHS) to increase awareness of available vaccinations and how to keep healthy amongst Croydon communities that engage less with mainstream services. Delivered through street champions.

MEP - partnership project funded by the Metropolitan Police to raise awareness of Met jobs in the BAME community. In collaboration with Finesse Foreva, PJ Community Services and ASBO Magazine Diversity Matters- It's Our Met - Croydon Voluntary Action (cvalive.org.uk) Divided between MEP grant (to be distributed to the partners) and MEP delivery (CVA co-ordination).

VCSE - a project funded by the South West London Integrated Care System (NHS) to lead on a voluntary, community and social enterprise Alliance across the six boroughs of Merton, Croydon, Wandsworth, Kingston, Richmond and Sutton to raise awareness of the VCSE sector in the NHS and better integrated it in both governance and delivery. In collaboration with the other five voluntary sector infrastructure organisations.

Thriving Communities - the delivery was part of a national support programme provided by the National Academy for Social Prescribing (NASP), which aims to bring all types of voluntary, community, faith and social enterprise groups in England to work alongside social prescribing link workers. This funding came through London Plus.

CROYDON VOLUNTARY ACTION
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2023

12. DESIGNATED AND OTHER FUNDS

Designated Funds	At 1 April 2022	Income	Expenditure	Transfers/ pension movement	At 31 March 2023
	£	£	£	£	£
Staff contingency fund	80,000	-	0	-	80,000
Business continuity fund	30,000	-	0	-	30,000
Combined maintenance fund	80,000	-	0	-	80,000
Community Assets fund	50,000	-	0	-	50,000
Supporting charitable activities	-	-	0	-	-
	<u>240,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>240,000</u>
Fixed Asset fund	1,312,493	-	(38,592)	-	1,273,901
Unrestricted funds					
General fund	541,376	727,028	(651,247)	(15,828)	601,329
Pension reserve	(736,000)	-	(251,000)	1,566,000	579,000
	<u>(194,624)</u>	<u>727,028</u>	<u>(902,247)</u>	<u>1,550,172</u>	<u>1,180,329</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 and are as follows:-

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.

Community Assets fund. A fund has been created to support the community in the transfer of the Resource Centre from Croydon Council to CVA.

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed Assets £	Net current assets £	Total £
Restricted funds	-	120,259	120,259
Designated funds	-	240,000	240,000
Unrestricted free reserves funds	-	601,329	601,329
Pension reserve	-	579,000	579,000
Fixed Asset fund	1,273,901	-	1,273,901
Total funds	1,273,901	1,540,588	2,814,489

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**

	2023 £	2022 £
Funds at 1 April 2022	1,541,694	664,304
Net outgoing resources for the year	1,272,795	877,390
Funds at 31 March 2023	<u>2,814,489</u>	<u>1,541,694</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 2023

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 2023 was £87,230 (2022 £71,279). The agreed contribution rates for future years are 17.5% for employers.

The total cost recognised in the period was as follows:

	2023 £000	2022 £000
Current service cost	(229)	(215)
Past service cost	-	-
Plan introductions, changes, curtailments and settlements	-	-
Net interest income / expense	(22)	(32)
Recognised in profit or loss	(251)	(247)
Recognised in other comprehensive income	1,566	1,015
Total cost recognised	1,315	768

Amounts recognised in the balance sheet were as follows:

	2023 £000	2022 £000
Present value of funded obligations	(4,575)	(6,069)
Fair value of plan assets	5,154	5,333
	579	(736)

CROYDON VOLUNTARY ACTION

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2023

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

	2023 £000	2022 £000
Opening defined benefit obligation	6,069	6,268
Current service costs	229	215
Past service costs	-	-
Interest expense	166	127
Actuarial (gains) / losses	(1,809)	(457)
Contributions by scheme participants	36	29
Benefits paid	(116)	(113)
(Gains) / losses on curtailment	-	-
	<hr/>	<hr/>
Closing defined benefit obligation	4,575	6,069
	<hr/>	<hr/>

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

	2023 £000	2022 £000
Opening plan assets	5,333	4,764
Interest income	144	95
Actual return on plan assets (excluding interest income)	(324)	490
Assets distributed on settlement	-	-
Contributions by employer	81	68
Contributions by scheme participants	36	29
Benefits paid	(116)	(113)
	<hr/>	<hr/>
Closing plan assets	5,154	5,333
	<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:

	2023 %	2022 %
Equity instruments	71	68
Debt instruments (bonds)	14	16
Property	13	13
Cash	2	3
	<hr/>	<hr/>
	100	100
	<hr/>	<hr/>

CROYDON VOLUNTARY ACTION

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2023

The principal actuarial assumptions used were as follows:

	2023	2022
Discount rate	4.75%	2.7%
Expected rates of salary increases	2.95%	3.2%
Expected rates of pension increases	2.95%	3.2%

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

	Males	Females
Current pensioners	21.6 years	24.3years
Future pensioners	22.4 years	25.7years

Sensitivity analysis

Change in assumptions at 31 March 2023:	Approximate % increase to Defined Benefit Obligation	Approximate monetary amount £000
0.1% decrease in Real Discount Rate	2%	80
1 year increase in member life expectancy	4%	183
0.1% increase in the Salary Increase rate	0%	8
0.1% increase in the Pension Increase Rate (CPI)	2%	74